

railway of a gauge of not less than three feet. from the eastern boundary of British Columbia to New Westminster, in three sections, and a branch as follows :

(a.) The Eastern section to consist of that portion of the said railway commencing at the junction of Summit Creek with Michel Creek ; thence by way of Michel Creek to Elk River and the Upper Kootenay River, with power to go to the forty-ninth parallel and the Tobacco Plains ;

(b.) The Central section to consist of that portion of the railway commencing at a point on the Elk River near the junction of the Elk River with the Kootenay River ; thence in a northerly direction to a point at or near Cranbrook ; thence by the Moyee Pass to the Lower Kootenay River or by the alternative route from Cranbrook by way of St. Mary's River to Pilot Bay, on Kootenay Lake, or to the Lardo River ;

(c.) The Western section to consist of that portion of the railway commencing from the western terminus of the Central section to the coast, by the most convenient route, to a favourable place for crossing the Fraser River to the city of New Westminster ; thence to a suitable terminus on Burrard Inlet, and shall include a branch line to Nelson via Salmon River.

(d.) A branch line from a point on the main line at or near the Forks of Michel Creek ; thence by way of Michel Creek to Martin Creek ;

And whereas an Act of the Parliament of Canada declared the undertaking of the Lessor to be a work for the general advantage of Canada and enacted, amongst other things, that the Lessor might lease its works or any part thereof to the Lessee on such terms and conditions and for such period as should be agreed upon between the directors of the said Lessor and said Lessee ; provided that the lease be sanctioned by the consent in writing of every shareholder of the Lessor and by the Governor in Council ; or failing such consent of every shareholder, then by two-thirds of the votes of the shareholders present or represented at a special or general meeting duly called for the purpose, and by the approval of the Governor in Council after notice of the proposed application therefor has been published in the *Canada Gazette* and in a newspaper published at Vancouver in British Columbia for at least four weeks previous to the hearing of such application ;

And whereas it has been agreed between the respective boards of the Lessor and the Lessee that the Lessor shall on the terms and conditions hereinafter specified, lease the portion of its railway hereinafter more particularly described unto the Lessee in perpetuity with the option of purchasing the same in the manner and for the consideration stated in these presents ;

And whereas by an Act of the Parliament of Canada (53 Victoria, chapter 47) the Lessee is authorized, amongst other things to enter into a lease of the line of any other company in Canada which has been empowered by the Parliament of Canada to make or grant the same to the Lessee and upon such terms and conditions and for such period as are from time to time agreed upon by the boards of directors of the respective companies, provided that every such transaction shall be subject to the approval of two-thirds of the votes of the shareholders of the Lessee present or represented at an annual general meeting or a special general meeting called for the purpose ;