

PROPOSAL.

The Kakabeka Company agrees to sell to the Towns of Fort William and Port Arthur, or to E. S. Jenison, all its real estate and water power privileges on the Kaministiquia River for the sum of THREE HUNDRED AND FIFTY THOUSAND DOLLARS in cash, or a royalty of TWO DOLLARS per annum per horse power.

OR

The Kakabeka Company will sell its said real estate and water power privileges for such sum in cash or in perpetual royalty at TWO DOLLARS per annum per horse power as may be found to be the commercial value of the same by a commission of three engineers of experience in hydraulic engineering, to be appointed by the Lieutenant-Governor in Council.

OR

The Kakabeka Company will retain its title and ownership to said real estate and water power, and allow said Jenison the privilege of diverting water from the Kaministiquia River from above Kakabeka Falls and discharge the same below Kakabeka Falls, provided there shall constantly be reserved for the use of Kakabeka Falls the average flow of water, which shall be found to annually flow over Kakabeka Falls in the natural state of the river, to be determined by a commission of engineers as above described.

In lieu of such commission the Kakabeka Company will accept as the determined volume of water which is to be allowed to flow over Kakabeka Falls, a volume equal to thirty-two thousand cubic feet per minute, which is the least flow ever found on Kakabeka Falls by Mr. Jenison in his surveys according to his public statement in the Engineering Reports circulated by him.

Respectfully submitted,

Counsel.