

Crown Pastoral Land Tenure Review

Lease name: MESOPOTAMIA

Lease number: PT 057

Substantive Proposal

- Part 1

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

April

08

PROPOSAL FOR REVIEW OF CROWN LAND

Under Part 2 of the Crown Pastoral Land Act 1998

Date:

18 December 2007

RECEIVED 0 3 (44) 2000 Quotable Value, N.Z.

Parties

Holder:

Mesopotamia Station Limited

C/- Meredith D Lowe & Associates Limited

Chartered Accountants 145 Tancred Street PO Box 562

Ashburton

Commissioner of Crown Lands: C/- The Manager for Tenure Review

Quotable Value Limited Broadway Building 62 Riccarton Road PO Box 13-443 Christchurch

The Land

Lease:

Mesopotamia

Legal Description:

Sections 2, 4, 8-13, 15 and 16 and Part Sections 3, 5-7, 14 &

17 Survey Office Plan 19630 Sinclair and Fox Survey

Districts, Part Rural Section 40593 (underlying Part Section 7 SO 19630) Blocks X and XIV Sinclair Survey District and Block III Fox Survey District, and Rural Section 40594 (underlying Part Section 14 SO 19630) Block XV Sinclair

Survey District.

Area:

26,140,2573 hectares more or less

Certificate of Title/Unique Identifier: CB529/57 (Canterbury Registry)

Summary of Designations

Under this Proposal, the Land is designated as follows:

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

1 The Plan

2 Conditions

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

3 Settlement

- 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

- 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

- 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

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

7 Issue of Certificate of Title

- 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

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

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

- 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 2005 and the Overseas Investment Regulations 2005.
- 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

- 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:
 - (a) is without prejudice to 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.
- 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.

11 Fencing and Construction

- 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).
- 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 party 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

- 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.
- 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

- 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

- 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

- 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;
 - 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 2004; and

the 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

- 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.

17 Acceptance

- 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

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

19 Default

- 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

- 20.1 The Commissioner and the Holder warrant to each other that they are registered for GST purposes.
- On the 10th 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.
- On the 10th 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

- 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 EW 32(3) of the Income Tax Act 2004 is equal to the Holder's Consideration.
- The Commissioner's Consideration does not include any capitalised interest and the parties agree that the "lowest price" for the purposes of valuing the Crown Land under section EW 32(3) of the Income Tax Act 2004 is equal to the Commissioner's Consideration.

22 Costs

- 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.
- 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

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

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 Discretionary Actions

25.1 If the Holder has been granted a consent by the Commissioner to do an activity on the land under s18 of the Act, and the area over which the consent is exercised is designated in the proposal as Crown Land then the Holder agrees to act in good faith whilst exercising the terms of consent and not damage or destroy the Crown Land.

26 General

- 26.1 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.
- 26.2 Each provision of this Proposal will continue in full force and effect to the extent that it is not fully performed at the Settlement Date.
- The Holder must comply with the Commissioner's requirements for the implementation and settlement of the Tenure Review contemplated by this Proposal.
- 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.

- 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.
- The illegality, invalidity or unenforceability of any provision in this Proposal will not affect the legality, validity or enforceability of any other provision.
- 26.7 In relation to notices and other communications under this Proposal:
 - 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:
 - (i) in the case of a facsimile, on the working day on which it is despatched or, if despatched after 5.00 p.m. on a working day or, if despatched on a non-working day, on the next working day after the date of dispatch;
 - (ii) in the case of personal delivery (including, but not limited to, courier by a duly authorised agent of the person sending the communication), on the working day on which it is delivered, or if delivery is not made on a working day, on the next working day after the date of delivery; and
 - (iii) in the case of a letter, on the fifth working day after mailing (postage paid).

27 Interpretation

27.1 Definitions

In this Proposal unless the context otherwise requires:

Act means the Crown Pastoral Land Act 1998;

Commissioner means the Commissioner of Crown Lands appointed under the State Sector Act 1988;

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 rate of 11 per cent per annum;

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 the holder shown on the front page of this Proposal (being the lessee under the Lease) and includes the Holder's successors, executors, administrators and assigns:

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);

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 under the State Sector Act 1988:

Settlement Date means the settlement date defined in clause 3.1:

Surveyor-General means the Surveyor-General appointed under the State Sector Act 1988;

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;

Valuer means a registered valuer;

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 15th day of the following January or a day which is a provincial holiday in the place where the obligation is to be performed.

27.2 Construction of certain references

In this Proposal, unless inconsistent with the context:

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

Schedule One: Provisions relating to the Schedule One Land

1 Details of Designation

- 1.1 Under this Proposal the land shown marked in pink and labelled "CA3" on Plan 2 of 3, being 15 hectares (approximately), is designated as land to be restored to or retained in full Crown ownership and control as conservation area.
- 1.2 Under this Proposal the land shown marked in pink and labelled "RB" on Plan 3 of 3, being 3 hectares (approximately), is designated as land to be restored to or retained in full Crown ownership and control as river bed.

Schedule Two: Provisions relating to the Schedule Two Land

1 Details of designation

- 1.1 Under this Proposal the land shown marked in pink and labelled "CA1" on Plan 3 of 3 and "CA2" on Plans 1 of 3, 2 of 3 and 3 of 3, being 20,870.1687 hectares (approximately), is designated as land to be restored to or retained in Crown control as conservation area subject to:
 - (a) the granting of two concessions over the land shown edged in pink and labelled "CA1" on Plan 3 of 3 and "CA2" on Plans 1 of 3, 2 of 3 and 3 of 3, substantially as set out in Appendix 4.

2 Information Concerning Proposed Concession

2.1 Information regarding the grazing, tourism activities and commercial filming and photography concession, and the telecommunications aerial concession provided for in 1.1 (a) above:

2.1.1 Description of the proposed activity:

2.1.1.1 Grazing, tourism activities and commercial filming and photography concession

Area CA1

- <u>Grazing Concession</u> for sheep and cattle to allow for the continued grazing of the area by sheep and cattle over an area which has been traditionally farmed by the lessee.
- Tourism Concession to permit the carrying out of a wide range of commercial tourism activities over the land including guided; tramping, horse trekking, hunting, thar hunting, mountain biking, ski touring, heliskiing, helicopter tourism, and air flights. This expands on the existing tourism operation already run on the property by a company associated with the lessee.
- <u>Commercial Filming and Photography Concession</u> to permit the business of commercial filming and photography.

Area CA2

- Tourism Concession to permit the carrying out of a wide range of commercial tourism activities over the land including guided; tramping, horse trekking, hunting, thar hunting, mountain biking, ski touring, heliskiing, helicopter tourism, and air flights. This expands on the existing tourism operation already run on the property by a company associated with the lessee.
- Commercial Filming and Photography Concession to permit the business of commercial filming and photography.

2.1.1.2 Telecommunications aerial concession

Area CA2

 to permit the installation and operation of a telecommunications facility for the provision of telecommunication services, and to maintain one VHF aerial and the right of helicopter access to the designated site.

2.1.2 Description of area where proposed activities are to be carried out and proposed status:

Part of Mesopotamia Pastoral Lease being situated in the Land District of Canterbury and identified as areas CA1 and CA2 on Plans 1 of 3, 2 of 3 and 3 of 3 attached to the proposal.

<u>Area CA1</u> is located on the northern faces between Big Spur and Alma Spur and covers the area from the river flats to the 1000 metres asl line.

<u>Area CA2</u> covers the majority of the conservation area and includes the Black Mountain Range, Brabazon Range, Two Thumb Range, Mt Sinclair and the Sinclair Range.

Proposed status is conservation area.

2.1.3 Description of potential affects of proposed activities and any actions proposed to avoid, mitigate or remedy any adverse affects:

Area CA1 The area covers an area of hill slopes that has traditionally been farmed by the lessee. Grazing has been a component of this area for the last 150 years. The grazing concession limits grazing to 300 stock units only by sheep and cattle. The grazing of sheep and cattle in the area previously has had limited effects on the significant inherent values present and a reduction in grazing numbers should ensure that the effects are minimised provided the conditions of the grazing concession are maintained. The concession document provides for an environmental monitoring clause to enable all environmental effects to be monitored. The potential effects of the Tourism activities and Commercial Filming and Photography are described under Area CA2.

Area CA2 This area is already used for Commercial Tourism by the lessee operating under the existing Station Air Limited recreation permit. The new tourism concession, commercial filming and photography concession will enable the existing activities to continue and allow for future expansion of the tourism opportunities and commercial filming and photography opportunities. There have been minimal effects on the values of the area under the current recreation permit and provided the conditions of the tourism concession and commercial filming and photography concession are maintained, minimal effects to the values in the area would be expected. The tourism concession provides for limits to numbers for the various tourism activities and both concession activities contain environmental monitoring clauses to enable environmental effects to be monitored.

The telecommunications concession applies to a site on the top of Mt Sinclair and provides a practical location for the relocation of the existing telecommunications facility for the continuation of essential telecommunication services. Access is to be by helicopter which will eliminate effects of vehicles in the area. Once installed access to the site will only be required for routine maintenance work and be confined to the area of the site only. Any effects will be mitigated by the terms of the concession including restrictions on disturbance of natural features, depositing of materials and lighting of fires.

2.1.4 Details of the proposed type of concession:

- 2.1.4.1 A Concession Licence for Grazing, Tourism Activities and Commercial Filming and Photography under S. 17Q (1) Conservation Act 1987.
- 2.1.4.2 A Telecommunications Aerial Concession Licence under S. 17Q(1) Conservation Act 1987.

2.1.5 Proposed duration of concessions and reason for proposed duration.

2.1.5.1 Proposed duration of Grazing, Tourism Activities and Commercial Filming and Photography Concession: 20 years.

Grazing Concession - 20 years from settlement date with no right of renewal.

This concession is important to the farming operation of Mesopotamia Station Limited for grazing of sheep and cattle in line with their current practices. The concession needs to be for an extended period to give the holder some ability to plan for the future, primarily because Mesopotamia is relinquishing a vast area of grazing land in order to facilitate this agreement with the Crown.

Tourism Concession - 20 years from settlement date with no right of renewal.

This concession is to replace the current recreation permit held by the Station Air Limited and allow for diversification in to the tourist opportunities available. The concession needs to be for an extended period to allow for the holder to plan for the future and the diversification of the property away from traditional farming activities and in to tourism.

Commercial Filming and Photography - 20 years from settlement date with no right of renewal.

This concession is to allow for diversification in to the commercial filming and photography opportunities available. The concession needs to be for an extended period to allow for the holder to plan for the future and the diversification of the property away from traditional farming activities and in to other activities.

2.1.5.2 Proposed duration of Telecommunications Aerial Concession: 30 years with one right of renewal.

The concession is essential to maintaining telecommunications services to the area. This has been a service that has been traditionally maintained by the lessee and the site on Mt Sinclair within the proposed Conservation Area is the most suitable for placement of the relocated telecommunication facility.

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

Mesopotamia Station Limited has entered into this review voluntarily. The proposed concessions are needed for the continuance of existing activities on the property and the diversification of the property following the completion of tenure review. Mesopotamia Station Limited has farmed the property successfully for a significant number of years and will be able to build on their knowledge of the property in its diversification into other activities. The proposed activities will have minimal impact on the area.

Schedule Three: Provisions relating to the Schedule Three Land

1 Details of designation

- 1.1 Under this Proposal the land shown marked in green on Plans 1 of 3, 2 of 3 and 3 of 3, being 5,252 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 continuation in force of a Land Improvement Agreement, registered number 794106, pursuant to Section 30A Soil Conservation and Rivers Controls Act 1941;
 - (d) the covenant over the areas shown shaded in yellow and labelled "CC1", "CC2", "CC3" and "CC4" on Plans 1 of 3, 2 of 3 and 3 of 3, substantially as set out in Appendix 5;
 - (e) the creation of the easement substantially as set out in Appendix 6;
 - (f) the creation of the easement substantially as set out in Appendix 7;
 - (g) the terms and conditions set out in Schedule 4.

Schedule Four: Provisions relating to the land shown shaded in yellow and labelled "CC4" on Plan 1 of 3

1 Details of designation

- 1.1 Under this Proposal the land shown shaded in yellow and labelled "CC4" on Plan 1 of 3, being 642 hectares (approximately):
 - (a) is part of the Freehold Land;
 - (b) will be surveyed, as a discrete part of the Freehold Land, in accordance with clause 14 of this Proposal; and
 - is subject to the following provisions of this Schedule Four (in which it is referred to as "CC4").

2 No Subdivision

- 2.1 The Holder shall at no time cause or allow:
 - (a) any subdivision of CC4; or
 - (b) any amalgamation of the whole or any part of CC4 with any other land;

to the intent that CC4 shall always be a discrete parcel of land for title purposes.

3 Right of First Refusal to Purchase – Sale of CC4 by itself

- 3.1 If at any time the Holder wishes to sell CC4 by itself, the Holder shall deliver written notice ("the Holder's Notice") to the Commissioner specifying the terms and conditions upon which the Holder is prepared to sell CC4.
- The Commissioner shall have 20 working days, time being of the essence, from receipt of the Holder's Notice to advise by written notice ("the Commissioner's Notice") to the Holder whether the Commissioner wishes to purchase CC4 on the terms and conditions specified in the Holder's Notice.
- 3.3 If the Commissioner's Notice states that the Commissioner does wish to purchase CC4 on the terms and conditions specified in the Holder's Notice, then from receipt by the Holder of the Commissioner's Notice a binding agreement shall exist for the sale and purchase of CC4.
- 3.4 If:
 - (a) the Commissioner does not respond to the Holder's Notice within the period specified in clause 3.2; or
 - (b) the Commissioner's Notice states that the commissioner does not wish to purchase CC4 on the terms and conditions specified in the Holder's Notice;

then at any time within 12 months after the date of the Holder's Notice the Holder may sell CC4 by itself to any other party on terms and conditions no more favourable to that party than those specified in clause 3.1, subject however to clause 6.1. If within such period the Holder wishes to offer more favourable terms and conditions of sale, the Holder shall re-offer CC4 by itself to the Commissioner under clause 3.1, but for the purposes of clause 3.2 the Commissioner shall have only 10 working days, time being of the essence, in which to

respond. Any sale of CC4 by itself after such 12 month period will be subject to clauses 3.1 to 3.4.

4 Right of First Refusal to Purchase – Sale of CC4 and Other Land

- 4.1 If at any time the Holder wishes to sell CC4 in conjunction with other land (together referred to in this Schedule Four as "the Sale Land"), the Holder shall deliver written notice ("the Holder's Notice") to the Commissioner specifying the terms and conditions upon which the Holder is prepared to sell the Sale Land.
- 4.2 The Commissioner shall have 20 working days, time being of the essence, from receipt of the Holder's Notice to advise by written notice ("the Commissioner's Notice") to the Holder whether the Commissioner wishes to purchase that part of the Sale Land comprising CC4, at a price and with a settlement date to be determined in accordance with clause 5, but otherwise on the terms and conditions specified in the Holder's Notice.
- 4.3 If the Commissioner's Notice states that the Commissioner does wish to purchase CC4 on the terms and conditions referred to in clause 4.2, then from receipt by the Holder of the Commissioner's Notice a binding agreement shall exist for the sale and purchase of CC4.
- 4.4 If:
 - (a) the Commissioner does not respond to the Holder's Notice within the period specified in clause 4.2; or
 - (c) the Commissioner's Notice states that the Commissioner does not wish to purchase CC4 on the terms and conditions referred to in clause 4.2;

then at any time within 12 months after the date of the Holder's Notice the Holder may sell the Sale Land to any other party on terms and conditions no more favourable to that party than those specified in clause 4.1, subject however to clause 6.1. If within such period the Holder wishes to offer more favourable terms and conditions of sale the Holder shall re-offer the Sale Land to the Commissioner under clause 4.1, but for the purposes of clause 4.2 the Commissioner shall have only 10 working days, time being of the essence, in which to respond. Any sale of CC4 in conjunction with other land after such 12 month period will be subject to clauses 4.1 to 4.4.

5 Valuation of CC4 Land and Settlement Date

- Where a Commissioner's Notice is given pursuant to clause 4.2, the price to be paid by the Commissioner for CC4 shall be the current market value of CC4 as at the date of receipt by the Holder of the Commissioner's Notice ("the Price"). The Price shall be agreed between the parties or, in the absence of such agreement, determined as follows:
 - (a) Each party shall appoint a valuer and give written notice of the appointment to the other party within 10 working days of receipt by the Holder of the Commissioner's Notice
 - (b) If only one party complies with clause 5.1(a), that party's valuer shall determine the Price. Such determination shall be binding on both parties.
 - (c) Before commencing their determination, the valuers shall appoint a third valuer to act as an umpire ("the Umpire").
 - (d) The valuers appointed by the parties shall determine the Price, but if they fail to agree on the Price within 25 working days of receipt by the Holder of the Commissioner's Notice, they shall instruct the Umpire to determine the Price within 45 working days of receipt by the Holder of the Commissioner's Notice.

- (e) Each party may make written or oral representations to the Umpire, subject to such reasonable time or other limits as the Umpire may prescribe.
- (f) When the Umpire has determined the Price, the Umpire shall give written notice to the parties of the Price. Such determination shall be binding on both parties.
- For the purposes of clause 5.1, the Holder shall promptly supply to the valuers and the Umpire details of improvements and farming activities on CC4, and such other relevant information that may be reasonably requested.
- 5.3 The Umpire's costs shall be paid for by the Commissioner. Each party shall otherwise pay its own costs and those of its own valuer.
- 5.4 The settlement date for the sale of CC4 shall be the 10th working day following the determination of the Price pursuant to clause 5.1.

6 Both Rights of Refusal

- 6.1 The terms and conditions of a sale of CC4 to any other party in terms of clauses 3.4 or 4.4 may, notwithstanding those clauses, differ from those terms and conditions specified in the relevant Holder's Notice to the extent that the differences are reasonable or necessary having regard to the fact that the sale will be to a different purchaser. These differences may include, for example, differences in relation to:
 - (a) the details of the tenancy or tenancies to which any sale is subject;
 - (b) the GST aspects of the sale; and
 - (c) liability for any agent's commission.
- 6.2 If the Commissioner purchases CC4:
 - (a) any easements in favour of the Crown shall, to the extent that they relate to CC4, be surrendered; and
 - (b) any easements in favour of the Crown shall, to the extent that they relate to other land, remain.

Appendix 1: Consents - Example of Mortgagee Consent

[] as Mortgagee under M		er 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 prio 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	1:					
SIGNED by [in the presence of:		1)		<u></u>	
Witne	ss Signature:					
	ss Name: pation:					

Appendix 1: Consents (continued) - Example of	of "Other" Consent
Ensumment Landerburg	
[], being the party entitled	
against Lease [], hereby consen [the Holder] pursuant to the Crown Pastoral Land	ts to the acceptance of the Proposal dated [] by Act 1998. (まり ルルルング
Muggatamin Slada indel	(8 B UNC acr
Dated: 21 726 2008	/
Bullet. 27 / 10 earle	$A \rightarrow A$
SIGNED for and an habate set of 100 15 Miles	Comme Mr
SIGNED for and on behalf of thought	
in the presence of:	
N	
Witness Signature:	ank aprovor
Witness Name:	A.M. SKIPWORN Executive Assistant
Occupation:	Executive Assirant
Address:	PO BOX 345
•	Christenunch.

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.]

- 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

1. New fences and some upgrading / repairs:

For the purposes of this fencing and construction specification and attachments, the terms "Waypoint" and "GPS point" and abbreviations "WP" and "WPT" have the same meaning; that being a latitude and longitude reference point on the earth's surface as identified by a global positioning system (GPS) unit.

1.1 Background:

The agreement between the Commissioner of Crown Lands (Commissioner) and Directors of Mesopotamia Station Limited (the Holder) requires the erection of a combination of conventional and deer fences on the boundaries of conservation areas and a conservation covenant marked on the attached plans, the upgrading and or repairs of some fences on the boundaries of conservation areas and a small amount of internal fence in lieu of erection of boundary fence, and a change to fence layout at one easement point, to the indicative requirements set out hereunder.

The Commissioner will, at its cost, erect conventional fences along the lines shown marked "O-N", "J-K" and "L-M" on the Plan and to repair / upgrade some existing conventional fences marked "N-P-R" and "R-R1-Q". In addition the Commissioner will, at its cost, erect deer fences on the line "S-T" around three sides of conservation covenant "CC1".

The Commissioner will, at its cost, remove approximately 30 metres of existing fence and erect 82 metres of new fence plus 6 gates for easement purposes at GPS point 50 - Easting 2338839, Northing 5731524.

The Commissioner will, at its cost, remove approximately 3,270 metres of existing derelict fence along the line marked "U-V" on the Plan.

The Commissioner will erect deer fences along the line marked "U-V" on the Plan on a cost sharing basis, with the amount to be paid by the Holder to be agreed between the Commissioner and the Holder under the following process

1.2 Cost sharing arrangement for erection of deer fence for line "U-V":

The Commissioner will pay the cost of erecting a conventional wooden post and seven wire fence only and the Holder will pay an agreed value (the additional costs) associated with the erection of deer fences for line marked "U-V" on the Plan.

To establish the additional costs the Commissioner will call for tenders for erection of:

- (a) a conventional fence the specifications of which are set out in 2(d1) of these specifications; and
- (b) a deer fence the specifications of which are set out in 2(d) of these specifications.

On receipt of the dual tender prices the Commissioner will consult the Holder regarding the <u>additional costs</u> and on reaching an agreement satisfactory to both parties the Commissioner and the Holder will confirm the agreement to erect a deer fence on a cost sharing basis.

The parties to the Substantive Proposal reserve the right, failing agreement between the parties on the quantum of the <u>additional costs</u> or <u>after concluding consultation agree to erect a conventional post and wire fence</u>, for the Commissioner to proceed to erect a conventional post and wire fence the indicative requirements are set out under clause 2(d1) of these specifications.

For the avoidance of doubt indicative deer and conventional fence requirements for fence line "U-V" are set out under clauses 3(d) and 3(d1) to specify the type of deer fence to be erected, and the alternative of conventional fence construction is included for dual tendering purposes, and secondly for the erection of a conventional fence in the event the parties fail to agree on the <u>additional costs</u>, or after concluding consultation agree to erect a conventional post and wire fence.

Confirmation of the agreement in respect of the <u>additional costs</u> and erection of a deer fence is to be by way of an exchange of letters between the Holder and the Commissioner time being of the essence, and in the event of failure to reach an agreement as to "additional costs" or after concluding consultation agree to erect a conventional post and wire fence, this is also to be confirmed by an exchange of letters.

2. Length and location:

- 2.1 New fences are to be erected along the lines marked as follows on the plan:
- (a) Conservation area "CA2" being the finger of conservation area parallel to Forest Creek. Fence shown marked "O-N" (approximately 3,210 metres of conventional fence).
- (b) Conservation Covenant "CC1" Fence shown marked "S-T" (approximately 592 metres of deer fence)
- (c) Conservation area "CA2" Brabazon Downs. Fence shown marked "U-V", existing fence to be removed (approximately 3,270 metres of deer or conventional fence subject to agreement as to additional costs).
- (d) Conservation area "CA3" being the wetland on the eastern boundary of the flats adjacent to Rangitata River. Fence shown marked "J-K" and "L-M" (approximately 357 metres of conventional fence).
- 2.2 Partial replacement of materials, upgrading and / or repairs of existing fences along the lines marked on the plan.
- (a) Conservation area "CA2" fence line above east side of Felt Stream. Fence shown marked "N-P" requiring upgrading and repairs (approximately 660 metres of conventional fence).
- (b) Internal fence over land for freehold disposal in lieu of fencing conservation area boundary at Felt Stream. Fence line between "P-R" and between GPS points 40 and 41 requiring partial replacement of materials. (approximately 82 metres of conventional fence)
- (c) Conservation area "CA2" southern and eastern periphery of Sinclair Range shown marked "R-R1" requiring partial replacement of materials (approximately 896 metres of conventional fence).
- (d) Conservation area "CA2" southern and eastern periphery of Sinclair Range shown marked "Q-R1" requiring upgrading and repairs (approximately 7,480 metres of conventional fence).
- 2.3 Re-arrangement of fences at GPS point 50 (Easting 2338839, Northing 5731524). Removal of approximately 30 metres of existing fence and erection of new strainer posts, 6 gates and approximately 82 metres of fence.

3. New Fence Lines

New fences will be required on part of the boundaries of Conservation Area "CA2", "CA3" and Conservation Covenant "CC1"

(a) Finger of conservation area parallel to Forest Creek (fence line "O-N"). Location of GPS points and new gates are shown on Map 1 enclosed with these specifications.

The Commissioner will, at its cost, erect a post and seven wire conventional fence to the following indicative requirements.

Conventional post and wire fences- items 3.1 / 3.5

- 3.1 Five x 2.5 mm galvanized high tensile wires, top wire to be 1.6mm high tensile reverse twist galvanized barbed wire and the bottom wire being 4 mm galvanized mild steel. Total of 7 wires.
- 3.2 2.1 metre x 200 mm treated timber strainer posts with 2.7 metre x 125 mm stay posts to be used for gateways and end of strains.
- 3.3 1.8 metre x 125 mm treated intermediate posts or T Irons to be used at 20 metre gaps or at lesser intervals on appropriate high and low points as required. 117 cm (46") to remain out of the ground. Steel Y stakes, back to back, may be used on high spots and on corners instead of wooden posts or T Irons, with tie backs on tussock country.
- 3.4 Six steel Y stakes per 20 metres to be used. Y stakes will be mostly 1.5 metre (5') with 1.35 metres (4'6") on rocky ground and 1.7 metre (5'6") to be used on soft ground.
- Three x 3.6 metre gates to be erected at points marked GT3 being GPS points 1, 18 & 25.

Other indicative fencing requirements- items 3.6 / 3.7

- 3.6 Separate strains are required from GPS points 2 and 3, plus 4 and 5 through two washouts. Also between GPS points 8 and 9, plus 29 and 30 where floodgates are to be erected.
- Floodgate to specific design as per diagram 1 enclosed with these specifications, is to be erected between GPS points 29 and 30. This is to be attached to a cable under the fence wires and is not to be attached to the fence.

False fence placed under post and wire fence- item 3.8 only

A false fence is required from GPS waypoints 2 and 3, plus 4 and 5 below the new fence which crosses two washouts comprising semi-stable shingle. The false fence is to extend through the washouts themselves and is to consist of 7 x 2.5 mm high tensile wires with c springs in each wire, supported by 10 mm x 1.2 metre fiberglass rods at approximately 2 metre spacing's. The wires will be attached to the rods using u clips.

Vegetation and Ground Clearance Requirements - items 3.9 / 3.10

- 3.9 Lines are to be hand cleared to remove vegetation and debris to provide a suitable fence line, unless otherwise specified in clause 3.10. Between GPS points 7 to 11 hand clearing of matagouri and scrub is required either side of Moonlight Stream. Remainder of hand clearing comprising sporadic lower tussock and scrub herbfield type vegetation, rock and debris in direct path of fence line.
- 3.10 Lines are to be mechanically cleared to remove dead and fallen trees and branches to provide a suitable fence line, between GPS points 18 and 25 only. Two live beech trees marked with white electric fence tape and yellow paint, in direct line of fence, are to be removed. Maximum fence strain through beech remnant between these points to be 150 metres to minimize impact of damage from falling branches or trees.
- (b) Conservation Covenant "CC1" (fence line "S-T"). Location of GPS points are shown on Map 12 enclosed with these specifications.

The Commissioner will, at its cost, erect a post and netting deer fence to the following indicative requirements.

3.11 3.0 metre x 200 mm treated timber strainer posts with 2.7 metre x 125 mm stay posts

to be used for gateways and end of strains.

- 3.12 2.7 metre x 125 mm treated intermediate posts to be used at no greater than 5 metre gaps or at lesser intervals on appropriate high and low points as required. 2.1 metres to remain out of the ground. 2.7 metre x 175 mm treated intermediate posts are to be used for corners, angles and the back post for box stays. 3.0 metre x 175 mm strainer posts to be used on angles.
- One 1.9 metre x 4.2 metre deer gate to be erected at point to be confirmed by fencing contractor, the Holder and Department of Conservation.
- 3.14 Galvanised deer netting 1.9 metres high x 13 wires at 300 mm spacing.
- 3.15 One x 4 mm (No 8) galvanized mild steel bottom wire to be 75 mm above the ground.
- 3.16 Maximum fence strain 150 metres to minimize impact of any damage from falling branches or trees.

Vegetation, Ground and Earth Clearance Requirements - items 3.17 / 3.19

- 3.17 Lines are to be cleared by hand and mechanically by tractor blade of vegetation, loose rock and debris to provide a suitable fence line.
- 3.18 Between GPS points 92 to 94 some minor trimming of live beech tree branches is required near GPS point 92.
- 3.19 Between GPS points 94 to 90 and 90 to 91 a large amount of dead and fallen beech trees are to be mechanically removed, and rocks and small banks in old streambed to be cleared and cut to create a flat surface for the new fence using a tractor blade. No live beech trees to be removed.
- (c) Conservation Area "CA3" (fence line "J-K & L-M"). Location of GPS points and new gate are shown on Map 2 enclosed with these specifications.

The Commissioner will, at its cost, erect a post and seven wire fence to the following indicative requirements.

For part between GPS points 81 to 83 on Map 2 enclosed with these specifications – items 3.20 / 3.24

- 3.20 Seven x 2.5 mm galvanized high tensile wires.
- 3.21 2.1 metre x 200 mm treated timber strainer posts with 2.7 metre x 150 mm stay posts to be used at end of strains.
- 3.22 1.8 metre x 125 mm treated intermediate posts (non-pointed) to be used at 10 metre gaps or at lesser intervals on appropriate high and low points as required. 117 cm (46") to remain out of the ground. Three galvanized snow chains to be between posts.
- 3.23 One 4.2 metre gate to be installed at GPS point 84 being point "K".
- 3.24 Netting floodgates to be placed over drainage channels

For part between GPS points 83 to 84 and 78 to 86 on Map 2 enclosed with these specifications – items 3.25/3.29

- 3.25 Seven x 2.5 mm galvanized high tensile wires.
- 3.26 2.4 metre x 200 mm treated timber strainer posts with 2.7 metre x 150 mm stay posts to be used at end of strains. Strainer post to be placed on each side of major stream between GPS points 78 and 86.
- 3.27 2.1 metre x 125 mm treated intermediate posts (non-pointed) to be used at 10 metre gaps or at lesser intervals on appropriate high and low points as required. 117 cm (46") to remain out of the ground.
- 3.28 Three galvanized snow chains to be between posts
- 3.29 Specialist floodgate to be erected over major stream between GPS points 78 and 86 as per diagram 1 enclosed with these specifications.

Vegetation and Ground Clearance Requirements - items 3.30 / 3.32

- 3.30 From GPS points 81 to 83 lines to be hand cleared and mechanically lightly skimmed / mulched through large tussocks to provide a suitable fence line
- 3.31 Between GPS points 83 to 84 and 86 to 78 (close to point "L" being GPS point 78), lines to be hand cleared and mechanically lightly skimmed / mulched to provide a suitable fence line through small areas of tussocks.
- 3.32 From GPS point 83 to willows smaller tussock through very wet area to be cleared by hand.
- (d) Brabazon Downs "CA2" (fence line "U-V"). Location of GPS points and new gate are shown on Map 11 enclosed with these specifications.

The Commissioner will remove the existing fence so that the new fence can be erected on the same line.

Pre-fencing Construction Works - item 3.33

3.33 The existing derelict conventional fence is to be dismantled and removed and the new fence erected on the same line.

The Commissioner will, subject to an agreement being reached between the Commissioner and the Holder as to the <u>additional costs</u> in terms of the cost sharing arrangements set out in clause 1.2; <u>erect a post and netting deer fence</u> to the following indicative requirements.

Indicative Fencing Requirements - items 3.34 / 3.39

- 3.34 Sheep netting and 3 steel Y posts from strainers at points "U" and "V" at start and finish of fence line, back to bluffs above Bush and Black Birch Streams. Surplus netting to hang over each bluff to prevent stock circumventing.
- 3.35 3.0 metre x 200 mm treated timber strainer posts with 2.7 metre x 125 mm stay posts to be used for gateways and end of strains.
- 3.36 2.7 metre x 125 mm treated intermediate posts to be used at no greater than 5 metre gaps (see 2.36 below), 2.1 metres to remain out of the ground. 2.7 metre x 175 mm treated intermediate posts are to be used for corners, angles and the back post for box stays. 3.0 metre x 175 mm strainer posts to be used on angles.
- 3.37 One 1.9 metre high x 4.2 metre wide deer gate to be erected at GPS point 100 replacing existing Taranaki gate.
- 3.38 Galvanised deer netting 1.9 metres high x 13 wires at 300 mm spacing.
- 3.39 One x 4 mm (No 8) galvanized mild steel bottom wire to be 75 mm above the ground.

Other indicative fencing requirements from GPS point 96 to 102 where access is possible for a post driver – items 3.40 / 3.42

- 3.40 Between GPS points 96 to 98 four additional posts are required through base of gully.
- 3.41 Between GPS points 98 to 99 four small gullies require two additional posts through the base of each gully.
- 3.42 Between GPS points 99-100 two small gullies require two additional posts through the base of each gully.

- Other indicative fencing requirements from GPS points 95 to 96 and 102 to 117 where access for a post driver is dubious or not possible items 3.43 / 3.45
- 3.43 All posts along these sections are to be hand dug at no greater than 5 metre gaps, and no greater than 3.5 metre gaps over brows.
- 3.44 Between GPS points 104 and 116 the fence line crosses stonier ground which may require explosives in places.
- Fencing materials to be helicopter lifted to the line, unless access is possible without vegetation or ground damage.

Other indicative fencing requirements – items 3.46 / 3.47

- 3.46 From a flag with no GPS point on south side of the first big gut to GPS point 103; from GPS points 110 to 111; and from GPS points 112 to 113, separately strained floodgates are to be erected as per diagram 1 enclosed with these specifications, using the support system specified in diagram 1A which is not to be attached to the fence.
- 3.47 Separate strains are required on two short stretches of fence going down the south face of the first big gut from GPS point 102 to the floodgate, and up the north face on the other side of the floodgate from GPS points 103 to 104. The floodgate to remain independently strained from both these lines.

Vegetation, Ground and Earth Clearance requirements - items 3.48 / 3.51

- 3.48 Line is to be cleared up to 2 metres wide by hand of vegetation, loose rock and debris to provide a suitable fence line. No mechanical benching or clearance is permitted.
- 3.49 From GPS point 95 to 116 vegetation clearance includes hand removal of predominantly cotton plant and tussocks in direct line of fence, on average approximately 2 plants per metre.
- 3.50 From GPS point 95 to 96; at floodgate on GPS point 103; at floodgate on GPS point 110; and at floodgate on GPS point 112, minor hand clearing of scrub is required.
- 3.51 From GPS point 116 to 117 hand clearing of patchy manuka scrub 1 to 1.5m tall is required to 1 metre either side of the fence line.
- (d1) Brabazon Downs "CA2" (fence line "U-V")- indicative specification for conventional fence for purposes of clause 1.2 of these specifications. Locations of GPS points and new gate are shown on Map 11 enclosed with these specifications.

The specifications set out in sub-clauses 3.52 to 3.70 are included for the purposes of establishing the cost of a conventional post and 7 wire fence by a tender process as part of consultation to be undertaken under clause 1.2. The purpose of undertaking this is to agree on the quantum of <u>additional costs</u> to be paid by the Holder related to the erection of deer fence.

In the event that an agreement is not reached as to the <u>additional costs</u>, or <u>the parties</u> agree after concluding consultation to erect a conventional post and wire fence, the Commissioner will, at its cost, erect the fence to the following indicative requirements.

Pre-fencing Construction Works - item 3.52

3.52 The existing derelict fence is to be dismantled and removed and the new fence erected on the same line.

Indicative Fencing Requirements - items 3.53 / 3.58

- 3.53 Sheep netting and 3 steel Y posts from strainers at points "U" and "V" at start and finish of fence line, back to bluffs above Bush and Black Birch Streams. Surplus netting to hang over each bluff to prevent stock circumventing.
- 3.54 Five x 2.5 mm galvanized high tensile wires, top wire to be 1.6mm high tensile reverse twist galvanized barbed wire and the bottom wire being 4 mm (No 8) galvanized mild steel. Total of 7 wires.
- 3.55 2.1 metre x 200 mm treated timber strainer posts with 2.7 metre x 125 mm stay posts to be used for gateways and end of strains.
- 3.56 1.8 metre x 125 mm treated intermediate posts or T Irons to be used at 20 metre gaps or at lesser intervals on appropriate high and low points as required. 117 cm (46") to remain out of the ground. 117 cm (46") to remain out of the ground. Steel Y stakes, back to back, may be used on high spots and on corners instead of wooden posts or T Irons, with tie backs on tussock country. Wooden posts to be used through base of gullies specified, not steel Y stakes.
- 3.57 Six steel Y stakes per 20 metres to be used. Y stakes will be mostly 1.5 metre (5') with 1.35 metres (4'6") on rocky ground and 1.7 metre (5'6") to be used on soft ground.
- 3.58 One x 4.2 metre gate to be erected at GPS point 100 replacing existing Taranaki gate.

Other indicative fencing requirements from GPS point 96 to 102 where access is possible for a post driver – items 3.59 / 3.61

- 3.59 Between GPS points 96 to 98 four additional posts are required through base of gully.
- 3.60 Between GPS points 98 to 99 four small gullies require two additional posts through the base of each gully.
- 3.61 Between GPS points 99-100 two small gullies require two additional posts through the base of each gully.

Other indicative fencing requirements from GPS points 95 to 96 and 102 to 117 where access for a post driver is dubious or not possible – items 3.62 / 3.64

- 3.62 All posts along these sections are to be hand dug at no greater than 5 metre gaps, and no greater than 3.5 metre gaps over brows.
- 3.63 Between GPS points 104 and 116 the fence line crosses stonier ground which may require explosives in places.
- 3.64 Fencing materials to be helicopter lifted to the line.

Other indicative fencing requirements – items 3.65 / 3.66

- 3.65 From a flag with no GPS point on south side of the first big gut to GPS point 103; from GPS points 110 to 111; and from GPS points 112 to 113, separately strained floodgates are to be erected as per diagram 1 enclosed with these specifications, using the support system specified in diagram 1A which is not to be attached to the fence.
- 3.66 Separate strains are required on two short stretches of fence going down the south face of the first big gut from GPS point 102 to the floodgate, and up the north face on the other side of the floodgate from GPS points 103 to 104. The floodgate to remain independently strained from both these lines.

Vegetation, Ground and Earth clearance requirements – items 3.67 / 3.70

- 3.67 Line is to be cleared up to 2 metres wide by hand of vegetation, loose rock and debris to provide a suitable fence line. No mechanical benching or clearance is permitted.
- 3.68 From GPS point 95 to 116 vegetation clearance includes hand removal of predominantly cotton plant and tussocks in direct line of fence, on average approximately 2 plants per metre.
- 3.69 From GPS point 95 to 96; at floodgate on GPS point 103; at floodgate on GPS point 110; and at floodgate on GPS point 112, minor hand clearing of scrub is required.
- 3.70 From GPS point 116 to 117 hand clearing of patchy manuka scrub 1 to 1.5m tall is required to 1 metre either side of the fence line.

4. Upgrading / Repairs and Changes to Existing Fences:

Repairs and upgrading will be required on the boundary of parts of Conservation Area CA2 and a small amount of internal fence in lieu of new boundary fence.

Changes are required to existing fences on easement route "j-k" to improve public access at GPS point 50 (Easting 2338839, Northing 5731524). The proposed changes are shown on diagram 2 enclosed with these specifications.

- (a) Conservation Area "CA2" above the east side of Felt Stream (fence line "N-P" also defined as between GPS points 37 to 41 shown on Map 1 enclosed with these specifications)
- 4.1 Re-stapling all wires to existing timber posts, replace broken steel flat irons with steel Y stakes if applicable, replace bottom wire with 4 mm galvanized mild steel wire, tie back existing strainer at GPS point 38 shown marked on Plan 5 enclosed with these specifications along with restraining wires to make the fence stock proof.
- (b) Internal fence within land for freehold disposal above the east side of Felt Stream in lieu of boundary fencing land for freehold disposal at Felt Stream (fence line "P-R" and also defined as between GPS points 40 to 41 shown on Map 1 enclosed with these specifications). Note: Boundary between land for freehold disposal and CA2, between GPS points 41, 42, 43, 44, 45, and 45 to 40, is to remain unfenced
- 4.2 Re-staple existing top barb wire to existing timber posts, replace all plain wires with five x 2.5 mm galvanized high tensile wires and the bottom wire being 4 mm (No 8) galvanized mild steel. Total of 6 new wires. Remove steel flat irons and replace with steel Y stakes between posts and replace existing "Taranaki Gate" with 4.2 metre swung gate.
- (c) Conservation Area "CA2" (fence line "R-R1" shown on Map 1 enclosed with these specifications).
- 4.3 For 1st four existing strains between "R-R1":
 - 4.3.1 Existing timber posts that are in sound condition are to be reused in their present location and spacing.
 - 4.3.2 Replace any broken or unsound posts with 1.8 metre x 125 mm treated intermediate posts or T Irons to be used to match existing post spacing's. 117 cm (46") to remain out of the ground.
 - 4.3.3 To replace damaged or broken timber stays, as required.

- 4.3.4 To replace all plain wires and flat irons.
- 4.3.5 To erect two steel Y stakes between existing timber posts or at maximum of 3 metre gaps between the Y stakes. Y stakes will be mostly 1.5 metre (5') with 1.35 metres (4'6") on rocky ground and 1.7 metre (5'6") to be used on soft ground.
- 4.3.6 Five x 2.5 mm galvanized high tensile wires and the bottom wire being 4 mm (No 8) galvanized mild steel wire. Total of six new wires.
- 4.3.7 To re-use existing top barb wire, re-stapled to timber posts and laced to Y stakes with 2.5 mm galvanized lacing wire.
- 4.3.8 To replace existing tie backs where required to hold corner or angle posts.
- 4.3.9 To tie back corner strainer post at point "R" being GPS point 40 shown on Map 1 enclosed with these specifications.
- 4.3.10 To replace two "Taranaki Gates" in poor condition with new Taranaki Gates.
- 4.3.11 To replace tie downs.
- 4.3.12 To strain all wires.

(d) Conservation Area "CA2" (fence line "R1-Q" shown on Map 13 enclosed with these specifications).

4.4 For part "R1-Q"

- 4.4.1 Existing timber posts that are in sound condition are to be reused in their present location and spacing.
- 4.4.2 Replace any broken or unsound posts with 1.8 metre x 125 mm treated intermediate posts or T Irons to be used to match existing post spacing's. 117 cm (46") to remain out of the ground.
- 4.4.3 To replace damaged or broken timber stays, as required.
- 4.4.4 To re-use existing steel flat irons where in sound condition. To replace any broken or damaged flat irons with steel Y stakes where applicable
- 4.4.5 To erect one steel Y stake between existing timber posts or at maximum of 4 metre gaps, where the existing steel flat irons are in sound condition. Y stakes will be mostly 1.5 metre (5') with 1.35 metres (4'6") on rocky ground and 1.7 metre (5'6") to be used on soft ground.
- 4.4.6 To provide new 4 mm (No 8) galvanized mild steel wire for bottom wire, re-stapled to timber posts and laced to Y stakes using 2.5 mm galvanized lacing wire. To be 75 mm above ground level.
- 4.4.7 To replace existing tie backs where required to hold corner or angle posts.
- 4.4.8 To replace tie downs with 2.5 mm galvanised steel wire.
- 4.4.9 Separate strains are required over two chutes. These sections will require steel Y stakes at 3 metre gaps and 7 plain wires.
- 4.4.10 Major floodgate is required over Moonlight Stream. See Diagram 1 enclosed and forming part of these specifications. Floodgate to consist of two 4 mm galvanized mild steel wires threaded through holes drilled through 50 x 50mm H3 treated timber battens with 15 or 20 mm diameter x 50 mm long alkathene spacers between, anchored either side of the water course directly below the new fence. Anchors to be 2.1 metres x 150 mm treated timber posts one each side, or alternatively two galvanized T irons approximately 1.5 metres apart, two either side of the water course. The floodgate to be wired with 4 mm galvanized mild steel wire onto a cable attached to the anchors.
- 4.4.11 Standard 7 wire sheep netting floodgates are required at minor watercourses. These are not to be attached to the fence.
- 4.4.12 To strain all wires.
- (e) Changes to fence layout on easement "j-k" at GPS point 50 (Easting 2338839, Northing 5731524) shown on Map 3 and diagram 2 enclosed with these specifications.
 - 4.5 To remove approximately 30 metres of existing post and wire fence.

- 4.6 Fencing to consist of sheep netting, eight x 2.5 mm galvanized high tensile wires, 900 mm high with knotted joints, with one galvanized wire above the netting, and one 2.5 mm galvanized high tensile wire below the netting
- 4.7 2.1 metre x 200 mm treated timber strainer posts with 2.7 metre x 150 mm stay posts to be used for gateways and end of strains.
- 4.8 1.8 metre x 125 mm treated intermediate posts between strainers, if applicable, 117 cm (46") to remain out of the ground.
- 4.9 Erect 6 x 4.2 metre gates, re-using the existing three gates.

5. Preliminary and General Matters

5.1 New Materials

All materials forming a permanent part of the fence shall be new, with the exception of re-used materials applying to clause 3 and shall conform to any relevant New Zealand or international standard.

5.2 Standards

Materials forming a permanent part of the specified fence shall conform to the applicable standard. Such materials shall either identify the applicable standard on the label or certificate from the supplier or manufacturer shall be supplied stating the materials have been manufactured in a process that has been tested and which conforms to that standard.

Current standards that apply to fencing materials include but may not be limited to:

- 3471:1974 (NZS) Specifications for galvanized steel fencing wire plain and barbed.
- 3607:1989 (NZS) Specifications for round and part round timber fence posts.
- 3640:1992 (NZMP) Specifications of the minimum requirements of the NZ Timber Preservation Council Inc.
- D360:1986 (NZS/ASTM) Creosote Treatment
- 4534:1998 (AS/NZS) Zinc and zinc/aluminium alloy coating on steel wire.
- 4680:1999 (AS/NZS) Hot dip galvanized (zinc) coating on fabricated ferrous articles.

Where no applicable standard exists then materials shall be of best quality as generally accepted in the New Zealand farming and fencing industries.

Documentation would be required of:

- Manufacturers (or suppliers) warranties and test certificates where applicable.
- Guarantee certificates that transfer to the owners of the completed fences.
- Remedies available under the guarantee.
- Installation instructions for hardware where applicable to the warrantee and guarantee.

5.3 Blasting

Any blasting required to loosen or remove rock shall be undertaken using electric detonators to reduce the risk of fire.

5.4 Drilling

Any rock drilling will be undertaken with a rock drill no larger than 40mm diameter.

5.5 Spiking

Where placement of posts requires spiking, the spike shall be 90mm or more diameter.

5.6 Lacing

The top wire is to be laced to the top of the steel Y stake with 3.15 mm (9 gauge) wire. The new bottom wire to be placed as per clause

6. Materials General

To be used except where these have been specifically modified by the provisions of Clause 7 which shall take precedence.

(a) Post and Wire Fences

6.1 Wire

Fence wire will be 2.5mm galvanized high tensile steel wires and 4 mm galvanized mild steel wire all of which are to be of good quality. Tie-downs and tie-backs will be 4mm galvanized mild steel kept clear of any ground contact.

6.2 Infill Posts

Infill posts will be steel Y stakes or galvanized T irons for use on high spots, where specified.

6.3 Strainer, Intermediate and Angle Posts

All timber posts used will be round and ground treated.

6.4 Stay Block

12 x 2 x 24 ground treated.

6.5 Staples

Staples will be 50mm x 4mm barbed galvanized steel.

6.6 Permanent Wire Strainers

Permanent wire strainers are to be of the yoke and reel type with a sprung loaded locking bar.

6.7 Crossing Netting

Netting on creek and river crossings will be 7 wire galvanized sheep netting.

6.8 Gates

The swung gates shall be manufactured of 32 mm 2.6wt galvanized steel pipe frame, suitable braced to withstand normal pressure by beef cattle and fully covered with 50mm chain mesh manufactured from 3.15 mm gauge wire and attached with 2.24 mm galvanized lacing wire.

6.9 Gate Chains

Gate chains will be galvanized steel chain and staple type.

6.10 Gate gudgeons

Gudgeons are to be of galvanized steel. Top gudgeon is to be lock through type and the bottom gudgeon a bolt through type. The bottom gudgeon will have a hole through the lug fitting to enable a 150 mm galvanised nail to be driven through the hole and into the post so that stock can not lift the gate off the hinges.

(b) Deer Fences

6.11 Deer Netting

Netting shall be 13 x 1.9 x 300 knotted netting

6.12 Strainer posts

All posts are to be round and ground treated

6.13 Intermediate posts for deer fencing

All posts are to be round and ground treated.

6.14 Staples

Staples will be 50mm x 4mm barbed galvanized steel.

6.15 Permanent Wire Strainers

Permanent wire strainers are to be of the yoke and reel type with a sprung loaded locking bar.

6.16 Crossing Netting

Netting on creek crossings will be 7 wire galvanized sheep netting.

6.17 Bottom Wire

4 mm (No 8) galvanized mild steel wire all of which are to be of good quality.

6.18 Gates

Deer gates shall be manufactured of 32 mm galvanized steel pipe frame, suitably braced to withstand normal pressure by deer and fully covered with chain link attached with galvanized lacing wire, or using galvanized grid

6.19 Gate Chains

Gate chains will be galvanized steel chain and staple type.

6.20 Gate Gudgeons

Gudgeons are to be of galvanized steel. Top gudgeon is to be lock through type and the bottom gudgeon a bolt through type.

7. Best Practice

7.1 Best fencing practice must be adhered to on all occasions

(a) Post and Wire Fences .

7.2 Strains

Length of strains to be determined by the territory but to not exceed 300 metres for HT and 250 metres for No. 8 wire, unless specifically varied by sub-clauses 2.6, 3.4.9 and 3.4.10 including where flood gates are required to be on a separate strain. To conform to best practice and if applicable the wire manufacturer's recommendations. Wire tension to account for weather conditions at time of strain and have regard to effect of winter conditions. Wire tension to average 110 kg force.

7.3 Placement of timber strainers, posts and stays

Under no circumstances are any strainers, stays or posts to be shortened either prior to or subsequent to their placement in the ground.

All strainers are to be dug in or driven and rammed and footed. Strainer, angle and intermediate posts are to have a minimum of 117 cm (46") out of the ground. Stays are to be 1/3 of the way up posts.

7.4 Placement of footer at strainers and angles

Strainers and angles will be footed using a wooden H4 treated cut off post with a minimum length of 350 mm rammed in beside the strainer or angle so that the foot is lying 200 mm up from the bottom of the hole at a 90 degree angle to the strainer or angle, and will be attached with 4 mm galvanised steel wire and stapled to both the foot and the strainer or angle using 3 or more staples on both ends

7.5 Placement of wires

Wires are to be located on the grazing side of the boundary, except where there is a high risk of snow damage where they shall be placed on leeward side away from the prevailing snow. The bottom wire to be 100 -150 mm above the ground.

Post staples are to be driven well in, at an angle (approximately 45 degree) so barbs catch on timber grain, but allow the wire to run through.

All wires are to be securely and neatly tied off and strained evenly. Figure 8 knots are to be used in all joins with electric wires to have an extra tie off in place after figure 8 ties.

7.6 Gates

Gates must close against a post and be able to fully open back against the fence.

7.7 Netting at creek crossing

Netting to be hung at creek and river crossings and left to swing.

7.8 Tie Downs

Tie downs are to consist of half or full steel Y stakes according to conditions and the tie down is to be with 4mm galvanised steel wire (which is to remain above ground). If a post is a tie down, it is to be fixed to the Y stake by a 150mm x 6mm galvanized nail.

Anywhere that there is a 100 mm or more upward pull on the wires is to have a tie down placed.

7.9 <u>Tie backs</u>

Tie backs can be used on angle posts or T irons and are permitted on both sides of the fence.

7.10 T Irons

T irons, if used, are to be used on all corners and on the end of strains with tie-backs on them except on the gateways where conventional block and stays are to be used.

(b) Deer Fences

7.11 Strains

Length of strains to be determined by the territory. To conform to best practice and if applicable the netting manufacturer's recommendations. Strain to account for weather conditions at time of strain and to have regard to effect of winter conditions.

Length of strain for bottom wire (No 8) to be determined by territory but to not exceed 250 metres and to have regard to effect of winter conditions. Wire tension to average 110 kg force.

7.12 Placement of timber strainers, posts and stays

Under no circumstances are any strainers, stays or posts to be shortened either prior to or subsequent to their placement to the ground.

All strainers are to be dug in and rammed and footed, or driven. No.8 (4mm) galvanized wire is to be used on foots. Horizontal (box) stays construction method is to be used at strainer posts.

7.13 Placement of netting and bottom wire

Netting is to be located on the grazing side of the boundary with the bottom wire to be 100 mm above the ground.

Post staples are to be driven well in, at an angle (approximately 45 degree) so barbs catch on timber grain, but allow the wire to run through.

Netting is to be securely and neatly tied off and strained evenly. Crimp Sleeves are acceptable as well as knots.

A 4 mm (No 8) galvanized mild steel bottom wire is to be placed 75 mm from the ground , on the grazing side of the boundary. The purpose of this wire is to allow easy replacement of the bottom wire should it require attention.

7.14 Gates

Gates must close against a post and be able to fully open back against the fence.

7.15 Netting at creek crossing

Netting to be hung at creek crossing and left to swing. These are not to be attached to the fence.

7.16 Tie Downs

Tie downs are to consist of half or full steel Y stakes according to conditions and the tie down is to be with 4mm galvanized wire (which is to remain above ground). If a post is a tie down, it is to be fixed to the Y stake by a 150mm x 6mm galvanized nail.

All dips and hollows are to be tied down.

7.17 <u>Tie Backs</u>

Tie backs can be used on angle posts or T irons and are permitted on both sides of the fence.

8. Resource Management Consents

The construction of fencing is subject to the Commissioner obtaining any and all consents required pursuant to the Resource Management Act 1991.

Attachments to fencing specification:

Maps 1, 2, 3, 11, 12 and 13.

Diagram 1, 1A and 2.