

## **Crown Pastoral Land Tenure Review**

**Lease name : Mt ALGIDUS**

**Lease number : PC 039**

### **Due Diligence Report (including Status Report) - Part 2**

This report and attachments results from a pre-Tenure Review assessment of the pastoral lease for the purpose of confirming land available for Tenure Review and any issues, rights or obligations attaching to it. The information is gathered from files and other sources available to the LINZ contractor.

Part of the information relates to research on the status of the land, resulting in a Status Report that is signed off by a LINZ approving officer. The remainder of the information is not analysed for relevancy or possible action until required, and LINZ does not guarantee its accuracy or completeness as presented.

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

**June 09**

APPENDIX 2



Our Ref: Pc 039/12752 (178 let)

LAND RESOURCES DIVISION

12 February 2001

4th Floor, Knight Frank House  
76 Cashel Street, Christchurch  
Telephone: (03) 379 9787  
Facsimile: (03) 379 8440

Geoffrey Cone  
PO Box 2924  
AUCKLAND

**RE: MT ALGIDUS PASTORAL LEASE: SUBLEASE TO HG INNES, PM INNES, BJW  
TURNER AND A M TURNER**

I refer to your letter dated 4 December 2000.

Enclosed please find one copy of the Deed of Assignment of lease as signed by the Commissioner of Crown Land's delegate.

Yours faithfully  
**KNIGHT FRANK (NZ) LIMITED**

**CAROLINE MASON**

**Corporate Offices**

Auckland  
Wellington  
Christchurch

13 Offices Nationwide

**International**

Australia  
Belgium  
Botswana  
China  
France  
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Hong Kong  
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Monaco

Nigeria  
Portugal  
Singapore  
South Africa  
Spain  
Sweden

Tanzania  
The Netherlands  
United Kingdom  
United States  
of America  
Zimbabwe

**Postal Address:**

PO Box 142, Christchurch  
New Zealand

Knight Frank (NZ) Limited MREINZ  
(An LPL Group Company)

**INTERNATIONAL PROPERTY CONSULTANTS**

DEED OF ASSIGNMENT OF LEASE

THIS DEED of Assignment of Lease and Sub-Lease made on the 1<sup>st</sup> day of February 2000

BETWEEN HAMISH GEORGE INNES and PHILIPPA MARY INNES both of Mt Algidus Darfield, Farmers each as to a one quarter share; and GEOFFREY PETER PHILP CONE of Auckland, Barrister and Solicitor, he said HAMISH GEORGE INNES and PHILIPPA MARY INNES and ROBERT KIRKPATRICK SIMPSON of Ashburton, Farmer, trustees of the H.G. INNES FAMILY TRUST as to a one half share ("the Lessor")

AND HAMISH GEORGE INNES and PHILIPPA MARY INNES both of Darfield, Farmers ("the Assignors")

AND HAMISH GEORGE INNES and PHILIPPA MARY INNES abovenamed and BENJAMIN JAMES WINSTONE TURNER and ANNA MARY TURNER both of Mt Algidus Darfield, Farmers ("the Assignees")

WHEREAS

1. The Lessor is the registered proprietor of an estate in fee simple and leases an estate in leasehold from the Crown ("the Head Lease") both described in the Schedule .
2. The Assignors lease the interests in land described in paragraph 1 from the Lessor by a Deed of Lease dated 30 June 2000 ("the Lease") .
3. The Assignors and the Assignees have agreed to assign the Lease to the Assignees.

NOW THEREFORE in pursuance of the premises and in consideration of the Assignees undertaking the obligations of the Assignors under the Lease the Assignors hereby assign and transfer to the Lessees the Lessor's interest in the Lease and the parties FURTHER AGREE:-

*[Handwritten signatures and initials]*  
D. [unclear] [unclear] [unclear] [unclear] [unclear]

1. The Assignees will observe all of the covenants of the Lease including payment of the rent and any other outgoings.
  
2. The Assignees will indemnify the Assignors for any claim made against the Assignors by the Lessor or any breach of the terms of the Lease by the Assignees including non-payment of rent;
  
3. The Lessor acknowledges and consents to the said assignment of the Lease.

IN WITNESS WHEREOF these presents have been executed the day and year first hereinbefore written.

SIGNED by HAMISH GEORGE INNES ) *HG Innes*  
and PHILIPPA MARY INNES as Lessor ) *PM Innes*  
in the presence of: )  
*Alone Smith Auckland*

SIGNED by GEOFFREY PETER PHILP ) *G Philp*  
CONE as Lessor in the presence of: )  
*M. E. Hollins Secretary Auckland*  
~~*Alone Smith Auckland*~~

SIGNED by ROBERT KIRKPATRICK ) *R Kirkpatrick*  
SIMPSON as Lessor in the presence of: ) *R Simpson*  
*Alone Smith Auckland*  
*Secretary Ashburton*

*Alone Smith*  
*PM*

SIGNED by HAMISH GEORGE INNES ) *H. Innes*  
and PHILIPPA MARY INNES as ) *P. Innes*  
Assignors in the presence of:- )

*Alire Smith McLeod*

SIGNED by HAMISH GEORGE INNES ) *H. Innes*  
and PHILIPPA MARY INNES, ) *P. Innes*  
BENJAMIN JAMES WINSTONE ) *B. Winstone*  
TURNER and ANNA MARY TURNER ) *A. Turner*  
as Assignees in the presence of:- )

*Alire Smith McLeod*  
~~Secretary~~  
~~Auckland~~

THE COMMISSIONER OF CROWN LANDS Lessor under the Head Lease hereby consents to the assignment of the Lease.

*[Signature]*

MICHAEL JOHN TODD  
PURSUANT TO A DELEGATION  
FROM THE COMMISSIONER  
OF CROWN LANDS

Witness: *[Signature]*

Occupation: GRANT KASPER WEBLEY  
PORTFOLIO MANAGER  
Address: CROWN PROPERTY MANAGEMENT  
C/- LINZ, CHRISTCHURCH

*[Handwritten notes and signature]*

DATE: \_\_\_\_\_ 2000

H. G. INNES, P. M. INNES, G. P. P. CONE

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**DEED OF LEASE**

**MT ALGIDUS**

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**GEOFFREY CONE**  
**BARRISTER AND SOLICITOR**  
**AUCKLAND**

THIS DEED of lease and sublease made on the 30<sup>th</sup> day of June 2000

BETWEEN HAMISH GEORGE INNES and PHILIPPA MARY INNES both of Mt Algidus Darfield, Farmers each as to a one quarter share, and GEOFFREY PETER PHILP CONE of Auckland, Barrister and Solicitor, and the said HAMISH GEORGE INNES and PHILIPPA MARY INNES as to a one half share ("the Lessor")

AND HAMISH GEORGE INNES and PHILIPPA MARY INNES both of Darfield, Farmers ("the Lessees")

WHEREAS

1. The Lessor is the registered proprietor of an estate in fee simple and leases an estate in leasehold from the Crown ("the Head Lease") described in the Schedule.
2. The Lessor has agreed to lease to the Lessees and the Lessees have agreed to take on lease from the Lessor the said estate in fee simple **AND** the Crown and Lessor have agreed to sublease to the Lessees and the Lessees have agreed to the sublease from the Lessor the said estate in leasehold and comply with the terms of the Head Lease, both estates called "the Land".

NOW THEREFORE in pursuant of the premises and in consideration of the rent hereby reserved and the covenants on the part of the Lessees hereinafter contained the Lessor HEREBY LEASES AND SUBLEASES to the Lessees the Land on the following terms and conditions:-

AREA LEASED Approximately 22,129.5584 hectares as described in the Schedule.

TERM 6 years and thereafter on the term agreed between the Lessor and the Lessee, but in any case no longer than the term of the Head Lease less one (1) day..

RENT The rent shall be calculated in the following way:-

*PHI*  
*H.S.*

*PH*



- (a) \$90,000.00 plus GST per annum payable from 1 July 1999 and thereafter such market rental as shall be agreed by the Lessor and the Lessee from time to time.

The rent shall be paid to the Lessor free of deductions at such times at Christchurch or such other place as the Lessor may direct in writing.

I. THE LESSEES HEREBY COVENANT WITH THE LESSOR:-

1. THAT the Lessees will keep all fences on the land in good stock proof order and repair.

2. THE Lessees shall during the said term keep the said land in good order and condition and cultivate manure and manage the same in good and husbandlike manner according to the best farming practices prevailing in the district.

3. THE Lessees shall keep the property and all buildings thereon insured in the name of the Lessor and shall promptly pay all premiums in respect thereof.

4. THE Lessees shall sow down after a crop has been taken from the land with a certified mixture of grasses or such other crops as may be agreed between the Lessor and Lessees.

5. THAT the Lessees shall not assign charge underlet or part with the possession or occupation of the said land without the consent in writing of the Lessor first had and obtained.

6. THE Lessees shall apply such fertiliser to the property as may be necessary from time to time throughout the term of the lease in accordance with good farming practice.

7. THAT the Lessees will not cut or destroy any standing timber or trees on the said land except for that which is reasonably required for firewood and will take all steps necessary to protect all such timber and trees from damage by animals or otherwise.

✓ P.M.  
R.S.

R

8. THAT the Lessees will permit the Lessor or the agents or servants of the Lessor at all reasonable times to enter upon the land and for the purpose of viewing the state of repair and order and condition thereof.

9. THAT the Lessee will pay the Lessee's legal costs of and incidental to the preparation, execution and stamping of these presents.

10. THAT in respect of the Head Lease the Lessee will:

- (a) comply with the provisions of the Head Lease;
- (b) comply with the stock limitation specified by the Crown as Lessor of the Head Lease.
- (c) personally occupying the land subject to the Head Lease;

and acknowledges that a breach of the Head Lease will be a breach of this Lease.

II. THE LESSOR HEREBY COVENANTS with the Lessees:-

11. THE Lessees paying the rent hereby reserved and observing the covenants on the part of the Lessees herein contained and implied shall have quiet and undisturbed possession of the land throughout the said term without any interruption by the Lessor or anyone lawfully claiming by through under or in trust for the Lessor.

12. THAT all Regional Council and District Council rates levied shall be the responsibility of the Lessee.

13. THAT all tracks on the property will be maintained at their present standard at the Lessee's cost.

14. IF further capital development (which includes pasture development, fencing, shelter belts and buildings) is required or accepted by the Lessor the Lessee will be responsible for the cost of that development.

15. ANY moneys received by the Lessee under any policy or policies of insurance relating to the buildings on the said property shall be applied towards the reinstatement or re-erection of the building or buildings damaged or destroyed but nothing shall require the Lessee to expend any further moneys for such purpose.

PM  
HBL  
AR

16. EXCEPT as is provided for in this Lease the Lessor shall be responsible for the performance of the terms and conditions of the head lease.

III. IT IS AGREED by and between the parties hereto as follows:-

17. THAT if and whenever the rent hereby reserved shall be in arrears the same may be levied by distress.

18. THAT if the rent hereby reserved or any part thereof shall be in arrears and unpaid for the period of twenty one (21) days whether the same shall have been legally or formally demanded or not or if and whenever there shall be any breach or non-observance or non-performance of any covenant condition or agreement herein on the part of the Lessees contained or implied it shall be lawful for the Lessor forthwith or any time thereafter without making any demand or giving any notice or doing or seeking to the doing or any matter or thing to re-enter upon and take possession of the said land or any part thereof in the name of the whole whereupon the term hereby created shall absolutely determine and that without releasing the Lessees from liability for any rent due or occurring due hereunder or from liability for any antecedent breach of covenant or condition hereunder.

19. IF at any time any question dispute or difference whatsoever shall arise between the Lessor and the Lessees whether as to the construction of these presents or the rights duties or obligations of either party hereunder or any matter arising out of or concerning the same, either party may forthwith give to the other notice in writing of the existence of such question dispute or difference and the same shall be referred to the arbitration of a person to be mutually agreed upon or failing agreement within one (1) month of such notice to two (2) arbitrators and their umpire one of the arbitrators to be appointed by each party and in either case in accordance in all respects to the provisions in that behalf contained in the Arbitration Act 1996 or any statutory modification or re-enactment thereof for the time being in force. No reference to arbitration shall be deemed to suspend rental or other payments due under these presents and all payments otherwise due shall be made pending the result of such arbitration.

20. WITHOUT prejudice to the rights powers and remedies of the Lessor otherwise under this lease, the Lessee will pay to the Lessor interest at the penalty rate of ten per cent (10%) on any moneys due but unpaid for fourteen (14) days by the Lessee to the Lessor on

2 PM  
KSL

AD

any account whatsoever pursuant to this lease such interest to be computed from the due date for payment of the moneys in respect of which the interest is chargeable until payment of such moneys in full and to be recoverable as if the same had been rent in arrear.

21. WHERE there is any inconsistency between the provisions of the Head Lease and the Sublease then the provisions of the Head Lease shall apply.

22. THE Lessee hereby indemnifies the Lessor for any actions or omissions caused by the Lessee which give rise to any liability between the Lessor and the Head Lessor in terms of the Head Lease.

INTERPRETATION

23. WHERE there is more than one Lessor or Lessees the terms "the Lessor" or "the Lessees" hereinafter used shall be deemed to mean each and every respective Lessor or Lessees and his, her or their respective Executors, Administrators and Assigns.

IN WITNESS WHEREOF these presents have been executed the day and year first hereinbefore written.

SIGNED by HAMISH GEORGE INNES, )

PHILIPPA MARY INNES as Lessor )

in the presence of:- )

*Alone Shute Auckland*

*H. Innes*

*P. Innes*

SIGNED by GEOFFREY PETER PHILP )

CONE as Lessor in the presence of:- )

*M. K. Collins  
Secretary, Auckland*

*G. Philp*

SIGNED by the said HAMISH GEORGE )

INNES AND PHILIPPA MARY INNES )

as Lessees in the presence of: )

*Alone Shute Auckland*

*H. Innes  
P. Innes*

THE COMMISSIONER OF CROWN LANDS hereby consents to the sublease of the  
Head Lease in accordance with the terms of this lease.



MICHAEL JOHN TODD  
PURSUANT TO A DELEGATION  
FROM THE COMMISSIONER  
OF CROWN LANDS

*Witnessed by*  
*Robert William Lysaght*

ROBERT WILLIAM LYSAGHT  
PORTFOLIO MANAGER  
CROWN PROPERTY MANAGEMENT  
C/- LINZ, CHRISTCHURCH

SCHEDULE

**First:** An estate in Leasehold by virtue of pastoral Lease No. P.39 in that piece of land containing 21424.0579 hectares a little more or less being Run 259 “Mount Algidus” and being the land comprised in Certificate of Title Volume 574 Folio 69 (Canterbury Registry).

**Second:** An estate in fee simple in those pieces of land:

- (a) Containing 8.2454 hectares being Lot 4 Deposited Plan 15297 Rural Section 34497 and being all the land comprised in Certificate of Title 8F/1392.
- (b) Containing 442.4072 hectares being Rural Section 31271, 31272, 31273, 31274, 33403, 33404, 35411, 35412 and 35413 and being all the land in Certificate of Title 19F/1339.
- (c) Containing 4223 square metres being Rural Section 34697 and being all the land in Certificate of Title 19F/1347 subject to Electricity Agreement 814770.
- (d) 86.6027 hectares being Rural Section 35495 and being all the land in Certificate of Title 19F/1348.
- (e) 94.9797 hectares being Rural Sections 34593 and 35410 and being all the land in Certificate of Title 20A/298 subject to Electricity Agreement 814770.
- (f) 68.7964 hectares being Rural Sections 5187, 5188 and 5189 and being all the land in Certificate of Title 24A/562 (limited as to parcels).
- (g) 2.0234 ha being Section 1 Survey Office Plan 3005; Certificate of Title 34C/62.
- (h) 2.034 ha being Section 2 Survey Office Plan 3005; Certificate of Title 34C/63.

APPENDIX 3

"RELEASED UNDER THE OFFICIAL INFORMATION ACT"  
RELEASED UNDER THE OFFICIAL INFORMATION ACT



**Landcorp**  
LAND CORPORATION LIMITED

Ref: P 39

sb/ss

6 July 1992

G L & S A Nell  
Mt Algidus  
No. 2 R D  
DARFIELD

Dear Mr & Mrs Nell

**Re: APPLICATION TO THE LAND VALUATION TRIBUNAL  
TO DETERMINE RENEWAL VALUES**

I refer to your recent discussions with Mr Hagen of Valuation New Zealand. He has advised me you have reached agreement and established the Land Exclusive of Improvements value at \$360,000 (three hundred and sixty thousand dollars) exclusive of GST. This value to run from the commencement of the lease at 1 July 1987.

Could you please sign the attached duplicate letter to confirm your agreement to this and that you withdraw your application to the Land Valuation Tribunal.

I have held your rental account at this stage as there will be a credit due. Once your confirmation is received I will work out the final detail and provide this to you.

Should you have any queries please do not hesitate to contact the undersigned.

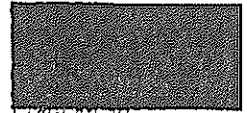
Yours faithfully  
**LANDCORP MANAGEMENT SERVICES LTD**

**SJK BAMFORD**  
Property Consultant

CONFIDENTIAL COPY PROVIDED TO  
LINZ (CROWN PROPERTY MANAGEMENT)  
CONTRACTOR FOR PURPOSES ASSOCIATED

WITH CONTRACT **50<sup>th</sup>** ONLY.  
NOT TO BE FURTHER COPIED, REPRODUCED  
OR DISTRIBUTED WITHOUT THE  
PERMISSION OF LINZ

INCORPORATING LANDCORP INVESTMENTS LIMITED & LANDCORP MANAGEMENT SERVICES LIMITED



Christchurch District Office  
78 Cashel Street  
P O Box 142  
DX 16835  
CHRISTCHURCH, NZ

tel (03) 797-787  
fax (03) 797-140



We, G L Nell and S A Nell hereby accept the value of the Land Exclusive of Improvements for renewal of \$360,000 (three hundred and sixty thousand dollars) exclusive of GST and withdraw our application to the Land Valuation Tribunal.

Signed: *G L Nell*  
G L Nell

Dated 20/7/92

*S A Nell*  
S A Nell

Dated 20/7/92

NOTARIAL  
26 JUL 1992  
NOT  
100-100-100-100

APPENDIX 4



COPY

BARRISTERS & SOLICITORS  
(incorporating Murchison & Wood)

P.O. Box 13 149, Christchurch, New Zealand.  
Telephone ISD 00-64 STD 0-3-379 3720.  
Fax ISD 00-64 STD 0-3-379 8370. DX16908.

Price Waterhouse Centre, 119 Armagh Street,  
Christchurch, New Zealand.

19 April 1994

The Manager  
Landcorp Property Limited  
P.O. Box 142  
CHRISTCHURCH

LANDCORP PROPERTY LTD
CHRISTCHURCH
CASHIER 2
20 APR 1994
AMOUNT RECEIVED
\$

Attention: S.J.K. Bamford

Dear Sir

MT ALGIDUS STATION - INNES

Thank you for your letters dated 2 February, 8 April and 15 April 1994.

We enclose signed letter dated 2 February 1994.

Please note the amendments to Clause 6 as per your letter dated 15 April 1994. Clause 5 remains the same and although incorrectly adjusted has been initialled by the parties.

Our clients have also signed the Hydra Waters Protection Agreement and initialled the plan along the present fence line. Mr & Mrs Innes are happy with the current fenced area as per the original agreement with A.C.S. Richards and are keeping an open mind on the extended area.

Yours faithfully  
LANE NEAVE RONALDSON

G.J. THWAITES  
Staff Solicitor  
Encs.

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LINZ (CROWN PROPERTY MANAGEMENT)  
CONTRACTOR FOR PURPOSES ASSOCIATED

WITH CONTRACT 50m ONLY.  
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OR DISTRIBUTED WITHOUT THE  
PERMISSION OF LINZ

Partners:

Colin Ernest Walter Averill LL.B  
Nicholas George Clark LL.B  
Samuel Richard Maling LL.B  
John Joseph Brandts-Giesen M.A. LL.B

Alister Gordon McDonald LL.B  
Geoffrey Peter Philp Cone LL.B  
Adrienne Moira Edwards B.A. LL.B  
Sally Rebecca Cantrell LL.B

Julianne Hutton LL.B  
Paulo Wilhelm Kundig B.A. J.D. (LOYOLA)  
Glenn Duncan Jones LL.B  
Michael John Howard LL.M (HONS)

Associate:

Martin James Logan LL.B

Consultants:

John Everest England LL.B  
Andrew Paul Lissaman Everist LL.B



Our Ref: P39

sb/jl001

2 February 1994

Lane Neave Ronaldson  
Barristers & Solicitors  
DX 16908  
CHRISTCHURCH

ATTENTION: G.J. Thwaites

Dear Sir

**APPLICATION TO TRANSFER : NELL TO INNES**

I refer to the application by your clients and am pleased to advise the Commissioner of Crown Lands has approved the transfer from G.L. and S.A. Nell to H.G. and P.M. Innes and H.G. Innes Family Trust. The form of consent will be available from this office when you wish to register subject to the following conditions:

1. Rental is currently paid to 31 December 1993. Rental to 30 June 1994 is now overdue and consent is subject to payment of this. Any apportionment of rent to 30 June 1994 is the responsibility of the vendor and the purchaser. Responsibility for rent lies with the purchaser from 30 June 1994.
2. Evidence of payment of rates is produced.
3. Registration is effected within four months from today; after that terms of consent will lapse.
4. That the agreement (Commissioner of Crown Lands and Richards) for the protection of the core area of the hydra-waters is accepted and honoured. The area has now been agreed upon and fenced. (Clause 1 of agreement). A plan is being prepared to clearly illustrate this and will be provided as soon as it is available. A copy of the agreement is attached.
5. The following personal stock limit will apply over the pastoral lease as follows:

Not more than ~~7500~~<sup>7500</sup> sheep (including not more than ~~3500~~<sup>3500</sup> breeding ewes)  
and not more than ~~270~~<sup>270</sup> cattle (including not more than ~~100~~<sup>100</sup> breeding cows).



6. And it is agreed that while the pastoral lease is run with 705 hectares of freehold that the following overall numbers can be carried.

*Handwritten initials: BH, PM, CM*

Not more than 18500 sheep (including <sup>9000</sup>~~7500~~ breeding ewes) and  
~~270~~<sup>350</sup> cattle (including ~~100~~<sup>200</sup> breeding cows).

Please ensure that the above transferees are familiar with the obligations of the Land Act 1948 as it relates to the pastoral lease, in particular Sections 66, 66A, 106 and 108.

... Could you please return the attached letter signed by the respective parties to confirm acceptance of the conditions of transfer.

Should you require any further information or have any queries, please do not hesitate to contact the undersigned.

A copy of this letter has been sent to the vendor's solicitors (Wynn Williams & Co.).

Yours faithfully  
**LANDCORP PROPERTY LIMITED**

*Handwritten signature of SJK Bamford*

**SJK BAMFORD**

We hereby accept the conditions as set out.

*Handwritten signature of H.G. Innes*  
\_\_\_\_\_  
H.G. Innes

\_\_\_\_\_  
18 / 4 / 1994

*Handwritten signature of P.M. Innes*  
\_\_\_\_\_  
P.M. Innes

\_\_\_\_\_  
18 / 4 / 1994

*Handwritten signature of G.P.P. Cone*  
\_\_\_\_\_  
G.P.P. Cone

\_\_\_\_\_  
18 / 4 / 1994

Our Ref: P39

sb/vk857



8 April 1994

Lane Neave Ronaldson  
Barristers & Solicitors  
DX 16968  
CHRISTCHURCH

Attention: G J Thwaites

Dear Sir

**MT ALGIDUS STATION: INNES**

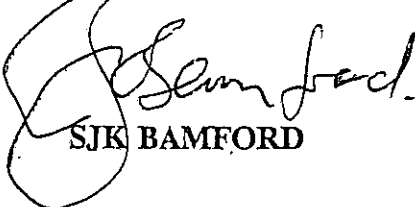
I refer to my letter dated 2 February 1994 outlining conditions of consent to the transfer of Mt Algidus Pastoral Lease.

Condition four referred to the agreement for the protection of the core area of the Hydrawaters. I am pleased that the plan and additional agreement referred to has been completed and is attached.

Along with signing to accept the conditions of transfer could you also please arrange for the transferees to initial the plan and appendix and return.

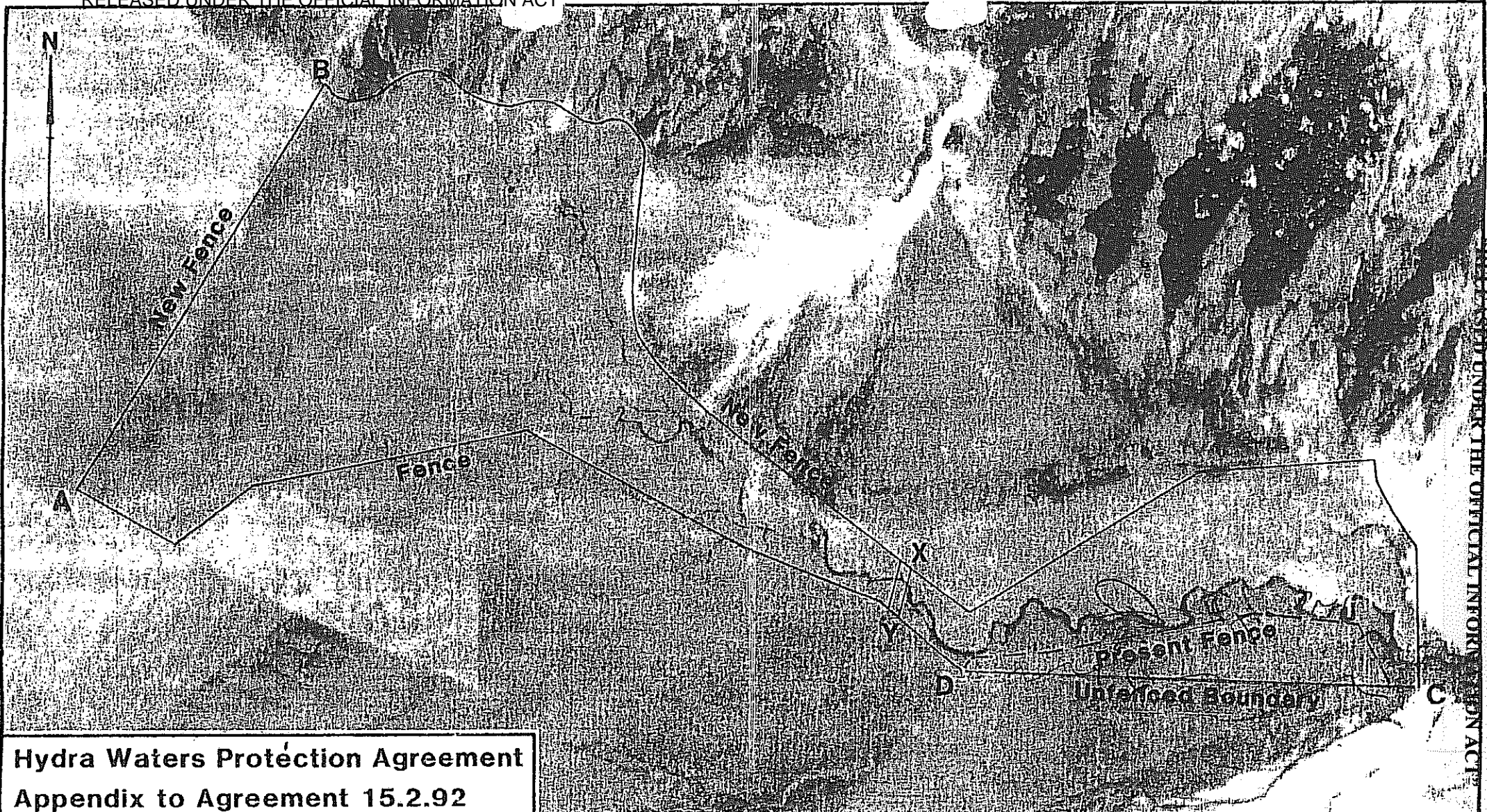
Should you have any queries please do not hesitate to contact the undersigned.

Yours faithfully  
**LANDCORP PROPERTY LIMITED**





**SJK BAMFORD**

CHRISTCHURCH OFFICE  
78 CASHEL STREET  
PO BOX 142  
CHRISTCHURCH, NZ  
PHONE 0-3-379 9787  
FAX 0-3-379 8440  
DX 16835



**Hydra Waters Protection Agreement  
Appendix to Agreement 15.2.92**

- ABC** Fence erected by DOC 1993
- AD** Existing fence
- DC** Not to be fenced at this stage
- XY** Stock access

 Department of Conservation Te Papa Atawhai				
Prepared by Graphics/Draughting Canterbury Region	Aerial Photo SN B584 H/3	Date Flown 30.1.86	Scale 1:14000 approx	Drawn by E.H. 4/94

APPENDIX TO AGREEMENT DATED 15 FEBRUARY 1982

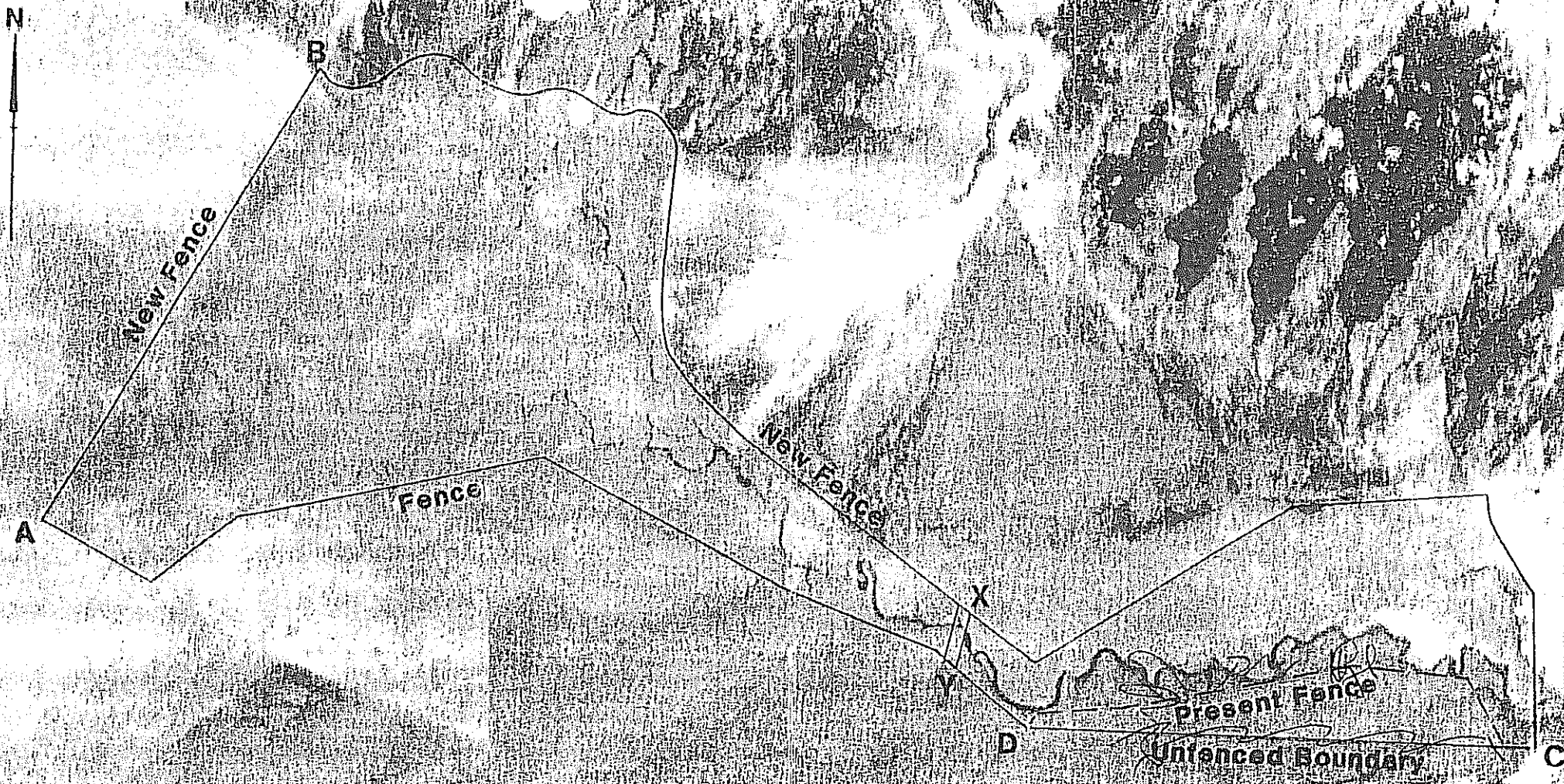
The following are agreements reached in fulfilment of Conditions 1 and 2 of the original agreement.

HYDRA WATERS : PROTECTION AGREEMENT

- 1) The core Hydra Waters area, as per the original agreement with Department of Lands and Survey, to be excluded from all grazing and to have the primary aim of maintaining natural ecological values.
- 2) The fence A-B-C has been erected at the cost of the Department of Conservation (DOC). The fence is boundary specification, i.e. three posts to the chain with lightening droppers between posts. Where the fence crosses the active stream bed on Titan Fan, waratahs are to be used instead of posts. DOC to be responsible for all maintenance costs.
- 3) Stock access to be available at points X-Y on the plan. Maintenance of the bridge and stock track to be lessee's responsibility.
- 4) Boundary C-D not to be fenced unless the fence closer to the stream is unable to be maintained on its current line. Any new fencing to be DOC's responsibility. Maintenance to be on a 50/50 basis.
- 5) Maintenance of fence ADC to be on a 50/50 basis.
- 6) DOC staff to have right of access (at reasonable times) for management and monitoring purposes.
- 7) Public access to be at the pleasure of the lessees.
- 8) DOC will pay all management costs of the core area.
- 9) DOC recognises that the Mathias River is a powerful force and that there is the possibility that the river will at some time change its course and flow through the Hydra Waters wetland.
- 10) DOC is reluctant but agrees that shelter trees planted behind perimeter fences is a matter that can be considered should the lessees develop any proposals for such shelter belts. It would need to be shown that the trees would not impinge upon the conservation values, (shading, hydrology) and that wilding spread would be controlled.
- 11) All legal and survey costs to be borne by DOC.

H.G.  
S.  
P.H.  
✓





**Hydra Waters Protection Agreement  
Appendix to Agreement 15.2.92**

- ABC** Fence erected by DOC 1993
- AD** Existing fence
- DC** Not to be fenced at this stage
- XY** Stock access

Department of Conservation  
*Te Papa Atawhai*

0 500m

Prepared by  
Graphics/Draughting  
Canterbury Region

Aerial Photo  
SN 8584 H/3

Date Flown  
30.1.86

Scale  
1:14000  
approx

Drawn by  
E.H. 4/94

MEMORANDUM OF AGREEMENT made this 15 day of FEBRUARY 1982

BETWEEN ALLEN CHRISTOPHER SYKES RICHARDS of Mount Algidus, Sheep Farmer (hereinafter with his executors administrators and assigns referred to as "the Lessee") of the one part AND HER MAJESTY THE QUEEN acting by and through the Commissioner of Crown Lands for the Land District of Canterbury (hereinafter with Her successors referred to as "the Lessor") of the other part

- WHEREAS
- A. The Lessee is the Lessee of Pastoral Lease No. P39 in all that parcel of land containing 21 424.0579 hectares more or less being Run 269 "Mt Algidus" situated in the Mathias, Wilberforce and Oakden Survey Districts registered as Volume 574 folio 69 (Canterbury Registry).
  - B. The Lessor is desirous of protecting the salmon spawning areas within the said lease and known as the "Hydra Waters" (hereinafter referred to as "the protected area").
  - C. The Lessor proposes to expend moneys on protecting the protected area.
  - D. The Lessee agrees that the protected area should be managed so as to protect the salmon spawning and that the protected area should not be developed for grazing use or grazed.

WHEREBY IT IS AGREED by and between the parties hereto as follows:

1. The Lessee agrees to permit the Lessor to mark out the protected area and to erect a stockproof fence on the south-western boundary along a line to be mutually agreed upon by the parties hereto. The capital cost of the fence to be borne by the Lessor and subsequent maintenance to be borne equally by the Lessor and the Lessee.
2. That should the Lessor determine that fencing of the north-east boundary is required to protect the protected area then such fencing shall be erected and maintained solely at the cost of the Lessor.
3. Upon completion of the fence referred to in Clause 1 hereof the Lessee shall not allow stock to graze the protected area.
4. The Lessor shall be responsible for noxious plant control over the protected area.
5. The Lessor and the Lessee agree that the protected area shall not be used as a harbour or sanctuary for Canadian geese.
6. The Lessor shall take all reasonable steps (including the obtaining of a Water Right if necessary) to erect and maintain an effective barrier across the river at the southern end of the protected area to prevent boats from gaining access to the Hydra Waters.
7. No servant or agent of the Lessor shall discharge any firearm on the land leased by the Lessee without the Lessee's permission to do so, first had

and obtained.

- 8. That all legal expenses, fees and costs reasonably incurred by the Lessee hereunder shall be paid by the Lessor.
- 9. Upon completion of the fence referred to in Clause 1 hereof and definition of the protected area by the Lessor the parties agree to execute a Memorandum of Variation of Lease recording the rights and obligations hereinbefore referred to. The said Memorandum to be registered by the Lessor against Pastoral Lease No. P39.

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IN WITNESS the hands of the parties hereto the day and year first hereinbefore appearing.

\* 10. The Lessee's execution of this agreement is WITHOUT PREJUDICE to his rights and powers under the aforesaid otherwise howsoever.

SIGNED by the said ALLEN CHRISTOPHER )  
SYKES RICHARDS as Lessee in the )  
presence of: )

Richard

Witness: [Signature]

Occupation: Solicitor

Address: [Signature]

SIGNED for and on behalf of HER )  
MAJESTY THE QUEEN as Lessor by the )  
Commissioner of Crown Lands for the )  
Land District of Canterbury in the )  
presence of: )

[Signature]

Witness: P. Z. Savage

Occupation: Administration officer

Address: Lands + Survey Dept. Christchurch

- + 11. The Lessee shall have the right at any time to erect a gate in the fence referred to in Clause 1 hereof and to bridge the waterway or waterways to provide stock access to the northern flats.

[Signature]

[Signature]

**DUE DILIGENCE**

**MT ALGIDUS**

**SUPPORTING FILE SUMMARY**

FOLIO	DATE	TO	FROM	DETAILS
<b>PC/039 – SCH – 01 (July 1948 – April 1975) – Volume 1 (folios 110 - 308)</b>				
204	26.3.1952			<p>LSB Case No 2987 approved the issue of a pastoral lease to the George Murray-Aynsley estate from 1 July 1954 over Run 258 “Mt Algidus” comprising 101300 acres for 33 years at annual rent of £310 and stock limit 6500 sheep + 10%</p> <p>Pastoral lease rental amended to £295 after it was found impracticable to include two areas on temporary licence M37 and OL2812 (£206).</p> <p>Pastoral lease offered to Estate 31 March 1952 (£205). Attorney accepted lease on amended terms on 6 October 1952 (£210).</p> <p>Run 258 formerly Runs 181 “Mt Algidus” and 221 “Wilberforce” 64300 acres.</p> <p>LSB Case No 4055 approved partial surrender from lease of 400 acres north of Boundary Creek and Moa Stream for National Park purposes, no alteration to A/Rent or stock limit (£216).</p> <p>Change of appellation for lease purposes amending appellation to Run 269 (area of run to 56250 acres excluding balance run 258 taken for national park purposes) – prior to issue of pastoral lease (£218)</p> <p>[New lease registered 4 May 1954 as CL Vol 574 fol 69]</p> <p><b>ACTION COMPLETED</b></p>

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FOLIO	DATE	TO	FROM	DETAILS
				<p>Areas of Run 269 increased to 56650 acres by inclusion of 400 acres part Reserve 408 – SO 3063L and increasing rent from £295 to £300 and one chain strip along riverbanks etc excluded from lease (under f234)</p> <p>[Certificate of Alteration registered on 27 August 1957]</p> <p><b>ACTION COMPLETED</b></p>
240	4.2.1964	CCL	Harper Pascoe & Co, Solicitors	<p>Application to transfer lease from GV Gerard to GV &amp; RG Gerard &amp; NS Murchison.</p> <p>By Case No 64/35 CCL on 11.2.1964 approved transfer to GV &amp; RG Gerard &amp; NS Murchison (f244)</p> <p>[Transfer 618633 registered 17.2.01964 records the transfer to GV &amp; RG Gerard &amp; NS Murchison].</p> <p><b>ACTION COMPLETE</b></p>
273	18.12.1973	CCL	Harper Pascoe & Co, Solicitors	<p>Application to transfer GV &amp; RG Gerard &amp; NS Murchison to ACS Richards (f273)</p> <p>By Case No 74/20 CCL on 30.1.1974 approved transfer (f200)</p> <p>[Transfer 960403 registered on 30.5.1974 records the transfer to ACS Richards].</p> <p><b>ACTION COMPLETED</b></p>

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FOLIO	DATE	TO	FROM	DETAILS
-	-	-	-	<p>Alteration changing area of Run 269 to 21715.4315ha - former area 22925.4416 ha (SO' s 11026 and 11563)</p> <p>[Certificate of Alteration A 951200 registered on 21.3.1974]</p> <p><b>ACTION COMPLETED</b></p> <p>Alteration correcting area of Run 269 to 21691.1504ha (former area 21715.4315ha) area on plan found to be incorrect (now includes Pt Res 408 as part Run 269 – SO 11563L (f291)</p> <p>[Certificate of Alteration 27543/1 registered on 6.3.1975]</p> <p><b>ACTION COMPLETED</b></p>

**PC/039 – SCH – 02 (April 1975 – January 1985) – Volume 2 (folios 309 - 441)**

338	11.4.1978	CCL	MOWD	<p>MOWD applied for consent to quarry rock for Wilberforce Diversion left bank of Boulderstone Creek (f338)</p> <p>By Case No 78/174 CCL 4.5.1978 approved the taking of rock from 100 metre long area, subject to no blasting of bedrock etc. (f343)</p> <p><b>PROJECT COMPLETED – UNLIKELY USED FOR THIS PURPOSE NOW</b></p>
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FOLIO	DATE	TO	FROM	DETAILS
369	05/10/1981	CCL	DFO	<p>Report following meeting of Govt officials highlighting significance of Hydra Waters to the Rakaia salmon fishery. Lessee is agreeable in principle to covenanting the protection of the Hydra Waters. DFO recommended D/Sol draft an appropriate document and LSB be approached to finance fencing etc.</p> <p>On 24.2.1982 NCCB gave consent to jet boat barrier under Sect 149 Soil Cons &amp; Rivers Control Act 1941 to protect Hydra Waters (f388).</p> <p>LSB Case No 81/315 approved expenditure of \$13650 for fencing to protect hydra Waters salmon spawning area, jet boat barrier to be erected and covenant for lease (f379).</p> <p>Memorandum of agreement (covenant) for protection of Hydra Waters signed 15 February 1982– to be registered (f387)</p> <p>On 24.2.1982 NCCB gave consent to jet boat barrier under Sect 149 Soil Cons &amp; Rivers Control Act 1941 to protect Hydra Waters (f388).</p> <p>Marine Division MOT approved erection of wire barrier under the Harbours Act 1950 and NZ Gazette 1974 p.2017 specifying exclusion of Hydra Waters from use under the Motor Launch (Canterbury and Marlborough Rivers) Notice 1974 (f394).</p> <p>On 21 October 1982 North Canterbury Catchment Board sought approval to fencing two side streams for Hydra Waters to enable completion of work (f 415). The CCL subsequently advised of approval on the basis of the side streams being included in the greater Hydra Waters area under Covenant (f 417).</p> <p>On 11.4.1983 (f 420) North Canty Acclimatisation Society asked for two side streams to be surveyed for addition to Hydra Waters covenant area. Following an inspection CCL advised Society that action under way to have the Conservation Covenant registered against the lease (f 423).</p> <p>Lessee agreement to the two side streams being included in the Hydra Waters covenant sought (f 438).</p>

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FOLIO	DATE	TO	FROM	DETAILS
<p><b>PC/039 – SCH – 03 (February 1985 – July 1985) – Volume 3 (folios 442 – 488)</b></p>				
454	15.4.1985	-	-	<p>LSB (HOC) Case No 85/98 approved subdivision of the lease and issue of two new leases over 6057.60ha (less Hydra Waters), annual rent \$500 stock 5950 sheep and 580ha, annual rent \$100 stock 1200 sheep – subject to lessee and his spouse signing a formal agreement and confirming their agreement to subdivision, wetlands protection etc.</p> <p>Lessee advised of decision 17 April 1985 (f 456).</p> <p>Action deferred pending outcome of whole property being sold.</p>
461	13.5.1985	CCL	Harper Pascoe & Co, Solicitors	<p>Application to transfer ACS Richards to GL &amp; SA Nell</p> <p>Following investigation LSB Case No 85/10053 of 3 July deferred a decision on transfer pending a sub committee investigation (f 479).</p> <p>As a consequence of subcommittee inspection further inspection with prospective lessee of Goat Hill Flat and Hydra Waters covenant (and mark unfenced boundary) area required (f 480).</p> <p>LSB Case no 10070 of 6 August 1985 approved to transfer to GL and SA Nell (f 497) subject to among other things:</p> <ul style="list-style-type: none"> <li>a) Acceptance of the terms of the Memo of Agreement dated 28 February 1982 between the transferor and the Crown re protection of the Hydra Waters.</li> <li>b) Acceptance to enter into an Agreement to protect fish spawning waters on Goat Hill flat streams as identified and discuss removal of cattle grazing in the wetland SE of Little Goat Hill adjoining the freehold (10 ha approx).</li> <li>c) Undertaking to adhere to a weed control and reduction problem.</li> </ul>

**File Summary – Mt Algidus**

				<p>d) Confirming intention to enter into negotiations within two years for surrender of lands unsuitable for grazing.</p> <p>On 7 August 1985 transferors solicitors confirmed agreement to conditions of transfer contained in CCL's letter of same date (f 493 and 494).</p> <p>[Transfer 565760/7 registered on 11.9.1985 records transfer to GL Nell (3/8 share) SA Nell (3/8 share) &amp; GL &amp; SA Nell (1/4 jointly) as tenants in common in the said share.</p> <p><b>ACTION COMPLETED AS TO TRANSFER BUT NO FINALISATION OF HYDRA WATERS OR GOAT HILL FLAT STREAMS COVENANTS</b></p>
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**PC/039 – SCH – 04 (July 1985 – November 1989) – Volume 4 (folios 489 – 624)**

511	06/03/1986	CCL	NCAS	<p>Sought progress report on Hydra Waters the wetland at Goat Hill and cattle grazing issues re the latter.</p> <p>North Canterbury Catchment Bd advised of lessees intentions to bridge or culvert and develop land in the vicinity of Hydra Waters and that application awaited (f 514).</p> <p>On 24 October 1986 DFO Webster records basis for new verbal Agreement made with lessee on covenant for Hydra Waters. Draft Conditions for new Agreement available (f 535).</p> <p>Lands and Survey HO approved expenditure of \$39500 on 22 December 1986 to fence Hydra Waters (f.551).</p> <p>On 7 January 1988 Landcorp of advice to DOC of agreements and proposals and desirability for liaison to conclude protection of Hydra Waters Covenant (f 584) and subsequent report to DOC (dated 25 October 1988 as to negotiating stance to be taken with lessees (f.604 and 622).</p> <p>Crown Law opinion dated 16 Feb 1989 stating that transfer conditions on surrender invalid and cannot be pursued but that Hydra and Goat Hill Stream may be enforceable (under f</p>
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			<p>608).</p> <p>Landcorp note for file of meeting between Landcorp, DOC and lessee dated 18 July 1990 (f 629) indicated that an effective agreement could be reached between the lessee and DOC to protect the but hat it was left for DOC to examine outstanding issues before negotiating further with lessee&gt;</p> <p>Copy of letter dated 27 July 1990 (f 635) from DOC to lessee offers to purchase Hydra Waters and to covenant Chimera and Titan Fans (includes plans).</p> <p>DOC file notes on negotiations with lessee dated 15 November 1990 (f 641). Lessee is not interested in surrender but happy with Covenant as originally intended.</p> <p>Landcorp (Gregson) file notes recording verbal agreements reached with lessee following negotiations with DOC and lessee (f 643).</p> <p>Copy of new offer and agreements from DOC to lessee dated 29 January 1991 (f 644)</p> <p>Copy of DOC approval to covenant over the Hydra Waters and Chimera Fan pursuant to Section 77 of the Conservation Act 1977 (f 649).</p> <p>DOC writes to lessee with details of a range of proposed agreement for protection of various values on Algidus including Hydra Waters/Kakapo Fan/Little Goat Hill (removal of cattle grazing) / Martello Swamp Management Agreements and Rolleston Range PNA (f 658).</p> <p><b>NEGOTIATION PROGRESS ON HYDRA WATERS AND OTHER CONSERVATION ISSUES INVALIDATED PENDING TRANSFER OF LEASE.</b></p>
543	24.11.1986		<p>By Case No 86/635 CCL approved the renewal of lease (P39) over 21424.0579ha, annual rent \$6262.50 for first 11 years based on LEI \$417,500 and stock 6500 sheep + 10%</p> <p>Lessees notified on 3 December 1986(f 545) and on 30 June 1987 elected to have the LEI renewal values fixed by the LVT (under f 567).</p> <p>Memorandum of Renewal 834052.1 registered 24 October 1989 at new values (provisionally) pending outcome of LVT application.</p>

**File Summary – Mt Algidus**

				<p>On 29.6.1992 Valuation Dept confirmed value of LEI revised to \$360,000 (f661)</p> <p>On 20.7.1992 (f 663) lessees accepted revised LEI of \$360,000 and withdrew their LVT application.</p> <p><b>Note:</b> While a rental remission was granted for overpaid rent (under f682) CCL approved (f692) rental value and annual rent of lease do not appear to have been amended.</p> <p><b>AGREED RENEWAL VALUES NOT REFLECTED IN LEASE – VARIATION TO BE REGISTERED.</b></p>
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**PC/039 – SCH – 05 (June 1990 – January 1994) – Volume 5 (folios 625 – 707)**

626	8.6.1990	Landcorp	Wynn, Williams Solicitors	<p>Lessees applied to purchase Reserves 3918 &amp; 2733 for a stock holding paddock.</p> <p><b>NO ACTION UNDERTAKEN</b></p>
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**PC/039 – SCH – 06 (10 January 1993 to 31 August 1999) – Volume 6**

FOLIO	DATE	TO	FROM	DETAILS
718	02/02/1994	Landcorp	CCL	<p>Consented to transfer of lease to HG and PM Innes (as to a 1/4 share each) and HG Innes Family Trust ( as to ½ share jointly inter se) as tenants in common in the said shares subject among other things the Hydra Waters issue.</p> <p>Solicitors advised of approval 2 February 1994 and lessees accepted conditions including the endorsement of the agreements for protection of Hydra Waters,</p> <p>[Transfer A 126333.3 registered on 1 August 1994].</p> <p><b>TRANSFER ACTION COMPLETED BUT TO DATE NO ACTION HAS BEEN UNDERTAKEN TO FORMALISE THE AGREEMENTS BY REGISTRATION OF A CONSERVATION COVENANT.</b></p>
770	24.9.1997			<p>By Case No 98/92 CCL approved values for review of rent as \$9000 based on LEI of \$400,000.</p> <p>Lessee notified of values on 24 September 1997 and on 15 December 1997 elected to have values determined by LVT (f 774).</p> <p>On 31 August 2000 KFL advised the lessee that the LVT had made consent for the purposes of the rent review at \$375,000 (Annual rental from 1 July 1998 - \$8437.50) and sought a response by 30 September whereupon the rent deemed to have been accepted.</p> <p><b>ACTION COMPLETED BUT LESSEE IS STILL CONTESTING ISSUES RELATIVE TO RENT REVIEW – SEE BELOW</b></p>

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**PC/039 – SCH – 07 (1 September 1999 to 31 March 2000) – Volume 7**

No relevant folios relative to incomplete actions

FOLIO	DATE	TO	FROM	DETAILS
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**PC/039 – SCH – 08 (1 April to 30 June 2000) – Volume 8**

No relevant folios relative to incomplete actions

**CON / 50213 / 09 / 12752 / A – ZNO (1 July 2000 – 31 January 2001)**

-	14/07/2000	KFL	Solicitors	<p>Appointment of new trustee to HG Innes Family Trust pursuant to Sect 91A Land Act 1948.</p> <p>CCL Case No 01/115 of 5.9.2000 approved the appointment of RK Simpson as new trustee of the HG Innes Family Trust pursuant to Sect 91A Land Act.</p> <p>[Transfer SO19773.2 registered on 23.1.2001 records transfer of ½ share of HG &amp; PM Innes &amp; GPP Cone to HG &amp; PM Innes &amp; GPP Cone &amp; RK Simpson].</p> <p><b>ACTION COMPLETED</b></p>
-	27.7.2000	CCL	Geoffrey Cone Barrister & Solicitor	<p>Application for sublease of pastoral lease from HG &amp; PM Innes &amp; GPP Cone to HG &amp; PM Innes.</p> <p>By Case No 01/125 on 5.9.2000 CCL consented to sublease of pastoral lease – term of sublease 6 years A/Rent \$90,000.</p> <p>[Sublease document completed / executed 30.6.2000].</p> <p><b>ACTION COMPLETED</b></p>

**File Summary – Mt Algidus**

-	18/09/2000	LINZ CPM	KFL	<p>Advice of concerns that lessee has over rent review issues and seeking response to Lessees letter of 15 September.</p> <p>LINZ responded to lessees 31 October 2000 and granted an extension of time to accept new values to 20 November 2000 and if not accepted values will deemed to have been accepted.</p> <p>The lessees did not respond and action to settle back rent initiated in late December.</p> <p>Lessees continued crusade regards valuation issues in letter to KFL dated 15 January 2000 and from solicitors dated 30 January 2000 identifying areas for attention (namely the grounds on which new rent fixed date from which it is payable and what is to be paid) referred to LINZ for response.</p> <p>KFL advised lessees on 24 July amounts to be paid if back rent paid/not paid by end of July.</p> <p>Amounts unpaid and on 4 October KFL reported arrears situation to LINZ as a potential breach and sought direction from the Crown.</p> <p>On 25 January 2002 the Lessees made further representations to the Minister of Lands and both LINZ National and local offices seeking response to issues.</p> <p><b>NO KNOWN RESPONSES TO REPRESENTATIONS</b></p>
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**CON / 50213 / 09 / 12752 / A – ZNO – 02 (31 January 2001 – 12 December 2001)**

No new incomplete actions – refer above summary

**CON / 50213 / 09 / 12752 / A – ZNO -03 (13 December 2001 – 31 March 2002)**

No new incomplete actions – refer above summary

**CON / 50213 / 09 / 12752 / A – ZNO -04 (1 April 2002 – Current)**

No new incomplete actions – refer above summary

**PC 039A - SCH - 01 – Plans only**

No relevant folios