

Subscription lists will close on or before April 30th, 1919

New Issue

MONTREAL, April 23rd, 1919

\$2,000,000

Fraser Companies Limited

6% Ten-Year First Mortgage Serial Gold Bonds

Dated April 1st, 1919.

Maturing, \$200,000 annually, April 1st, 1920-1929.

Interest payable 1st April and October. Principal and semi-annual interest payable in gold coin at Montreal, Toronto, New York or London, Eng. Coupon Bonds with privilege of registration as to principal. Montreal Trust Company, Montreal, Trustee.

DENOMINATIONS: \$1,000 and \$500 CAPITALIZATION

Common Shares	Authorized \$10,000,000	Outstanding \$10,000,000
6 Per Cent. First Mortgage Serial Bonds	2,500,000	2,000,000

SECURITY FOR BONDS

Bonds will be secured by a specific First Mortgage and charge upon freehold and leasehold lands, water powers, timber leases, all plant and machinery now owned or hereafter acquired by the Company, and by a floating charge on all other assets.

Complete prospectus, copies of which will be forwarded on request, contains a letter from Mr. Archibald Fraser, President of the Company, from which we summarize as follows:

1. Fraser Companies, Limited, is one of the largest manufacturers in Canada of spruce lumber and cedar shingles. It also operates at Edmundston, N.B., a Bleached Sulphite Pulp Mill with an annual capacity of 35,000 tons. The business has been in operation since 1877.

2. Timber Areas, freehold and leasehold, in Eastern Quebec and New Brunswick aggregate 1,661 square miles and contain 1,760,000,000 ft. b.m. spruce and cedar, and 4,650,000 cords pulpwood. In addition, 900 square miles of privately owned lands are operated under favourable lease.

3. Annual Output is as follows:—

Bleached Sulphite Pulp	35,000 tons per annum
Lumber Production	100,000,000 ft. b.m. per annum
Shingle Production	135,000,000 pieces per annum

4. Property Values securing Bonds \$10,000,000—five times \$2,000,000 Bonds outstanding.

5. Net Current Assets, after deducting all Current Liabilities, as at December 31st, 1918 (including this issue) totalled \$1,594,836.77—over 79 per cent. of Bonds issued.

6. Net Earnings, as certified by Geo. A. Touche & Company, for five years, 1914-1918, inclusive, after Depreciation and Bank Interest, were:—

1918	1917	1916	1915	1914
\$740,374.37	\$706,355.11	\$432,003.14	\$393,321.04	\$410,267.71

Bond Interest \$120,000 (reduced annually by serial maturities)

Net Earnings given above make no allowance for profit on the Company's investment of approximately \$2,500,000 in its Edmundston pulp mill recently put in operation. Earnings from this source alone during the current year are expected to be several times Bond Interest requirements.

Amount	Maturity	Price and Interest	Amount	Maturity	Price and Interest
\$200,000.....	1920.....	100.00	\$200,000.....	1925.....	98.03
200,000.....	1921.....	100.00	200,000.....	1926.....	97.77
200,000.....	1922.....	98.92	200,000.....	1927.....	97.53
200,000.....	1923.....	98.61	200,000.....	1928.....	97.30
200,000.....	1924.....	98.31	200,000.....	1929.....	97.08

Over \$1,750,000 of this issue having been sold, we offer for sale the balance at the above prices—

To Yield 6.40%.

(Except 1920-1921 Maturities to yield 6 per cent.)

Payable as follows: 20% of the par value on application.

40% of the par value on May 1, 1919.

Balance, June 1, 1919.

The right is reserved to allot a portion only of the amount applied for. If only a portion of the amount applied for be allotted, the balance of the deposit will be applied towards payment of subsequent instalments. Payments may be anticipated in whole or in part at any time. Interest will be allowed on payments at the rate of 6 per cent. per annum. Accrued interest will be adjusted upon final payment.

Application may be made on the accompanying form.

ROYAL SECURITIES CORPORATION
MONTREAL
164 St. James Street

LIMITED

ROYAL SECURITIES CORPORATION
TORONTO
58 King Street West

APPLICATION FORM

ROYAL SECURITIES CORPORATION, LIMITED

.....
Address either Montreal or Toronto Office.

Sirs: I/we hereby apply for \$..... par value Fraser Companies, Limited, 6 Per Cent. First Mortgage Serial Gold Bonds, due and agree to pay for same, or any less amount that may be allotted to me/us, in accordance with (State Maturity desired) the terms of your prospectus dated April 23rd, 1919.

Cheque to the order of Royal Securities Corporation, Limited, for the amount payable on application (\$100 for each \$500 par value applied for) should accompany this form.

Name (in full)

(Mr., Mrs. or Miss)

Address (in full)

Date