

## **Crown Pastoral Land Tenure Review**

Lease name : *ALLANDALE /  
GREENVALE*

Lease number : *PS 068 / PS 067*

### **Substantive Proposal - Part 1**

The report attached is released under the Official Information Act 1982.

*May 12*

**PROPOSAL FOR REVIEW OF CROWN LAND  
Relating to the Multiple Tenure Review for  
Allandale and Greenvale Pastoral Leases**

**Under Part 2 of the Crown Pastoral Land Act 1998**

**Commissioner of Crown Lands acting under  
the Crown Pastoral Land Act 1998**

**and**

**(a) Lake Wakatipu Station Limited as lessee under the  
Allandale Lease**

**(b) Lake Wakatipu Station Limited as lessee under the  
Greenvale Lease**

being the Holder of the relevant lease, (each being a Holder and together the Holders).

**PROPOSAL FOR MULTIPLE REVIEW OF CROWN LAND  
ALLANDALE GREENVALE LEASES**

**Date: 30 NOVEMBER 2010**

**Parties :**

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**Commissioner of Crown Lands:**

C/- Opus International Consultants Limited  
PO Box 1482  
Christchurch  
Attention Bob Webster/Dave Payton

**And**

**Holder:**

**Lake Wakatipu Station Limited**  
**Registered Office at**  
8<sup>th</sup> Floor  
57-59 Symonds Street  
Auckland 1  
as lessee under the Allandale Lease

**The Land**

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<b>Lease:</b>	Allandale Station (Ps 068)
<b>Legal Description</b>	Run 593 and Sections 3 and 4 Block V Kingston Survey District
<b>Area:</b>	4544.6824 hectares, more or less
<b>Certificate of Title/Unique Identifier:</b>	SL B2/859

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**AND**

**Holder:**

**Lake Wakatipu Station Limited**  
**Registered Office at**  
8<sup>th</sup> Floor  
57-59 Symonds Street  
Auckland 1  
as lessee under the Greenvale Lease

## **The Land**

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**Lease:** Greenvale Station (Ps 067)

**Legal Description:** Part Run 594 Kingston and Eyreside  
Survey District

**Area:** 4164.5571 hectares, more or less

**Certificate of Title/Unique Identifier:** SL B2/858

## **Summary of Designations**

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Under this Proposal, the Land in relation to each lease is designated as follows:

- (a) The Crown Land (shown marked in pink on the Plan) is to be restored to, or retained by, the Crown as set out in Schedules One and Two; and
- (b) The Freehold Land (shown marked in green on the Plan) is to be disposed by freehold disposal to each Holder as set out in Schedule Three.

# **1 The Designations' Plan for the Allandale Greenvale Leases**



# ALLANDALE & GREENVALE TENURE REVIEW PROPOSED DESIGNATIONS

- CA1** Land to be restored to and retained in Crown control as Conservation Area.
- CA2** Land to be restored to and retained in full Crown ownership and control as Conservation Area.
- HR** Land to be restored to and retained in Crown control as Historic Reserve.

- Land to be disposed of as freehold to Lake Wakatipu Station Limited
- Land to be disposed of as freehold to Conservation covenants CC1a-d and CC2.

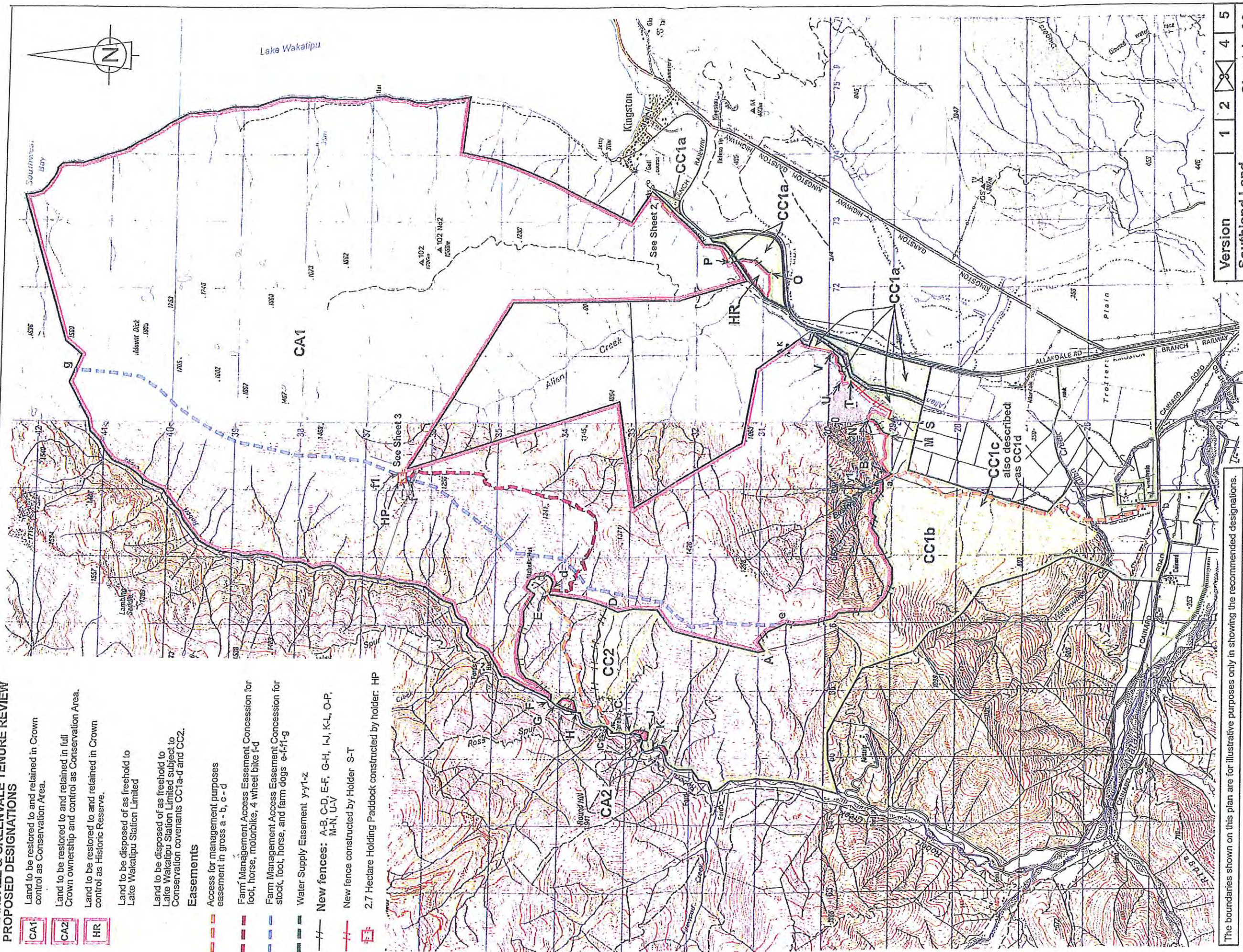
## Easements

- Access for management purposes easement in gross a - b, c - d
- Farm Management Access Easement Concession for foot, horse, motorbike, 4 wheel bike f-d
- Farm Management Access Easement Concession for stock, foot, horse, and farm dogs e-f1-g
- Water Supply Easement y-y1-z

- New fences:** A-B, C-D, E-F, G-H, I-J, K-L, O-P, M-N, U-V

- New fence constructed by Holder S-T

- 2.7 Hectare Holding Paddock constructed by holder: HP



The boundaries shown on this plan are for illustrative purposes only in showing the recommended designations.



INTERNATIONAL CONSULTANTS  
Certified a true copy of the  
original status check plan.

## Allandale & Greenvale

Scale 1 : 50000  
0 1000 2000 3000 4000 5000 6000m

TR 327 Allandale\_Greenvale 9\_3.2 designplan 03062010

Version 1 2 3 4 5

Southland Land District Sheet 1 of 3

Date 17/02/2010

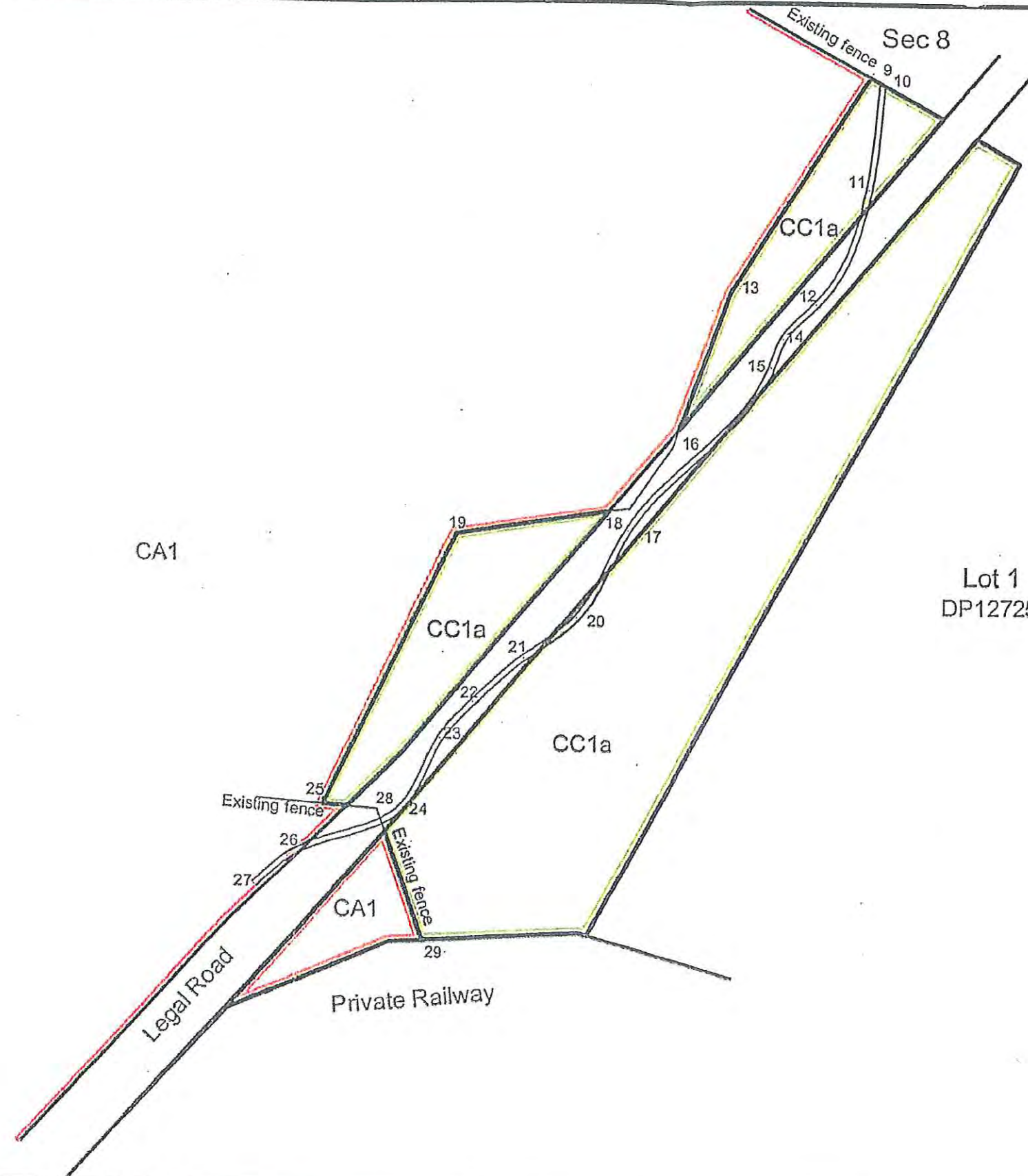
NZMS 260 E.42,F42  
E.43,F43

Graphics by :  
TL Survey services Ltd DUNEDIN



Prepared For:

Opus International



LAND DISTRICT

SOUTHLAND

DETAIL DIAGRAM CC1a

TERRITORIAL AUTHORITY QUEENSTOWN LAKES DISTRICT COUNCIL

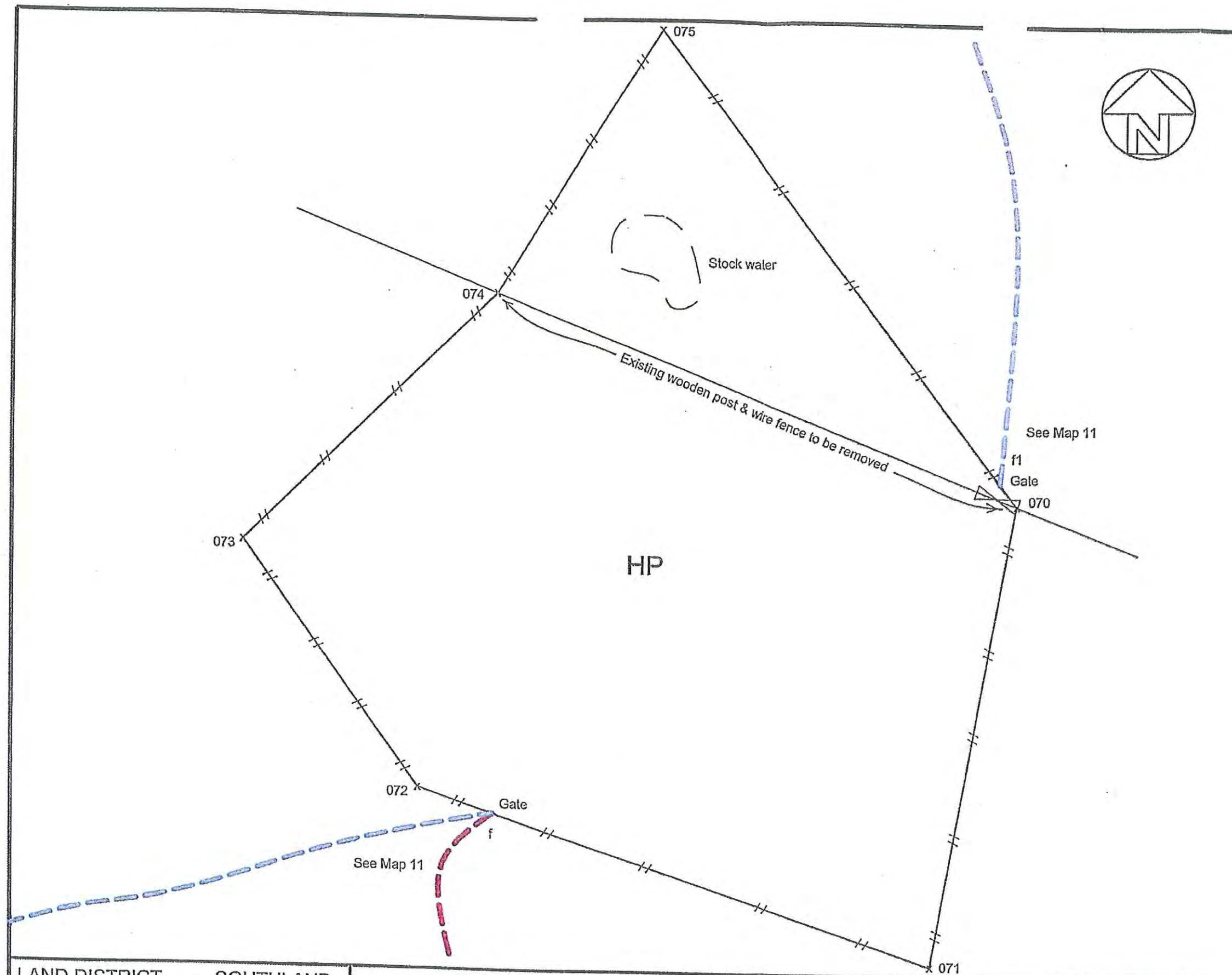
Not to Scale

Date February 2010

Drawing File Sheet 2 of 3

TL Job Number 10024

SHEET 2 OF 3



Prepared For:  
Opus International

LAND DISTRICT SOUTHLAND

ALLANDALE GREENVALE  
HOLDING PADDOCK DETAIL

TERRITORIAL AUTHORITY SOUTHLAND DISTRICT

Not to Scale

Date February 2010

Drawing File Sheet 3 of 3  
TL Job Number 10024

**SHEET 3 of 3**



## **2 Conditions**

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- 2.1 This Proposal is put to each Holder and any agreement arising therefrom, is subject to the conditions contained in Schedule Four of the relevant Lease schedule.

## **3 Settlement**

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- 3.1 Unless otherwise agreed by the parties, the Settlement Date for the disposal of the Freehold Land to each Holder by freehold disposal as provided in Schedule Three will be the day that is ten (10) working days following the day on which Land Information New Zealand notifies the Commissioner that the Final Plan and a copy of this Proposal are registered in accordance with the Act.
- 3.2 The Freehold Land will be disposed of to each Holder under the Land Act 1948.
- 3.3 Notwithstanding anything to the contrary, if, as at the Settlement Date (as determined pursuant to clause 3.1), the rent payable under any Lease is subject to a Rent Review, then in respect of settlement with the Holder of that Lease the Commissioner may elect to:

(a) settle on the Settlement Date on the basis that the Commissioner may retain from the Commissioner's Payment an amount which the Commissioner, acting reasonably, estimates will be payable by the Holder to the Commissioner following agreement or determination of the Rent Review ("the Retention"). The Retention shall be held by the Crown Law Office in an on-call, interest-bearing trust account in the joint names of the parties for their respective rights and interests. Upon agreement or determination of the Rent Review, the Commissioner shall calculate the rent shortfall payable by the Holder to the Commissioner in respect of the period from the effective date of the Rent Review to the Settlement Date, both dates inclusive ("the Shortfall"). If:

(i) the Shortfall is less than the Retention and the net interest earned thereon, the balance shall be paid by the Commissioner to the Holder within TEN (10) working days; or

(ii) the Shortfall is more than the Retention and the net interest earned thereon, the balance shall be paid by the Holder to the Commissioner within TEN (10) working days;

or

(b) defer the Settlement Date until TEN (10) working days after the rent payable as a consequence of the Rent Review:

(i) has been agreed or determined; and

(ii) is not and will not be subject to any appeal, rehearing or other proceedings.

#### **4 Holder's Payment**

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- 4.1 By 3.00 p.m. on the Settlement Date, each Holder must pay its Holder's Payment and all other money payable to the Commissioner or the duly appointed agent of the Commissioner by bank cheque without set-off or deduction of any kind in accordance with the settlement requirements of the Commissioner.
- 4.2 If any Holder fails to pay its Holder's Payment or any part of it or any other money to the Commissioner or to the duly appointed agent of the Commissioner on the Settlement Date clause 19 will apply.

#### **5 Commissioner's Payment**

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- 5.1 The Commissioner shall pay the Commissioner's Payment to each Holder of each relevant Lease on the Settlement Date.
- 5.2 No interest shall be payable to any Holder by the Commissioner in respect of the Commissioner's Payment, including (without limitation) for the period from the Vesting Date to the Settlement Date.

#### **6 Vesting of Crown Land**

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- 6.1 The Crown Land will vest in the Crown on the Vesting Date.

#### **7 Issue of Certificate of Title**

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- 7.1 Notwithstanding any other provision in this Proposal, the Commissioner will not request that the Surveyor-General issue certificates to the Registrar pursuant to section 116 of the Land Act 1948 (to enable certificates of title to issue for the Freehold Land to each Holder) unless and until:
- (a) the Commissioner has received each Holder's Payment from that Holder under clause 4, and all other money payable by that Holder under this Proposal and the Notice;
  - (b) that Holder has provided to the Commissioner duplicate copies of the certificate of title relating to the Lease (if any) and/or the Lease if requested by the Commissioner;



- (c) that Holder has signed and returned to the Commissioner all documents required by the Commissioner to be signed by that Holder to give effect to this Proposal (including, without limitation, any permit, covenant, easement and/or any other document); and
- (d) that Holder has procured a registrable discharge of any Mortgage and provided this to the Commissioner together with any new mortgage documents to be registered against the Freehold Land.

## **8 Registration of Documents**

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- 8.1 Subject to clause 7, the Commissioner will lodge all documents necessary to give effect to this Proposal (including, without limitation any easement, covenant, discharge of mortgage, and/or duplicate copy of the relevant Lease) and any new mortgage documents to be registered against the certificates of title to be issued for the Freehold Land so that the certificates of title for the Freehold Land will issue subject to the encumbrances provided in this Proposal. Any new mortgage documents will be registered after any other encumbrances such as any easements and/or covenants are registered.

## **9 Consents**

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- 9.1 Each Holder must obtain the written consent to each Holder's acceptance of this Proposal from all persons having an interest in that Holder's Land (other than that Holder), including, but not limited to:
- (a) any Mortgagee(s);
  - (b) any party entitled to the benefit of a land improvement agreement registered against the relevant Lease and/or the Holder's Land; and
  - (c) any other person that the Commissioner reasonably believes has an interest in that Holder's Land or who that Holder reasonably believes has an interest in that Holder's Land, whether registered or not.
- 9.2 The consents required under clause 9.1 must be in a form acceptable to the Commissioner in all respects and be returned to the Commissioner with this Proposal on its acceptance by each Holder. Examples of the form of consents required under clause 9.1 are set out in Appendix 1.
- 9.3 Each Holder must also obtain, and provide to the Commissioner if requested, all consents necessary for that Holder to accept this Proposal including (without limitation) any:

- (a) corporate and/or trustee consents; and
  - (b) consent required under the Overseas Investment Act 2005 and the Overseas Investment Regulations 2005.
- 9.4 Each Holder will procure the Mortgagee to execute a registrable discharge of the Mortgage and, if required by the Mortgagee, that Holder will execute registrable new mortgage documents and forward these to the Commissioner to be registered as set out in clause 8.
- 9.5 If required by the Mortgagee, the Commissioner will provide an undertaking that, subject to the provisions of clause 7 being satisfied, the Commissioner will register the discharge of the Mortgage and register any new mortgage against the relevant certificates of title for the Freehold Land at the same time as the certificates of title for the relevant Freehold Land issue.

## **10 Continuation of Lease**

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- 10.1 Each relevant Lease will remain in full force and effect until certificates of title issue for the Freehold Land. Notwithstanding when Settlement Date occurs, until certificates of title issue for the Freehold Land each Holder will duly and punctually comply with all obligations on its part under the relevant Lease (other than as set out at clause 12.1 (b)) and that Lease will remain in full force and effect.
- 10.2 From the date that certificates of title issue for the Freehold Land the relevant Lease is deemed to be surrendered and, subject to clause 10.3, the Commissioner releases and discharges each Holder from the performance and observance of all covenants, conditions and obligations under the relevant Lease.
- 10.3 The release and discharge in clause 10.2 is without prejudice to:
- (a) the rights, remedies and powers of the Commissioner contained in each Lease (except as varied in accordance with clause 12.1(b)); and
  - (b) will not release or discharge that Holder from any liability under each Lease,
- arising prior to the date that certificates of title for the Freehold Land issue, under any statute or by any reason where such liability is due to the fault of that Holder.
- 10.4 As from the Vesting Date, each Holder will not have any estate, right or claim against any of the land, improvements, fencing, buildings, structures, fixtures, fittings or chattels on the Crown Land (subject to the provisions of any permit, easement, concession, other encumbrance or document provided under this Proposal). Each



Holder will not be entitled to any compensation for any of its improvements, fencing, buildings, structures, fixtures, fittings or chattels which are on the Crown Land as at the Vesting Date.

## **11 Fencing and Construction Works**

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11.1 If all of the Holders have accepted this Proposal and that acceptance has taken effect pursuant to the Act, the Commissioner will, subject to clauses 11.2 and 14.4, erect at the Commissioner's cost new fencing:

- (a) approximately along the line marked "New Fencing Line" on the Plan; and
  - (b) to the specifications in Appendix 3;
- ("the Fencing").

11.2 If the Fencing requires resource consent or any other consent from any local or territorial authority ("the Fencing Consent"), the following provisions shall apply:

- (a) The Commissioner shall use reasonable endeavours to obtain the Fencing Consent within 6 months of this Proposal taking effect pursuant to the Act.
- (b) If the Fencing Consent:
  - (i) is not obtained within 6 months of this Proposal taking effect pursuant to the Act; and/or
  - (ii) is obtained on terms which are not satisfactory to the Commissioner in all respects;

the Commissioner may, acting reasonably, elect to do any one or more of the following:

- (iii) erect the Fencing in a position different from that shown on the Plan;
- (iv) erect the Fencing over a shorter distance than that shown on the Plan; or
- (v) erect the Fencing to specifications different from those in Appendix 3.

11.3 If the Commissioner has not completed the Fencing by the Settlement Date, the Holders agree that the Commissioner may

register a covenant, on terms entirely satisfactory to the Commissioner (in the Commissioner's sole discretion), over the Freehold Land to enable the Commissioner to complete the Fencing. Each Holder will do all things necessary (including signing any document) to enable the Commissioner to register such a covenant.

- 11.4 The ongoing maintenance of the Fencing referred to in clauses 11.1 and 11.2 will be subject to the terms of the Fencing Act 1978.
- 11.5 If all of the Holders have accepted this Proposal and that acceptance has taken effect pursuant to the Act, the Commissioner will, subject to clause 11.6, undertake the construction works set out in Appendix 3 on the terms and conditions set out in Appendix 3 ("the Construction Works").
- 11.6 If any Construction Works for which the Commissioner is liable, or jointly liable with any Holder, require a resource consent or any other consent from any local or territorial authority ("the Works Consent"), the following provisions shall apply:
- (a) The Commissioner shall use reasonable endeavours to obtain the Works Consent within 6 months of this Proposal taking effect pursuant to the Act.
  - (b) If the Works Consent:
    - (i) is not obtained within 6 months of this Proposal taking effect pursuant to the Act; and/or
    - (ii) is obtained on terms which are not satisfactory to the Commissioner in all respects;

the Commissioner may, acting reasonably, elect to vary the extent of the Construction Works in question and/or the terms and conditions upon which they are carried out.

## **12 Apportionments**

- 12.1 Rent payable under each Lease in respect of the Freehold Land shall be apportioned as follows:
- (a) Rent paid or payable will be apportioned on the Settlement Date as at the Settlement Date and either deducted from or added to (as the case may be) the amount required to settle.
  - (b) Notwithstanding that the relevant Lease continues in effect until certificates of title issue for the Freehold Land, the Holder shall not be required to pay any rent under its relevant Lease for the Freehold Land from the Settlement Date.



- 12.2 Rent paid or payable under each Lease for the Crown Land will be apportioned (on a pro rata basis in respect of the Land if they cannot be separately assessed) on the Settlement Date as at the Vesting Date and either deducted from or added to (as the case may be) the amount required to settle for each Lease.
- 12.3 All rates, levies, and all other incomings and outgoings and other charges receivable from or charged upon the Freehold Land will, unless otherwise agreed by the parties, be apportioned on the Settlement Date as at the Settlement Date in relation to each Lease.
- 12.4 All rates, levies and all other incomings and outgoings and other charges receivable from or charged upon the Crown Land will be apportioned on the Settlement Date as at the Vesting Date and either deducted from or added to (as the case may be) the amount required to settle.
- 12.5 Following the date that certificates of title issue for the Freehold Land, the Commissioner will undertake a final apportionment and either the Commissioner will pay to each Holder, or each Holder will pay to the Commissioner, any additional amounts due because of any payments made or received by one of the parties on behalf of the other for the period from the Settlement Date to the date on which new certificates of title issue for the Freehold Land.

### **13 Risk**

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- 13.1 On and with effect from the Unconditional Date all risk of any nature in respect of the Freehold Land will pass from the Commissioner to each Holder. For the avoidance of doubt, each Holder's current risk in respect of matters arising under the relevant Lease, including, without limitation, each Holder's risk in respect of all improvements, buildings, fencing, fixtures, fittings and chattels, will continue to remain with each Holder until the relevant Lease is deemed to be surrendered under clause 10.2.
- 13.2 Each Holder will be required to comply with its settlement obligations under this Proposal irrespective of any damage to, or destruction of, the Freehold Land prior to the Settlement Date.

### **14 Survey**

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- 14.1 All areas of the Land forming part of this Proposal and delineated on the Plan are approximate and subject to preparation of the Final Plans. The measurements of the areas may therefore alter on the Final Plans.
- 14.2 No error, misdescription or amendment of any part of the Land will annul, vary, or derogate from this Proposal, or each Holder's acceptance of this Proposal.

- 14.3 For the avoidance of doubt, none of the Holders will be entitled to cancel or withdraw its acceptance of this Proposal, nor will any Holder, or any successor in title of any Holder or any party with an interest in the Land, be entitled to payment of any compensation, should any area of the Land on the Final Plan have a different measurement to the area specified in this Proposal.
- 14.4 The Commissioner does not warrant that any existing fence is erected on, or that any new fence to be erected will be on, any boundaries of the Land or any part of the Land as outlined on the Plan or the Final Plan.

## **15 Holder's Acknowledgments**

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- 15.1 If each Holder accepts this Proposal and that acceptance takes effect under the Act, each Holder acknowledges that:
- (a) it is obtaining the freehold interest in the land specified in Schedule Three as being freeholded to that Holder:
    - (i) "as is", solely in reliance on its own investigations and judgement; and
    - (ii) not in reliance on any representation or warranty made by the Commissioner, its employees, agents or any other person or persons directly or indirectly associated with the Commissioner;
  - (b) each Holder has carried out all inspections of the land specified in Schedule Three as being freeholded to that Holder which each Holder considers necessary to satisfy itself as to all matters relating to the Freehold Land;
  - (c) each Holder, at its cost, is entirely responsible for all work to ensure that the land specified in Schedule Three as being freeholded to that Holder complies with all applicable laws including (without limitation):
    - (i) the Resource Management Act 1991; and
    - (ii) any rule in any plan, resource consent or other requirement issued under the Resource Management Act 1991, and
    - (iii) the Building Act 2004; and

each Holder hereby indemnifies and will indemnify the Commissioner against all losses, damages and expenses incurred by the Commissioner and against all claims made against the Commissioner in respect of any work or costs for which each Holder is liable under this clause 15;

- (d) nothing in this Proposal is affected by, and the Commissioner has no liability of any nature in respect of, the existence or terms of any leases, licences or other occupation rights of any nature (if any) granted by the Holder in respect of the relevant Land; and
- (e) each Holder has no claim (and will not have any claim) whatsoever against the Crown and/or Commissioner in relation to the Tenure Review and/or this Proposal, including (without limitation) any claim for any misrepresentation or for any loss or damage suffered whether in contract, tort (including negligence) or otherwise.

## **16 No Representations or Warranties by the Commissioner**

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- 16.1 The Commissioner gives no representations or warranties of any nature in respect of the Freehold Land. Without limitation, the Commissioner does not warrant:
- (a) the accuracy of any matter in the Notice for the relevant Lease or this Proposal or in any notice, or any correspondence or other information provided to each Holder by the Commissioner or by any agent, contractor or employee of the Commissioner; or
  - (b) that the Freehold Land is or will remain suitable for each Holder's use; or
  - (c) that the Freehold Land complies with all or any statutory, territorial authority or any other legal requirements affecting or relevant to the Freehold Land.

## **17 Acceptance**

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- 17.1 Subject to s60(3) and (4) of the Crown Pastoral Land Act 1998 each Holder's acceptance of this Proposal is irrevocable and constitutes a binding agreement between the Commissioner and each Holder.
- 17.2 If the Commissioner does not receive an acceptance to this Proposal signed by each Holder, including the written consents of all persons referred to in clause 9, within three (3) months of putting it (in its substantive form) to each Holder, each Holder is deemed to have rejected this Proposal.

## **18 Solicitors Certificate**

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- 18.1 Each Holder must instruct its solicitor to provide the Commissioner with a solicitor's certificate (in a form satisfactory to the Commissioner, in its reasonable opinion) relating to such matters as each Holder's execution of this Proposal and each Holder's execution of any documents required to give effect to this Proposal (including,

without limitation any easement, protective mechanism and/or concession). An example of the form of solicitors certificate required is set out at Appendix 2.

- 18.2 Each Holder must return the completed solicitor's certificate to the Commissioner with this Proposal on its acceptance by that Holder.

## **19 Default**

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- 19.1 If from any cause whatever (except the default of the Commissioner) all or any part of the Holder's Payment or any other money payable by that Holder to the Commissioner is not paid on the due date that Holder will pay to the Commissioner interest at the Default Rate on the part of that Holder's Payment or any other money payable by that Holder to the Commissioner so unpaid from the due date until the date of actual payment in full.
- 19.2 The Commissioner's rights under this clause 19 are without prejudice to any other rights or remedies available to the Commissioner at law or in equity.

## **20 Goods and Services Tax**

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- 20.1 The Commissioner and each Holder warrant to each other that they are registered for GST purposes.
- 20.2 On the 10<sup>th</sup> working day following the Unconditional Date, the Commissioner will provide to each Holder a GST invoice in respect of the supply evidenced by that Holder's Consideration. The invoice will specify the Commissioner's GST Date.
- 20.3 Each Holder will pay GST on the Holder's Consideration to the Commissioner by bank cheque on the Commissioner's GST Date, time being of the essence.
- 20.4 On the 10<sup>th</sup> working day following the Unconditional Date, each Holder will provide to the Commissioner a GST invoice in respect of the supply evidenced by the Commissioner's Consideration.
- 20.5 The Commissioner will pay GST on the Commissioner's Consideration to each Holder on the Commissioner's GST Date, time being of the essence.
- 20.6 Where any GST is not paid to the Commissioner or to that Holder (as the case may be) in accordance with this clause 20, that Holder will pay to the Commissioner, or the Commissioner will pay to that Holder (as the case may be), upon demand and together with the unpaid GST:
- (a) interest, at the Default Rate, on the amount of the unpaid GST and which will accrue from the Commissioner's GST Date until the date of payment of the unpaid GST; and



(b) any Default GST.

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**21 Lowest price**

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- 21.1 Each Holder's Consideration does not include any capitalised interest and the parties agree that the "lowest price" for the purposes of valuing the land specified in Schedule Three as being freeholded to that Holder under section EW 32(3) of the Income Tax Act 2004 is equal to that Holder's Consideration.
- 21.2 The Commissioner's Consideration does not include any capitalised interest and the parties agree that the "lowest price" for the purposes of valuing the Crown Land under section EW 32(3) of the Income Tax Act 2004 is equal to the Commissioner's Consideration.

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**22 Costs**

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- 22.1 The Commissioner will meet the costs of the survey (if any) of the Land, including all designation areas, the Final Plans and for certificates of title to issue for the Freehold Land.
- 22.2 Each Holder is responsible for all costs that Holder incurs in respect of and incidental to the Tenure Review. In particular, but without limitation, each Holder shall bear all its costs in relation to the review of all documentation forming part of the Tenure Review (including this Proposal), and all professional advice provided to or sought by each Holder.

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**23 No nomination or assignment**

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- 23.1 Each Holder is currently the lessee under one of the relevant Leases.
- 23.2 Each Holder is not entitled to, and is expressly prohibited from, nominating another person to perform its obligations under this Proposal or assigning to another person that Holder's interest (or any part) under this Proposal.

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**24 Recreation Permit**

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- 24.1 Immediately on the registration of the Final Plan in relation to the relevant Lease and a copy of the Proposal to which it relates over the Land and pursuant to s64 of the Act, any recreation permit granted over the Land shall be determined.

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**25 Consents for Activities**

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- 25.1 If the Holder has been granted a consent by the Commissioner to do an activity on the land under sections 15 or 16 of the Act, and the area over which the consent is exercised is designated in this Proposal as Crown Land, then the Holder agrees to act in good faith

whilst exercising such consent and not damage or destroy the Crown Land or anything thereon.

## **26 General**

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### **26.1 This Proposal and the Notice:**

- (a) constitute the entire understanding and agreement between the Commissioner, the Crown and each Holder in relation to the Tenure Review; and
- (b) supersede and extinguish all prior agreements and understandings between the Crown, the Commissioner and each Holder relating to the Tenure Review.

26.2 Each provision of this Proposal will continue in full force and effect to the extent that it is not fully performed at the Settlement Date.

26.3 Each Holder must comply with the Commissioner's requirements for the implementation and settlement of the Tenure Review contemplated by this Proposal.

26.4 The Commissioner and each Holder will sign and execute all deeds, agreements, schedules and other documents and do all acts and things as may be reasonably required by the other to effectively carry out and give effect to the terms and intentions of this Proposal.

26.5 This Proposal is governed by, and must be construed under, the laws of New Zealand and the Commissioner and each Holder irrevocably submits to the jurisdiction of the New Zealand courts or other New Zealand system of dispute resolution.

26.6 The illegality, invalidity or unenforceability of any provision in this Proposal will not affect the legality, validity or enforceability of any other provision.

### **26.7 In relation to notices and other communications under this Proposal:**

- (a) each notice or other communication is to be in writing, and sent by facsimile, personal delivery or by post to the addressee at the facsimile number or address, and marked for the attention of the person or office holder (if any), from time to time designated for that purpose by the addressee to the other party. Other than the address to which each Holder is to send its acceptance of this Proposal (which the Commissioner will specifically notify each Holder of) the address, person or office holder (if any) for each party is shown on the front page of this Proposal;

- (b) no communication is to be effective until received. A communication will be deemed to be received by the addressee:
  - (i) in the case of a facsimile, on the working day on which it is despatched or, if despatched after 5.00 p.m. on a working day or, if despatched on a non-working day, on the next working day after the date of dispatch;
  - (ii) in the case of personal delivery (including, but not limited to, courier by a duly authorised agent of the person sending the communication), on the working day on which it is delivered, or if delivery is not made on a working day, on the next working day after the date of delivery; and
  - (iii) in the case of a letter, on the fifth working day after mailing (postage paid).

## 27 Interpretation

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### 27.1 Definitions

In this Proposal unless the context otherwise requires:

**Act** means the Crown Pastoral Land Act 1998;

**Commissioner** means the Commissioner of Crown Lands appointed under section 24AA of the Land Act 1948;

**Commissioner's Consideration** means the amount payable by the Commissioner to each Holder by equality of exchange for the surrender of the leasehold interest in the Lease in relation to the Crown Land, as specified in the Notice;

**Commissioner's GST Date** means the earlier of Settlement Date or the fifth working day before the day on which the Commissioner is due to pay to the Inland Revenue Department all GST payable by the Commissioner in respect of the supply made under this Proposal;

**Commissioner's Payment** means the balance of the Commissioner's Consideration payable by the Commissioner to each Holder by equality of exchange for the Crown Land, as specified in the Notice (if any);

**Crown Land** means collectively the land (including any improvements) set out in Schedule One and collectively the land (including any improvements) set out in Schedule Two (if any);

**Default GST** means any additional GST, penalty or other sum levied against either the Commissioner or each Holder under the Goods and Services Tax Act 1985 or the Tax Administration Act

1994 by reason of either the Commissioner or any Holder failing to pay GST as required by this Proposal. It does not include any sum levied against the Commissioner or any Holder by reason of a default by the Commissioner after payment of GST to the Commissioner by any Holder or by reason of a default by that Holder after payment of GST to that Holder by the Commissioner;

**Default Rate** means the rate of 11 per cent per annum;

**Fencing** means any stock-proof farm fence;

**Fencing Consent** means any and all consents for fencing required under the Resource Management Act 1991;

**Final Plan** means the final plan for the Land prepared and submitted by the Commissioner to the Surveyor-General under sections 62(4)(c) and (d) of the Act;

**Freehold Land** means the land specified in Schedule Three as being freeholded to the Holders individually;

**GST** means all goods and services tax payable by the Commissioner or the Holder under the Goods and Services Tax Act 1985 in respect of their respective supplies evidenced by this Proposal;

**Holder** means each holder shown on the front page of this Proposal (being the lessee under the relevant Lease);

**Holder's Consideration** means the amount payable by each Holder to the Commissioner by equality of exchange for the freehold of the Freehold Land, as specified in the Notice;

**Holder's Payment** means the balance of each Holder's Consideration payable by each Holder to the Commissioner by equality of exchange for the freehold of the Freehold Land, as specified in the Notice (if any);

**Land** means collectively the land subject to the Tenure Review identified on the front page of this Proposal;

**Lease** means those leases known as the:

**Allandale Lease**; and **Greenvale Lease**

each of these leases being identified on the front page of this Proposal;

**Mortgage** means any mortgage (registered or unregistered) over the Land;

**Mortgagee** means the mortgage-holder of any Mortgage;

**Notice** means the notice to each Holder setting out:



- (a) that Holder's Consideration;
- (b) the Commissioner's Consideration; and
- (c) that Holder's Payment or the Commissioner's Payment (as the case may be);

which includes amounts proposed to be paid by way of equality of exchange and accompanies this Proposal, but is not part of this Proposal;

**Plan** means the plan of the Land showing all designations, covenant areas, easement routes, indicative fence lines as attached and shown on page 2 of this Proposal;

**Registrar** means the Registrar-General of Lands appointed pursuant to section 4 of the Land Transfer Act 1952;

**Rent Review** means the process for the determination of the rent payable under any Lease as set out in sections 6 to 8 of the Act;

**Relevant Land** means the land in the relevant Lease described on the front page of this Proposal;

**Relevant Lease** means the Lease described on the front page of the Proposal;

**Settlement Date** means the settlement date defined in clause 3.1;

**Surveyor-General** means the Surveyor-General appointed under section 5 of the Cadastral Survey Act 2002;

**Tenure Review** means the tenure review of the Land being undertaken by the Commissioner under the Act;

**Unconditional Date** means the date that the Commissioner receives from each Holder an executed copy of this Proposal signed by each Holder containing the signed consents of all persons having an interest in the Land to each Holder's acceptance of this Proposal which results in the acceptance taking effect under the Act;

**Vesting Date** means the date on which the Crown Land vests in the Crown pursuant to the Act;

**Working day** means a day that is not a Saturday, a Sunday, Waitangi Day, Good Friday, Easter Monday, Anzac Day, the Sovereign's birthday, Labour Day, or a day during the period commencing on any Christmas Day and ending with the 15<sup>th</sup> day of the following January or a day which is a provincial holiday in the place where the obligation is to be performed;

**Works Consent** means any and all consents required under the Resource Management Act 1991 and the Building Act 2004.

## 27.2 Construction of certain references

In this Proposal, unless inconsistent with the context:

- (a) a reference to a certificate of title includes a reference to a computer register;
- (b) words importing a gender include all genders;
- (c) reference to a statute includes reference to all enactments that amend or are passed in substitution for the relevant statute and to all regulations relating to that statute;
- (d) words in the singular include the plural and vice versa;
- (e) reference to a month means a calendar month;
- (f) reference to a person means an individual, a body corporate, an association of persons (whether corporate or not), a trust or a state or agency of a state (in each case, whether or not having separate legal personality);
- (g) references to sections, clauses, sub-clauses, parts, annexures, attachments, appendices, schedules, paragraphs and sub-paragraphs are references to such as they appear in this Proposal and form part of this Proposal;
- (h) headings are included for ease of reference only and will not affect the construction or interpretation of this Proposal;
- (i) all monetary amounts are expressed in New Zealand currency;
- (j) references to obligations includes reference to covenants, undertakings, warranties and, generally, obligations or liabilities of any nature properly arising whether directly or indirectly, under or in respect of the relevant contract, agreement or arrangement;
- (k) all references to times are references to times in New Zealand;
- (l) if a Holder comprises more than one person, each of those persons' obligations as Holder shall be joint and several.

## **Schedule One: Provisions relating to the Schedule One Land**

### **1 Details of Designation**

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- 1.1 Under this Proposal the land shown marked in pink on the Plan, being 6.5 hectares (approximately) and labelled CA2 is designated as land to be restored to or retained in full Crown ownership and control as Conservation Area.
- 1.2 Under this Proposal the land shown marked in pink on the Plan, being 17 hectares (approximately) and labelled HR is designated as land to be restored to or retained in full Crown ownership and control as Historic Reserve.

### **2 Schedule One Improvements**

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Nil

## **Schedule Two: Provisions relating to the Schedule Two Land**

### **1 Details of designation**

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- 1.1 Under this Proposal the land shown outlined in pink on the Plan, being 6503.7395 hectares (approximately) and labelled CA1 is designated as land to be restored to or retained in Crown control as conservation area subject to :
- a. the granting of the concession easement shown as dashed green and labelled y-y1-z on the Plan and substantially as set out in Appendix 4 as Concession Easement One;
  - b. the granting of the concession easement shown as dashed blue and labelled e-f, f1-g on the Plan and including a holding paddock labelled HP , substantially as set out in Appendix 5 as Concession Easement Two;
  - c. the granting of the concession easement shown as dashed red and labelled d-f on the Plan and substantially as set out in Appendix 6 as Concession Easement Three;

### **2 Information Concerning Proposed Concessions**

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#### **2.1 Concession Easement One (y-y1-z)**

##### 2.1.1 Description of proposed activity:

Easement concession to convey water and right of way.

##### 2.1.2 Description of place where proposed activity to be carried out and proposed status:

The easement follows a 4wd access track along the north riverbank of Bushy Creek, extending upstream for approximately 800 metres to an intake. The easement includes the intake, pipeline, storage tanks and the 4wd access track. The proposed status of the land is conservation area. From the storage tanks, water is then reticulated outside of the proposed conservation area for stock use on the adjoining paddocks which are a mixture of existing freehold and proposed freehold.



2.1.3. Description of potential effects of proposed activity and any actions proposed to avoid, mitigate or remedy any adverse effect:

Provided that the design and maintenance of the intake and the amount of water taken remains unchanged and there is no contamination of the watercourse or bank disturbance, there are unlikely to be any detrimental effects on the significant inherent aquatic values of Bushy Creek. DOC may, if necessary, require minor modifications to the intake screen to prevent juvenile galaxiids from being trapped. The pipeline, access track and storage tanks are sited on land cleared of original vegetation for this purpose and thus has lesser significant inherent value. Some periodic clearance of vegetation regrowth may be required. If done relatively frequently, there will not be any adverse effects. Any major works required will need to be done under DOC supervision. DOC staff will be inspecting the area on a regular basis. The use of the water resource, subject to controls, is seen by DOC as being acceptable.

2.1.4 Details of the proposed type of concession:

Concession under Section 17Q Conservation Act 1987.

2.1.5. Proposed duration of concession and reasons for proposed duration:

60 years.

2.1.6 Reasons for proposed duration:

The concession duration is long term to provide guaranteed access to a supply of stock water to the adjoining land.

2.1.7 Relevant information about the proposed grantee including information relevant to the grantee's ability to carry out the proposed activity:

Proposed grantee: *Lake Wakatipu Station Ltd*

The proposed concessionaires have installed and operated the water supply scheme in a manner which has not significantly affected the inherent values present. DOC currently has a

good working relationship with them over a variety of issues including fire control, control of goats and wilding pines.

## 2.2 **Concession Easement Two (e-f, f1-g, and HP)**

### 2.2.1 Description of proposed activity:

The easement concession will provide for the movement of stock between Greenvale and Halfway Bay Station, on foot, horses, with or without the use of farm dogs, and a 2.7ha holding paddock.

### 2.2.2 Description of place where proposed activity to be carried out and proposed status:

The proposed concession easement is to provide for stock movement between Greenvale and Halfway Bay Station and includes a 2.7ha holding paddock over proposed conservation area. The holding paddock is located at the current upper fence in the valley opposite the northwest corner of the Glen Allen Reserve and running down to Roberts Creek.

### 2.2.3. Description of potential effects of proposed activity and any actions proposed to avoid, mitigate or remedy any adverse effect:

The driving of stock along the easement may lead to some minor grazing of native vegetation, however, it is considered that the easement terms contain sufficient controls to avoid, mitigate or remedy any such adverse effects. The easement contains clauses dealing with the protection of the environment, interference with natural features, storage of noxious substances and the obstruction of the public enjoyment of the area. The holding paddock will be located on dry rocky ground where possible to minimise pugging.

### 2.2.4 Details of the proposed type of concession:

The proposed concession easement will be under Section 17Q Conservation Act 1987.

### 2.2.5. Proposed duration of concession and reasons for proposed duration:

Restricted to continued common ownership of the properties of Greenvale and Halfway Bay for a maximum of 60 years.

#### 2.2.6 Reasons for proposed duration:

The access route for stock movement being granted provides access for stock movement from Greenvale to Halfway Bay Station, also owned by the Holder. It provides an alternative for Halfway Bay Station to barging stock out and also to take stock into Halfway Bay, including stock that may have been purchased from Greenvale Station.

#### 2.2.7 Relevant information about the proposed grantee including information relevant to the grantee's ability to carry out the proposed activity:

Proposed grantee: *Lake Wakatipu Station Ltd*

The proposed concessionaire currently uses this access route for movement of stock, with no negative effects associated with this use being noted. Movement of stock is limited to an estimated maximum of 1500 sheep and up to 150 cattle, twice a year in late summer and early autumn. Stock are to be held overnight in the holding paddock as the duration of the stock movement will take two days. Given that the proposed concessionaire has consistently worked well with the department in a wide variety of circumstances previously, there is no doubt that this relationship (with regards the proposed easement and holding paddock) will continue into the future.

### 2.3 **Concession Easement Three (d-f)**

#### 2.3.1 Description of proposed activity:

The easement concession will provide for access, on foot, horses, motorbikes and 4WD vehicles, with or without the use of farm dogs, for the purposes of farm management.

#### 2.3.2 Description of place where proposed activity to be carried out and proposed status:

The proposed concession easement is to provide for access including vehicular access by the concessionaire to and from a 2.7ha holding paddock over proposed conservation area. The

holding paddock is located at the current upper fence in the valley opposite the northwest corner of the Glen Allen Reserve and running down to Roberts Creek

2.3.3. Description of potential effects of proposed activity and any actions proposed to avoid, mitigate or remedy any adverse effect:

The access easement is over an existing farm track and is currently used for this purpose without any adverse effects being noted. The easement contains clauses dealing with the protection of the environment, interference with natural features, storage of noxious substances and the obstruction of the public enjoyment of the area.

DOC staff will periodically visit the proposed conservation land for a range of activities including surveillance and control of wild animals and weeds and will therefore be aware if the concession activity is having any negative effects.

2.3.4 Details of the proposed type of concession:

Concession under Section 17Q Conservation Act 1987.

2.3.5. Proposed duration of concession and reasons for proposed duration:

Restricted to continued common ownership of the properties of Greenvale and Halfway Bay for a maximum of 60 years.

2.3.6 Reasons for proposed duration:

The access easement is being granted in conjunction with the access for stock movement to provide access, including vehicular (motorbike and 4WD vehicle) to the holding paddock. It provides an alternative route for the concessionaire to get to the holding paddock and back down to the hut overnight.

2.3.7 Relevant information about the proposed grantee including information relevant to the grantee's ability to carry out the proposed activity:

Proposed grantee: *Lake Wakatipu Station Ltd*



The proposed concessionaire currently uses this access route with no negative effects associated with this use being noted. Given that the proposed concessionaire has consistently worked well with the department in a wide variety of circumstances previously, there is no doubt that this relationship (with regards the proposed easement) will continue into the future.

**Schedule Three: Provisions relating to the Schedule Three Land****1 Details of designation**

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- 1.1 Under this Proposal the land shown outlined in green on the Plan, being 2182 hectares (approximately) is designated as land to be disposed of by freehold disposal to the Holder subject to:
- (a) Part IVA of the Conservation Act 1987;
  - (b) Section 11 of the Crown Minerals Act 1991;
  - (c) the conservation covenant for the purpose of preserving the natural environment, historical values, and landscape amenity values in yellow wash and labelled CC1a, CC1b, CC1c and CC1d on the Plan and substantially as set out in Appendix 7 as Covenant One;
  - (d) the conservation covenant for the purpose of protection of native fish habitats in yellow wash and labelled CC2 on the Plan and substantially as set out in Appendix 8 as Covenant Two;
  - (e) the easement for management purposes marked with a dashed orange line and labelled a - b on the Plan and substantially as set out in Appendix 9;
  - (f) the easement for management purposes marked with a dashed orange line and labelled c - d on the Plan and substantially as set out in Appendix 10' AND
  - (g) the Land Improvement Agreement registered as 087435.1.

#### **Schedule Four: Conditions relating to Allandale and Greenvale Leases**

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- 1 This Proposal is conditional on the acceptance of all the Holders and its acceptance by a Holder does not take effect unless it is also accepted by all the Holders.

RELEASED UNDER THE OFFICIAL INFORMATION ACT

## **Appendix 1: Consents – Example of Mortgagee Consent**

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[ ] as Mortgagee under Mortgage [ ] ("the Mortgage"),  
hereby:

- (a) consents to acceptance of the Proposal dated [ ] ("the Proposal") by [the Holder] ("the Holder") pursuant to the Crown Pastoral Land Act 1998 and agrees and consents to the registration of the documents affecting the Freehold Land referenced in the Proposal prior to the registration of any new mortgage to be granted in its favour over the Freehold Land ; and
- (b) agrees to sign and execute all deeds, agreements, schedules and other documents and do all acts and things as may be reasonably required by that Holder or the Commissioner to register a discharge of the Mortgage and any new mortgage over the Freehold Land.

Dated:

**SIGNED** by [ ] ) \_\_\_\_\_  
in the presence of: )

Witness Signature: \_\_\_\_\_

Witness Name:

Occupation:

Address:



**Appendix 1: Consents (continued) - Example of "Other" Consent**

[ ], being the party entitled to the benefit of [ ] registered against Lease [ ], hereby consents to the acceptance of the Proposal dated [ ] by [the Holder] pursuant to the Crown Pastoral Land Act 1998.

Dated:

**SIGNED** for and on behalf of [ ] )  
[ ] )  
in the presence of: )

Witness Signature: \_\_\_\_\_

Witness Name:

Occupation:

Address:

RELEASED UNDER THE OFFICIAL INFORMATION ACT

## **Appendix 2: Example of Solicitors Certificate Allandale Lease**

### **Certifications**

I [ ] hereby certify as follows:

1. [[ insert name of Holder] ("the Holder") is a duly incorporated company under the Companies Act 1993. The Holder's entry into and performance of its obligations under the Proposal dated [ ] ("the Proposal") have been duly authorised by the directors and, if required, by the shareholders of the Holder. The Holder has executed the Proposal in accordance with its constitution.] **OR**

The entry into the Proposal dated [ ] ("the Proposal") by [insert name of Holder] ("the Holder") and performance of the Holder's obligations under the Proposal have been duly authorised by the trustees of the [insert name of trust] in accordance with its trust deed **OR**

[[ insert name of Holder] ("the Holder") has delegated responsibility for signing the Proposal on its behalf to an attorney in accordance with its constitution. The attorney of the Holder has properly executed the Proposal in accordance with this power of attorney and in accordance with the Holder's constitution and a certificate of non-revocation is enclosed.]

2. The consent of each person that has an interest (registered or unregistered) in the Land (as that term is defined in the Proposal), to the Holder's acceptance of the Proposal has been obtained and included in the copy of the Proposal, signed by the Holder, that has been provided to the Commissioner.
3. [No consent, licence, approval or authorisation by any court, regulatory authority or governmental agency is required to enable the Holder to accept the Proposal, perform the Holder's obligations under the Proposal and to acquire the freehold interest in the Land (as defined in the Proposal).] **OR**

[All necessary consents, licences, approvals and authorisations required to enable the Holder to accept the Proposal, perform its obligations under it and to acquire the freehold interest in the Land (as defined in the Proposal) have been obtained. Evidence of the consents, licences, approvals and authorisations are attached to this letter.]

Yours faithfully

*[signed by principal of law firm]*

**Appendix 2: Example of Solicitors Certificate Greenvale Lease****Certifications**

I [ ] hereby certify as follows:

4. [[ insert name of Holder] ("the Holder") is a duly incorporated company under the Companies Act 1993. The Holder's entry into and performance of its obligations under the Proposal dated [ ] ("the Proposal") have been duly authorised by the directors and, if required, by the shareholders of the Holder. The Holder has executed the Proposal in accordance with its constitution.] **OR**

The entry into the Proposal dated [ ] ("the Proposal") by [insert name of Holder] ("the Holder") and performance of the Holder's obligations under the Proposal have been duly authorised by the trustees of the [insert name of trust] in accordance with its trust deed **OR**

[[ insert name of Holder] ("the Holder") has delegated responsibility for signing the Proposal on its behalf to an attorney in accordance with its constitution. The attorney of the Holder has properly executed the Proposal in accordance with this power of attorney and in accordance with the Holder's constitution and a certificate of non-revocation is enclosed.]

5. The consent of each person that has an interest (registered or unregistered) in the Land (as that term is defined in the Proposal), to the Holder's acceptance of the Proposal has been obtained and included in the copy of the Proposal, signed by the Holder, that has been provided to the Commissioner.
6. [No consent, licence, approval or authorisation by any court, regulatory authority or governmental agency is required to enable the Holder to accept the Proposal, perform the Holder's obligations under the Proposal and to acquire the freehold interest in the Land (as defined in the Proposal).] **OR**

[All necessary consents, licences, approvals and authorisations required to enable the Holder to accept the Proposal, perform its obligations under it and to acquire the freehold interest in the Land (as defined in the Proposal) have been obtained. Evidence of the consents, licences, approvals and authorisations are attached to this letter.]

Yours faithfully

[signed by principal of law firm]

## **Appendix 3: Fencing and Construction Requirements**

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### Length and location:

A - B 4300m (approximately)  
 C - D 1700m (approximately)  
 E - F 2800m (approximately)  
 G - H 800m (approximately)  
 I-J 300m (approximately)  
 K-L 100m (approximately)  
 O-P 500m (approximately)  
 M-N 400m (approximately)  
 U-V 600m (approximately)

**Total Length:** approximately 11.5km.

### **General Specifications**

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- Fence to be constructed of five HT (2.5mm) wires with a bottom 4mm (No 8) wire, with a further electric 2.5mm wire placed second from top.
- Top wire to be laced on with 3.15 mm (No 9) wire.
- Electric wire connected to create a continuous wire through fence sections but not required to be connected to existing fences or a power source.
- All gates 4.2 metres heavy duty, except those gates into proposed conservation areas or historic reserve which do not connect to proposed easement concessions, which should be 3.6 metres.
- Treated timber strainers mainly 2.1 metres, and 2.4 metres around wetlands (lines M-N and U-V). All gates to be swung off 2.4 metre strainers.
- 1.8 metre X 125 mm treated timber posts at 20 metre spacing and where required elsewhere.
- Y posts mainly 1.65 metres with 1.5 metre posts permitted on rocky terrain at 6 posts per 20 metres.
- Bottom wire kept 150 mm from ground.
- All flood gates constructed independent to fence. Flood gates to be constructed of netting and battens, secured and able to swing independent to fence. Floodgate over Robert Creek at F to be constructed of reinforcing mesh.
- All strainers, angle posts and dip posts to be driven or dug in and rammed and footed with acceptable footing material. No 8 or 9 wires to be used on foots. All dips and hollows to be tied down.
- All strainers and angles to be mortised stayed and blocked. Stays to be one-third of the way up posts.
- Tie-backs are permitted on both sides of the fence. All tie downs to be No 8 wire.