

11-2 tons per hour. The annual product of one steam compressor, or two gear machines would be about 15,000 tons if run twenty hours per day for 250 days.

The Canadian Peat Fuel Company require, in general terms (with certain provisions for protecting the manufacturer), that the demand for the fuel shall be supplied.

It is here proposed that a plant consisting of at least two steam machines shall be established on the Ellice bog, which is favorably situated for supplying the Counties of Perth and Oxford, and has an abundant supply of material for a large market wherever obtainable. The Grand Trunk, using 60,000 tons annually, would require the output of four steam machines.

Estimated capital for plant comprising two machines of the steam type with a combined capacity of at least six tons per hour, or thirty thousand tons per year of 250 working days of 20 hours each, as follows:

PLANT.

NOTE.—Refer to Pamphlet printed by undersigned for further details.

Machine shed, machinery and installation	\$12 000
Storehouses for 20,000 tons of crude peat	18 000
Storehouses for 7,500 tons of product	2 700
Track (4 miles), 16 trams, locomotive (3-4: P.)	5 500
Dredge, distributor, etc., 2 sets at \$4,000	8 000
Switch (nominal distance)	300
	<u>\$46 500</u>

RUNNING EXPENSES, (WITHOUT REVENUE).

Excavation (by steam), drying and trimming from May 1st to Sept. 30th : 30,000 tons at 65c	\$19 500
Manufacture, (including oil and repairs), June 16th to Sept. 30th, 8,800 tons at 25c	2 200
Freight and delivery on 4,400 tons at 61c	2 681
Office expenses, etc., on 4,400 tons at 20c	880
	<u>25 261</u>
	<u>\$71 761</u>

PEAT LANDS.

The peat deposits will be partly purchased and partly leased.

N. B.—As it is proposed to limit the initial cost till the market is tested, the operations the second year will doubtless command sufficient credit to reduce this estimate of the required working capital very materially, probably below \$60,000.

No appropriation need be made for clearing in the Ellice swamp, and the drainage is fairly well effected, but the payments thereon are still current and will be payable by the lessees.

The bonuses payable to the C. P. F. Co. are chargeable against the undersigned, and are not to be included in the capital.

Dwelling houses and boarding house will probably be necessary, but it is consid-