

Crown Pastoral Land Tenure Review

Lease name : MT ARROWSMITH

Lease number : PC 009

Due Diligence Report (including Status Report)

This report 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.

November

05

**DUE DILIGENCE REPORT
CPL PRE TENURE REVIEW ASSESSMENT STANDARD 6:**

MT ARROWSMITH PASTORAL LEASE

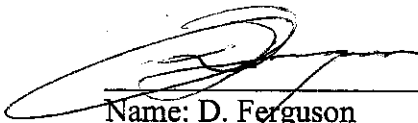
File Ref: CON/50214/09/12742/A-ZNO-01 Report No: CH0005 Report Date: 29/10/2000

Office of Agent: **Christchurch** LINZ Case No: Date sent to LINZ: 29/10 /2000

RECOMMENDATIONS

1. That the Commissioner of Crown Lands or his delegate **note** this Due Diligence Report which has been prepared in accordance with the Pre Tenure Review Assessment Standard;
2. That the Commissioner of Crown Lands or his delegate **note** the following incomplete actions:
 - a) The rent review effective from 1 July 1995 has not been registered.
 - b) A Memorandum of Variation limiting transfer of shares has not been registered against the lease in compliance with the Commissioner's approval of 24 September 1997 on the transfer of the property to Mt Arrowsmith Limited.
3. That the Commissioner of Crown Lands or his delegate **note** that no potential liabilities have been identified as a result of the file search.
4. That the Commissioner of Crown Lands or his delegate **note** the following matters:
 - a) A Memorandum of Variation limiting the transfer of shares has **not** been registered against the lease in compliance with the Commissioner's approval of 24 September 1997 on the transfer of the property to Mt Arrowsmith Limited.

Signed by Agent:



Name: D. Ferguson
Opus International Consultants Limited

Approved/Declined (pursuant to a delegation from the Commissioner of Crown Lands) by:

Name:
Date of Decision: / /

1. Details of Lease:

Lease Name: MT ARROWSMITH

Location: On Lake Horn Road approximately 80 km from Ashburton.

Lessee: Mt Arrowsmith Limited.

Tenure: Pastoral Lease subject to Section 66 of the Land Act 1948 and registered under Section 83 of the Land Act 1948.

Term: 33 years from 1 July 1984 (Expires 30 June 2017).

Annual Rent: \$6,300 plus GST.

Rental Value: \$280,000.

Date of Next Review: 30 June 2006.

Land Registry Folio Ref: 29K/870 (Canterbury Registry).

Legal Description: Part Run 116 situated in Blocks II, VI, VII, VIII, X, XI, XIV and XV, Heron Survey District.

Area: 8159.8520 hectares.

2. File Search:

Files held by Agent (Knight Frank (NZ) Ltd) on behalf of LINZ:

| File Reference | Volume | First Folio No. | Date | Last Folio No. | Date |
|----------------|--------|-----------------|----------|----------------|----------|
| P9 | 1 | 101 | 30/9/33 | - | 16/12/94 |
| P9 | 2 | 168 | 24/12/74 | 253 | 9/4/79 |
| P9 | 3 | 254 | 5/9/78 | - | 27/4/82 |
| P9 | 4 | 360 | 27/4/82 | 493 | 12/9/84 |
| P9 | 5 | 495 | 11/9/84 | 586 | - |
| P9 | 6 | 587 | 9/10/89 | - | 14/7/94 |
| P9 | 7 | 629 | 1/3/94 | 779 | 18/9/97 |
| PC009 | 8 | - | 24/9/97 | - | 16/6/00 |
| PC009/1 (TR) | 2 | - | 12/10/98 | - | 22/12/99 |
| PC009/1 (TR) | 2 | - | 12/10/98 | - | 22/12/99 |

Files held by Agent (Opus International Consultants) on behalf of LINZ:

File Reference CON/50214/09/12742/A-ZNO-01

Volume 1

First Folio No. 1

Date August 2000

Last Folio No. -

Date Current (comprises extracts of tenure Review files).

Other relevant files held by LINZ:

| File Reference | Volume | First Folio No. | Date | Last Folio No. | Date |
|---------------------|--------|-----------------|--------|----------------|---------|
| CPL/04/10/12742-ZCH | - | - | 1/3/97 | - | Current |
| CPR/01/01/20/79-ZNO | - | - | 5/5/99 | - | Current |

3. Summary of Lease Document:

3.1 Terms of Lease

Stock limitation in Lease:

5690 sheep (including not more than 1800 breeding ewes).

Commencement Date:

1 July 1984.

Special Provisions:

Pursuant to Section 58 of the Land Act 1948 a strip of land 20 metres in width along the banks of all rivers and streams which have an average width of not less than 3 metres is excluded from the lease.

Search copy of lease attached as ***Appendix 1***

3.2 Area Adjustments

There are no discrepancies.

3.3 Registered Interests

Mortgages:

A323874.3 to Bank of New Zealand (October 1997).

Land Improvement Agreement:

No. 90048/1 Land Improvement Agreement dated July 1976 and Variation dated March 1994.

Other

A 1301150/1 Charging Order pursuant to Section 96A District Courts Act 1947 in action between Andrew Grant McNab and Mount Arrowsmith Park Limited (June 1997).

3.4 Unregistered Interests

Recreation Permits

A search of available records did not reveal the existence of any Recreation permits.

4. Summarise any Government programmes approved for the lease:

Land Improvement Agreement 90048/1

Programme entailed establishment of 4220m of windbreaks.

Variation of Land Improvement Agreement 90048/1 (1986 – registered 1994).

Works involved completion of windbreaks, retirement fencing, oversowing and topdressing 273 hectares, provision of offsite fencing and erosion control fencing to achieve surrender of the Wildmans Block (now surrendered). The Cameron West, Cameron East, High Basins and Steep East Faces blocks to be grazed as determined by the Catchment Board, in consultation with the owner, for soil conservation purposes.

There is no evidence on file that this property was involved in a Rabbit and Land Management programme.

5. Summary of Land Status Report:

A Land Status Report was undertaken by Opus International Consultants Limited on 18 November 1999 under Contract 50176. This confirms the status of the land as Crown Land subject to the Land Act, leased pursuant to Section 66 of the Land Act 1948 and registered under the same Act.

The following items were identified for consideration in the context of Due Diligence:

- 1) Pastoral Lease 29K/870 contains a notation for Section 58 strips to be excluded from the lease along rivers and streams over 3 metres in width. SO's 11026 and 11388 also denoted that Section 58 of the Land Act 1948 was to apply.
- 2) It is noted that there are unformed legal roads crossing parts of the property, the majority of which do not conform to existing tracks.
- 3) Sections 1-3, SO 18892 (913 .2000 hectares) were surrendered out of the lease in 1994 by A128019/2. Action is still required to declare this land to be held for conservation purposes under Section 7 (1) of the Conservation Act 1987.
- 4) It should be noted that the area in (3) above, although surrendered, is not reflected in the current lease plan and area on the registered lease.
- 5) On consideration of lease renewal issues the Land Settlement Board by Case No 9925 of 4 September 1994 authorised the negotiation with the lessees on initiatives for:
 - a) acquisition of the Lake Heron wetlands for reserve, and
 - b) the creation of an easement for vehicle access and foot access in relation to the Cameron River.

The Minerals remain with the Crown, since the land has never been alienated since acquisition by the Crown.

A copy of the Land Status Report is attached as *Appendix 2*

6. Review of Topographical and Cadastral Data:

A review of the topographical and cadastral plans attached to the Land Status Report reveals there are no communication sites, long distance transmission lines, huts, airstrips, water races, or treatment sites on the property.

A possible local authority power supply runs alongside the Hakatere –Heron Road adjacent to Lake Heron to a point near where the road meets the Dunbar Stream. No easements have been found.

6.1 Marginal Strips

The Land Status Report states that the lease contains a notation and SO 's 11026 and 11388 show that Section 58 strips are to be excluded from the lease along all rivers streams over 3 metres in width.

The Section 58 strips are now deemed to be Marginal strips under the Conservation Act 1987. These strips remain "notional" pending their definition for disposition purposes.

6.2 Legal roads - formed and paper.

The Land Status Report indicates there are unformed legal roads crossing the property the majority of which do not conform to existing tracks.

6.2 Fenced Boundaries v Legal Boundaries

There would appear to be minor discrepancies.

7 Details of any Neighbouring Crown or Conservation Land:

The following areas adjoin the Pastoral Lease:

| | |
|---------------------|--|
| North West Boundary | Crown Land - being Sections 1, 2 & 3, SO 18892 – 913.2000ha |
| Southern Boundary | Pt Run 113 – 22136.3029 ha (Hakatere) held in Pastoral Lease CL 529/63 (Pc 59) by Strathallan Farm Limited. |
| East Boundary | Pt Run 115A – 12181.0369 ha (Clent Hills) held in Pastoral Lease CL 529/89 by Clent Hills Station Limited. |
| West Boundary | Section 1, SO 17410 - [Over Ashburton River (South Branch)] – 12411.4000 ha. |
| Internal | Crown Land being Section 1, SO 17411 – Area 3.2400ha |

8 Summarise any uncompleted actions or potential liabilities:

8.1 Memorandum of Variation – Review of Rent

The 1995 rent review is not notified on the lease document though the lessee has accepted the new rent.

APPENDICES

1. Search copy of lease document.
2. Copy of Land Status Report.

**OPUS INTERNATIONAL CONSULTANTS LIMITED
CHRISTCHURCH OFFICE**

APPENDIX A-1

Project Number G002-53SR-006YC

This report has been prepared on the instruction of Land Information New Zealand in terms of Contract No: 50176 dated 23 September 1999 and is undertaken for the purposes of the Crown Pastoral Land Act 1998.

| | | | | |
|---|---|----|---|----------------|
| LAND STATUS REPORT for Mt Arrowsmith Station | | | | LIPS Ref 12742 |
| Property | 1 | of | 3 | |

| | |
|------------------------------------|--|
| Land District | Canterbury |
| Legal Description | Part Run 116 situated in Blocks II, VI, VII, VIII, X, XI, XIV and XV Heron Survey District. |
| Area | 8159.8520 hectares |
| Status | Crown land subject to the Land Act 1948. |
| Instrument of title / lease | Balance pastoral lease 29K/870 pursuant to Section 66 and registered under Section 83 of the Land Act 1948. |
| Encumbrances | Subject to: <ol style="list-style-type: none"> 1. Land Improvement Agreement No. 90048/1 under the provisions of the Soil Conservation and Rivers Control Act 1941. 2. Variation of Land Improvement Agreement 90048/1. 3. Part IVA of the Conservation Act 1987 upon disposition. |
| Mineral Ownership | Mines and minerals are owned by the Crown because the land has never been alienated from the Crown since its acquisition for settlement purposes from the original Maori owners under the 1848 Kemp Purchase. |
| Statute | Land Act 1948 and Crown Pastoral Land Act 1998. |

| | |
|---------------------------------|------------------|
| Data Correct as at | 18 November 1999 |
| [Certification Attached] | Yes |

| | |
|-------------------------------|--|
| Prepared by | Don McGregor |
| Crown Accredited Agent | Opus International Consultants Ltd, CHRISTCHURCH |

| | | | | |
|---|---|----|---|----------------|
| LAND STATUS REPORT for Mt Arrowsmith | | | | LIPS Ref 12742 |
| Property | 1 | of | 3 | |

Notes : This information does not affect the status of the land but was identified as possibly requiring further investigation at the due diligence stage : See Crown Pastoral Standard 6 paragraph 6.

1. Pastoral lease 29K/870 contains a notation for Section 58 strips to be excluded from the lease along rivers and streams over 3 metres in width. SO's 11026 and 11388 also denoted that Section 58 of the Land Act 1948 was to apply. The Land Settlement Board, among other things, required the Section 58 provisions (now marginal strips under Sections 24(3) of the Conservation Act 1987) to apply to the South Ashburton and Cameron Rivers on renewal of the lease. **Any marginal strips remain "notional" pending their definition for disposition.**
2. It is noted that there are unformed legal roads crossing parts of the property, the majority of which do not conform to existing tracks. **The possibility of transfer of this road to the Crown (or parts thereof) for incorporation into the property in exchange for providing practical access and legalising formed road should be investigated.**
3. Sections 1-3, SO 18892 (913.2000ha) were surrendered out of the lease in 1994 by A128019/2. **Action is still required to set this land apart for conservation purposes under Section 7 (1) of the Conservation Act 1987).**
4. **It should be noted that the area in (3) above, although surrendered, is not reflected in the current lease plan and area on the actual title and should be rectified.**
5. On consideration of lease renewal issues the Land Settlement Board by Case No. 9925 of 4 September 1994 authorised the negotiation with the lessees on initiatives for:
 - (a) acquisition of the Lake Heron wetlands for reserve, and
 - (b) the creation of an easement for vehicle access and foot access in relation to the Cameron River.
 as outlined in the CCL's renewal letter of 15 August 1985 (copy attached). **Presumably these objectives are being pursued as a baseline for Tenure Review.**

| | | | | |
|---|---|----|---|----------------|
| LAND STATUS REPORT for Mt Arrowsmith | | | | LIPS Ref 12742 |
| Property | 1 | of | 3 | |

Research Data: Some Items may be not applicable

| | |
|---|---|
| SDI Print Obtained | Yes |
| NZMS 261 Ref | K35/J36 |
| Local Authority | Ashburton District Council |
| Crown Acquisition Map | NA |
| SO Plan | <p>SO 11026 (approved 9/1/1968) Plan defining part Run 116.</p> <p>SO 11388 (approved 17/6/1970) Plan defining part Run 116.</p> <p>SO 18892 (approved 8/9/1992) Plan of Sections 1-3.</p> <p>SO 19841 O Tu Wharekai (Ashburton Lakes) – Areas (Lake Heron) referred to in Deed of Settlement for the Ngai Tahu Claim as MD 53.</p> |
| Relevant Gazette Notices | NA |
| CT Ref / Lease Ref | Balance Pastoral Lease 29K/870 pursuant to Section 66 and registered under Section 83 of the Land Act 1948. |
| Legalisation Cards | SO 18892 – Action incomplete. Area surrendered from lease but still not set apart for conservation purposes under Section 7(1) Conservation Act 1987. |
| CLR | Confirms Crown Land (Pastoral Lease) status. |
| Allocation Maps (if applicable) | Confirmed no allocations to DOC or SOE's. Extracts of DOC (SO's 17112 and 17113) only. No SOE maps. Area surrendered (Sections 1-3, SO 18892) not allocated. |
| VNZ Ref - if known | VR 24480/47700 |
| Crown Grant Maps | NA |
| If Subject land Marginal Strip : | |
| a) Type [Sec 24(9) or Sec 58] | a) See notes above. |
| b) Date Created | b) NA |
| c) Plan Reference | c) NA |

| | | |
|---|---|----------------|
| LAND STATUS REPORT for Mt Arrowsmith | | LIPS Ref 12742 |
| Property | 1 | of 3 |

Research – continued

| | |
|---|---|
| If Crown land – Check Irrigation Maps. | NA |
| Mining Maps | NA |
| <p>If Road</p> <p>a) Is it created on a Block Plan – Section 43(1)(d) Transit NZ Act 1989</p> <p>b) By Proc</p> | <p>a) SO Plans 11026 and 11388. The original plans sighted denote the roads intersecting and abutting Part Run 116, as coloured burnt sienna and legal roads under Section 110A of the Public Works Act 1928 (now Section 43(1)(d) Transit Act 1989. Topo plans 7G, 9G and 10G sighted confirm this.</p> <p>b) Proc Plan</p> <p>NA</p> <p>c) Gazette Ref</p> <p>NA</p> |
| <p>Other Relevant Information</p> <p>a) Concessions – Advice from DOC or Knight Frank.</p> <p>b) Subject to any provisions of the Ngai Tahu Claims Settlement Act 1998</p> <p>c) Mineral Ownership</p> <p>d) Other Info</p> | <p>a) No current DOC concessions. DOC has interests in the undefined marginal strips.</p> <p>Existence of concessions administered by Knight Frank not determined.</p> <p>b) Adjacent Lake Heron is shown as Area 1 on SO 19841 as MD 53 – “O Tu Wharekai” (Ashburton Lakes) being an area referred to in the Deed of Settlement for the Ngai Tahu Claim.</p> <p>c) Either</p> <p><input type="checkbox"/> Mines and Minerals are owned by the Crown because the land has never been alienated from the Crown since its acquisition for settlement purposes from the former Maori owners under 1848 Kemps Deed.</p> <p><input type="checkbox"/> Contained in [provide evidence].</p> <p>d) NA</p> |

OPUS INTERNATIONAL CONSULTANTS LIMITED
CHRISTCHURCH OFFICE

APPENDIX B

Project Number : G 002 – 53SR – 006 YC

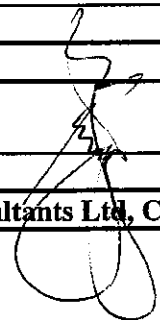
This report has been prepared on the instruction of Land Information New Zealand in terms of Contract No : 50176 dated 23 September 1999 and is undertaken for the purposes of the Crown Pastoral Land Act 1998.

| | | | | |
|--|---|----|---|----------------|
| LAND STATUS REPORT for Mt Arrowsmith Station | | | | LIPS Ref 12742 |
| Property | 1 | of | 3 | |

| | |
|-----------------------------|---|
| Land District | Canterbury |
| Legal Description | Part Run 116 situated in Blocks II VI VII VIII X XI XIV and XV Heron Survey District. |
| Area | 8159.8520 hectares. |
| Status | Crown land subject to the Land Act 1948. |
| Instrument of title / lease | Balance Pastoral Lease 29K/870 pursuant to Section 66 and registered under Section 83 of the Land Act 1948. |
| Encumbrances | Subject to: 1. Land Improvement Agreement No. 90048/1 under the provisions of the Soil Conservation and Rivers Control Act 1941. 2. Variation of Land Improvement Agreement 90048/1. 3. Part IVA of the Conservation Act 1987. |
| Statute | Land Act 1948 and Crown Pastoral Land Act 1998. |

| | |
|--------------------------|-----------------|
| Data Correct as at | 21 October 1999 |
| [Certification Attached] | Yes |

| | |
|------------------------|--|
| Prepared by | Don McGregor |
| Crown Accredited Agent | Opus International Consultants Ltd, CHRISTCHURCH |



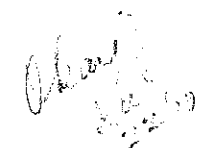
Certification:

Pursuant to section 11(1)(l) of the Survey Act 1986 and acting under delegated authority of the Surveyor – General pursuant to section 11(2) of that act, I hereby certify that the land described above is Crown Land subject to the Land Act 1948.

R. Moulton

Date: 27/10/1999

R Moulton, Chief Surveyor
Land Information New Zealand, Christchurch



**OPUS INTERNATIONAL CONSULTANTS LIMITED
CHRISTCHURCH OFFICE**

APPENDIX A-2

Project Number G002-53SR-006YC

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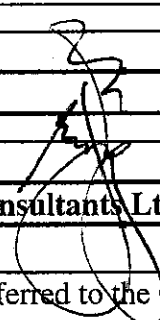
| | | | | |
|---|---|----|---|----------------|
| LAND STATUS REPORT for Crown Land adjoining Pt Run 116 (Mt Arrowsmith) | | | | LIPS Ref 12742 |
| Property | 2 | of | 3 | |

| | |
|------------------------------------|---|
| Land District | Canterbury |
| Legal Description | Section 1, SO 17411 |
| Area | 3.2400 hectares |
| Status | Crown land under the Land Act 1948 by NZ Gazette 1992, p 3136. |
| Instrument of title / lease | Gazette Notice A189973/1. |
| Encumbrances | Subject to Part IVA of the Conservation Act 1987 upon disposition. |
| Mineral Ownership | Mines and minerals are owned by the Crown because the land has always been in public ownership since its acquisition for settlement purposes from the town Maori owners under the 1848 Kemp Purchase. |
| Statute | Land Act 1948. |

| | |
|-------------------------------|------------------|
| Data Correct as at | 18 November 1999 |
| Certification Attached | Yes |

| | |
|-------------------------------|--|
| Prepared by | Don McGregor |
| Crown Accredited Agent | Opus International Consultants Ltd, CHRISTCHURCH |

| | |
|--------------|---|
| Notes | This area has been transferred to the Crown for incorporation into the lease. |
|--------------|---|



| | | | | |
|---|---|----|---|----------------|
| LAND STATUS REPORT for Mt Arrowsmith | | | | LIPS Ref 12742 |
| Property | 2 | of | 3 | |

Research Data: Some Items may be not applicable

| | |
|--|---|
| SDI Print Obtained | No |
| NZMS 261 Ref | J35 |
| Local Authority | Ashburton District Council |
| Crown Acquisition Map | NA |
| SO Plan | SO 17411 (approved 29/6/1992) Plan of road to transfer to Crown. |
| Relevant Gazette Notices | NZ Gazette 1992, p3136 (GN A189973/1) |
| CT Ref / Lease Ref | NA |
| Legalisation Cards | SO 17411 – Unformed legal road (Area H) transferred to Crown. New appellation (Section 1) issued. Action to incorporate area into pastoral lease incomplete. |
| CLR | NA |
| Allocation Maps (if applicable) | NA |
| VNZ Ref - if known | NA |
| Crown Grant Maps | NA |
| If Subject land Marginal Strip : | |
| a) Type [Sec 24(9) or Sec 58] | a) NA |
| b) Date Created | b) NA |
| c) Plan Reference | c) NA |
| If Crown land – Check Irrigation Maps. | NA |
| Mining Maps | NA |
| If Road | |
| a) Is it created on a Block Plan – Section 43(1)(d) Transit NZ Act 1989 | a) SO Plan NA |
| b) By Proc | b) Proc Plan NA |
| | c) Gazette Ref NA |

| | | |
|---|---|----------------|
| LAND STATUS REPORT for Mt Arrowsmith | | LIPS Ref 12742 |
| Property | 2 | of 3 |

| | |
|---|--|
| <p>Other Relevant Information</p> <p>a) Concessions – Advice from DOC or Knight Frank.</p> <p>b) Subject to any provisions of the Ngai Tahu Claims Settlement Act 1998</p> <p>c) Mineral Ownership</p> <p>d) Other Info</p> | <p>a) NA</p> <p>b) NA</p> <p>c) Either</p> <p><input type="checkbox"/> Mines and Minerals are owned by the Crown because the land has never been alienated from the Crown since its acquisition for settlement purposes from the former Maori owners under <i>[enter Deed details]</i></p> <p>The area was formerly road by Section 110A of the Public Works Act 1928. That being the case, the mines and minerals has^{ve} always deemed to has^{ve} been in the Crown's ownership and the transfer to the Crown reflected this. On disposition, the Crown would be free to invoke the standard mineral restrictions.</p> <p><input type="checkbox"/> Contained in [provide evidence].</p> <p>d) NA</p> |
|---|--|

Project Number : G 002 – 53SR – 006 YC

This report has been prepared on the instruction of Land Information New Zealand in terms of Contract No: 50176 dated 23 September 1999 and is undertaken for the purposes of the Crown Pastoral Land Act 1998.

| | | | | |
|--|---|----|---|----------------|
| LAND STATUS REPORT for Crown Land adjoining Pt Run 116 (Mt Arrowsmith Station) | | | | LIPS Ref 12742 |
| Property | 2 | of | 3 | |

| | |
|-----------------------------|--|
| Land District | Canterbury |
| Legal Description | Section 1, S.O. 17411. |
| Area | 3.2400 hectares |
| Status | Crown land under the Land Act 1948 by N.Z. Gazette 1992 p.3136. |
| Instrument of title / lease | GN A189973/1. |
| Encumbrances | Subject to Part IVA of the Conservation Act 1987 upon disposition. |
| Statute | Land Act 1948. |

| | |
|--------------------|------------------|
| Data Correct as at | 18 November 1999 |
| | Yes |

| | |
|------------------------|--|
| Prepared by | Don McGregor |
| Crown Accredited Agent | Opus International Consultants Ltd, CHRISTCHURCH |

certification:

Pursuant to section 11 (1) (d) of the Survey Act 1986 and acting under delegated authority of the Surveyor – general pursuant to section 11(2) of that act, I hereby certify that the land described above is Crown Land subject to the Land Act 1948.

R. Moulton

Date *18/11/1999*

.....
R Moulton, Chief Surveyor
Land Information New Zealand, Christchurch

**OPUS INTERNATIONAL CONSULTANTS LIMITED
CHRISTCHURCH OFFICE**

APPENDIX A-3

Project Number G002-53SR-006YC

This report has been prepared on the instruction of Land Information New Zealand in terms of Contract No: 50176 dated 23 September 1999 and is undertaken for the purposes of the Crown Pastoral Land Act 1998.

| | | |
|---|---|----------------|
| LAND STATUS REPORT for Mt Arrowsmith | | LIPS Ref 12742 |
| Freehold | | |
| Property | 3 | of 3 |

| | |
|------------------------------------|--|
| Land District | Canterbury |
| Legal Description | Rural Sections 22752 and 22753 situated in Block VI, Heron Survey District. |
| Area | 20.2342 ha |
| Status | Freehold |
| Instrument of title / lease | 20B/314 |
| Encumbrances | Subject to: <ol style="list-style-type: none"> 1. Land Improvement Agreement No. 90048/1 pursuant to the provisions of the Soil Conservation and Rivers Control Act 1941. 2. Variation of Land Improvement Agreement 90048/1. |
| Mineral Ownership | NA |
| Statute | NA |

| | |
|---------------------------|------------------|
| Data Correct as at | 18 November 1999 |
|---------------------------|------------------|

| | |
|-------------------------------|--|
| Prepared by | Don McGregor |
| Crown Accredited Agent | Opus International Consultants Ltd, CHRISTCHURCH |

| | |
|--------------|---|
| Notes | This land is surrounded by the Pastoral lease and there are prospects for tenure rationalisation in conjunction with Tenure review. |
|--------------|---|

| | | | |
|---|---|----|----------------|
| LAND STATUS REPORT for Mt Arrowsmith | | | LIPS Ref 12742 |
| Property | 3 | of | 3 |

Research Data: *Some Items may be not applicable*

| | |
|---|--|
| SDI Print Obtained | No |
| NZMS 261 Ref | J35 |
| Local Authority | Ashburton District Council |
| Crown Acquisition Map | NA |
| SO Plan | SO 4574 - (1898) - Plan of RS's 22752 and 22753. |
| Relevant Gazette Notices | NA |
| CT Ref / Lease Ref | CT 20B/314 |
| Legalisation Cards | NA |
| LR | NA |
| Allocation Maps (if applicable) | NA |
| VNZ Ref - if known | Not known |
| Crown Grant Maps | NA |
| If Subject land Marginal Strip : | |
| a) Type [Sec 24(9) or Sec 58] | a) NA |
| b) Date Created | b) NA |
| c) Plan Reference | c) NA |
| ⁷⁵ Crown land – Check Irrigation Maps. | NA |
| Mining Maps | NA |
| If Road | |
| a) Is it created on a Block Plan – Section 43(1)(d) Transit NZ Act 1989 | a) SO Plan 4574 |
| b) By Proc | b) Proc Plan |
| | NA |
| | c) Gazette Ref |
| | NA |

L. & S.—B. 4

672456/1
Entered in the Register-book, the

NEW ZEALAND

Form Ref. Vol. 529 fol. 6

REGISTER 27th day of March

L. & S. Ref. No. P.9

1987, at 11.56 o'clock.

Not registered under the Land Transfer Act 1952.
Registered under the Land Act 1948.

[Signature]
Assistant Land Registrar.

No. 29K/870

Pastoral Lease under the Land Act 1948

This Deed, made the 26 day of March 1987 between HER MAJESTY THE QUEEN (hereinafter referred to as "the Lessor") of the one part, and MT ARROWSMITH STATION LIMITED at Ashburton

(hereinafter referred to as "the Lessee"), of the other part: WITNESSETH that, in consideration of the rent hereinafter reserved, and of the covenants, conditions, and agreements herein contained and implied, and on the part of the Lessee to be paid, observed, and performed, the Lessor doth hereby demise and lease unto the Lessee, all that parcel of land containing by estimation 9073.0520 hectares more or less, situated in the Land District of Canterbury, and being Run 116 "Mt Arrowsmith" situated in Blocks I, II, V, VI, VII, VIII, X, XI, XIV and XV Heron Survey District as the same is more particularly delineated with bold black lines on the plan hereon; together with the rights,

Subject to: **DISCHARGED**
Mortgage 43799/2 to Robert Alexander Burnett - 23.7.1975 at 11.56am
No. 40048/1 Land Improvement Agreement pursuant to the Soil Conservation and Rivers Control Act 1941 - 21.7.1976 at 9.47am

DISCHARGED
Mortgage 232419/1 to The Rural Banking and Finance Corporation of New Zealand - 27.6.1979 at 9.36am

DISCHARGED
Mortgage 238723/1 to The Rural Banking and Finance Corporation of New Zealand - 27.6.1979 at 11.11am

DISCHARGED
Mortgage 330980/1 to The Rural Banking and Finance Corporation of New Zealand - 22.6.1981 at 9.47am

DISCHARGED
Mortgage 435937/4 to Pyne Gould Guinness Limited and Robert Alexander Burnett in shares - 26.5.1983 at 1.33pm

DISCHARGED
Mortgage 480528/1 to The Rural Banking and Finance Corporation of New Zealand - 29.8.1984 at 11.45am

DISCHARGED
No. 480528/2 Memorandum of Priority making Mortgages 480528/1, 238723/1, 232419/1 and 330980/1 third, fourth, fifth and sixth mortgages respectively - 21.3.1984 at 11.45am

435937/5 and 480528/2 Memoranda of Priority making Mortgages 435937/4, 43799/2, 480528/1, 238723/1, 232419/1 and 338980/1 first, second, third, fourth, fifth and sixth mortgages respectively - 26.5.1983 at 1.34 p.m. and 21.3.1984 at 11.45 a.m.

DISCHARGED
Transmission 684620/1 of Mortgage 43799/2 to John Edward Ross, John Ellis Fitzroy Moon and Pyne Gould Guinness Limited as executors - 3.6.1987 at 11.54am

DISCHARGED
Transmission 684620/1 of the share of Robert Alexander Burnett in Mortgage 435937/4 to John Edward Ross, John Ellis Fitzroy Moon and Pyne Gould Guinness Limited as executors - 3.6.1987 at 11.54am

DISCHARGED
Variation of Mortgage 480528/1 - 3.6.1987 at 11.54am

DISCHARGED
Mortgage 894710/3 to Rural Banking and Finance Corporation of New Zealand Limited - 29.8.1990 at 11.58am

[Signature]
for A.L.R.

OVER...

A.L.R.

No. 29K/870

easements, and appurtenances thereto belonging. TO HOLD the said premises intended to be hereby demised unto the Lessee for the term of 33 years, commencing on the 1st day of July 19 84, together with the period between the date of this lease and the aforesaid 1st day of July 1984, YIELDING and paying therefor for the first 11 years of the said term unto the Department of Lands and Survey at Christchurch the annual rent of \$4,050.00 payable without demand by equal half-yearly payments in advance on the 1st day of January and the 1st day of July in each and every year during the said period of 11 years, and for the next two successive periods of 11 years of the said term a rent determined in respect of each of those periods in the manner provided in Section 66 (4A) of the Land Act 1948. AND also paying in respect of the improvements specified in the Schedule hereto the sum of \$ _____ by a deposit of \$ _____ (which has already been paid) and thereafter by half-yearly instalments of \$ _____ on the 1st day of January and the 1st day of July in each and every year.

AND the Lessee doth hereby covenant with the Lessor as follows:

1. That without derogating from or restricting the covenants contained and implied in this lease and on the part of the Lessee to be performed or complied with the Lessee will not at any time during the said term depasture on the land hereby demised more than 5690 sheep which number shall not include more than 1800 breeding ewes nor more than _____ cattle which number shall not include more than _____ breeding cows PROVIDED HOWEVER that the Lessee may with the prior written consent of the Land Settlement Board carry such additional stock on such terms and conditions as may therein be specified subject nevertheless to the right of the Land Settlement Board to revoke or vary such consent at any time.

2. That the Lessee will at all times farm the land hereby demised in a manner to promote soil conservation and prevent erosion and will comply with the provisions of the Soil Conservation and Rivers Control Act 1941.

AND it is hereby agreed and declared by and between the Lessor and Lessee:

658? THAT pursuant to the provisions of the Noxious Animals Act 1956 officers and employees of the New Zealand Forest Service and other authorised persons shall at all times have a right of ingress, egress, and regress over the land comprised in this lease for the purpose of determining whether such land or any adjoining land is infested with deer, wild goats, wild pigs, opossums, or other animals which the said Service is charged with the duty of exterminating or controlling, or for the purpose of destroying any such animals: Provided that such officers, employees, and other authorised persons in the performance of the said duties shall at all times avoid undue disturbance of the Lessee's stock.

AND it is hereby declared and agreed that these presents are intended to take effect as a Pastoral Lease of pastoral land under Section 66 of the Land Act 1948, and the provisions of the said Act and of the regulations made thereunder applicable to such leases shall be binding in all respects upon the parties hereto in the same manner as if such provisions had been fully set out herein.

Pursuant to Section 58 Land Act 1948 a strip of land 20 metres in width along the banks of all rivers and streams which have an average width of not less than 3 metres is excluded from the within lease.

SCHEDULE OF IMPROVEMENTS BELONGING TO THE CROWN

Nil

Deputy Assistant

IN WITNESS whereof the Commissioner of Crown Lands for the said Land District, on behalf of the Lessor, has hereunto set his hand, and these presents have also been signed by the said Lessee.

Deputy Assistant

Signed by the said Commissioner on behalf of the Lessor, in the presence of—

Witness: Lalji Mow
 Occupation: Titles Officer, Lands + Survey
 Address: Christchurch

acting M. Brady
 Deputy Commissioner of Crown Lands.
 Assistant

Signed by the above named Lessee, in the presence of

Witness:

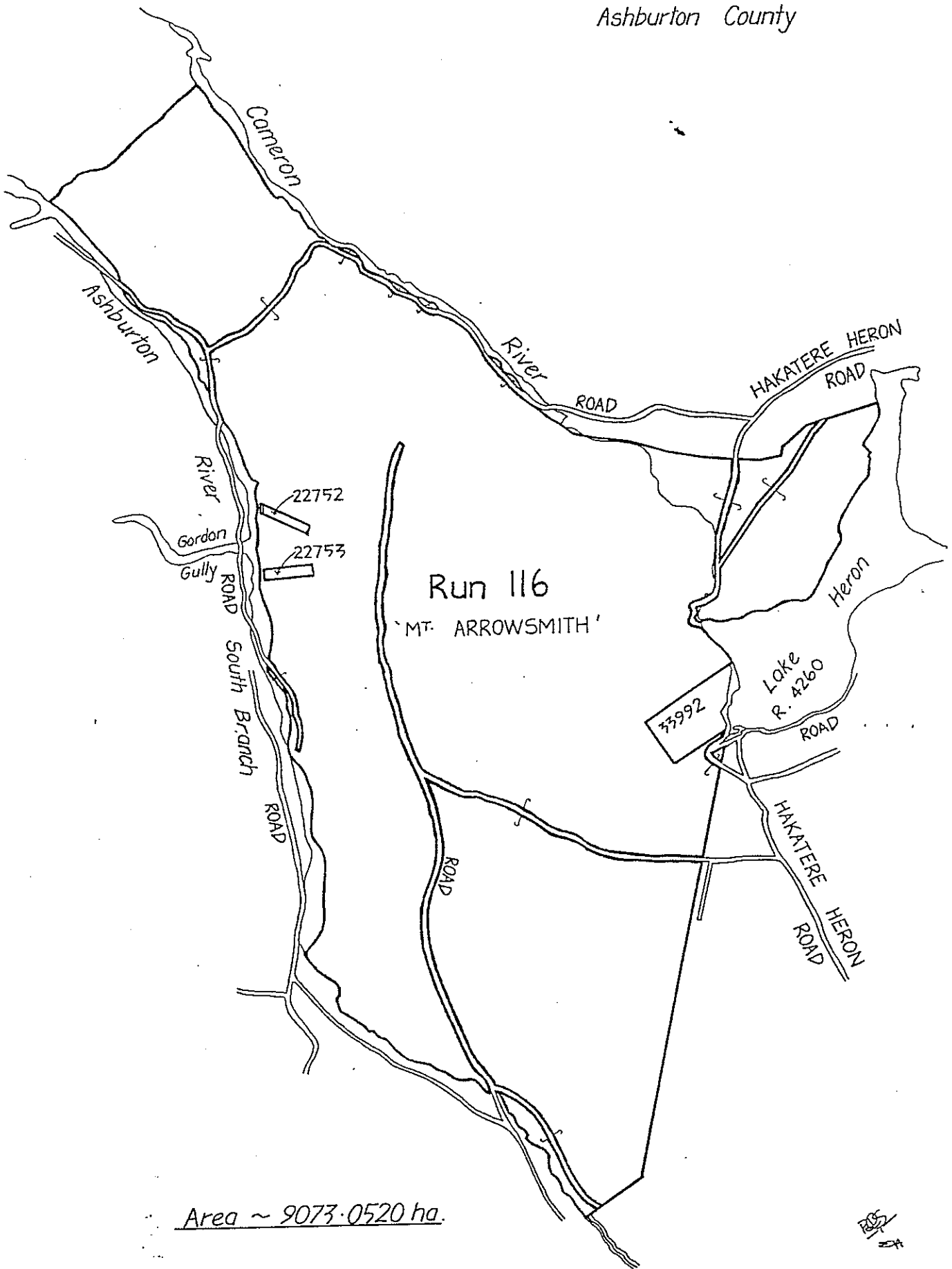
Occupation:

Address:

Lessee.

62274J-86PTK

Ashburton County



Area ~ 9073.0520 ha.

THE COMMON SEAL of MT ARROWSMITH STATION)
LIMITED was hereunto affixed in the)
presence of:)



[Signature] DIRECTOR
[Signature] SECRETARY

No. A301150/1 Charging Order pursuant to Section 96A District Courts Act 1947 in action between Andrew Grant McNab and Mount Arrowsmith Park Limited - 6.6.1997 at 11.37am

[Signature]
for A.L.R.

No. A17710/1 Change of Appellation whereby the description of part of the within land is changed to Sections 1,2 and 3 SO 18892 (885.4500 HA, 14,5500 HA and 132000HA respectively) - 7.10.1992 at 9.14am

[Signature]
for A.L.R.

A323874.2 Transfer in exercise of power of sale in Mortgage A128019.5 to Mt Arrowsmith Limited

Variation of Land Improvement Agreement 90048/1 - 25.3.1994 at 11.25am

[Signature]

A323874.3 Mortgage to Bank of New Zealand all 29.10.1997 at 10.42

[Signature]
for DLR

No. A128019/2 Surrender of the within lease as to Sections 1,2 and 3 SO 18892 (913.2000ha) - 9.8.1994 at 12.01pm

[Signature]
for A.L.R.

No. A128019/3 Variation of the within lease - 9.8.1994 at 12.01pm

[Signature]
for A.L.R.

Transfer A128019/4 to Manahune Park Limited at Timaru - 9.8.1994 at 12.01pm

[Signature]
for A.L.R.

Mortgage A128019/5 to Trust Bank South Canterbury Limited - 9.8.1994 at 12.01pm

POWER OF ATTORNEY
Transfer A 30358
[Signature]
for A.L.R.

Mortgage A128019/6 to Brian Allan Patterson and Barbara Rose Patterson - 9.8.1994 at 12.01pm

for A.L.R.

No. A128019/7 Change of Name of the above proprietor to Mount Arrowsmith Park Limited - 9.8.1994 at 12.01pm

[Signature]
for A.L.R.

Mortgage A128019/6 to Raymond Sullivan Solicitors Nominee Company Limited - 9.8.1994 at 12.01pm

POWER OF ATTORNEY
24/9/94
[Signature]
for A.L.R.

[Signature]

Variation of Mortgage A128019/5 - 24.9.1996 at 2.10pm

[Signature]
for A.L.R.