

by them from its natural channel an equally convenient navigable or floatable channel shall be provided in lieu, and the Gold Commissioner of the district shall decide any dispute which may arise as to whether such equally convenient channel has been provided and from his decision there shall be an appeal to the Governor General in Council.

16. Any and all mining claims actually held and recorded pursuant to Government regulations by a free miner or free miners and being within a block of land taken or selected by the contractors hereunder shall be excepted from the grant and shall not pass to the contractors provided that such claims have been so actually held and recorded prior to the base line, along or with reference to which such block is taken being actually run and marked on the ground by the contractors.

17. There shall be payable to and reserved by the Government a royalty of one per cent upon all gold mined by placer or alluvial or hydraulic mining upon the lands selected hereunder and if and so long as any royalty up to one per cent is levied by the Government upon all gold got by quartz mining in Government land in the Yukon District, a royalty of an equal amount up to one per cent but no more shall be payable to and reserved by the Government upon all gold got by quartz mining in the lands selected hereunder.

18. So soon as any ten continuous miles of said railway between Stikine River and Teslin Lake have been completed and in running order, and certified so to be by an officer named by the Minister of Railways in that behalf, the contractors may select ninety-two thousand one hundred and sixty acres, or two blocks of land, hereunder and thereupon such blocks shall be reserved by the Government from sale, or location, or free miners' claims, and upon the completion from time to time, in a similar way, of any other ten miles, the contractors shall have a similar right to select ninety-two thousand one hundred and sixty acres, or two blocks, which shall thereupon be similarly reserved, and upon the completion of the said railway, and acceptance thereof by the Government as completed, the blocks so reserved shall be granted to the contractors. All free miners' claims being excepted, as provided by clause 16 hereof.

19. In case any land is excepted out of blocks taken by contractors on account of free miners' claims or otherwise the quantity so excepted shall not be counted in the acreage of lands to which the contractors are entitled hereunder.

20. The contractors shall upon application sell to actual settlers for farming purposes at prices to be fixed by the Governor in Council any arable lands forming part of those selected hereunder. Provided, however, that upon such sale all minerals and the right to mine same shall be reserved, and this clause shall not extend to lands suitable for village or town sites.

21. So soon as the contractors notify the Minister of Railways and Canals to send an engineer to inspect and approve of any ten miles of the line of railway hereby contracted for, such engineer shall be sent without delay to make such inspection and shall thereafter remain ready to inspect each ten miles until the whole line is completed.