

# **Crown Pastoral Land Tenure Review**

**Lease name: DINGLEBURN**

**Lease number: PO 151**

## **Substantive Proposal - Part 1**

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

**December**

**05**

**EXECUTION  
COPY**

**PROPOSAL FOR REVIEW OF CROWN LAND**

Under Part 2 of the Crown Pastoral Land Act 1998

Date: 2<sup>ND</sup> May 2005

**Parties**

**Holder:** Thomas Guy Mead and Davida Isobel Mead as tenants in common in equal shares  
PO Box 54  
Wanaka

**Commissioner of Crown Lands:**

DTZ New Zealand Limited  
PO Box 27  
Alexandra

**The Land**

**Lease:** Dingleburn

**Legal Description:** Part Run 724 Hunter, Stafford, McKerrow, Mid-Hawea, Upper Hawea, Longslip and Longslipside Survey Districts

**Area:** 23,707.4786 hectares

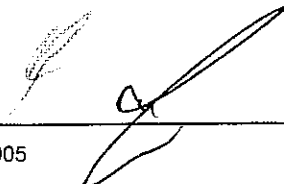
**Certificate of Title/Unique Identifier:** OTA2/1219

**Summary of Designations**

Under this Proposal, the Land 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 the Holder as set out in Schedule Three.

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**2 Conditions**

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- 2.1 This Proposal, and any agreement arising therefrom, is subject to the conditions contained in Schedule Four (if any).

**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 the Holder by freehold disposal 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 the Holder under the Land Act 1948.

**4 Holder's Payment**

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- 4.1 By 3.00 p.m. on the Settlement Date, the Holder must pay the 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 the Holder fails to pay the 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 the Holder on the Settlement Date.
- 5.2 No interest shall be payable to the 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 a certificate to the Registrar pursuant to section 116 of the Land Act 1948 (to enable a certificate of title to issue for the Freehold Land) unless and until:
- (a) the Commissioner has received the Holder's Payment from the Holder under clause 4, and all other money payable by the Holder under this Proposal and the Notice;
  - (b) the 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) the Holder has signed and returned to the Commissioner all documents required by the Commissioner to be signed by the Holder to give effect to this Proposal (including, without limitation, any permit, covenant, easement and/or any other document); and
  - (d) the 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 Lease) and any new mortgage documents to be registered against the certificate of title to be issued for the Freehold Land so that the certificate of title for the

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Freehold Land will issue subject to the encumbrances provided in this Proposal. Any new mortgage will be registered after any other encumbrances such as any easements and/or covenants are registered.

**9 Consents**

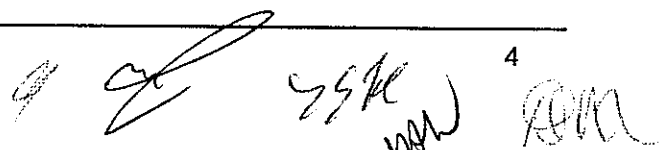
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- 9.1 The Holder must obtain the written consent to the Holder's acceptance of this Proposal from all persons having an interest in the Land (other than the Holder), including, but not limited to:
- (a) any Mortgagee(s);
  - (b) any party entitled to the benefit of a land improvement agreement registered against the Lease and/or the Land; and
  - (c) any other person that the Commissioner reasonably believes has an interest in the Land or who the Holder reasonably believes has an interest in the 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 the Holder. Examples of the form of consents required under clause 9.1 are set out in Appendix 1.
- 9.3 The Holder must also obtain, and provide to the Commissioner if requested, all consents necessary for the Holder to accept this Proposal including (without limitation) any:
- (a) corporate and/or trustee consents; and
  - (b) consent required under the Overseas Investment Act 1973 and the Overseas Investment Regulations 1995.
- 9.4 The Holder will procure the Mortgagee to execute a registrable discharge of the Mortgage and, if required by the Mortgagee, the 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 certificate of title for Freehold Land at the same time as the certificate of title for the Freehold Land issues.

**10 Continuation of Lease**

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- 10.1 The Lease will remain in full force and effect until a certificate of title issues for the Freehold Land. Notwithstanding when Settlement Date occurs, until a certificate of title issues for the Freehold Land the Holder will duly and punctually comply with all obligations on its part under the Lease (other than as set out at clause 12.1 (b)) and the Lease will remain in full force and effect.
- 10.2 From the date that a certificate of title is issued for the Freehold Land the Lease is deemed to be surrendered and, subject to clause 10.3, the Commissioner releases and discharges the Holder from the performance and observance of all covenants, conditions and obligations under the 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 the Lease (except as varied in accordance with clause 12.1(b)); and
  - (b) will not release or discharge the Holder from any liability under the Lease, arising prior to the date that the certificate of title for the Freehold Land is issued, under any statute or by any reason where such liability is due to the fault of the Holder.
- 10.4 As from the Vesting Date, the 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). The 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.

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**11 Fencing and Construction**

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- 11.1 If the Holder has accepted this Proposal and that acceptance has taken effect pursuant to the Act, the Commissioner will, at its cost, erect new fencing approximately along the line marked as such on the Plan (if any).
- 11.2 The Commissioner will erect the fencing referred to in clause 11.1 according to the specifications in Appendix 3. The ongoing maintenance of the fencing referred to in clause 11.1 will be under the terms of the Fencing Act 1978.
- 11.3 If the Commissioner has not completed any fencing as set out in Appendix 3 by the Settlement Date, the Holder agrees 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 such fencing. The Holder will do all things necessary (including signing any document) to enable the Commissioner to register such a covenant.
- 11.4 If the Holder has accepted this Proposal and that acceptance has taken effect pursuant to the Act, the parties will (or the relevant will (as the case may be)) undertake the construction works set out in Appendix 3 on the terms and conditions set out in Appendix 3.

**12 Apportionments**

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- 12.1 Rent payable under the 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 Lease continues in effect until a certificate of title issues for the Freehold Land, the Holder shall not be required to pay any rent under the Lease for the Freehold Land from the Settlement Date.
- 12.2 Rent paid or payable under the Lease for 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.
- 12.3 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.
- 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 a certificate of title issues for the Freehold Land, the Commissioner will undertake a final apportionment and either the Commissioner will pay to the Holder, or the Holder will pay to the Commissioner, any additional amounts due because of any payments made or received by one party on behalf of the other for the period from the Settlement Date to the date on which a new certificate of title issues for the Freehold Land.

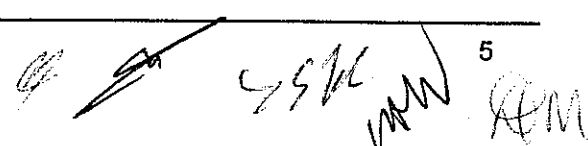
**13 Risk**

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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 the Holder. For the avoidance of doubt, the Holder's current risk in respect of matters arising under the Lease, including, without limitation, the Holder's risk in respect of all improvements, buildings, fencing, fixtures, fittings and chattels, will continue to remain with the Holder until the Lease is deemed to be surrendered under clause 10.2.
- 13.2 The 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 Plan. The measurements of the areas may therefore alter on the Final Plan.
- 14.2 No error, misdescription or amendment of any part of the Land will annul, vary, or derogate from this Proposal, or the Holder's acceptance of this Proposal.
- 14.3 For the avoidance of doubt, the Holder will not be entitled to cancel or withdraw its acceptance of this Proposal, nor will the Holder, or any successor in title of the 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 the Holder accepts this Proposal and that acceptance takes effect under the Act, the Holder acknowledges that:

- (a) it is obtaining the freehold interest in the Freehold Land:
  - (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) the Holder has carried out all inspections of the Freehold Land which the Holder considers necessary to satisfy itself as to all matters relating to the Freehold Land;
- (c) the Holder, at its cost, is entirely responsible for all work to ensure that the Freehold Land 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 1991; andthe 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 the 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 Land; and
- (e) the 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 or this Proposal or in any notice, or any correspondence or other information provided to the 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 the 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.

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**17 Acceptance**

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- 17.1 The Holder's acceptance of this Proposal is irrevocable and constitutes a binding agreement between the Commissioner and the Holder.
- 17.2 If the Commissioner does not receive an acceptance to this Proposal from the Holder within three (3) months of putting it (in its substantive form) to the Holder, the Holder is deemed to have rejected this Proposal.

**18 Solicitors Certificate**

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- 18.1 The Holder must procure the Holder's solicitors 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 the Holder's execution of this Proposal and the 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 The Holder must return the completed solicitor's certificate to the Commissioner with this Proposal on its acceptance by the 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 the Holder to the Commissioner is not paid on the due date the Holder will pay to the Commissioner interest at the Default Rate on the part of the Holder's Payment or any other money payable by the 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 the 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 the Holder a GST invoice in respect of the supply evidenced by the Holder's Consideration. The invoice will specify the Commissioner's GST Date.
- 20.3 The 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, the 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 the 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 the Holder (as the case may be) in accordance with this clause 20, the Holder will pay to the Commissioner, or the Commissioner will pay to the 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.

**21 Lowest price**

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- 21.1 The Holder's Consideration does not include any capitalised interest and the parties agree that the "lowest price" for the purposes of valuing the Freehold Land under section EH 48(3)(a) of the Income Tax Act 1994 is equal to the Holder's Consideration.

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- 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 EH 48(3)(a) of the Income Tax Act 1994 is equal to the Commissioner's Consideration.

**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 Plan and for a certificate of title to issue for the Freehold Land.
- 22.2 The Holder is responsible for all costs the Holder incurs in respect of and incidental to the Tenure Review. In particular, but without limitation, the 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 the Holder.

**23 No nomination or assignment**

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- 23.1 The Holder is not entitled to, and is expressly prohibited from, nominating another person to perform the Holder's obligations under this Proposal or assigning to another person the Holder's interest (or any part) under this Proposal.

**24 Recreation Permit**

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- 24.1 Immediately on the registration of the Final Plan 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.

**25 General**

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- 25.1 This Proposal and the Notice:
- (a) constitute the entire understanding and agreement between the Commissioner, the Crown and the Holder in relation to the Tenure Review; and
  - (b) supersede and extinguish all prior agreements and understandings between the Crown, the Commissioner and the Holder relating to the Tenure Review.
- 25.2 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.
- 25.3 The Holder must comply with the Commissioner's requirements for the implementation and settlement of the Tenure Review contemplated by this Proposal.
- 25.4 The Commissioner and the 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.
- 25.5 This Proposal is governed by, and must be construed under, the laws of New Zealand and the Commissioner and the Holder irrevocably submit to the jurisdiction of the New Zealand courts or other New Zealand system of dispute resolution.
- 25.6 The illegality, invalidity or unenforceability of any provision in this Proposal will not affect the legality, validity or enforceability of any other provision.
- 25.7 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 the Holder is to send its acceptance of this Proposal (which the Commissioner will specifically notify the 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:

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- (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).

**26 Interpretation**

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**26.1 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 the 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 the Holder by equality of exchange for the Crown Land, as specified in the Notice (if any);

**Crown Land** means the land (including any improvements) set out in Schedule One and 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 the Holder under the Goods and Services Tax Act 1985 or the Tax Administration Act 1994 by reason of either the Commissioner or the Holder failing to pay GST as required by this Proposal. It does not include any sum levied against the Commissioner or the Holder by reason of a default by the Commissioner after payment of GST to the Commissioner by the Holder or by reason of a default by the Holder after payment of GST to the Holder by the Commissioner;

**Default Rate** means the floating rate agreement mid-point thirty day bank bill rate as at 10.45 a.m. on Reuters' page BKBM on the date on which the relevant payment becomes due and payable plus 500 basis points and compounded monthly;

**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 set out in Schedule Three;

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

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

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

**Lease** means the lease described on the front page of this Proposal;

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

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

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

- (a) the Holder's Consideration;
- (b) the Commissioner's Consideration; and
- (c) the 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 on page 2 of this Proposal;

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

**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 the Holder an executed copy of this Proposal signed by the Holder containing the signed consents of all persons having an interest in the Land to the 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.

## 26.2 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;

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- (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 the Holder comprises more than one person, each of those person's obligations, as Holder, will be both joint and several.

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Schedule One: Provisions relating to the Schedule One Land

1 Details of Designation

- 1.1 Under this Proposal the land shown outlined in pink and marked CA1-CA4 and CA7 on the Plan, being 10,232 hectares (approximately) is designated as land to be restored to or retained in full Crown ownership and control as conservation area subject to, pursuant to section 36(3)(c) of the Act, the continuation of the easement in favour of Contact Energy Limited which is to be registered pursuant to Schedule 4 clause 1(b) of this Proposal.

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Schedule Two: Provisions relating to the Schedule Two Land

**1 Details of designation**

1.1 Under this Proposal the land shown outlined and cross hatched in pink and marked CA6 GC1, CA5 GC2, and CA5 HC on the Plan, being 6462 hectares (approximately) is designated as land to be restored to or retained in Crown control as conservation area subject to the granting of the concessions substantially as set out in Appendices 4, 5, 6, 7 and 8 and subject to, pursuant to section 36(3)(c) of the Act, the continuation of the easement in favour of Contact Energy Limited which is to be registered pursuant to Schedule 4 clause 1(b) of this Proposal.

**2 Information Concerning Proposed sheep and cattle grazing Concession – Hunter Valley**

2.1 The proposed terms and conditions of the Sheep and Cattle Grazing concession are specified in Appendix 4.

2.2 It is proposed that under the Grazing Concession, the holder will graze up to 200 stock units on an annual basis (sheep or cattle) between February 1 and September 30 each year during the proposed term of the Grazing Concession. The Grazing Concession also allows the use of dogs on the land for mustering purposes.

2.3 The site of the Grazing Concession comprises some 140 hectares (shown marked CA6 GC1 on the Plan) in 4 discrete areas which all comprise modified river flats surrounded by lands in a predominantly natural state in the Hunter River Valley. The proposed status for the combined area is conservation land subject to Grazing Concession.

2.4 Provided that fences around the Grazing Concession area are maintained in a stock proof condition, effects of the grazing are projected to be minimal. In order to avoid, mitigate or remedy any adverse effects on the Grazing Concession area during the term of the Grazing Concession, the Grazing Concession contains a number of conditions including, but not limited to, the following:

- a. requirements in relation to adequately containing the stock within the land, costs to be borne by the Holder;
- b. grazing confined to winter months in order to avoid nesting birds on the adjoining braided river flats of the Hunter River Valley during the spring and summer months; and
- c. regular inspections by Department of Conservation staff visiting the valley for a diverse range of activities including hut maintenance and wild animal control.

2.5 The Grazing Concession is a licence under section 17Q of the Conservation Act.

2.6 It is proposed that the term of the Grazing Concession will be 15 years from Settlement Date with no right of renewal. The reason for the length of the term of the Grazing Concession is:

- (a) to enable continued grazing of the area by the Holder;
- (b) the land and vegetation of the Grazing Concession area is in good condition; and
- (c) there is no foreseeable reason why grazing over the proposed term will result in adverse effects.

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2.7 Provided that fences are adequately maintained offsite effects of the proposed activity are likely to be minimal. In 15 years the appropriateness of the grazing regime will be reassessed in terms of the following:

- (a) What grazing is occurring on the opposite side of the Hunter River on Hunter Valley Station;
- (b) What grazing regime is in place on the adjoining Hunter River bed which is currently Crown Land subject to opportunistic grazing; primarily by stock from Hunter Valley Station; and
- (c) In light of whether the concession activity is having negative impacts on nature conservation values or public enjoyment of the area.

2.8 The Holder, being the lessee of the Lease, currently grazes the Grazing Concession area. Since taking over the Lease Land the Holder has erected fencing around the Grazing concession area and the Holder has generally retained its stock within these fences. The Holder is well equipped to retain control over the Grazing Concession area as it is accessible by four wheel drive vehicle and the Holder also owns a jet boat and light aircraft enabling access to the Grazing Concession area at all times. The Holder has also developed a good working relationship with Department of Conservation staff over a variety of issues including burning adjacent to conservation lands, pest control and wilding tree control.

**3 Information Concerning Proposed Sheep Grazing Concession – Timaru Creek**

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- 3.1 The proposed term and conditions of the Sheep Grazing Concession are specified in Appendix 5.
- 3.2 It is proposed that under the Grazing Concession, (shown CA5 GC2 on the Plan), the Holder will graze up to 600 stock units on an annual basis (sheep) between February 1 and September 30 each year during the proposed term of the Grazing Concession. The Grazing Concession also allows for the use of dogs on the land for mustering purposes.
- 3.3 The site of the Grazing Concession comprises some 6322 hectares in the Timaru Creek catchment mostly comprises tall and short tussocklands bounded by beech forests, shrublands and alpine areas. The proposed status for the combined area is conservation land subject to the grazing concession.
- 3.4 Given the large area subject to the concession, the stocking rate is conservative. The rationale for continued grazing is that the overall farming operations require some time to adjust to the reduced area of the property arising from the tenure reviews.
- 3.5 The concession document contains eight clauses dealing with protection of the environment. These preclude interference with natural features, deposit of rubbish or other dangerous or unsightly matter, oversowing and topdressing and obstruction of public enjoyment of the area.
- 3.6 Department of Conservation staff will regularly visit the area for a diverse range of activities including fence maintenance, wilding tree control and wild animal control and will therefore be aware if the concession activity is having any negative effects.
- 3.7 The Grazing Concession is a licence under section 17Q of the Conservation Act.
- 3.8 It is proposed that the term of the Grazing Concession will be 10 years from Settlement Date with no right of renewal. The reason for the length of the term of the Grazing Concession is adequate for the proposed grantees to adjust their farming regime to revised tenure review boundaries.
- 3.9 The Holder, being the lessee of the Lease, currently grazes the Grazing Concession area. The Holder has also developed a good working relationship with Department of Conservation

staff over a variety of issues including burning adjacent to conservation lands, pest control and wilding tree control.

**4 Information Concerning Proposed Hunting Concession on Conservation Land**

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- 4.1 The proposed terms and conditions of the Hunting Concession are specified in Appendix 6.
- 4.2 The activity will occur over approximately 900 hectares of proposed conservation land (shown CA5HC on the Plan) on north facing slopes to the south of the Dingleburn Homestead. The area includes the land from the proposed freehold/conservation boundary to the summit ridge (highest point Dingle Peak at 1835m).
- 4.3 The proposed concession is based on an existing population of wild deer. The concession does not allow for the release of animals into the concession area and does not preclude Department of Conservation staff from carrying out wild animal control if damage to natural values becomes evident. The concession does not preclude members of the public from hunting in the area. The concession contains nine clauses dealing with protection of the environment including conditions relating to interference with natural features, deposit of dangerous matter and obstruction of the public.
- 4.4 Department of Conservation staff will regularly visit the area for a diverse range of activities including wilding tree control and general monitoring and will therefore be aware if the concession activity is having any negative effects.
- 4.5 The Hunting Concession is a licence under section 17Q of the Conservation Act.
- 4.6 It is proposed that the term of the Hunting Concession will be 15 years from Settlement Date with no right of renewal. The reason for the length of the term of the Hunting Concession is adequate as it provides some certainty that an existing guided hunting operation can continue following completion of tenure review whilst also allowing the suitability of the activity to be reassessed by the Grantor within a moderate timeframe.
- 4.7 The proposed Grantee is Gregory John Dixon and Brigitt Mead.
- 4.8 The proposed Grantees currently operate a guided hunting concession over the area. Both parties to the concession reside on Dingleburn Station and are an integrally involved in the station's management.
- 4.9 A good working relationship exists with Department of Conservation staff over a variety of issues including burning adjacent to conservation lands, pest control and wilding tree control.

**5 Information Concerning Stock Droving Access through proposed Timaru Creek Conservation Area**

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- 5.1 The proposed terms and conditions of the Concession Easement are specified in the Concession Easement attached as Appendix 7.
- 5.2 The proposed activity of the Concession Easement will occur between points marked "aa-bb" (shown within area marked CA5 on the Plan) and is to provide the Holder stock droving access across proposed conservation land in the Timaru Creek and Dingleburn catchments. The proposed easement permits the use of the easement area for the droving of sheep with or without farm dogs and horses for management in those areas to which the easement provides access.
- 5.3 The Concession Easement lies on an unformed route starting near the Moonlight Hut in the Timaru Creek catchment, crosses into the Dingleburn catchment some 3km to the west of Dingle Peak and then heads northwards to connect with proposed freehold land above the Dingleburn homestead.



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- 5.4 The Concession Easement area is proposed to be, or already is, conservation area as defined in section 2 of the Conservation Act.
- 5.5 The droving of stock along the Concession Easement may lead to some minor grazing of native vegetation on the periphery of the track. In order to avoid, mitigate or remedy any adverse effect or damage to soil or vegetation from vehicles or stock, the Concession Easement contains a number of conditions including, but not limited to, the following:
- (a) the Concession Easement contains clauses dealing with protection of the environment, interference with natural features, deposit of dangerous matter and obstruction of public enjoyment of the area during periods when it is vulnerable to damage; and
  - (b) Department of Conservation staff regularly visit the Concession Easement area for a diverse range of activities including wild animal control, wilding tree control management of the grazing concession through which it traverses and will therefore be aware if the concession activity is having any negative effects on the Concession Easement area.
- 5.6 The concession Easement is an easement under section 17Q of the Conservation Act.
- 5.7 It is proposed that the Concession Easement will have a duration of 20 years. The reason for the duration of the Concession Easement is to enable access between two disparate, (although not landlocked) areas of proposed freehold. The term of the Concession Easement is considered a sufficient period to enable the Holder to carry on with their farming operation in an effective and efficient manner whilst allowing the suitability of the activity to be reassessed by the Grantor at a later date.
- 5.8 The Holder currently grazes the area and uses the proposed easement route for the purpose which the concession is intended. The Holder has developed a good working relationship with Department of Conservation staff over a variety of issues including burning adjacent to conservation lands, pest control and wilding tree control.

**6 Concession Licence for Dingleburn Bridge on Land which qualifies for a Marginal Strip under Part IVA of the Conservation Act**

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- 6.1 The proposed terms and conditions of the Concession are specified in Concession Licence attached as Appendix 8.
- 6.2 The proposed activity for the Concession Licence area is between points marked "cc-dd" (shown on the Plan) to provide the placement, maintenance and use of a bridge and abutments on the Dingle Burn for farm management and general access purposes.
- 6.3 The bridge spans the Dingle Burn north of the station homestead. The land on which the approach and abutments are located will become a marginal strip under Part IVA of the Conservation Act on surrender of the Pastoral Lease. The land is not currently subject to a marginal strip.
- 6.4 The bridge has been in place for many years and has recently been upgraded. The structure is having no apparent impact on the natural functioning of the water way. The concession document contains some 10 clauses relating to the protection of the environment including a clause requiring that "The Concessionaire will keep all structures, facilities and land alterations and their surroundings in a clean and tidy condition."
- 6.5 The Concession Easement is an easement under section 17Q of the Conservation Act.
- 6.6 It is proposed that the term of the Concession Easement will be thirty years. The reason for the length of the term of the Concession Easement is:

- (a) the bridge provides essential farm access across the Dingleburn which divides the homestead area from a significant part of the farming operation located above the eastern shores of Lake Hawea and in the lower Hunter Valley. During times of flood and snow melt, the Dingleburn can be impassable for extended periods.
  - (b) A term of 30 years is considered a sufficient period to enable the Holders to carry on with their farming operation in an effective and efficient manner whilst allowing the terms and conditions to be reassessed by the Grantor at a later date if necessary.
- 6.7 The Holder currently farms the Dingleburn Pastoral Lease and owns and utilises the bridge structure. They have recently upgraded the structure. It is intended and acknowledged by the parties that notwithstanding anything to the contrary the bridge structure shall at all times remain the property of the Holder.
- 6.8 A Department of Conservation engineer has inspected the bridge and judged it to be of adequate standard for its current and intended use. The Department of Conservation staff currently have a good working relationship with the Holder over a variety of issues including burning adjacent to conservation lands, pest control and wilding tree control.

Schedule Three: Provisions relating to the Schedule Three Land

**1 Details of designation**

- 1.1 Under this Proposal the land shown outlined in green on the Plan, being 7013 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 easements substantially as set out in Appendices 9, 10 and 11;
  - (d) the covenants substantially as set out in Appendices 12, 13 and 14; and
  - (e) pursuant to section 36(3)(c) of the Act, the continuation of the easement in favour of Contact Energy Limited which is to be registered pursuant to Schedule 4 clause 1(b) of this Proposal.

*[Handwritten signatures and initials]*

**Schedule Four: Conditions**

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- 1 The Commissioner is under no obligation, and may decide, in its sole discretion, not to proceed further with the Tenure Review unless and until:
  - (a) the Director General of Conservation has completed all actions required under Part IVA of the Conservation Act 1987; and
  - (b) The easement in favour of Contact Energy Limited substantially in the form set out in Appendix 15 has been registered.


**CERTIFICATE OF NON-REVOCATION OF POWER OF ATTORNEY**

We, John Peter Larcomb and Jos Peter de Groot  
National Manager and National Manager respectively, both of Wellington in New Zealand do hereby certify:

1. THAT by deed dated 18<sup>th</sup> day of April 2000 Rabobank New Zealand Limited, appointed us as its attorney's on the terms and subject to the conditions set out in the said deed.
  
2. THAT the power of attorney was deposited in the Land Transfer Office at:

Blenheim (Marlborough Registry) and there numbered	215414.1
Christchurch (Canterbury Registry) and there numbered	A483706.1
Dunedin (Otago Registry) and there numbered	5013528.1
Gisborne (Poverty Bay Registry) and there numbered	231450.1
Hamilton (South Auckland Registry) and there numbered	B637396.1
Hokitika (Westland Registry) and there numbered	115481.1
Invercargill (Southland Registry) and there numbered	5016998.1
Napier (Hawkes Bay Registry) and there numbered	709427.1
Nelson (Nelson Registry) and there numbered	402416.1
New Plymouth (Taranaki Registry) and there numbered	475072.1
Wellington (Wellington Registry) and there numbered	B810600.1
Auckland (North Auckland Registry) and there numbered	D557660.1
  
3. THAT as the date hereof we have not received any notice or information of the revocation of that appointment by the winding up of the said Rabobank New Zealand Limited or otherwise.

SIGNED at Wellington this 17<sup>th</sup> day of May 2005.

  
\_\_\_\_\_  
John Peter Larcomb

  
\_\_\_\_\_  
Jos Peter de Groot

**RABOBANK NEW ZEALAND LIMITED** as Mortgagee under Mortgage 6408242.1 ("the Mortgage") hereby:

- a. consents to acceptance of the Proposal dated 2 May 2005 ("the Proposal") by Thomas Guy Mead and Davida Isobel Mead ("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 the Holder or the Commissioner to register a discharge of the Mortgage and any new mortgage over the Freehold Land.

Dated: *17th May 2005*

SIGNED by

**RABOBANK NEW ZEALAND LIMITED**

in the presence of:

John Peter Larcomb

*[Signature]*

Witness Signature:

*[Signature]*

Jos Peter de Groot

Witness Name:

Craig Andrew Weir

Occupation:

BANK OFFICER

Address:

WELLINGTON

*[Handwritten signatures and initials]*

Appendix 1: Consents – Example of Mortgagee Consent

[ ] 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 the 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:

*[Handwritten signatures and initials]*  
20  
*[Handwritten initials]*

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:

*[Handwritten signature]*  
25/11/05

*[Handwritten initials]*



Appendix 2: Example of Solicitors Certificate

**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**

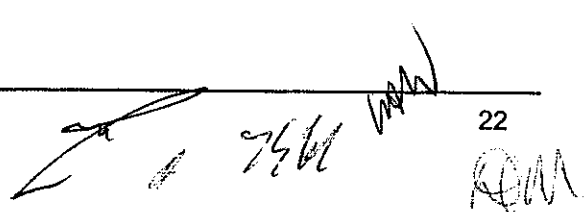
The entry into the Proposal dated [ ] ("the Proposal") by [insert name of Holder] ("the Holder") and performance of the Holder's obligations under the Proposal have been duly authorised by the trustees of the [insert name of trust] in accordance with its trust deed **OR**

[[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 3: Indicative Fencing and Construction Requirements**

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**Fenceline Dingleburn**

**Length and location:** Fences to be erected in locations shown on the attached Plan as A-B-C, D-E, F-G, H-I, J-K, R-S, T-U, V-W, X-Y, Z-AA, BB-CC and DD-EE, being a total of approximately 16 km.

**Type:** New 7 wire post and metal "Y" iron fence.

**Specifications**

- Fences to be constructed of seven galvanised high tensile (2.5 mm) wires, with wires located on the lines shown on the attached Plan.
- 2.1 metre treated timber strainers with treated timber stays to be used for gateways and ends of strains.
- Gates to be 3.66m and made of 32mm and 2.6 wt galvanised pipe frame installed at locations agreed between the parties.
- Hunter chain and clips to be used to support wires on sections of the fenceline which are snow prone.
- 100 - 125 mm treated timber posts to be used where required.
- T-irons may be used with crossbar instead of posts on high spots and on corners, with tie-backs.
- 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 wire to be used on foots. All dips and hollows to be tied down to full length waratah.driven in to full length.
- Netting to be hung on creek crossings and left to swing.
- All strainers and angles to be mortised, stayed and blocked. Stays to be one-third of the way up posts. Strainers on corners of greater than 30 degrees are to have two stays.
- Tie-backs are required on all "pull rounds" of greater than 30 degrees.
- All wires are to be securely and neatly tied off and strained evenly. Bottom wire to be between 125 and 175 mm off the ground. The line to be cleared manually where required.
- Post staples to be barbed and driven well in but allow the wire to run through.
- Strains not to exceed 400 metres on easy country.
- Posts to be driven or dug in to such a depth that 112 cm (44") remains out of the ground.
- Strainers and angle posts to be dug in to such a depth that 117 cm (46") remains out of the ground.
- Under no circumstances are any strainers, posts or stays to be shortened either prior to or subsequent to their placement in the ground.
- Six waratah standards per 20 metes to be used. Waratahs standards to be mostly 1.65 m long with 1.50 m standards allowed on particularly rocky ground.
- Triplex strainers to be used on all strains.

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- The fences are to be constructed without machine dozing of the line. Should dozing of the line be found to be essential this must be identified prior to work commencing and consent of the Commissioner sought.

**Length and location:** Fences to be upgraded in locations shown on the attached Plan as L – M, N-O and P-Q being a total of approximately 3.5 km.

**Type:** Upgrade of existing fence

**Specifications**

Fences to be rendered to a stock proof condition including the following:

- Existing fence to be restrained.
- Wires to be replaced where necessary.
- New strainers to be replaced where necessary.
- New waratahs to be placed a minimum of one every 5 metres.
- New corner posts to be placed where necessary.

**Construction**

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Nil

Appendix 4: Form of Concession to be Created – Hunter Valley Grazing Concession

*[Handwritten signatures and initials]*

Concession number: \_\_\_\_\_

DATED 2003

Between

MINISTER OF CONSERVATION  
("the Grantor")

and

THOMAS GUY MEAD AND DAVIDA ISOBEL MEAD  
("the Concessionaire")

GRAZING CONCESSION  
UNDER CROWN PASTORAL LAND ACT 1998



Department of Conservation  
*Te Papa Atawhai*

*AKW*  
*[Signature]* *[Signature]* *[Signature]*

THIS LICENCE is made this day of

**PARTIES:**

1. MINISTER OF CONSERVATION ("the Grantor")
2. THOMAS GUY MEAD AND DAVIDA ISOBEL MEAD ("the Concessionaire")

**BACKGROUND**

- A. The Grantor manages the Land described in Schedule 1 as a Conservation Area.
- B. Sections 66 and 68 of the Crown Pastoral Land Act 1998 authorise the Grantor to grant a Concession for a Concession Activity in a Conservation Area and a Reserve under section 17Q(1) of the Conservation Act 1987 or section 59A of the Reserves Act 1977 (whichever is relevant in the circumstances).
- C. The Concessionaire wishes to carry out the Concession Activity on the Land subject to the terms and conditions of this Document.

**OPERATIVE PARTS**

**TERMS AND CONDITIONS**

**1.0 DEFINITIONS AND INTERPRETATION**

1.1 In this Document, unless the context otherwise requires:

"Access" means the right, in common with others, to pass and repass over the Land and any roads of the Grantor for ingress to and egress from the Land as is reasonably necessary for the Concessionaire to exercise its rights under this Licence.

"Administration Fee" means the amount specified in Item 6(b) of Schedule 1 and is the annual fee for administering the Concession imposed by the Grantor under section 60D of the Conservation Act 1987. It includes any variation in that amount following a Concession Fee Review.

"Background" means the matters referred to under the heading 'Background' on page 1 of this Document.

"Concession" means a concession as defined in section 2 of the Conservation Act 1987.

"Concessionaire" includes the Concessionaire's successors, assigns, executors, and administrators.

"Concession Activity" means the use of the Land for purposes of the activity carried out by the Concessionaire and specified in Item 2 of Schedule 1.

"Concession Fee" means the amount specified in Item 6(a) of Schedule 1 and charged by the Grantor for the Concessionaire's right to carry out the Concession Activity on the Land. It includes any variation in that amount following a Concession Fee Review. It also includes, where relevant, the amount which the parties agree to be the new Concession Fee on a renewal of the Document.

"Concession Fee Payment Date" means the date specified in Item 7 of Schedule 1 on which the Concession Fee falls due for payment.

"Concession Fee Review" means a review of the Concession Fee determined in accordance with clause 6 of this Document.

*MAN*  
*TSK* *ROM*

"Concession Fee Review Date" means the date specified in Item 9 of Schedule 1 on which the Concession Fee Review occurs being at 3 year intervals calculated from the date of commencement of the term of this Document; and includes any additional dates inserted into Item 9 of Schedule 1 following a renewal of this Document.

"Conservation Area" has the same meaning as "Conservation area" in section 2 of the Conservation Act 1987.

"Director-General" means the Director-General of Conservation.

"Document" means this Licence and any subsequent amendments and all schedules, annexures, and plans attached to it.

"Final Expiry Date" means the date specified in Item 5 of Schedule 1.

"Land" means a Conservation Area or a Reserve (whichever is relevant in the circumstances) being the area more particularly described in Item 1 of Schedule 1.

"Licence" for purposes of this Document is the Licence granted under this Document by the Grantor to the Concessionaire under section 17Q(1) of the Conservation Act 1987 or section 59A of the Reserves Act 1977 (whichever is relevant in the circumstances).

"Penalty Interest Rate" means the rate specified in Item 8 of Schedule 1.

"Renewal Date" means the date specified in Item 4(a) of Schedule 1.

"Renewal Period" means the period specified in Item 4(b) of the Schedule 1.

"Reserve" has the same meaning as "reserve" in section 2 of the Reserves Act 1977.

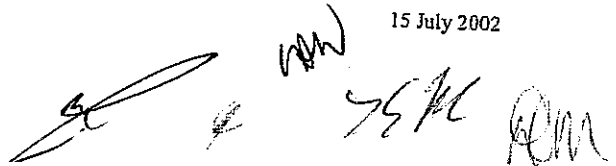
"Structure" includes a bridge, a culvert, and a fence.

"Term" means the period of time specified in Item 3 of Schedule 1 during which this Document operates. It includes, where relevant, any period of renewal of the Term.

"Working Day" means the period between any one midnight and the next excluding Saturdays, Sundays and Statutory holidays in the place where the Concession Activity is being carried out.

1.2 In this Document unless the context otherwise requires:

- (a) a reference to a party is a reference to a party to this Document;
- (b) schedules and annexures form part of this Document and have effect accordingly;
- (c) words appearing in this Document which also appear in Schedule 1 mean and include the details appearing after them in that Schedule;
- (d) a provision of this Document to be performed by two or more persons binds those persons jointly and severally;
- (e) words in a singular number include the plural and vice versa;
- (f) words importing a gender include other genders;
- (g) references to a statute or statutory provision, or order or regulation made under it, include that statute, provision, or regulation as amended, modified, re-enacted or replaced from time to time whether before or after the date of this Document;
- (h) where the Grantor's consent or approval is expressly required under a provision of this Document, the Concessionaire must seek the consent or approval of the Grantor for each separate occasion it is required notwithstanding that the Grantor has granted consent or approval for a like purpose on a prior occasion.



1.3 Words used in the Background to this Document have the same meaning given to them in clause 1.1.

## 2.0 GRANT OF LICENCE

2.1 In exercise of the Grantor's powers under either section 66 or section 68 of the Crown Pastoral Land Act 1998 (whichever is relevant in the circumstances) the Grantor **GRANTS** to the Concessionaire a **LICENCE** under either section 17Q(1) of the Conservation Act 1987 or section 59A of the Reserves Act 1977 (whichever is relevant in the circumstances) to carry out the Concession Activity on the Land subject to the terms and conditions contained in this Document.

## 3.0 TERM

3.1 The Licence is for the Term specified in Item 3 of Schedule 1.

3.2 Unless otherwise specified in Items 4 and 5 of Schedule 1, if the Concessionaire has not been in breach of this Document and has given to the Grantor written notice to renew the Document at least three months before the end of the Term, the Grantor will, at the cost of the Concessionaire, renew the Document from the Renewal Date for the next Renewal Period on the following terms:

- (a) the new Concession Fee is to be agreed upon before the end of the Term or, failing agreement, is to be determined as though it were a Concession Fee Review under clause 6;
- (b) the Concession Fee is to be subject to review during the Renewal Period on each Concession Fee Review Date;
- (c) the renewed Document is otherwise to be in accordance with and subject to the covenants and agreements expressed and implied in this Document except that the Term of the Document and all renewals, if any, end on the Final Expiry Date;
- (d) pending the determination of the new Concession Fee, the Concessionaire is to pay the new Concession Fee proposed by the Grantor. Upon determination an appropriate adjustment is to be made to the Concession Fee.

## 4.0 CONCESSION FEE AND ADMINISTRATION FEE

4.1 The Concessionaire must pay to the Grantor in the manner directed by the Grantor on or before the Concession Fee Payment Date specified in Item 7 of Schedule 1:

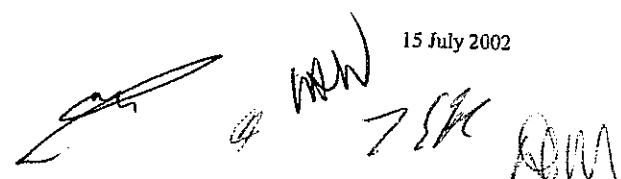
- (a) the Concession Fee plus GST specified in Item 6(a) of Schedule 1; and
- (b) the Administration Fee plus GST specified in Item 6(b) of Schedule 1.

4.2 If the Concessionaire defaults in payment of the Concession Fee and Administration Fee for 14 days after a Concession Fee Payment Date the Concessionaire is to pay interest on the unpaid Concession Fee and Administration Fee from the Concession Fee Payment Date until the date of payment at the Penalty Interest Rate specified in Item 8 of Schedule 1.

4.3 For purposes of clause 6.0, a reference to Concession Fee includes a reference to the Administration Fee.

## 5.0 OTHER CHARGES

5.1 In addition to the Concession Fee and Administration Fee the Concessionaire must pay all rates, levies, taxes, duties, assessments, charges, and other outgoings which may be charged, levied, or reasonably assessed, or which become payable in relation to the Land as a result of the grant of this Licence.





**6.0 CONCESSION FEE REVIEW**

- 6.1 The Grantor will review the Concession Fee on the Concession Fee Review Dates.
- 6.2 The Grantor will commence the review not earlier than 3 months before a Concession Fee Review Date and no later than 9 months following the Concession Fee Review Date by giving written notice to the Concessionaire.
- 6.3 The notice must specify the Concession Fee which the Grantor considers to be the market value for the Concession Activity as at the Concession Fee Review Date having regard to the matters specified in section 17Y(2) of the Conservation Act 1987.
- 6.4 If, within 28 days of receipt of the Grantor's notice, the Concessionaire gives written notice to the Grantor that the Concessionaire disputes the proposed new Concession Fee the new Concession Fee is to be determined in accordance with clause 18.
- 6.5 Until determination of the new Concession Fee, the Concession Fee payable by the Concessionaire from the Concession Fee Review Date is to be the Concession Fee payable immediately before the Concession Fee Review Date. On determination of the new Concession Fee an adjustment is to be made and paid, either by the Grantor or by the Concessionaire, whichever is applicable.
- 6.6 If the Concessionaire does not give notice to the Grantor under clause 6.4 the Concessionaire will be deemed to have accepted the Concession Fee specified in the Grantor's notice.

**7.0 CONCESSION ACTIVITY**

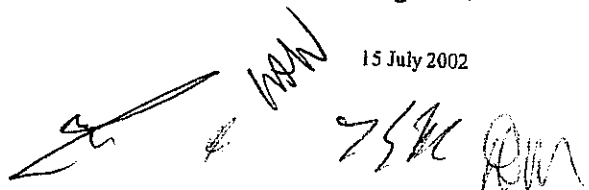
- 7.1 The Concessionaire is not to use the Land for any purpose other than the Concession Activity.

**8.0 COMPLIANCE**

- 8.1 The Concessionaire will comply where relevant:
- (a) with the provisions of any conservation management strategy or conservation management plan under Part IIIA of the Conservation Act 1987 together with any amendment or review of the strategy or plan whether approved before, on, or after the date on which this Document takes effect; and
  - (b) with the Conservation Act 1987, the Reserves Act 1977, the Health and Safety in Employment Act 1992, the Resource Management Act 1991, and any other statute, ordinance, regulation, bylaw, or other enactment affecting or relating to the Land, or affecting or relating to the Concession Activity.

**9.0 CONCESSIONAIRE'S STRUCTURES, FACILITIES AND LAND ALTERATIONS**

- 9.1 The Concessionaire must not erect or bring on to the Land any Structure, install any facility, or alter the Land in any way without the prior written consent of the Grantor.
- 9.2 The Concessionaire must keep and maintain at the Concessionaire's cost any Structures, facilities and alterations to the Land in good repair.
- 9.3 On expiry or early termination of this Document either as to the whole or any part of the Land, the Concessionaire will not be entitled to compensation for any improvements (including pasture) and any Structures or facilities remaining on the Land are to become the property of the Grantor.
- 9.4 If requested by the Grantor, the Concessionaire must, within such time as the Grantor determines, remove all Structures, facilities or other improvements erected or installed by the Concessionaire and make good at



the Concessionaire's own expense all damage done by the removal and must leave the Land in a clean and tidy condition to the satisfaction of the Grantor.

**10.0 PROTECTION OF THE ENVIRONMENT**

10.1 Except as approved in writing by the Grantor the Concessionaire will not, whether by act or omission:

- (a) interfere with, remove, damage, or endanger the natural features, indigenous animals and plants, or historic resources on the Land; or
- (b) bring any plants, or animals (other than farm stock described in Item 2 of Schedule 1, farm dogs and horses for purposes of the Concession Activity) on to the Land; or
- (c) deposit on the Land debris, rubbish or other dangerous or unsightly matter, or contaminate any water body on the Land; or
- (d) pile or store materials in any place on the Land where they may obstruct the public or create a nuisance; or
- (e) conduct any noxious, noisome, dangerous or offensive activity on the Land; or
- (f) top-dress, burn, sow seed, or carry out earthworks (including tracking, drainage or ditching) on the Land; or
- (g) disturb or allow stock to disturb any stream or watercourse on the Land; or
- (h) light any fire on the Land.

10.2 The Concessionaire, must at the Concessionaire's expense:

- (a)(i) if required by the Grantor take all steps necessary to control any pest, insect, or rodent infestation occurring on or emanating from the Land or any Structure or facility on the Land;
- (a)(ii) if considered necessary by the Grantor, engage a pest exterminator approved by the Grantor; and
- (b) comply strictly with the provisions of the Biosecurity Act 1993.

10.3 The Concessionaire must ensure that the Concessionaire's employees, agents, contractors, licensees and invitees comply with the obligations imposed on the Concessionaire under clause 10.

10.4 The Concessionaire may bring firearms on to the Land for use in connection with the Concession Activity and pest control operations.

10.5 The Concessionaire for purposes of the Concession Activity may take onto or use farm vehicles on the Land on existing formed access tracks only.

**11.0 HEALTH AND SAFETY**

11.1 The Concessionaire is to carry out the Concession Activity on the Land in a safe and reliable manner and must comply with the Health and Safety in Employment Act 1992 and its regulations.

11.2 The Concessionaire must notify the Grantor of any natural events or activities on the Land or the surrounding area which may endanger the public or the environment.

**12.0 TEMPORARY SUSPENSION**

12.1 The Grantor may suspend this Document:



- (a) if, in the opinion of the Grantor the activities of the Concessionaire, its employees, agents, contractors, licensees or invitees are having or may have an adverse effect on the environment and the Grantor considers that the effect can be avoided, remedied or mitigated to an extent satisfactory to the Grantor;
- (b) while the Grantor investigates any of the circumstances contemplated by this clause and also while the Grantor investigates any potential breach or possible offence by the Concessionaire related to the Concession Activity under the Conservation Act 1987 or any of the Acts mentioned in the First Schedule of that Act of which the Grantor has become aware.

12.2 The Grantor is not liable to the Concessionaire for any loss sustained by the Concessionaire by reason of a suspension under clause 12.1 including loss of profits.

12.3 During any period of temporary suspension the Concession Fee payable by the Concessionaire is to abate in fair proportion to the loss of use by the Concessionaire of the Land.

### 13.0 ASSIGNMENT

13.1 The Concessionaire is not to transfer, sublicense, assign, mortgage or otherwise dispose of the Concessionaire's interest under this Document or any part of it without the prior written consent of the Grantor. The Grantor may, in the Grantor's discretion, decline to grant consent under this clause.

13.2 If the Grantor gives consent under this clause the Concessionaire is to remain liable to observe and perform the terms and conditions of this Document throughout the Term and is to procure from the transferee, sublicensee, or assignee a covenant to be bound by the terms and conditions of this Document unless the Grantor otherwise provides in writing.

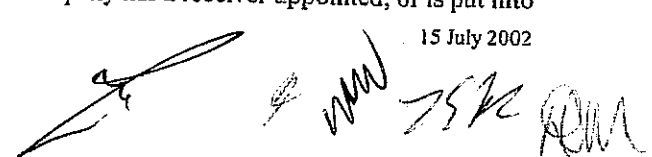
13.3 The Concessionaire must pay the costs reasonably incurred by the Grantor incidental to any application for consent, whether or not such consent is granted.

13.4 Any change in the shareholding of the Concessionaire altering the effective control of the Concessionaire will be deemed to be an assignment and will require the consent of the Grantor.

### 14.0 TERMINATION

14.1 The Grantor may terminate this Document by notice in writing to the Concessionaire if:

- (a) the Concession Fee or the Administration Fee or any other money payable to the Grantor under this Document is in arrears and unpaid for 14 days after any of the days appointed for payment whether it has been lawfully demanded or not; or
  - (b)(i) the Concessionaire breaches any terms of this Document; and
  - (b)(ii) the Grantor has notified the Concessionaire in writing of the breach; and
  - (b)(iii) the Concessionaire does not rectify the breach within 28 days of receiving notification; or
- (c) the Concessionaire ceases to conduct the Concession Activity; or
- (d) the Concessionaire is convicted of an offence, related to the Concession Activity, under the Conservation Act 1987 or any of the Acts listed in the First Schedule to that Act; or the Resource Management Act 1991; or the Biosecurity Act 1993; or the Health and Safety in Employment Act 1992; or
- (e) the Concessionaire is dissolved; or enters into any composition with or assignment for the benefit of its creditors; or is adjudged bankrupt; or being a company has a receiver appointed; or is put into



liquidation; or is placed under statutory management; or has a petition for winding up presented against it; or is otherwise unable to pay its debts as they fall due; or the estate or interest of the Concessionaire is made subject to a writ of sale or charging order; or the Concessionaire cease to function or operate.

14.2 If the Grantor terminates the Document under this clause 14 all rights of the Concessionaire are to cease absolutely; but the Concessionaire is not to be released from any liability to pay the Concession Fee or Administration Fee or other monies up to the date of termination or for any breach of any term up to the date of termination.

14.3 The Grantor may exercise the Grantor's right under this clause to terminate the Concession notwithstanding any prior waiver or failure to take action by the Grantor or any indulgence granted by the Grantor for any matter or default.

#### 15.0 INDEMNITIES AND INSURANCE

15.1 The Concessionaire will indemnify and keep indemnified the Grantor against all claims made by any person in respect of any injury, loss, or damage, including fire, caused or suffered as a result of or arising out of any acts or omissions of the Concessionaire, its employees, contractors, or invitees or otherwise caused as a result of its use of the Land or the Concessionaire's carrying out of the Concession Activity on the Land.

15.2 This indemnity is to continue after the expiry or other determination of this Document in respect of those acts or omissions occurring or arising before its expiry or determination.

15.3 Without prejudice to or in any way limiting its liability under clause 15.1 the Concessionaire must take out and keep in force during the Term if required by the Grantor:

(a) a policy of public liability insurance against liability for loss, damage or injury from any one single accident or event arising out of its conduct of the Concession Activity on the Land and covering:

(i) general indemnity for a sum not less than the amount specified in Item 10 of Schedule 1; and

(ii) Forest and Rural Fires Act 1977 extension for a sum not less than the amount specified in Item 11 of Schedule 1; and

(b) statutory liability insurance for the amount specified in Item 12 of Schedule 1; and

(c) such other policy or policies of insurance against any other liability and for such other sums which the Grantor specifies in Item 13 of Schedule 1.

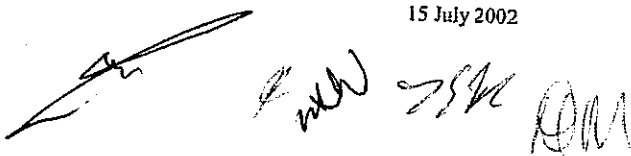
15.4 With respect to clause 15.3 the Concessionaire must, before commencing the Concession Activity and on each renewal of insurance provide the Grantor with certificates of insurance issued by the Concessionaire's insurer confirming the nature, amount and duration of cover.

#### 16.0 ENVIRONMENTAL MONITORING

16.1 The Concessionaire must, during the Term, if required in writing by the Grantor, pay to the Grantor the annual environmental monitoring contribution specified in Item 14 of Schedule 1 to enable the Grantor to design and undertake a programme to monitor the environmental effects of the Concessionaire's conduct of the Concession Activity on the Land.

#### 17.0 FORCE MAJEURE

17.1 Neither party will be liable to the other party for any delay in performance of, or failure to perform, its obligations (other than a payment of money) under this Document as a result of any cause beyond its reasonable control.



**18.0 DISPUTE RESOLUTION AND ARBITRATION**

- 18.1 If any dispute arises between the parties in connection with this Document, the parties must, without prejudice to any other rights they have under this Document, attempt to resolve the dispute by negotiation or other informal dispute resolution techniques agreed by the parties.
- 18.2 If the dispute is not capable of resolution by agreement within 14 days of written notice by one party to the other (or such further period as the parties may agree to in writing) either party may refer the dispute to mediation with a mediator agreed between the parties.
- 18.3 If the parties do not agree on a mediator, the President of the District Law Society in the region in which the Land is situated is to appoint the mediator.
- 18.4 In the event that the dispute is not resolved by mediation within 2 months of the date of referral to mediation the parties agree that the provisions of the Arbitration Act 1996 will apply.
- 18.5 Notwithstanding anything in the Arbitration Act 1996, if the parties do not agree on an arbitrator within 10 working days of a party giving written notice of the requirement to appoint an arbitrator the President of the District Law Society in the region in which the Land is situated is to appoint the arbitrator. In either case the arbitrator must not be a person who has participated in an informal dispute resolution procedure in respect of the dispute.
- 18.6 All arbitration proceedings are to take place in New Zealand and to be governed by New Zealand law.
- 18.7 The parties agree that the results of any arbitration are to be binding on the parties.

**19.0 NOTICES**

- 19.1 Any notice to be given under this Document by one party to the other is to be in writing and made by personal delivery, by pre-paid post or by facsimile addressed to the receiving party at the address or facsimile number set out in Item 15 of Schedule 1.
- 19.2 A notice given in accordance with clause 19.1 will be deemed to have been received:
- (a) in the case of personal delivery, on the date of delivery;
  - (b) in the case of pre-paid post, on the third working day after posting;
  - (c) in the case of facsimile, on the Working Day on which it is dispatched or, if dispatched after 5.00pm on a Working Day, or if dispatched on a non-working day, on the next Working Day after the date of dispatch.

**20.0 RELATIONSHIP OF PARTIES**

- 20.1 Nothing expressed or implied in this Document shall be construed as:
- (a) conferring on the Concessionaire any right of exclusive occupation or use of the Land;
  - (b) derogating from the rights of the Grantor and the public to have access across the Land;
  - (c) preventing the Grantor from granting other concessions (except a grazing licence) to other persons.



21.0 OFFENCES

21.1 Where any breach of this Concession by the Concessionaire also constitutes an offence under the Conservation Act 1987 or any of the Acts listed in the First Schedule to that Act:

- (a) no waiver or failure to act by the Grantor under this Document is to preclude the Grantor from prosecuting the Concessionaire; and
- (b) no failure by the Grantor to prosecute the Concessionaire is to preclude the Grantor from exercising the Grantor's remedies under this Document; and
- (c) any action of the Grantor in prosecuting the Concessionaire is not to preclude the Grantor from exercising the Grantor's remedies under this Document.

22.0 SPECIAL CONDITIONS

22.1 Special conditions relating to this Document are set out in Schedule 2.

22.2 The standard conditions contained in this Document must be read subject to any special conditions.

Signed by Ian Robert Hugh Whitwell  
for and on behalf of  
the Minister of Conservation  
pursuant to a written delegation (or designation as the case may be)  
in the presence of :

) \_\_\_\_\_  
)  
)  
)  
)  
)

Witness \_\_\_\_\_

Occupation \_\_\_\_\_

Address \_\_\_\_\_

Signed by : Thomas Guy Mead and Davida Isobel Mead  
as Concessionaires  
in the presence of :

) \_\_\_\_\_  
)  
)

Witness \_\_\_\_\_

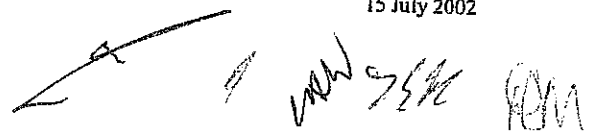
Occupation \_\_\_\_\_

Address \_\_\_\_\_

*[Handwritten signatures and initials]*

SCHEDULE 1

1. **Land:** *Area hatched in pink and marked "CA6 GC1" on the Proposed Designations Plan. (see definition of Land in clause 1.1)*
2. **Concession Activity:** Grazing *(see definition of Concession Activity in clause 1.1)*
3. **Term:** 15 years commencing on : *(see clause 3)*
4. (a) **Renewal Date:** Not applicable *(see clause 3.2)*  
(b) **Renewal Period:** Not applicable *(see clause 3.2)*
5. **Final Expiry Date:** 15 years from date of commencement of Term. *(see clause 3.2)*
6. (a) **Concession Fee:** \$ [REDACTED] per annum for 1 stock unit. *(see clause 4)*  
(b) **Administration Fee:** [REDACTED] per annum + GST *(see clause 4)*
7. **Concession Fee Payment Date:** On or before the date specified on the invoice generated by the Grantor *(see clause 4)*
8. **Penalty Interest Rate:** Double the Grantor's bank's current highest 90 day bank bill buy rate *(see clause 4.2)*
9. **Concession Fee Review Date:** Each 3 year anniversary of the date of commencement of the Term *(see clause 6)*
10. **Public Liability General Indemnity Cover:** for [REDACTED] *(see clause 15.3)*
11. **Public Liability Forest & Rural Fire Extension:** for [REDACTED] *(see clause 15.3)*
12. **Statutory Liability Insurance:** Amount \$Nil *(see clause 15.3)*
13. **Other Types of Insurance:** Nil *(see clause 15.3)*  
**Amounts Insured for Other Types of Insurances:** Nil *(see clause 15.3)*
14. **Environmental Monitoring Contribution:** [REDACTED] *(see clause 16)*
15. **Address for Notices (including facsimile number):** *(see clause 19)*
  - (a) Conservation House, 77 Lower Stuart Street, Dunedin  
Telephone: (03) 477-0677  
Facsimile: (03) 477-8626
  - (b) Concessionaire: Dingleburn Station, Dingleburn Road, Lake Hawea.  
Telephone: (03) 443-1558  
Facsimile: (03) 443-1558



SCHEDULE 2


*Special Conditions*

1. The concessionaires shall, at no expense to the Grantor ensure that stock are adequately contained within the land."
2. The Minister is not liable to pay for or contribute towards the cost of work (as that word is defined in section 2 of the Fencing Act 1978) on any fence between the land and any adjoining land administered by the Department of Conservation.
3. The Concessionaire must only use the land for grazing sheep or cattle between the period commencing on 1 February and ending on 30 September in each year; and during that time must not graze more than the equivalent of 200 stock units on an annual basis. For the purpose of this Document a breeding cow equates to 6 stock units; cattle under 1 year of age = 4 stock units; all other cattle = 5 stock units (note calves are not counted as additional stock units until weaned). One ewe = 1 stock unit; two toothies = 1 stock unit; a hogget = 0.6 of a stock unit; a wether = 0.8 of a stock unit; a ram = 0.8 of a stock unit.
4. The Concessionaire may use dogs on the Land for the purpose of mustering stock.

*[Handwritten signatures and initials]*



Appendix 5: Form of Concession to be Created – Timaru Creek Grazing Concession

 26  
MAM  
SSM  
DM

Concession number: \_\_\_\_\_

DATED 2003

Between

MINISTER OF CONSERVATION  
("the Grantor")

and

THOMAS GUY MEAD AND DAVIDA ISOBEL MEAD  
("the Concessionaire")

GRAZING CONCESSION  
UNDER CROWN PASTORAL LAND ACT 1998



Department of Conservation  
*Te Papa Atawhai*

*[Handwritten signatures and initials]*

THIS LICENCE is made this day of

**PARTIES:**

1. MINISTER OF CONSERVATION ("the Grantor")
2. THOMAS GUY MEAD AND DAVIDA ISOBEL MEAD ("the Concessionaire")

**BACKGROUND**

- A. The Grantor manages the Land described in Schedule 1 as a Conservation Area.
- B. Sections 66 and 68 of the Crown Pastoral Land Act 1998 authorise the Grantor to grant a Concession for a Concession Activity in a Conservation Area and a Reserve under section 17Q(1) of the Conservation Act 1987 or section 59A of the Reserves Act 1977 (whichever is relevant in the circumstances).
- C. The Concessionaire wishes to carry out the Concession Activity on the Land subject to the terms and conditions of this Document.

**OPERATIVE PARTS**

**TERMS AND CONDITIONS**

**1.0 DEFINITIONS AND INTERPRETATION**

- 1.1 In this Document, unless the context otherwise requires:

"Access" means the right, in common with others, to pass and repass over the Land and any roads of the Grantor for ingress to and egress from the Land as is reasonably necessary for the Concessionaire to exercise its rights under this Licence.

"Administration Fee" means the amount specified in Item 6(b) of Schedule 1 and is the annual fee for administering the Concession imposed by the Grantor under section 60D of the Conservation Act 1987. It includes any variation in that amount following a Concession Fee Review.

"Background" means the matters referred to under the heading "Background" on page 1 of this Document.

"Concession" means a concession as defined in section 2 of the Conservation Act 1987.

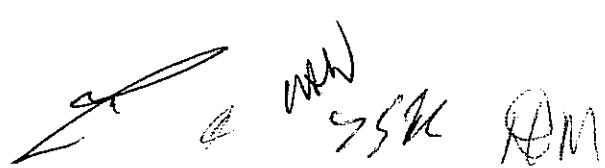
"Concessionaire" includes the Concessionaire's successors, assigns, executors, and administrators.

"Concession Activity" means the use of the Land for purposes of the activity carried out by the Concessionaire and specified in Item 2 of Schedule 1.

"Concession Fee" means the amount specified in Item 6(a) of Schedule 1 and charged by the Grantor for the Concessionaire's right to carry out the Concession Activity on the Land. It includes any variation in that amount following a Concession Fee Review. It also includes, where relevant, the amount which the parties agree to be the new Concession Fee on a renewal of the Document.

"Concession Fee Payment Date" means the date specified in Item 7 of Schedule 1 on which the Concession Fee falls due for payment.

"Concession Fee Review" means a review of the Concession Fee determined in accordance with clause 6 of this Document.

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"Concession Fee Review Date" means the date specified in Item 9 of Schedule 1 on which the Concession Fee Review occurs being at 3 year intervals calculated from the date of commencement of the term of this Document; and includes any additional dates inserted into Item 9 of Schedule 1 following a renewal of this Document.

"Conservation Area" has the same meaning as "Conservation area" in section 2 of the Conservation Act 1987.

"Director-General" means the Director-General of Conservation.

"Document" means this Licence and any subsequent amendments and all schedules, annexures, and plans attached to it.

"Final Expiry Date" means the date specified in Item 5 of Schedule 1.

"Land" means a Conservation Area or a Reserve (whichever is relevant in the circumstances) being the area more particularly described in Item 1 of Schedule 1.

"Licence" for purposes of this Document is the Licence granted under this Document by the Grantor to the Concessionaire under section 17Q(1) of the Conservation Act 1987 or section 59A of the Reserves Act 1977 (whichever is relevant in the circumstances).

"Penalty Interest Rate" means the rate specified in Item 8 of Schedule 1.

"Renewal Date" means the date specified in Item 4(a) of Schedule 1.

"Renewal Period" means the period specified in Item 4(b) of the Schedule 1.

"Reserve" has the same meaning as "reserve" in section 2 of the Reserves Act 1977.

"Structure" includes a bridge, a culvert, and a fence.

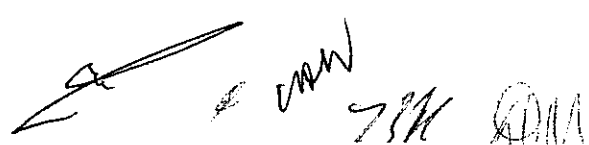
"Term" means the period of time specified in Item 3 of Schedule 1 during which this Document operates. It includes, where relevant, any period of renewal of the Term.

"Working Day" means the period between any one midnight and the next excluding Saturdays, Sundays and Statutory holidays in the place where the Concession Activity is being carried out.

1.2 In this Document unless the context otherwise requires:

- (a) a reference to a party is a reference to a party to this Document;
- (b) schedules and annexures form part of this Document and have effect accordingly;
- (c) words appearing in this Document which also appear in Schedule 1 mean and include the details appearing after them in that Schedule;
- (d) a provision of this Document to be performed by two or more persons binds those persons jointly and severally;
- (e) words in a singular number include the plural and vice versa;
- (f) words importing a gender include other genders;
- (g) references to a statute or statutory provision, or order or regulation made under it, include that statute, provision, or regulation as amended, modified, re-enacted or replaced from time to time whether before or after the date of this Document;
- (h) where the Grantor's consent or approval is expressly required under a provision of this Document, the Concessionaire must seek the consent or approval of the Grantor for each separate occasion it is required notwithstanding that the Grantor has granted consent or approval for a like purpose on a prior occasion.

1.3 Words used in the Background to this Document have the same meaning given to them in clause 1.1.



**2.0 GRANT OF LICENCE**

2.1 In exercise of the Grantor's powers under either section 66 or section 68 of the Crown Pastoral Land Act 1998 (whichever is relevant in the circumstances) the Grantor GRANTS to the Concessionaire a LICENCE under either section 17Q(1) of the Conservation Act 1987 or section 59A of the Reserves Act 1977 (whichever is relevant in the circumstances) to carry out the Concession Activity on the Land subject to the terms and conditions contained in this Document.

**3.0 TERM**

3.1 The Licence is for the Term specified in Item 3 of Schedule 1.

3.2 Unless otherwise specified in Items 4 and 5 of Schedule 1, if the Concessionaire has not been in breach of this Document and has given to the Grantor written notice to renew the Document at least three months before the end of the Term, the Grantor will, at the cost of the Concessionaire, renew the Document from the Renewal Date for the next Renewal Period on the following terms:

- (a) the new Concession Fee is to be agreed upon before the end of the Term or, failing agreement, is to be determined as though it were a Concession Fee Review under clause 6;
- (b) the Concession Fee is to be subject to review during the Renewal Period on each Concession Fee Review Date;
- (c) the renewed Document is otherwise to be in accordance with and subject to the covenants and agreements expressed and implied in this Document except that the Term of the Document and all renewals, if any, end on the Final Expiry Date;
- (d) pending the determination of the new Concession Fee, the Concessionaire is to pay the new Concession Fee proposed by the Grantor. Upon determination an appropriate adjustment is to be made to the Concession Fee.

**4.0 CONCESSION FEE AND ADMINISTRATION FEE**

4.1 The Concessionaire must pay to the Grantor in the manner directed by the Grantor on or before the Concession Fee Payment Date specified in Item 7 of Schedule 1:

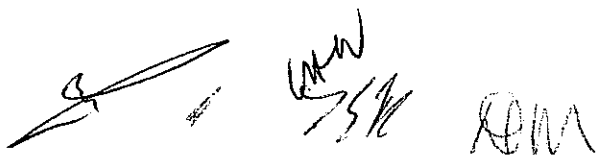
- (a) the Concession Fee plus GST specified in Item 6(a) of Schedule 1; and
- (b) the Administration Fee plus GST specified in Item 6(b) of Schedule 1.

4.2 If the Concessionaire defaults in payment of the Concession Fee and Administration Fee for 14 days after a Concession Fee Payment Date the Concessionaire is to pay interest on the unpaid Concession Fee and Administration Fee from the Concession Fee Payment Date until the date of payment at the Penalty Interest Rate specified in Item 8 of Schedule 1.

4.3 For purposes of clause 6.0, a reference to Concession Fee includes a reference to the Administration Fee.

**5.0 OTHER CHARGES**

5.1 In addition to the Concession Fee and Administration Fee the Concessionaire must pay all rates, levies, taxes, duties, assessments, charges, and other outgoings which may be charged, levied, or reasonably assessed, or which become payable in relation to the Land as a result of the grant of this Licence.

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**6.0 CONCESSION FEE REVIEW**

- 6.1 The Grantor will review the Concession Fee on the Concession Fee Review Dates.
- 6.2 The Grantor will commence the review not earlier than 3 months before a Concession Fee Review Date and no later than 9 months following the Concession Fee Review Date by giving written notice to the Concessionaire.
- 6.3 The notice must specify the Concession Fee which the Grantor considers to be the market value for the Concession Activity as at the Concession Fee Review Date having regard to the matters specified in section 17Y(2) of the Conservation Act 1987.
- 6.4 If, within 28 days of receipt of the Grantor's notice, the Concessionaire gives written notice to the Grantor that the Concessionaire disputes the proposed new Concession Fee the new Concession Fee is to be determined in accordance with clause 18.
- 6.5 Until determination of the new Concession Fee, the Concession Fee payable by the Concessionaire from the Concession Fee Review Date is to be the Concession Fee payable immediately before the Concession Fee Review Date. On determination of the new Concession Fee an adjustment is to be made and paid, either by the Grantor or by the Concessionaire, whichever is applicable.
- 6.6 If the Concessionaire does not give notice to the Grantor under clause 6.4 the Concessionaire will be deemed to have accepted the Concession Fee specified in the Grantor's notice.

**7.0 CONCESSION ACTIVITY**

- 7.1 The Concessionaire is not to use the Land for any purpose other than the Concession Activity.

**8.0 COMPLIANCE**

- 8.1 The Concessionaire will comply where relevant:
- (a) with the provisions of any conservation management strategy or conservation management plan under Part IIIA of the Conservation Act 1987 together with any amendment or review of the strategy or plan whether approved before, on, or after the date on which this Document takes effect; and
  - (b) with the Conservation Act 1987, the Reserves Act 1977, the Health and Safety in Employment Act 1992, the Resource Management Act 1991, and any other statute, ordinance, regulation, bylaw, or other enactment affecting or relating to the Land, or affecting or relating to the Concession Activity.

**9.0 CONCESSIONAIRE'S STRUCTURES, FACILITIES AND LAND ALTERATIONS**

- 9.1 The Concessionaire must not erect or bring on to the Land any Structure, install any facility, or alter the Land in any way without the prior written consent of the Grantor.
- 9.2 The Concessionaire must keep and maintain at the Concessionaire's cost any Structures, facilities and alterations to the Land in good repair.
- 9.3 On expiry or early termination of this Document either as to the whole or any part of the Land, the Concessionaire will not be entitled to compensation for any improvements (including pasture) and any Structures or facilities remaining on the Land are to become the property of the Grantor.
- 9.4 If requested by the Grantor, the Concessionaire must, within such time as the Grantor determines, remove all Structures, facilities or other improvements erected or installed by the Concessionaire and make good at the Concessionaire's own expense all damage done by the removal and must leave the Land in a clean and tidy condition to the satisfaction of the Grantor.

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**10.0 PROTECTION OF THE ENVIRONMENT**

10.1 Except as approved in writing by the Grantor the Concessionaire will not, whether by act or omission:

- (a) interfere with, remove, damage, or endanger the natural features, indigenous animals and plants, or historic resources on the Land; or
- (b) bring any plants, or animals (other than farm stock described in Item 2 of Schedule 1, farm dogs and horses for purposes of the Concession Activity) on to the Land; or
- (c) deposit on the Land debris, rubbish or other dangerous or unsightly matter, or contaminate any water body on the Land; or
- (d) pile or store materials in any place on the Land where they may obstruct the public or create a nuisance; or
- (e) conduct any noxious, noisome, dangerous or offensive activity on the Land; or
- (f) top-dress, burn, sow seed, or carry out earthworks (including tracking, drainage or ditching) on the Land; or
- (g) disturb or allow stock to disturb any stream or watercourse on the Land; or
- (h) light any fire on the Land.

10.2 The Concessionaire, must at the Concessionaire's expense:

- (a)(i) if required by the Grantor take all steps necessary to control any pest, insect, or rodent infestation occurring on or emanating from the Land or any Structure or facility on the Land;
- (a)(ii) if considered necessary by the Grantor, engage a pest exterminator approved by the Grantor; and
- (b) comply strictly with the provisions of the Biosecurity Act 1993.

10.3 The Concessionaire must ensure that the Concessionaire's employees, agents, contractors, licensees and invitees comply with the obligations imposed on the Concessionaire under clause 10.

10.4 The Concessionaire may bring firearms on to the Land for use in connection with the Concession Activity and pest control operations.

10.5 The Concessionaire for purposes of the Concession Activity may take onto or use farm vehicles on the Land on existing formed access tracks only.

**11.0 HEALTH AND SAFETY**

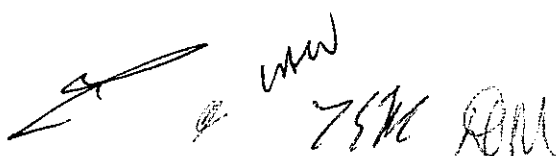
11.1 The Concessionaire is to carry out the Concession Activity on the Land in a safe and reliable manner and must comply with the Health and Safety in Employment Act 1992 and its regulations.

11.2 The Concessionaire must notify the Grantor of any natural events or activities on the Land or the surrounding area which may endanger the public or the environment.

**12.0 TEMPORARY SUSPENSION**

12.1 The Grantor may suspend this Document:

- (a) if, in the opinion of the Grantor the activities of the Concessionaire, its employees, agents, contractors, licensees or invitees are having or may have an adverse effect on the environment and



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- the Grantor considers that the effect can be avoided, remedied or mitigated to an extent satisfactory to the Grantor;
- (b) while the Grantor investigates any of the circumstances contemplated by this clause and also while the Grantor investigates any potential breach or possible offence by the Concessionaire related to the Concession Activity under the Conservation Act 1987 or any of the Acts mentioned in the First Schedule of that Act of which the Grantor has become aware.

12.2 The Grantor is not liable to the Concessionaire for any loss sustained by the Concessionaire by reason of a suspension under clause 12.1 including loss of profits.

12.3 During any period of temporary suspension the Concession Fee payable by the Concessionaire is to abate in fair proportion to the loss of use by the Concessionaire of the Land.

### 13.0 ASSIGNMENT

13.1 The Concessionaire is not to transfer, sublicense, assign, mortgage or otherwise dispose of the Concessionaire's interest under this Document or any part of it without the prior written consent of the Grantor. The Grantor may, in the Grantor's discretion, decline to grant consent under this clause.

13.2 If the Grantor gives consent under this clause the Concessionaire is to remain liable to observe and perform the terms and conditions of this Document throughout the Term and is to procure from the transferee, sublicensee, or assignee a covenant to be bound by the terms and conditions of this Document unless the Grantor otherwise provides in writing.

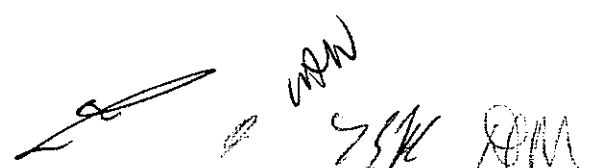
13.3 The Concessionaire must pay the costs reasonably incurred by the Grantor incidental to any application for consent, whether or not such consent is granted.

13.4 Any change in the shareholding of the Concessionaire altering the effective control of the Concessionaire will be deemed to be an assignment and will require the consent of the Grantor.

### 14.0 TERMINATION

14.1 The Grantor may terminate this Document by notice in writing to the Concessionaire if:

- (a) the Concession Fee or the Administration Fee or any other money payable to the Grantor under this Document is in arrears and unpaid for 14 days after any of the days appointed for payment whether it has been lawfully demanded or not; or
- (b)(i) the Concessionaire breaches any terms of this Document; and
- (b)(ii) the Grantor has notified the Concessionaire in writing of the breach; and
- (b)(iii) the Concessionaire does not rectify the breach within 28 days of receiving notification; or
- (c) the Concessionaire ceases to conduct the Concession Activity; or
- (d) the Concessionaire is convicted of an offence, related to the Concession Activity, under the Conservation Act 1987 or any of the Acts listed in the First Schedule to that Act; or the Resource Management Act 1991; or the Biosecurity Act 1993; or the Health and Safety in Employment Act 1992; or
- (e) the Concessionaire is dissolved; or enters into any composition with or assignment for the benefit of its creditors; or is adjudged bankrupt; or being a company has a receiver appointed; or is put into liquidation; or is placed under statutory management; or has a petition for winding up presented against it; or is otherwise unable to pay its debts as they fall due; or the estate or interest of the Concessionaire is made subject to a writ of sale or charging order; or the Concessionaire ceases to function or operate.





14.2 If the Grantor terminates the Document under this clause 14 all rights of the Concessionaire are to cease absolutely; but the Concessionaire is not to be released from any liability to pay the Concession Fee or Administration Fee or other monies up to the date of termination or for any breach of any term up to the date of termination.

14.3 The Grantor may exercise the Grantor's right under this clause to terminate the Concession notwithstanding any prior waiver or failure to take action by the Grantor or any indulgence granted by the Grantor for any matter or default.

**15.0 INDEMNITIES AND INSURANCE**

15.1 The Concessionaire will indemnify and keep indemnified the Grantor against all claims made by any person in respect of any injury, loss, or damage, including fire, caused or suffered as a result of or arising out of any acts or omissions of the Concessionaire, its employees, contractors, or invitees or otherwise caused as a result of its use of the Land or the Concessionaire's carrying out of the Concession Activity on the Land.

15.2 This indemnity is to continue after the expiry or other determination of this Document in respect of those acts or omissions occurring or arising before its expiry or determination.

15.3 Without prejudice to or in any way limiting its liability under clause 15.1 the Concessionaire must take out and keep in force during the Term if required by the Grantor:

(a) a policy of public liability insurance against liability for loss, damage or injury from any one single accident or event arising out of its conduct of the Concession Activity on the Land and covering:

(i) general indemnity for a sum not less than the amount specified in Item 10 of Schedule 1; and

(ii) Forest and Rural Fires Act 1977 extension for a sum not less than the amount specified in Item 11 of Schedule 1; and

(b) statutory liability insurance for the amount specified in Item 12 of Schedule 1; and

(c) such other policy or policies of insurance against any other liability and for such other sums which the Grantor specifies in Item 13 of Schedule 1.


15.4 With respect to clause 15.3 the Concessionaire must, before commencing the Concession Activity and on each renewal of insurance provide the Grantor with certificates of insurance issued by the Concessionaire's insurer confirming the nature, amount and duration of cover.

**16.0 ENVIRONMENTAL MONITORING**

16.1 The Concessionaire must, during the Term, if required in writing by the Grantor, pay to the Grantor the annual environmental monitoring contribution specified in Item 14 of Schedule 1 to enable the Grantor to design and undertake a programme to monitor the environmental effects of the Concessionaire's conduct of the Concession Activity on the Land.

**17.0 FORCE MAJEURE**

17.1 Neither party will be liable to the other party for any delay in performance of, or failure to perform, its obligations (other than a payment of money) under this Document as a result of any cause beyond its reasonable control.

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**18.0 DISPUTE RESOLUTION AND ARBITRATION**

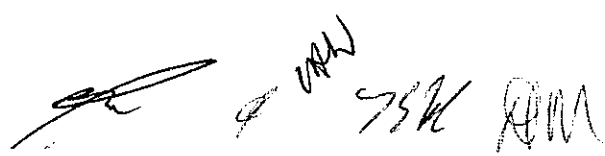
- 18.1 If any dispute arises between the parties in connection with this Document, the parties must, without prejudice to any other rights they have under this Document, attempt to resolve the dispute by negotiation or other informal dispute resolution techniques agreed by the parties.
- 18.2 If the dispute is not capable of resolution by agreement within 14 days of written notice by one party to the other (or such further period as the parties may agree to in writing) either party may refer the dispute to mediation with a mediator agreed between the parties.
- 18.3 If the parties do not agree on a mediator, the President of the District Law Society in the region in which the Land is situated is to appoint the mediator.
- 18.4 In the event that the dispute is not resolved by mediation within 2 months of the date of referral to mediation the parties agree that the provisions of the Arbitration Act 1996 will apply.
- 18.5 Notwithstanding anything in the Arbitration Act 1996, if the parties do not agree on an arbitrator within 10 working days of a party giving written notice of the requirement to appoint an arbitrator the President of the District Law Society in the region in which the Land is situated is to appoint the arbitrator. In either case the arbitrator must not be a person who has participated in an informal dispute resolution procedure in respect of the dispute.
- 18.6 All arbitration proceedings are to take place in New Zealand and to be governed by New Zealand law.
- 18.7 The parties agree that the results of any arbitration are to be binding on the parties.

**19.0 NOTICES**

- 19.1 Any notice to be given under this Document by one party to the other is to be in writing and made by personal delivery, by pre-paid post or by facsimile addressed to the receiving party at the address or facsimile number set out in Item 15 of Schedule 1.
- 19.2 A notice given in accordance with clause 19.1 will be deemed to have been received:
- (a) in the case of personal delivery, on the date of delivery;
  - (b) in the case of pre-paid post, on the third working day after posting;
  - (c) in the case of facsimile, on the Working Day on which it is dispatched or, if dispatched after 5.00pm on a Working Day, or if dispatched on a non-working day, on the next Working Day after the date of dispatch.

**20.0 RELATIONSHIP OF PARTIES**

- 20.1 Nothing expressed or implied in this Document shall be construed as:
- (a) conferring on the Concessionaire any right of exclusive occupation or use of the Land;
  - (b) derogating from the rights of the Grantor and the public to have access across the Land;
  - (c) preventing the Grantor from granting other concessions (except a grazing licence) to other persons.



21.0 OFFENCES

21.1 Where any breach of this Concession by the Concessionaire also constitutes an offence under the Conservation Act 1987 or any of the Acts listed in the First Schedule to that Act:

- (a) no waiver or failure to act by the Grantor under this Document is to preclude the Grantor from prosecuting the Concessionaire; and
- (b) no failure by the Grantor to prosecute the Concessionaire is to preclude the Grantor from exercising the Grantor's remedies under this Document; and
- (c) any action of the Grantor in prosecuting the Concessionaire is not to preclude the Grantor from exercising the Grantor's remedies under this Document.

22.0 SPECIAL CONDITIONS

22.1 Special conditions relating to this Document are set out in Schedule 2.

22.2 The standard conditions contained in this Document must be read subject to any special conditions.

Signed by Ian Robert Hugh Whitwell  
 for and on behalf of  
 the Minister of Conservation  
 pursuant to a written delegation (or designation as the case may be)  
 in the presence of :

) \_\_\_\_\_  
 )  
 )  
 )  
 )

Witness \_\_\_\_\_

Occupation \_\_\_\_\_

Address \_\_\_\_\_

Signed by Thomas Guy Mead and Davida Isobel Mead  
 as Concessionaires  
 in the presence of :

) \_\_\_\_\_  
 )  
 )

Witness \_\_\_\_\_

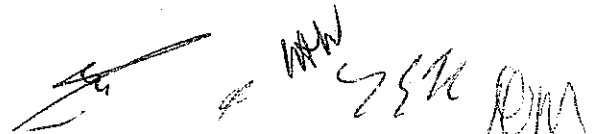
Occupation \_\_\_\_\_

Address \_\_\_\_\_

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SCHEDULE 1

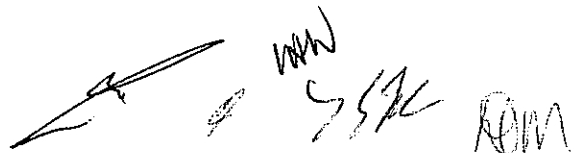
1. **Land:** Area hatched in pink and marked "CA5 GC2" on the Proposed Designations Plan. (see definition of Land in clause 1.1)
2. **Concession Activity:** Sheep grazing (see definition of Concession Activity in clause 1.1)
3. **Term:** 10 years commencing on : (see clause 3)
4. (a) **Renewal Date:** Not applicable (see clause 3.2)  
(b) **Renewal Period:** Not applicable (see clause 3.2)
5. **Final Expiry Date:**  
10 years from the date of commencement of the Term. (see clause 3.2)
6. (a) **Concession Fee:** \$ [REDACTED] per annum for 1 stock unit. (see clause 4)  
(b) **Administration Fee:** [REDACTED] per annum + GST (see clause 4)
7. **Concession Fee Payment Date:**  
On or before the date specified on the invoice generated by the Grantor (see clause 4)
8. **Penalty Interest Rate:**  
Double the Grantor's bank's current highest 90 day bank bill buy rate (see clause 4.2)
9. **Concession Fee Review Date:**  
Each 3 year anniversary from the date of commencement of the Term (see clause 6)
10. **Public Liability General Indemnity Cover:**  
for [REDACTED] (see clause 15.3)
11. **Public Liability Forest & Rural Fire Extension:**  
for [REDACTED] (see clause 15.3)
12. **Statutory Liability Insurance:**  
Amount: Nil (see clause 15.3)
13. **Other Types of Insurance:** Nil (see clause 15.3)  
**Amounts Insured for Other Types of Insurances:**  
Amount: Nil (see clause 15.3)
14. **Environmental Monitoring Contribution:** Nil (see clause 16)
15. **Address for Notices (including facsimile number):** (see clause 19)
  - (a) Conservation House, 77 Lower Stuart Street, Dunedin  
Telephone: (03) 477-0677  
Facsimile: (03) 477-8626
  - (b) Concessionaire: Dingleburn Station, Dingleburn Road, Lake Hawea.
  - (c) Telephone: (03) 443-1558  
Facsimile: (03) 443-1558



SCHEDULE 2

*Special Conditions*

1. The Minister is not liable to pay for or contribute towards the cost of work (as that word is defined in section 2 of the Fencing Act 1978) on any fence between the land and any adjoining land administered by the Department of Conservation.
2. The Concessionaire must only use the land for grazing sheep. Not more than the equivalent of 600 stock units may be grazed on an annual basis. For the purpose of this Document 1 ewe = 1 stock unit; 1 two tooth = 1 stock unit; 1 hogget = 0.6 of a stock unit; 1 wether = 0.8 of a stock unit; 1 ram = 0.8 of a stock unit.
3. The Concessionaire may use dogs on the Land for the purpose of mustering stock.

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