

gauge of 4 feet 8½ inches, and that arrangements should be made to work the line after the change by the Grand Trunk Railway Company, and therefore that the Directors; in conjunction with the municipalities, should make every effort to carry out the change of gauge, and make the required arrangement with the Grand Trunk Railway Company." Carried.

Having obtained the views of the municipal representatives, as set forth in the above resolution, formal negotiations were then entered into with the General Manager of the Grand Trunk Company, for the purpose of making an arrangement with that Company to work the line. An agreement is now being prepared, and will be sent by the General Manager of the Grand Trunk Railway to London, to be submitted to the Directors of his Company there. When approved of by the Board of the Grand Trunk, the agreement will be then laid before you, for the purpose of obtaining your consent thereto. This agreement is based upon this Company receiving liberal support from the municipalities, and contributing as well a large sum of money, raised by means of an issue of Preference Debenture Stock, the total sum required amounting to \$1,000,000. The Board recommend their successors to endeavor to obtain the municipal assistance necessary, and to raise the remainder of the money through the Bondholders.

The Directors regret that during the past year, owing to continued ill-health and absence from Toronto, they have been deprived of the valuable counsels and assistance of the President of the Company, John Gordon, Esq.

All of which is respectfully submitted.

WM. RAMSAY,

*Vice-President.*

The Chairman moved and Mr. Worts seconded the adoption of the Report, which was carried unanimously.

It was then moved by Mr. J. J. Vickers, seconded by Mr. George W. Lewis:

"That the thanks of the Shareholders be given to the President, Vice-President and officers of the Company, for their services during the past year, and that each Director be paid \$5 for every Board Meeting attended by him during the past year." Carried.

It was then moved by Mr. A. B. Lee, seconded by Mr. Donald Mackay:

"That Mr. James Graham and Mr. J. Sydney Crocker be appointed Auditors of the accounts of the Company for the current year; and that in