

Crown Pastoral Land Tenure Review

Lease name : MANUKA POINT

Lease number : PC 053

Preliminary Proposal - Part 2

A Preliminary Proposal is advertised for public submissions as per Section 43 of the Crown Pastoral Land Act 1998.

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

Appendix 5: Form of Grazing Concession to be Created over the land shown cross hatched in pink and labelled "GC1" and GC2" on the Plan

Concession number: _____

DATED _____

Between

MINISTER OF CONSERVATION
("the Grantor")

and

MANUKA POINT STATION COMPANY LIMITED
("the Concessionaire")

GRAZING CONCESSION
UNDER CROWN PASTORAL LAND ACT 1998



Department of Conservation
Te Papa Atawhai

THIS LICENCE is made this day of

PARTIES:

1. **MINISTER OF CONSERVATION**, ("the Grantor")
2. **MANUKA POINT STATION COMPANY LIMITED** ("the Concessionaire")

BACKGROUND

- A. The Grantor manages the Land described in Schedule 1.
- B. Sections 66 and 68 of the Crown Pastoral Land Act 1998 authorise the Grantor to grant, under section 17Q(1) of the Conservation Act 1987 or section 59A of the Reserves Act 1977 (whichever is relevant in the circumstances), a Concession for a Concession Activity to be carried out on the Land.
- 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.

6.0 CONCESSION FEE AND ADMINISTRATION FEE REVIEW

- 6.1 The Grantor will review the Concession Fee and the Administration 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. The notice must also specify the Administration Fee which the Grantor intends to impose until the next Concession Fee Review Date.
- 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 notwithstanding anything in this clause; the new Administration Fee will be payable by the Grantor upon receipt of the notice referred to in clause 6.3.
- 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.

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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) light any fire on the Land.

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

- (a) if required by the Grantor:
 - (i) 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;
 - (ii) 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 not 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) the Concessionaire breaches any terms of this Document; and
 - (i) the Grantor has notified the Concessionaire in writing of the breach; and
 - (ii) 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

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(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 New Zealand Law Society 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 New Zealand Law Society 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.

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20.2 The Concessionaire acknowledges that the Land is open to the public for access and that the Grantor may close public access during periods of high fire hazard.

21.0 COSTS

21.1 The Concessionaire must pay the Grantor's legal costs and expenses associated with preparing and signing this Document or any extension or variation to it.

21.2 The Concessionaire must pay in full immediately and on demand all costs and fees (including solicitor's costs and the fees of debt collecting agencies engaged by the Grantor) arising out of and associated with steps taken by the Grantor to enforce or attempt to enforce the Grantor's rights and powers under this Concession including the right to recover outstanding money owed to the Grantor.

22.0 OFFENCES

22.1 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.

23.0 SPECIAL CONDITIONS

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

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

Signed by :

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 : **Manuka Point Station Company Limited.**
Director:

as Concessionaire
in the presence of :

Witness _____

Occupation _____

Address _____

SCHEDULE 1

1. **Land:**
 - GC1 – Mathias Faces
Conservation Area of 200 hectares approximately on the Mathias Faces of the Ragged Range situated in the Canterbury Land District and shown on the plan attached to the Proposal as GC1 being hatched pink and herein referred to as the Land.
 - GC2 – Rakaia River Flats
Conservation Area of 182 hectares approximately on the Rakaia River flats adjoining the Ragged Range situated in the Canterbury Land District and shown on the plan attached to the Proposal as GC2 being hatched pink and herein referred to as the Land.
(see definition of Land in clause 1.1)
2. **Concession Activity:**
 - GC1 – Mathias Faces
Grazing for a maximum of 120 head of sheep only from 1 May to 30 September each calendar year.
 - GC2 – Rakaia River Flats
Grazing for a maximum of 190 head of sheep only from 1 October to 30 April each calendar year.
(see definition of Concession Activity in clause 1.1)
3. **Term:** 20 years commencing on the day of registration of an approved plan affecting Certificate of Title CB 529/71 (Canterbury Registry). *(see clause 3)*
4. **Renewal Date:** No right of Renewal. *(see clause 3.2)*
5. **Expiry Date:** 20 years after the inception of the concession. *(see clause 3.2)*
6. (a) **Concession Fee:** A nominal Concession Fee of \$150.00 + GST is applicable to each area. **Total \$ 300.00 + GST** *(see clause 4)*
(b) **Administration Fee:** \$ 250 per annum + GST *(see clause 4)*
7. **Concession Fee Payment Date:** Annually upon commencement of the term set out in clause 3, Schedule 1. *(see clause 4)*
8. **Penalty Interest Rate:** *(see clause 4.2)*
Double the Grantor's bank's current highest 90 day bank bill buy rate
9. **Concession Fee Review Date:** Every three years from commencement date. *(see clause 6)*
10. **Public Liability General Indemnity Cover:** *(see clause 15.3)*
for \$500,000.
11. **Public Liability Forest & Rural Fire Extension:** *(see clause 15.3)*
for \$500,000.
12. **Statutory Liability Insurance:** NIL *(see clause 15.3)*

13 **Other Types of Insurance:** NIL *(see clause 15.3)*

14 **Environmental Monitoring Contribution:** To be negotiated between the Grantor and the Concessionaire if required under clause 16 (Environmental Monitoring) of the concession document *(see clause 16)*

15 **Address for Notices (including facsimile number):** *(see clause 19)*

(a) Grantor

Minister of Conservation
C/- Conservator
Department of Conservation
195 Hereford Street
Private Bag 4715
CHRISTCHURCH
Ph: 03 371-3700
Fax: 03 365-1388

(b) Concessionaire

Manuka Point Station Company Limited
Directors:
Don and Julie Patterson
Manuka Point
R. D.
METHVEN
Ph (03) 318 5878
Fax (03) 318 5879

Registered Office:
C/o Mackay Bailey Butchard Limited
4 / 262 Oxford Terrace
P. O. Box 13311
CHRISTCHURCH

SCHEDULE 2

Special Conditions

Land Management

1. The public shall at all times have access on foot to and across all parts of the Land. Where fences occur the Grantor may erect gates or stiles in suitable places.
2. The Grantor will issue all hunting permits for the Land. All hunters will be responsible for obtaining access permission from the Concessionaire (including permission to utilize dogs on the Concession Land) such permission will not be unreasonably withheld from:
 - a) hunters who hold a valid hunting permit issued by the Department of Conservation to hunt on the Land or
 - b) hunters seeking access across the Land.

Fencing

3. The Concessionaire must, at no expense to the Grantor, ensure that stock is adequately contained within the Land
4. The Grantor is not to be called upon at any time to contribute to the costs of any boundary fencing between the Land and any adjoining land of the Concessionaire if the purpose of the fencing is to assist the Concessionaire to comply with clause 3.
5. The Concessionaire must keep and maintain all fences (including boundary fences) or gates on the Land in good repair.

Inspection

6. The Grantor reserves the right for the Grantor's employees or agents to enter on the Land at any time for the purpose of inspecting the Land.

Monitoring

7. The Grantor may set up and design and undertake a monitoring program:
 - i) to ensure that the ecological integrity of the land is maintained or improved; and
 - ii) to enable the monitoring of grazing; on the vegetation cover and condition, faunal values and any other conservation values.
8. The monitoring programme should be reviewed at three yearly intervals to coincide with the Concession Fee Reviews and if in the opinion of the Grantor there is a deterioration in the condition and extent of the ecological condition the Grantor reserves the right to adjust stock numbers accordingly.

Appendix 6: Form of Easement to be Created over the land marked as a dashed orange line and labelled "a-b", "e-f-g-h", "h1-i" and "i-k" on the Plan

In Gross Easement: Public Access and Management Access -- Version 6

DOCDM-92841 -- Manuka Point -- March 2010

TRANSFER GRANT OF EASEMENT IN GROSS

1. Public Access
2. Management Access

Land Transfer Act 1952

This page does not form part of the Transfer.

TRANSFER

Land Transfer Act 1952

If there is not enough space in any of the panels below, cross-reference to and use the approved Annexure Schedule: no other format will be received.

Land Registration District

Canterbury

Certificate of Title No.	All or Part?	Area and legal description – <i>Insert only when part or Stratum, CT</i>

Grantor Surnames must be underlined

COMMISSIONER OF CROWN LANDS, acting pursuant to section 80 of the Crown Pastoral Land Act 1998

Grantee Surnames must be underlined

HER MAJESTY THE QUEEN, acting by and through the Minister of Conservation

Estate or Interest or Easement to be created: *Insert e.g. Fee simple; Leasehold in Lease No.; Right of way etc.*

Public Access and Management Purposes Easement in Gross under section 12 of the Reserves Act 1977 (continued on pages 2, 3 and 4 of Annexure Schedule).

Consideration

The various considerations set out in a substantive proposal accepted under the Crown Pastoral Land Act 1998 on the _____ day of _____

Operative Clause

For the above consideration (receipt of which is acknowledged) the GRANTOR TRANSFERS to the GRANTEE all the grantor's estate and interest in the land in the above Certificate(s) of Title and if an easement is described above such is granted or created.

Dated this _____ day of _____

Attestation

Signed by acting under written delegation from the Commissioner of Crown Lands	Signed in my presence by the Grantor Signature of Witness	(continued on page 4 of Annexure Schedule)
	Witness to complete in BLOCK letters <i>(unless typewritten or legibly stamped)</i> Witness name Occupation Address	
Signature, or common seal of Grantor		

Certified correct for the purposes of the Land Transfer Act 1952

Certified that Part IIA of the Land Settlement Promotion and Land Acquisition Act 1952 does not apply
Certified that no conveyance duty is payable by virtue of Section 24(1) of the Stamp and cheque Duties Act 1971.
(DELETE INAPPLICABLE CERTIFICATE)

Solicitor for the Grantee

Approved by Register-General of Land under No. 1995/5003
Annexure Schedule

Insert below
"Mortgage", "Transfer", "Lease", etc

Dated Page of Pages

Definitions

1. In this transfer unless the context otherwise requires:
 - 1.1 "Easement Area" means that part of the Servient Land being 20 metres wide which is marked "[]" on Deposited Plan/S.O. Plan No [].
 - 1.2 "Management Purposes" means:
 - the protection of a significant inherent value of the land managed by the Grantee; and/or
 - the ecological sustainable management of the land managed by the Grantee.
 - 1.3 "Servient Land" means the land owned by the Grantor and described on page 1.
 - 1.4 "Grantee" means Her Majesty the Queen acting by and through the Minister of Conservation and includes tenants, agents, invitees, contractors, licensees and employees of the Minister of Conservation and the Director-General of Conservation; and for the purposes of clause 2.1 only, includes any member of the public.
 - 1.5 "Grantor" means the owner of the Servient Land described on page 1 and includes the Grantor's tenants and invitees.

Standard Easement Terms

Access

2. The Grantee has the right in common with the Grantor:
 - 2.1 To pass and re-pass at any time over and along the Easement Area marked "a-b", "e-f-g", "g-h", "i-k" and "h1-i" on foot, or on or accompanied by horses, or by non-motorised vehicle powered by a person or persons, or by off road motor vehicle.
 - 2.2 To pass and re-pass at any time over and along the Easement Area marked "a-b", "e-f-g", "g-h", "i-k" and "h1-i" on foot, or on or accompanied by horses, or by non-motorised vehicle, or by motor vehicle, with or without machinery and implements of any kind, for Management Purposes.
3. The Grantor must keep the Easement Area clear at all times of obstructions whether caused by parked vehicles, deposit of materials or unreasonable impediment to the use and enjoyment of the Easement Area, where such event or outcome is caused by or under the control of the Grantor.

If this Annexure Schedule is used as an expansion of an instrument, all signing parties and either their witnesses or their solicitors must put their signatures or initials here.

Approved by Register-General of Land under No. 1995/5003
Annexure Schedule

Insert below
"Mortgage", "Transfer", "Lease", etc

Dated Page of Pages

Exclusion of Schedules

4. The rights and powers contained in Schedule 4 of the Land Transfer Regulations 2002 and the Fifth Schedule of the Property Law Act 2007 are expressly negated.

Term

5. The easement created by this transfer is to be in perpetuity.

Temporary Suspension

6. The Grantee may, at any time in exercise of her/his powers, temporarily close all or part of the Easement Area for such period as she/he considers necessary.

Dispute Resolution

- 7.1 If a dispute arises between the Grantor and Grantee concerning the rights, management and operation created by this transfer the parties are to enter into negotiations in good faith to resolve it.
- 7.2 If the dispute is not resolved within 14 days of written notice by one party to the other it is to be referred to mediation.
- 7.3 If the dispute is not resolved within 21 days or such other period as agreed to in writing between the parties after the appointment of the mediator, the parties must submit to the arbitration of an independent arbitrator appointed jointly by the parties or, if one cannot be agreed within 14 days, to an independent arbitrator appointed by the President for the time being of the New Zealand Law Society.
- 7.4 The arbitration is to be determined in accordance with the Arbitration Act 1996 and its amendments or any enactment passed in substitution.

Notice

- 8.1 A notice to be given under this transfer by one party to the other is to be in writing and must:
- (a) be hand delivered to the receiving party; or
 - (b) be sent by ordinary post to the receiving party;
 - (c) be sent by facsimile to the receiving party.
- 8.2 If clause 8.1(b) applies the notice will be deemed to be received by the receiving party on such date on which the ordinary post would be delivered.
- 8.3 If clause 8.1(c) applies the notice will be deemed to have been received on the day on which it is dispatched or, if dispatched after 5.00pm, on the next day after the date of dispatch.

If this Annexure Schedule is used as an expansion of an instrument, all signing parties and either their witnesses or their solicitors must put their signatures or initials here.

Approved by Register-General of Land under No. 1995/5003
Annexure Schedule

Insert below
"Mortgage", "Transfer", "Lease", etc

Dated Page of Pages

Special Easement Terms

- 9. The standard easement terms contained above must be read subject to any special easement terms set out below.
- 10. The Grantee has the right:
 - 10.1 To mark the Easement Area as appropriate.
 - 10.2 To erect and maintain stiles and/or gates.
 - 10.3 To erect and maintain signs informing the public:
 - (a) of the location of the land managed by the Crown and available for public access and recreation; and
 - (b) of their rights and responsibilities in relation to the Easement Area.
 - 10.4 From time to time to modify the surface of the Easement Area so that it becomes and remains fit for the purpose of clauses 2.1 and 2.2
 - 10.5 To use whatever reasonable means of access he/she thinks fit over the Easement Area to carry out the works in clause 10.1 to 10.4.
- 11 Where the Grantor erects fences across the Easement Area the Grantor must install gates no less than 3.6 metre in width and keep gates unlocked at all times unless otherwise agreed with the Grantee.

Continuation of "Attestation"

Signed for and on behalf of _____)
 Her Majesty the Queen by _____)
 under a written delegation in the _____)
 presence of: _____)

 Witness (Signature)
 Name _____
 Address _____
 Occupation _____

Footnote: In substitution of the SO Plan (which has yet to be prepared), the proposed easement described in clause 1 is marked on the Plan.

If this Annexure Schedule is used as an expansion of an instrument, all signing parties and either their witnesses or their solicitors must put their signatures or initials here.

Approved by Registrar-General
of Land under No. 1995/1004

TRANSFER GRANT OF EASEMENT IN GROSS

1. Public Access to Conservation Areas
2. Management Access

Land Transfer Act 1952

Law Firm Acting

Conservancy Solicitor
Department of Conservation
133 Victoria Street
Christchurch

Auckland District Law Society
REF:4135

This page is for Land Registry Office use only.
(except for "Law Firm Acting")

Appendix 7: Form of Covenant to be Created over the land shown shaded yellow and labelled "CC1", "CC2" and "CC3" on the Plan

DATED _____

Between

COMMISSIONER OF CROWN LANDS
Pursuant to Section 80 of the Crown Pastoral Land Act 1998

and

MINISTER OF CONSERVATION
("the Minister")

COVENANT UNDER RESERVES ACT 1977
FOR CROWN PASTORAL LAND ACT 1998 PURPOSES



Department of Conservation
Te Papa Atawhai

- “Values”** means any or all of the Land’s natural environment, biodiversity including botanical and zoological, landscape amenity, wildlife, freshwater life, marine life habitat or historic values as specified in Schedule 1.
- “Working Day”** means the period between any one midnight and the next excluding Saturdays, Sundays, and statutory holidays in the place where the Land is located.

1.2 For avoidance of doubt:

- 1.2.1 the reference to any statute in this Covenant extends to and includes any amendment to or substitution of that statute;
- 1.2.2 clause and other headings are for ease of reference only and are not to be treated as forming any part of the context or to affect the interpretation of this Covenant;
- 1.2.3 words importing the singular number include the plural and vice versa;
- 1.2.4 expressions defined in clause 1.1 bear the defined meaning in the whole of this Covenant including the Background. Where the parties disagree over the interpretation of anything contained in this Covenant and in determining the issue, the parties must have regard to the matters contained in the Background;
- 1.2.5 any obligation not to do anything must be treated to include an obligation not to suffer, permit or cause the thing to be done;
- 1.2.6 words importing one gender include the other gender;
- 1.2.7 the agreements contained in this Covenant bind and benefit the parties and their administrators and executors, successors and assigns in perpetuity;
- 1.2.8 where clauses in this Covenant require further agreement between the parties such agreement must not be unreasonably withheld.

2. OBJECTIVE OF THE COVENANT

- 2.1 The Land must be managed so as to preserve the Values.

3. THE OWNER’S OBLIGATIONS

- 3.1 Unless agreed in writing by the parties, the Owner must not carry out or allow to be carried out on or in relation to the Land:
- 3.1.1 grazing of the Land by livestock;
- 3.1.2 subject to clauses 3.2.1 and 3.2.3, felling, removal or damage of any indigenous tree, shrub or other plant;
- 3.1.3 the planting of any species of exotic tree, shrub or other plant;
- 3.1.4 the erection of any Fence, building, structure or other improvement for any purpose;
- 3.1.5 any burning, blanket chemical spraying, top dressing or sowing of seed;
- 3.1.6 any cultivation, earth works or other soil disturbances;
- 3.1.7 any archaeological or other scientific research involving disturbance of the soil;
- 3.1.8 the damming, diverting or taking of Natural Water;

- 3.1.9 any action which will cause deterioration in the natural flow, supply, quantity, or quality of water of any stream, river, lake, pond, marsh, or any other water resource affecting the Land;
- 3.1.10 any other activity which might have an adverse effect on the Values.
- 3.1.11 any prospecting or mining for Minerals, coal or other deposit or moving or removal of rock of any kind on or under the Land;
- 3.1.12 the erection of utility transmission lines across the Land.
- 3.2 The Owner must:
 - 3.2.1 eradicate or control all weeds and pests on the Land to the extent required by any statute; and in particular comply with the provisions of, and any notices given under, the Biosecurity Act 1993;
 - 3.2.2 if it is safe to do so, assist the Fire Authority to extinguish any wildfire upon or threatening the Land;
 - 3.2.3 keep the Land free from exotic tree species;
 - 3.2.4 keep the Land free from rubbish or other unsightly or offensive material arising from the Owner's use of the Land;
 - 3.2.5 subject to consultation between the Owner and the Minister and observance of any reasonable conditions imposed by the Owner, grant to the Minister or authorised agent of the Minister or any employee of the Director-General, a right of access on to the Land, with or without motor vehicles, machinery, and implements of any kind, to examine and record the condition of the Land, or to carry out protection or maintenance work on the Land, or to ascertain whether the provisions of this Covenant are being observed;
 - 3.2.6 keep all Fences on the boundary of the Land in good order and condition and, notwithstanding clause 3.1.4, rebuild or replace all such Fences when reasonably required except as provided in clause 4.2.

4. THE MINISTER'S OBLIGATIONS

- 4.1 The Minister must have regard to the objective specified in clause 2.1 when considering any requests for approval under this Covenant.
- 4.2 The Minister must repair and replace to its former condition any Fence or other improvement on the Land or on its boundary which may have been damaged in the course of the Minister or any person referred to in clause 3.2.5 exercising any of the rights conferred by this Covenant.

5. IMPLEMENTATION OF OBJECTIVES

- 5.1 The Minister may;
 - 5.1.1 provide to the Owner technical advice or assistance as may be necessary or desirable to assist in meeting the objectives specified in clause 2.1;
 - 5.1.2 prepare, in consultation with the Owner, a joint plan for the management of the Land to implement the objective specified in clause 2.1.

6. DURATION OF COVENANT

- 6.1 This Covenant binds the Minister and Owner in perpetuity to the rights and obligations contained in it.

7. OBLIGATIONS ON SALE OF LAND

- 7.1 If the Owner sells, leases, or parts with possession of the Land, the Owner must ensure that the Owner obtains the agreement of the purchaser, lessee, or assignee to comply with the terms of this Covenant, including any agreement by the purchaser, lessee, or assignee to ensure that on any subsequent sale, lease, or assignment, any subsequent purchaser, lessee, or assignee must also comply with the terms of this Covenant including this clause.
- 7.2 If for any reason this Covenant remains unregistered and the Owner fails to obtain the agreement of a purchaser, lessee, or assignee to comply with the terms of this Covenant, the Owner will continue to be liable in damages to the Minister for any breach of the Covenant committed after the Owner has parted with all interest in the Land in respect of which a breach occurs.

8. MISCELLANEOUS MATTERS

8.1 Rights

- 8.1.1 The rights granted by this Covenant are expressly declared to be in the nature of a covenant.

8.2 Trespass Act:

- 8.2.1 Except as provided in this Covenant, the Covenant does not diminish or affect the rights of the Owner to exercise the Owner's rights under the Trespass Act 1980 or any other statute or generally at law or otherwise;
- 8.2.2 For avoidance of doubt these rights may be exercised by the Owner if the Owner reasonably considers that any person has breached the rights and/or restrictions of access conferred by this Covenant.

8.3 Reserves Act

- 8.3.1 Subject to the terms and conditions set out in this Covenant, sections 93 to 105 of the Reserves Act 1977, as far as they are applicable and with the necessary modifications, apply to the Land as if the Land were a reserve.

8.4 Titles

- 8.4.1 This Covenant must be signed by the Commissioner of Crown Lands and the Minister and registered against the Certificate of Title to the Land.

8.5 Acceptance of Covenant

- 8.5.1 The parties agree to be bound by the provisions of this Covenant including during the period prior to the Covenant's registration.

8.6 Fire

- 8.6.1 The Owner must notify, as soon as practicable, the appropriate Fire Authority and the Minister in the event of wild fire threatening the Land;
- 8.6.2 If the Minister is not the appropriate Fire Authority for the Land, the Minister will render assistance to the Fire Authority in suppressing the fire if:
- 8.6.2.1 requested to do so; or
- 8.6.2.2 if there is in place between the Minister and the Fire Authority a formalised fire agreement under section 14 of the Forest and Rural Fires Act 1977.

9. NOTICES

9.1 A notice to be given under this Covenant 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 Schedule 1.

9.2 A notice given in accordance with clause 9.1 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 day on which it is dispatched or, if dispatched after 5.00pm, on the next day after the date of dispatch.

9.3 The Owner must notify the Minister of any change of ownership or control of all or part of the Land and must supply the Minister with the name and address of the new owner or person in control.

10. DEFAULT

10.1 Where either the Minister or the Owner breaches any of the terms and conditions contained in this Covenant the other party:

10.1.1 may take such action as may be necessary to remedy the breach or prevent any further damage occurring as a result of the breach; and

10.1.2 will also be entitled to recover from the party responsible for the breach as a debt due all reasonable costs (including solicitor/client costs) incurred by the other party as a result of remedying the breach or preventing the damage.

10.2 Should either the Minister or the Owner become of the reasonable view that the other party (the defaulting party) has defaulted in performance of or observance of its obligations under this Covenant then that party (notifying party) may, by written notice:

10.2.1 advise the defaulting party of the default.

10.2.2 state the action reasonably required of the defaulting party to perform or observe in accordance with this Covenant; and

10.2.3 state a reasonable period within which the defaulting party must take action to remedy the default.

11. DISPUTE RESOLUTION PROCESSES

11.1 If any dispute arises between the Minister and the Owner in connection with this Covenant, the parties must, without prejudice to any other rights they may have under this Covenant, attempt to resolve the dispute by negotiation or other informal dispute resolution technique agreed between the parties.

11.2 Mediation

11.2.1 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;

11.2.2 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.

11.3 Failure of Mediation

11.3.1 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 in the Arbitration Act 1996 will apply;

11.3.2 notwithstanding anything to the contrary in the Arbitration Act 1996, if the parties do not agree on the person to be appointed as arbitrator, the appointment is to be made by the President of the District Law Society in the region in which the Land is situated;

11.3.3 the parties further agree that the results of arbitration are to be binding upon the parties.

12. JOINT OBLIGATIONS

12.1 The Owner or the Minister may, by mutual agreement, carry out any work or activity or improvements or take any action either jointly or individually to better preserve the Values.

13. SPECIAL CONDITIONS

13.1 Special conditions relating to this Covenant are set out in Schedule 2.

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

Executed as a Deed

Signed by _____ acting under a)
delegation from the Commissioner of Crown Lands)
deemed pursuant to section 80(5) of the Crown Pastoral)
Land Act 1998 to be the Owner of the Land for the)
purposes of section 77 of the Reserves Act 1977)
in the presence of :)

Witness: _____

Address : _____

Occupation: _____

Signed by _____ exercising his/her)
powers under section 117 of the Reserves Act 1977)
as designated Commissioner and acting for and on)
behalf of the Minister of Conservation)
in the presence of :)

Witness: _____

Address : _____

Occupation: _____

SCHEDULE 1

1. Description of Land

CC1 – Rakaia River Flats.

All that piece of land containing 402 hectares approximately labelled CC1 and shown shaded yellow on the plan attached to the Proposal being part of _____ situated in Blocks IV and V Owen, Blocks II, III, IV, VI, VII and VIII Whitcombe and Block I Glenrock Survey Districts being described in Certificate of Title CB _____ (Canterbury Registry).

CC2 – Homestead Faces and Beech Ribbon.

All those pieces of land containing 22 hectares approximately labelled CC2 and shown shaded yellow on the plan attached to the Proposal being part of _____ situated in Blocks IV and V Owen, Blocks II, III, IV, VI, VII and VIII Whitcombe and Block I Glenrock Survey Districts being described in Certificate of Title CB _____ (Canterbury Registry).

CC3 – Mathias River Faces.

All that piece of land containing 280 hectares approximately labelled CC3 and shown shaded yellow on the plan attached to the Proposal being part of _____ situated in Blocks IV and V Owen, Blocks II, III, IV, VI, VII and VIII Whitcombe and Block I Glenrock Survey Districts being described in Certificate of Title CB _____ (Canterbury Registry).

2. Address for Service¹

The address for service (including facsimile number) of the Minister is:

Minister of Conservation
C/- Conservator
Department of Conservation
195 Hereford Street
Private Bag 4715
CHRISTCHURCH
Ph: 03 371-3700
Fax: 03 365-1388

The address for service (including facsimile number) of the Owner is:

Manuka Point Station Company Limited
c/o Mackay Bailey Butchard Limited
4 / 262 Oxford Terrace
PO Box 13311
CHRISTCHURCH
Ph: 03 365-0129
Fax: 03 379-3685

3. Values of Land to be Protected

CC1 – Rakaia River Flats.

Landscape:

Landscape Context.

The covenant area is located at the south eastern end of the Ragged Range, near the confluence of the Rakaia and Mathias rivers. The Ragged Range branches out from the main divide of the Southern Alps/Ka Tiritiri O Te Moana and features a chain of high pyramid-shaped peaks flanked by straight-sided slopes regularly dissected by deep valleys and gorges. South and east of the area are the expansive beds of the Rakaia and Mathias rivers, spanning several kilometres and isolating the area

¹ State street address not Post Office Box number.

from formed roads. The covenant area is situated on the expansive alluvial outwash that abuts the rectilinear slopes of the high peaks.

In a wider context the Canterbury Regional Landscape Study (Boffa Miskell Limited and Lucas Associates, 1993) identified the upper Rakaia Valley and its main tributaries (including the Mathias Valley) as a regionally outstanding landscape, mainly due to its sheer scale, sense of drama and foreboding qualities. The isolated location of the area helps to reinforce its overall sense of remoteness and wilderness.

Rakaia River Flats.

The covenant area incorporates river flats and terraces on the northern side of the Rakaia River. It is elongated in form and is bounded to the north by a relatively straight line that generally follows the lower edge of the forested hill slopes. The corresponding southern boundary is an indistinguishable line crossing the river flats. Small fans spread across the flats at regular intervals, carrying streams flowing from rocky gorges adjacent to the property, including Big Fan, Broad, Twin and Rocky Spur creeks.

The ground cover is predominately short modified grassland, with fescue tussock and occasional silver tussock. A notable feature is the absence of woody weeds. Over the more shallow soils and along abandoned stream channels, matagouri shrubland is abundant. These shrublands are a significant feature, with many of the older shrubs probably well over 100 years old. Interspersed amongst the shrublands are large swards of short grassland. The river flats in the covenant area have been divided into relatively large grazing blocks. Near Jellicoe Stream there is a well-maintained hut.

Landscape Values

The covenant area has high inherent landscape values attributable to the legibility of the formative processes that have created the upper Rakaia Valley. The river flats contrast markedly with the abutting rectilinear side slopes of the Ragged Range; this juxtaposition of distinctive landforms is a memorable feature of the area. The overall sense of spaciousness due to the absence of intervening landforms is another feature of the area, which contributes to the awe-inspiring scenic views, particularly towards the Arrowsmith Range. The combination of the short grassland and the even-stature thorny matagouri shrubland provides the landscape with savannah-like qualities especially during the summer months when the grassland sward tends to dry off.

Botanical:

- Matagouri shrubland within this area is representative of the original vegetation of the Rakaia River floodplain.
- The shrubland, scrub and forest on the stream fans within this area are representative of original vegetation at these sites.
- Alluvial floodplain shrubland, stony fans and terraces, palustrine wetlands, freshwater margin turf communities, braided rivers and associated aquifer systems are all rare, unusual or naturally uncommon communities or ecosystems, which are present within this area.
- The majority of this area lies within an "at risk" land environment. The area is uncultivated and supports characteristic plant communities and indigenous species.
- Protection of this area will link the extensive protected altitudinal sequences on the Ragged Range with the public land on the bed of the Rakaia River.
- This area supports a mosaic of woody communities, fescue tussock grassland, stonefield (active gravel fans) and small wetlands, providing many ecotones and high diversity.
- Protection of this area will assist in the natural regeneration of forest margin and braided river bed communities adjoining the area, by buffering and linking these communities.
- The river flats and fans provide sites that could be studied to provide information about vegetation history, plant succession, alluvial processes and fires.

Fauna:

- The river flats within this area provide feeding habitat for black-fronted tern (nationally endangered).
- The recent stony fans of the side streams within this area support populations of the grasshopper *Brachaspis* 'lowland' (nationally endangered).
- This area provides habitat for New Zealand falcon (gradual decline).
- This area is part of a freshwater ecosystem (Rakaia River and tributaries) ranked as Waters of National Importance (Type I).

CC2 – Homestead Faces and Beech Ribbon.**Botanical:**

- The area supports remnant beech forest representative of the original vegetation of the area.
- The area supports regenerating kanuka/manuka shrublands.
- The area contributes to the altitudinal sequence from the ridgeline to the Rakaia valley floor.

CC3 – Mathias River Faces.**Landscape:****Landscape Context.**

The covenant area is located on the northeast facing slopes of the Ragged Range that overlook the outwash flats of the Mathias River. The Ragged Range branches out from the main divide of the Southern Alps/Ka Tiritiri O Te Moana and features a chain of high pyramid-shaped peaks flanked by straight-sided slopes regularly dissected by deep valleys and gorges. South and east of the area are the expansive beds of the Rakaia and Mathias rivers, spanning several kilometres and isolating the area from formed roads.

In a wider context the Canterbury Regional Landscape Study (Boffa Miskell Limited and Lucas Associates, 1993) identified the upper Rakaia Valley and its main tributaries (including the Mathias Valley) as a regionally outstanding landscape, mainly due to its sheer scale, sense of drama and foreboding qualities. The isolated location of the area helps to reinforce its overall sense of remoteness and wilderness.

Mathias River Faces.

The covenant area encompasses part of the central segment of the lower northeast slopes of the Ragged Range in the Mathias Valley. The upper limit of the covenant area follows an existing fenceline varying in altitude along approximately the 1000m a.s.l. contour line. The lower boundary of the covenant is the prominent contact between the mountain slopes and the expansive bed of the Mathias River. The mountain slopes within this area are moderately steep and regularly broken by small indentations and straight runnels draining directly to the Mathias River. Draining out of the largest gullies are substantial streams.

The vegetative cover generally conveys a disjointed pattern; a consequence of previous fires and early pastoralism. The slopes are mostly clad in a mixture of modified fescue tussock grassland and shrubland. Shrubland is more extensive along the edges of the deep gullies, across the steeper slopes and at the toe of the slopes. Protected by fire, the deep gullies are lined with beech forest supplemented by mixed broadleaf species.

Landscape Values

The covenant area grades from moderate to high inherent landscape values. The complex vegetative cover provides coarse textural qualities that complement the rugged landform. The cultural overlay (e.g. modified grassland) is apparent. This area is representative of an area that forms a transition from a developed to a more natural landscape. The unit conveys a sense of remoteness and solitude, as the only track is the rough vehicle track up the bed of the Mathias River.

Botanical:

- The remnant beech forest and shrublands within this area are representative of the original vegetation of the area.
- Parts of the covenant area adjoining the river flats are an "at risk" land environment. The area is uncultivated and supports characteristic plant communities and indigenous species.
- Protection of this area will link the extensive protected altitudinal sequences on the Ragged Range with the public land on the bed of the Mathias River.
- Protection of this area will assist in the natural regeneration of forest margin and braided river bed communities adjoining the area, by buffering and linking these communities.

Fauna:

- The beech forest and regenerating shrublands within this area provide feeding and breeding habitat for the threatened bird species rifleman (gradual decline).
- The beech forest and regenerating shrublands within this area provide feeding and breeding habitat for a range of indigenous forest birds including bellbird, silvereye, South Island fantail, South Island tomtit, and grey warbler.

SCHEDULE 2**Special Conditions****CC1 – Rakaia River Flats.**

1.0 Notwithstanding the provisions of clause 3.1 and 3.2 (The Owners Obligations) the following shall apply;

1.1 The covenant area may be grazed with sheep and deer within the existing deer fenced areas, and with sheep only outside of the existing deer fenced areas, to a total of 2000 stock units at any one time, at any time of the year. Grazing of any other stock type outside of the existing deer fenced areas after the registration date of the covenant will require the owner to install a stock proof fence, at the owner's cost, along all unfenced bush edge boundary lines between the covenant area and the Conservation Area.

1.2 Maintenance of existing fences and a hut on the covenant area is permitted.

1.3 Routine maintenance within the existing alignment of all existing tracks is permitted. Any maintenance undertaken outside the existing alignment or further upgrading of tracks requires the prior written consent of the Minister.

1.4 Spot chemical spraying may be used to control noxious weeds in the covenant area.

1.5 Oversowing and topdressing of the covenant area is permitted except for a 20 metre margin adjoining any waterways.

1.6 The owner must allow unrestricted access to the Minister over the covenant area at all times.

2.0 The Minister may design and undertake a monitoring programme for the covenant area:

(a) to ensure that the ecological integrity of the area is maintained .

(b) to enable the monitoring of any effects on the vegetation cover and conditions, faunal values and any other conservation values in the covenant area.

The monitoring programme will be reviewed at regular intervals. If in the opinion of the Minister there is a deterioration in the condition and extent of the ecological condition agreement of the landowner may be sought to fence the covenant area and/or alter stock grazing management. The Minister and landowner shall act in good faith in protection of the values in the covenant area but if agreement cannot be reached clause 11 (Disputes Resolution Process) shall take effect.

CC2 – Homestead Faces and Beech Ribbon.

1.0 Notwithstanding the provisions of clause 3.1 and 3.2 (The Owners Obligations) the following shall apply;

1.1 Spot chemical spraying may be used to control noxious weeds in the covenant area.

1.2 The owner must allow unrestricted access to the Minister over the covenant area at all times.

CC3 – Mathias River Faces.

1.0 Notwithstanding the provisions of clause 3.1 and 3.2 (The Owners Obligations) the following shall apply;

1.1 The covenant area may be grazed with sheep only to a total of 2000 stock units at any one time, at any time of the year. Grazing of any other stock type after the registration date of the covenant will require the owner to install a stock proof fence, at the owner's cost, around the perimeter of the beech forest and shrublands identified in the map in Schedule 3.

1.2 Maintenance of existing fences on the covenant area is permitted.

- 1.3 Spot chemical spraying may be used to control noxious weeds in the covenant area.
 - 1.4 Oversowing and topdressing of the covenant area is permitted except for a 20 metre margin adjoining any waterways.
 - 1.5 Clearance of manuka and kanuka on the covenant area is permitted except for a 50 metre margin adjoining the areas of beech forest and shrublands identified in the map in Schedule 3.
 - 1.6 The owner must allow unrestricted access to the Minister over the covenant area at all times.
- 2.0 The Minister may design and undertake a monitoring programme for the covenant area:
- (c) to ensure that the ecological integrity of the area is maintained .
 - (d) to enable the monitoring of any effects on the vegetation cover and conditions, faunal values and any other conservation values in the covenant area.

The monitoring programme will be reviewed at regular intervals. If in the opinion of the Minister there is a deterioration in the condition and extent of the ecological condition agreement of the landowner may be sought to fence the covenant area and/or alter stock grazing management. The Minister and landowner shall act in good faith in protection of the values in the covenant area but if agreement cannot be reached clause 11 (Disputes Resolution Process) shall take effect.

SCHEDULE 3

Map identifying areas of beech forest and shrublands relating to no manuka and kanuka clearance (and future fencing obligations if stock type changes) on Mathias River Faces.



GRANT of

Correct for the purposes of the
Land Transfer Act 1952

CONSERVATION COVENANT UNDER
SECTION 77 OF THE
RESERVES ACT 1977 FOR
CROWN PASTORAL LAND ACT 1998 PURPOSES

Solicitor for the Minister

COMMISSIONER OF CROWN
LANDS

to

MINISTER OF CONSERVATION

Solicitor
Department of Conservation
DUNEDIN/CHRISTCHURCH

Execution Section

This Proposal (including the schedules and appendices) is signed by the Commissioner and the Holder as a binding agreement.

SIGNED by the **Commissioner of Crown Lands** pursuant to the Crown Pastoral Land Act 1998 in the presence of:

Witness

Occupation

Address

SIGNED for and on behalf of **Manuka Point Station Company Limited** by two of its directors:

Donald William Craig Patterson

Julie Gay Patterson