

The Subscription List will be closed on Monday, April 22nd, 1901, at 3.00 p.m.

We offer an issue of \$136,000 7 per cent. Cumulative Preference Shares of \$100 each **at par**. And also fully paid Common Shares at \$25.00 per share to subscribers for Preferred Shares equal in amount, but in no case exceeding their subscriptions therefor

IN THE CAPITAL STOCK OF

The Muskoka Navigation Company, Limited,

Incorporated under the provisions of the Ontario Companies' Act.

Payable 10 per cent. on application, 40 per cent. on allotment, 50 per cent. three months thereafter.

Board of Directors—F. J. PHILLIPS, President Cobban Manufacturing Company, Limited, Toronto; WM. CHAPLIN, President Welland Vale Manufacturing Co., Limited, St. Catharines, Ont.; M. C. DICKSON, District Passenger Agent G. T. Ry., Toronto; LIEUT.-COL. H. MCLAREN, Hamilton; A. P. COCKBURN, General Manager, M. & G. B. N. Co., Limited, Toronto; E. L. SAWYER, Broker, Toronto; CAPT. SAMUEL CRANGLE, Supt. St. Lawrence & Chicago Steam Nav. Co., Limited, Toronto.

Bankers—IMPERIAL BANK OF CANADA.

Solicitors—BLAKE, LASH & CASSELS.

Brokers—SAWYER, ROSS & CO., TORONTO.

Transfer Agents and Registrars of Stock—NATIONAL TRUST COMPANY, LIMITED.

Capital—2,000 Shares of 7 per cent. Cumulative Preference Stock, par value \$100 each, \$200,000. 3,000 Shares Common Stock, par value \$100 each, \$300,000.

Head Office—42 KING STREET WEST, TORONTO, ONT.

PREFERRED STOCK.

This stock is preferred both as to **Capital and Dividends**, and holders have the right in the event of liquidation, dissolution or winding-up proceedings to repayment in preference to ordinary stockholders. Holders are entitled from the net earnings of the Company to a fixed cumulative dividend of 7 per cent. per annum only, payable on the first days of May and November in each year.

RESERVE ACCOUNT.

The charter of the Company provides that 10 per cent. of the net earnings after paying 7 per cent. on the preferred stock, shall annually be carried to a reserve fund in the books of the Company, the better to secure to the preferred shareholders the payment of the 7 per cent. dividend. Such annual transfers to continue until the amount of said account reaches the sum of \$25,000. This fund to be maintained at the said sum, and if at any time drawn upon to be in a like manner restored.

COMMON STOCK.

Save as above, the holders of preferred stock will not share in the profits of the Company; the holders of common stock alone being entitled to share in such profits.

PROSPECTUS.

Recognizing that increased and improved steamboat service is necessary on the Muskoka Lakes, and that more adequate hotel accommodation is badly needed, this Company has been organized:

First.—To build hotels in the Muskoka District that will be modern and first-class in every respect.

Second.—To take over the stock and assets of the Muskoka & Georgian Bay Navigation Company as a going concern. The latter Company is now practically the only Company engaged in transportation on the Muskoka Lakes and River, owning and operating the following boats:—

NIPissing—Length, 125 feet; Beam, 21 feet; Gross tonnage, 225 tons. Licensed to carry 500 passengers.

MEDORA—Length, 122 feet; Beam, 25 feet; Gross tonnage, 298 tons. Licensed to carry 416 passengers.

MUSKOKA—Length, 116 feet; Beam, 18 feet; Gross tonnage, 196.73 tons. Licensed to carry 300 passengers.

KENOZHA—Length, 120 feet, 6 inches; Beam, 18 feet, 6 inches; Gross tonnage, 225 tons. Licensed to carry 267 passengers.

WANITA—Length, 60 feet; Beam, 14 feet. Licensed to carry 125 passengers.

WENONAH—Length, 94 feet; Beam, 18 feet; gross tonnage, 160 tons. Licensed to carry 200 passengers.

ISLANDER (New Boat)—Length, 110 feet; Beam, 17 feet; Gross tonnage, 165 tons. Licensed to carry 107 passengers. When equipment completed, capacity 300.

ORIOLE—Length, 80 feet; Beam, 14 feet; Gross tonnage, 74 tons. Licensed to carry 97 passengers.

AHMIC—Length, 60 feet; Beam, 12 feet. Licensed to carry 34 passengers.

HOUSEBOAT—Victoria.

SCOWS—Extenuate, Otter, Homer, Mink, Beaver.

These boats are in a good state of preservation, well kept up and complete in every essential for the safety and comfort of passengers, built with especial regard to the business on the lakes.

The property of the Muskoka & Georgian Bay Navigation Company, Limited, besides the above-mentioned boats, consists of a Marine Railway and ship repair plant capable of holding the largest boats on the lakes, workshops at Gravenhurst; wharves and storehouses at Bracebridge, Gravenhurst, Burk's Falls and Ahmic Harbor, and office and buildings at Gravenhurst. All these buildings are in good condition, most of them being new.

The new Company has acquired a large controlling interest in the Capital Stock of The Muskoka & Georgian Bay Navigation Company, Limited, and ultimately intends acquiring the whole of the capital stock and assets.

Traffic arrangements for the Interchange of business with the Grand Trunk Railway Company, and postal contracts with the Dominion Government have been made.

An arrangement by the new Company with the Grand Trunk Ry. System has also been effected, which will result in greatly improved train service. In addition to the fast express from Toronto to Muskoka Wharf, a new limited express train will be run from Buffalo, via Hamilton and Toronto, to Muskoka Wharf, leaving Buffalo about 8 a.m. and arriving at Muskoka Wharf about 2.40 p.m., connecting there with through express service on the Lakes.

The following statement furnished by Clarkson & Cross, Chartered Accountants, outlines the increase in business for the last five years:—

ONTARIO BANK CHAMBERS,
Scott Street, Toronto,
4th April, 1901.

The Muskoka Navigation Co., Limited,
Toronto, Ont.

Gentlemen,—We have examined the records of The Muskoka & Georgian Bay Navigation Company, and certify to the correctness of the following receipts and expenditure during the past five years:—

YEAR.	EARNINGS.	EXPENSES.	VESSEL MAINTENANCE.
1896	\$37,784.97	\$29,297.37	\$2,827.77
1897	38,131.61	27,662.82	1,946.30
1898	41,187.09	29,374.66	2,730.07
1899	53,779.91	30,929.44	4,631.18
1900	61,482.20	39,661.75	5,167.88
Total.	\$232,365.78	\$156,926.04	\$17,303.20

In addition to the above charge as Vessel Maintenance a further sum of \$34,974.90 was expended in the construction of three entirely new vessels, "Wanita," "Ahmic" and "Islander," and in the enlargement of other vessels. Yours truly,

(Sgd.) CLARKSON & CROSS.

HOTELS.

The Company has already made arrangements to build a modern and first-class hotel, the "Royal Muskoka," to be erected on a point on Lake Rosseau. Plans and specifications can now be seen at the Company's office. This hotel is to be modern in every respect, contain 64 bathrooms with running water in every room, and have accommodation for about 300 guests. It is the intention of the Company to erect another large modern hotel this year on Lake Joseph, site to be selected, which cannot, however, be open for business until 1902.

NET PROFIT ESTIMATE FOR YEAR 1901.

The net profits of the Company in connection with its steamboat and hotel interests for 1901 are estimated at **\$45,000**.

(It is hardly necessary to point out that the holding of the Pan-American Exposition will undoubtedly cause a great increase of business in Muskoka.)

The following letter from the Passenger Traffic Department of the Grand Trunk Railway System explains their position:—

GRAND TRUNK RAILWAY SYSTEM.

MONTREAL, QUE., April 6th, 1901.

DEAR SIR:—Having reference to the change of ownership and proposed enlargement of scope of The Muskoka Navigation Company.

There is apparently nothing in the scheme, as we understand it, that would in any way conflict with the interests of this company, on the contrary rather the reverse. The only requirement that we would properly insist upon is improved transportation service. We think that Express boats should be run to the upper lakes and arrangements so made that the advertised time of the boats can be depended upon.

As to the proposition of the new management owning, running or managing the hotels in the Muskoka Lakes, it would in no way conflict with our interests. We, like the Navigation Company, are anxious to get as many people as possible into the Muskoka Lakes. **From a transportation standpoint our interests are mutual, and we can assure the new organization of the warmest and heartiest support.**

As to the hotel accommodation in the Muskoka Lakes district—we have found for several years past that our ability to increase the traffic to the lakes has been limited, owing to the hotel accommodation not being adequate to take care satisfactorily of all of the business offered, and we feel sure that this business is likely to continue for many years to come and that the traffic to the