

Crown Pastoral Land Tenure Review

Lease name : MT GERALD

Lease number : PT 010

Due Diligence Report (including Status Report)

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.

May

05



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

File Ref: Pt 010.01 Mt Gerald	Report No: R2026	Report Date: 4 March 2002
LINZ: CON/50268/09/12675/A-ZNO		
Office of Agent: Timaru	LINZ Case No: 02/ TR 02/350	Date sent to LINZ: 11 March 2002

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 which require action by the Manager Crown Property Contracts;
 - a) Notice by Canterbury Regional Council of underground fuel tank. Report on risk to CCL being assessed by Knight Frank.

Signed for Knight Frank (NZ) Limited

R A Ward-Smith Manager - Timaru

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

Name: **GRANT KASPER WEBLEY**
Date of decision: 21/3/02

1. **Details of lease:**

Lease Name: Mount Gerald
Location: Mackenzie Basin, South Canterbury
Lessee: Mount Gerald Station Limited
Tenure: Pastoral Lease under the Land Act 1948
Term: 33 years from 1 July 1984
Annual Rent: \$3,375
Rental Value: \$150,000
Date of Next Review: 1 July 2006
Land Registry Folio Ref: CB529/22
Legal Description: Sections 6, 7, 8 and 9 SO Plan 17867 situated in Blocks III, IV, VI, VII, VIII, X, XI and XII Tekapo North Survey District and Block XVI Godley Survey District
Area: 6,203 hectares

2. **File Search**

Files held by Agent on behalf of LINZ:

File Reference	Volume	First Folio Number	Date	Last Folio Number	Date
<i>Pt 10</i>	<i>I</i>	<i>103</i>	<i>31/10/32</i>	<i>201</i>	<i>28/9/53</i>

File Reference	Volume	First Folio Number	Date	Last Folio Number	Date
<i>Pt 10</i>	<i>II</i>	<i>202</i>	<i>8/4/54</i>	<i>381</i>	<i>10/5/76</i>

NB: file opening date some 8 months after the closing date of Vol. I

File Reference	Volume	First Folio Number	Date	Last Folio Number	Date
<i>Pt 10</i>	<i>III</i>	<i>382</i>	<i>26/5/76</i>	<i>538</i>	<i>8/2/85</i>

File Reference	Volume	First Folio Number	Date	Last Folio Number	Date
<i>Pt 10</i>	<i>IV</i>	<i>568</i>	<i>8/2/85</i>		<i>1/9/94</i>

File Reference	Volume	First Folio Number	Date	Last Folio Number	Date
<i>Pt 010</i>	<i>V</i>		<i>1/9/94</i>		<i>22/12/98</i>

File Reference	Volume	First Folio Number	Date	Last Folio Number	Date
<i>Pt 010</i>	<i>VI</i>		<i>22/12/98</i>		<i>30/6/00</i>

File Reference	Volume	First Folio Number	Date	Last Folio Number	Date
<i>Pt 010</i>	<i>VII</i>		<i>1/7/00</i>	<i>Current</i>	<i>6/3/02</i>

Other relevant files held by LINZ:

None presented by LINZ and no reason to believe any exist.

3. Summary of lease document:

Terms of lease

Pastoral Lease for a term of 33 years from 1 July 1984 pursuant to Section 66 and as registered under Section 83 Land Act 1948.

The lease contains the normal terms and conditions of pastoral lease.

Area adjustments

Incorporations and surrenders have been reconciled with original metric area shown on the Certificate of Lease. The area is the same as shown in the database and file records.

Registered interests

- 1 Document 284016.1 Land Improvement Agreement pursuant to Section 30A Soil Conservation and Rivers Control Act 1941 registered 22 July 1980 at 9.12 am.

- 2 Document 385279.1 Mortgage to the National Bank of New Zealand registered 12 January 1999.

Unregistered interests

A garage with lean-to is located on the banks of the Macaulay River, and likely to be on the Mount Gerald pastoral lease, known as "The Lilybank Motor Shed". There is also an underground fuel tank in the same location. There is no known legal agreement or known consent for this structure.

4. Summarise any Government programmes approved for the lease:

Land Improvement Agreement dated 10 March 1980 between Waitaki Catchment Commission and the then holder, Mount Gerald Trust. The programme followed the normal Soil and Water Conservation programmes for the period, containing retirement fencing, conservation fencing and general land development. Of particular importance was the retirement fencing of some 12.8 kilometres, with its associated fire break access/fenceline. The programme culminated with the retirement and surrender from the lease of 13,126 hectares, compared with 13,814 hectares as being the estimate in the programme. The programme endures for a period of 33 years, or for such shorter period as may be agreed between the parties.

A copy of the agreement is attached to the Land Status Report on file.

5. Summary of Land Status Report:

The Land Status report signed by the Chief Surveyor on 13 December 2001 showed the status of the land as Crown Land subject to the Land Act 1948. It showed the encumbrances as being the Land Improvement Agreement as set out above and in addition noted the land was subject to Part IVA Conservation Act 1987 upon disposition. Minerals remain with the Crown. The area and legal description are as shown above.

6. Review of topographical and cadastral data:

The property is situated at the head of Lake Tekapo north of Tekapo township. The southern boundary with adjoining Richmond Station is fenced, as is the eastern boundary with adjoining Conservation Land as far north as Third Waterfall Stream. North from Third Waterfall Stream to Two Thumb Stream is unfenced. The north-western boundary fronting Two Thumb Stream, North East Gorge Stream, Macaulay River, and Godley River, is largely unfenced, the exception being the hay paddocks fronting the Lower Macaulay.

Lilybank Road more or less follows the legal definition, until it reaches an old course of the Macaulay River, whereupon the formation follows a route to the east of the legal representation, for approximately two kilometres, until it crosses the Macaulay River to Lilybank. A legal road also runs north/south towards the west of "The Island" beside the Godley River. There is no formation on that route and it is largely impractical due to west swampy ground and numerous spring fed streams.

Approximately half the property has been oversown and topdressed, and a further 225 hectares is in sown pasture for hay and silage production. Some 3,000 hectares remains in native, largely tall tussock, grassland.

7. Details of any neighbouring Crown or conservation land

There is no Conservation land within the boundaries of the pastoral lease.

Land to the east is gazetted for Conservation purposes being the 13,126 hectares surrendered from the Mount Gerald lease. To the north-west and west, there is Crown Land within the Macaulay and Godley River systems, together with Crown Land taken for water power development at the head of Lake Tekapo.

The run to the north across the Macaulay River is Lilybank, part of which was surrendered and gazetted for Conservation purposes.

8. Summarise any uncompleted actions or potential liabilities:

Electric power conductor lines cross the lease. There is no easement registered with Transpower NZ Limited or other transmission company, therefore protection is afforded pursuant to Section 22 Electricity Act 1992.

No formal easement exists for Telecom NZ Limited for existing lines; therefore protection is afforded through Section 20 Telecommunications Act 1987.

A garage with lean-to is located on the banks of the Macaulay River, and likely to be on the Mount Gerald pastoral lease, known as "The Lilybank Motor Shed". There is also an underground fuel tank in the same location. There is no known legal agreement or known consent for this structure.

APPENDICES

- 1 Copy of Land Status Report**
- 2 Copy of Certificate of Lease**
- 3 Request for report on Hazardous Substance use and Notice from CRC**

"RELEASED UNDER THE OFFICIAL INFORMATION ACT"

KNIGHT FRANK (NZ) LTD
CHRISTCHURCH
19 DEC 2001



Of f: Contract 50268 (983)
Your Ref: P 10

18 December 2001

Noted	12/19
Action by	CTA
Recorded	X
Bkup date	
File Ref	

Knight Frank (NZ) Limited
Land Resources Division
P O Box 142
CHRISTCHURCH

Level 4, Knight Frank House
76 Cashel Street
PO Box 142
Christchurch
+64 (0) 3 379 9787
+64 (0) 3 379 8440 fax
christchurch@knightfrank.co.nz
www.knightfrank.co.nz

Attention : Mr G Holgate

Dear Sir

STATUS INVESTIGATIONS – PASTORAL TENURE REVIEW, CONTRACT 50268

As required in terms of Crown Pastoral Standard 6, please find attached the approved Status Report for the following pastoral run on contract 50268 being :

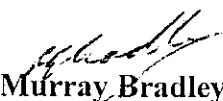
MT GERALD (P 10)

Attached for this lease are :

- Status Check Report
- One colour photocopy of the Topo Plan.
- One copy of a Cadastral Plan.

Please acknowledge receipt, of the Status Report and plans, to my attention at this office. Thank you.

Yours faithfully
Knight Frank (NZ) Limited


Murray Bradley
Manager Public Sector/Crown Accredited Supplier.

KNIGHT FRANK (NZ) LIMITED

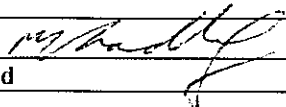
Appendix A

This report has been prepared on the instruction of Land Information New Zealand in terms of the contract number 50268 dated September 2001 and is undertaken for the purposes of the Crown Pastoral Leases Act 1998.

LAND STATUS REPORT for MT GERALD				[LIPS ref.12675]
Property	1	of	1	

Land District	Canterbury
Legal Description	Sections 6,7,8 and 9 Survey Office Plan 17867 situated in Blocks III,IV,VI,VII,VIII,X,XI and XII Tekapo North Survey District and Block XVI Godley Survey District.
Area	6203 Hectares
Status	Crown Land subject to the Land Act 1948
Instrument of lease	All CIR CB 529/22
Encumbrances	- 284016.1 Land Improvement Agreement pursuant to Section 30A Soil Conservation and Rivers Control Act 1941. -Subject to Part IVA Conservation Act 1987 upon disposition.
Mineral Ownership	Minerals will remain with the Crown as the land has never been alienated since its acquisition for settlement purposes from the former Maori owners under the Kemp Deed of Purchase.
Statute	Land Act 1948 & Crown Pastoral Land Act 1998.

Data Correct as at	23 November 2001
[Certification Attached]	Yes

Prepared by	Murray Bradley 
Crown Accredited Agent	Knight Frank (NZ) Limited

KNIGHT FRANK (NZ) LIMITED

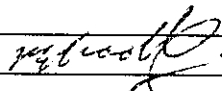
Appendix B

This land status report has been prepared on the instruction of Land Information New Zealand in terms of the contract number 50268 dated September 2001 and is undertaken for the purposes of the Crown Pastoral Leases Act 1998.

LAND STATUS REPORT for MT GERALD				[LIPS ref. 12675]
Property	1	of	1	

Land District	Canterbury
Legal Description	Sections 6,7,8 and 9 Survey Office Plan 17867 situated in Blocks III,IV,VI,VII,VIII,X,XI and XII Tekapo North Survey District and Block XVI Godley Survey District.
Area	6203 Hectares
Status	Crown Land subject to the Land Act 1948
Instrument of lease	All CIR CB 529/22
Encumbrances	- 284016.1 Land Improvement Agreement pursuant to Section 30A Soil Conservation and Rivers Control Act 1941. Subject to Part IVA Conservation Act 1987 upon disposition.
Statute	Land Act 1948 & Crown Pastoral Land Act 1998.

Data Correct as at	23 November 2001.
[Certification Attached]	Yes

Prepared by	Murray Bradley. 
Crown Accredited Agent	Knight Frank (NZ) Limited

Certification:

Pursuant to section 11(1)(i) 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 *13/12* /2001

R Moulton, Chief Surveyor
Land Information New Zealand, Christchurch

MT GERALD RESEARCH - Property 1 of 1

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	i) We note that SO plan 17867 redefined part of the area within the lease at 19329 ha The previous .SO 11076 and 11998 defined the total area in the lease at 19388.6000 ha .The Certificate of Alteration 120624/1 records this area also.(a difference in area of 59.6 ha)However we can find
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<p>paragraph 6</p>	<p>no balance area of Pt run 77A in SO 11076 & 11998 after the surrender of Sections 1-5 on SO 17867. I therefore conclude the correct area of the lease is 6203 ha being Sections 6-9 SO 17867 ii) We note on folio 547 (File p 10) that the CCL was authorised to negotiate with the lessee with the view to closing an area of unformed road running northwards through the Island from Trig F and incorporating the area of closed road into the pastoral lease. No action appears to have been taken on this matter. iii) The Partial Surrender 897757.4 could not be located at the Land Transfer Office.</p>
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LAND STATUS REPORT for MT GERALD				[LIPS ref.12675]
Property	1	of	1	

Research Data: Some Items may be not applicable

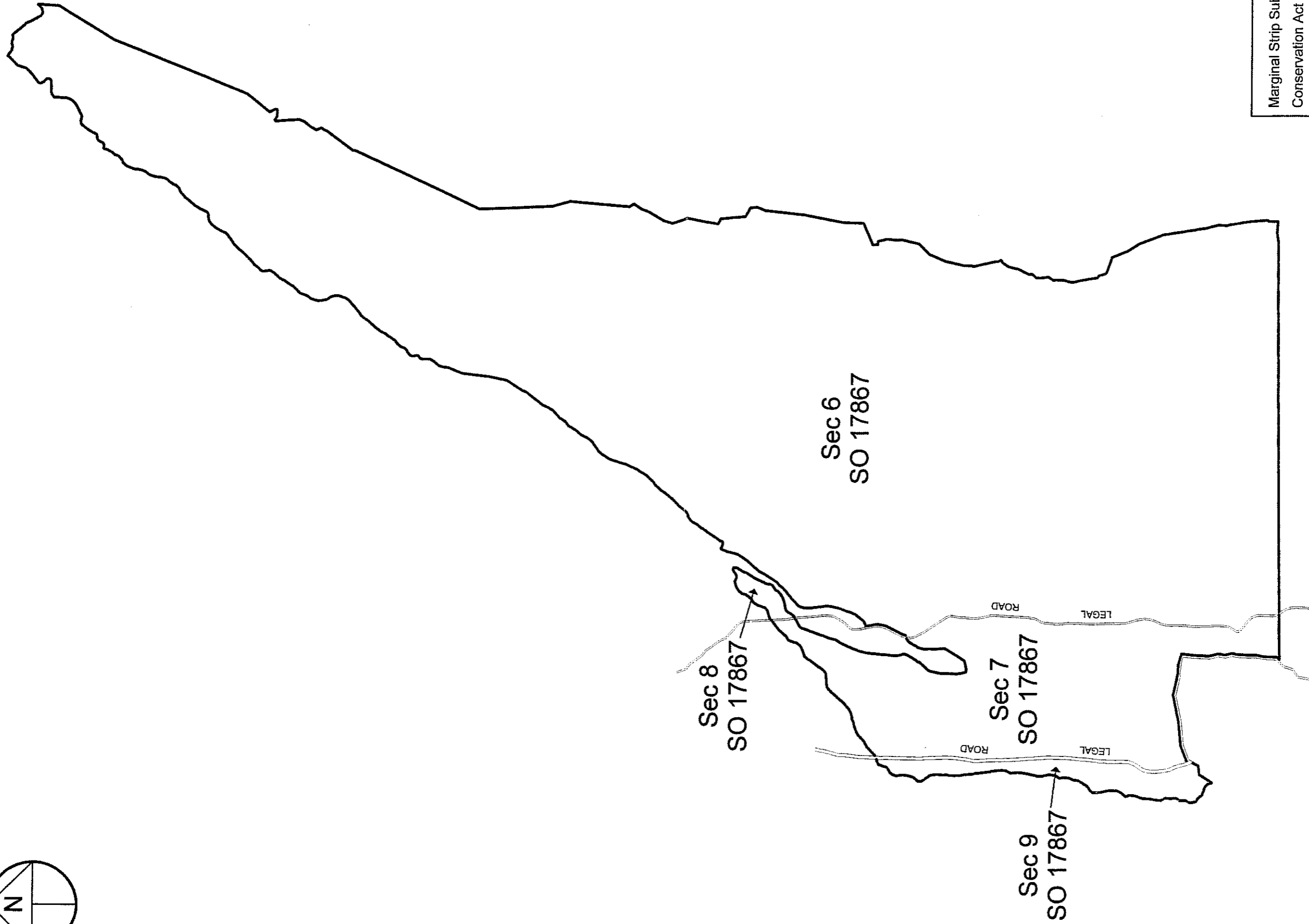
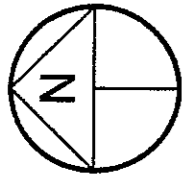
Property	1	of	1	
SDI Print Obtained				Yes
NZMS 261 Ref				I 36 & I 37
Local Authority				MacKenzie District
Crown Acquisition Map				Kemp Deed of Purchase.
SO Plan				SO 17867 (1989) Defines Run. SO 11998 (1976) defines Pt Run 77A SO 11076 (1968) defines Pt Run 77A SO 8576 (1954) defines land to be taken for public work and Roads to be closed. SO 108 (1910) defines Road.
Relevant Gazette Notices				Proc 439473 & 457827
CT Ref / Lease Ref				All CB 529/22
Legalisation Cards				SO 17867 Legalisation Card complete. SO 11998 No Card SO 11076 Legalisation Card complete. SO 8576 No Card SO 109 No Card
CLR				N/A
Allocation Maps (if applicable)				A check of the DOC/SOE and UCL Allocation Maps (I 36 & I 37) revealed no allocations that affect the Pastoral Lease.
VNZ Ref - if known				25300-15200
Crown Grant Maps				Rivers 181 (Sheet I) 1878.
If Subject land Marginal Strip:				Note : Subject to the provisions of Section 58 Land Act 1948 on Lease CB 529/22 and SO 17867,11998 and 11076.Other than the Macaulay River there are various streams clearly depicted on SO 17867(1989) without a one chain strip having been laid off. In view of LINZ letter dated 13 November 1997 regarding "Lilybank"and Ministerial Co Ordinating Committee/State Owned Enterprises paper 271 dated 31 March 19879(Dept of Justice) it would appear this memorial to have no substance unless a one chain strip was laid off by definition on a plan in the Chief Surveyors records.
a) Type [Sec 24(9) or Sec 58]				
b) Date Created				
c) Plan Reference				

LAND STATUS REPORT for MT GERALD		<i>[LIPS ref. 12675]</i>	
Property	1	of	1

Research – continued

Property	1	Of	1	
If Crown land - Check Irrigation Maps.				N/A
Mining Maps				There were no Mining interests identified in the National Mining Index.
If Road				
a) Is it created on a Block Plan – Section 43(1)(d) Transit NZ Act 1989				a) BM 181, Topo 14T & 58T (Crown Grant & Section 110A Public Works Act 1928)
b) By Proc				b) Proc Plan: N/A
c) Plan No				c) SO 108
Other Relevant Information				
a) Concessions - Advice from DOC or Knight Frank.				a) DOC Records show no Conservation land within the pastoral lease boundary. However the MtGerald/Two Thumbs Conservation area, subject to Section 62 of the Conservation Act 1987 (deemed to be stewardship land) adjoins the north and eastern boundary of the lease. There are currently no concessions granted within the lease boundary.
b) Subject to any provisions of the Ngai Tahu Claims Settlement Act 1998.				b) Subject to Part 9 Ngai Tahu Claims Settlement Act 1998.
c) Mineral Ownership				c) 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 the Kemp Deed of Purchase (1848) Contained in (provide evidence): PR 333(1912) earliest lease available in the Land Transfer Office after Canterbury Gazette 1867 page 157 confirmation OF Runs under the Canterbury Land Regulations. d) We note that SO plan 17867 redefined part of the area within the lease at 19329 ha. The previous SO 11076 and 11998 defined the total area in the lease at 19388.6000 ha. The Certificate of Alteration 120624/1 records this area also. (a difference in area of 59.6 ha) However we can find no balance area of Pt run 77A in SO 11076 & 11998 after the surrender of Sections 1-5 on SO 17867. I therefore conclude the correct area of the lease is 6203 ha being Sections 6-9 SO 17867 ii) We note on folio 547 (File p 10) that the
d) Other Information				

	<p>CCL was authorised to negotiate with the lessee with the view to closing an area of unformed road running north wards through the Island from Trig F and incorporating the area of closed road into the pastoral lease. No action appears to have been taken on this matter.</p> <p>iii) The Partial Surrender doc 897757.4 could not be located at the Land Transfer Office.</p>

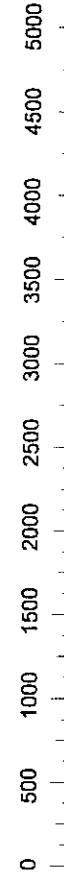


Marginal Strip Subject to Sec 24(9)
Conservation Act 1987 -----

ANDERSEN & ASSOCIATES
REGISTERED SURVEYORS
PO Box 13-243
Christchurch
Ph: 03 379 9901

Mt Gerald

Scale 1:50000



Version	1	2	3	4	5
Canterbury Land District					
Topographic Map 260 - 136					
					Sheet 1 of 1
					Date 12/12/01



**COMPUTER INTEREST REGISTER
UNDER LAND TRANSFER ACT 1952**



Search Copy

Identifier CB529/22
Land Registration District Canterbury
Date Registered 28 February 1952 12:00 am

Part-Cancelled

Type	Lease under s83 Land Act 1948	
Area	19329.0000 hectares more or less	Term 33 years commencing on the 1st day of July 1951 and renewed for a further term of 33 years commencing on 1.7.1984

Legal Description Part Run 77A and Section 1-9 Survey Office Plan 17867

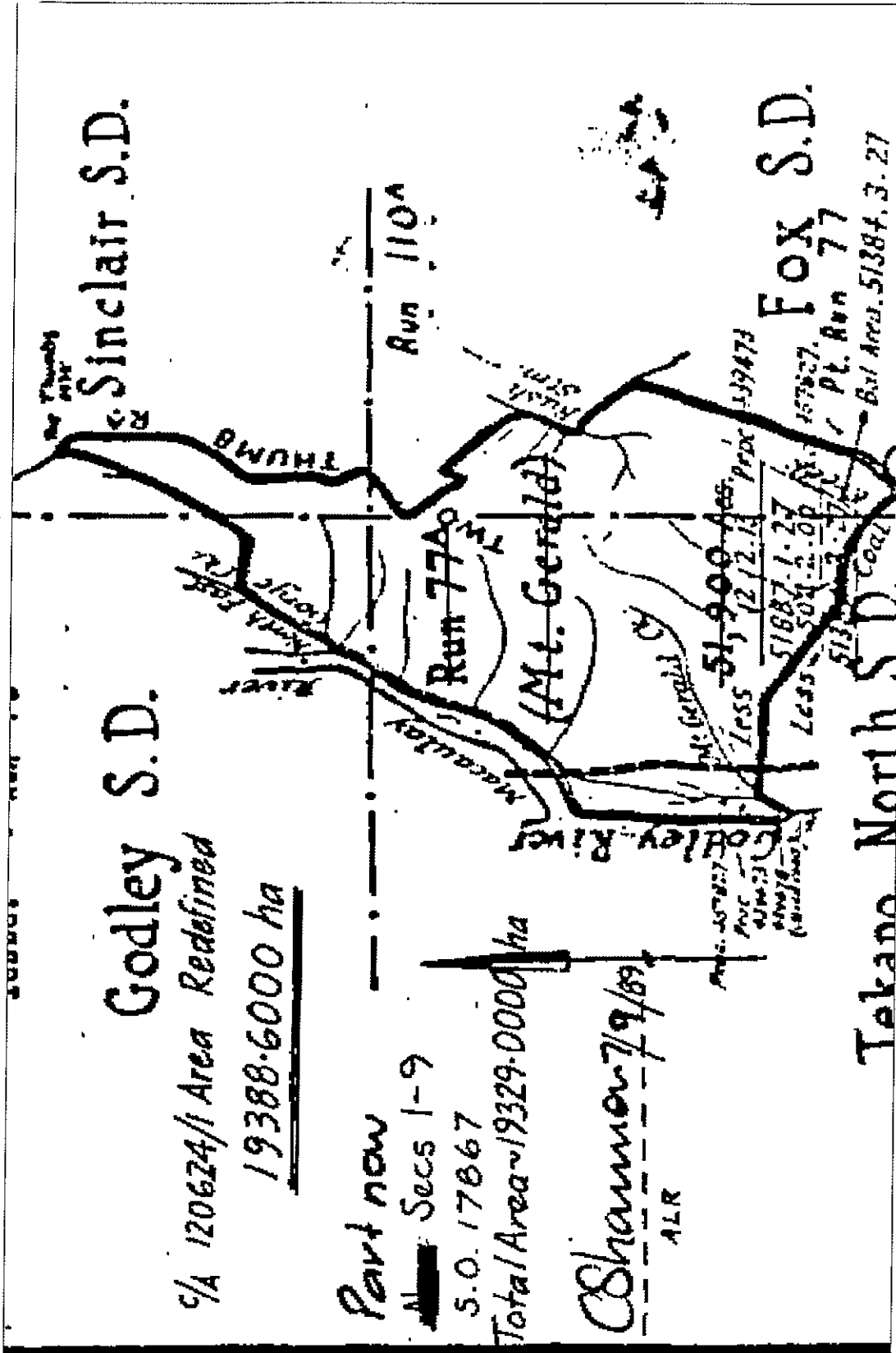
Proprietors
Mt. Gerald Station Limited

Interests

- 284016.1 Land Improvement Agreement pursuant to Section 30A Soil Conservation and Rivers Control Act 1941 - 22.7.1980 at 9.12 am
- ✓ 897757.1 Renewal of within lease for a further term of 33 years commencing on 1.7.1984 (variation of terms) - 18.9.1990 at 10.05 am
- 897757.4 Partial Surrender of within Lease as to Sections 1, 2, 3, 4 & 5 SO 17867 and Part Run 77A - 18.9.1990 at 10.05 am
- ✓ A354836.3 Variation of within Lease - 8.6.1998 at 1.38 pm
- A385279.1 Mortgage to The National Bank of New Zealand Limited - 12.1.1999 at 1.40 pm

ntifier

CB529/22





COMPUTER INTEREST REGISTER UNDER LAND TRANSFER ACT 1952



Historical Search Copy


R. W. Muir
Registrar-General
of Land

Identifier CB529/22
Land Registration District Canterbury
Date Registered 28 February 1952 12:00 am

Part-Cancelled

Type	Lease under s83 Land Act 1948	Term	33 years commencing on the 1st day of July 1951 and renewed for a further term of 33 years commencing on 1.7.1984
Area	19329.0000 hectares more or less		

Legal Description Part Run 77A and Section 1-9 Survey
Office Plan 17867

Original Proprietors
Mt. Gerald Station Limited

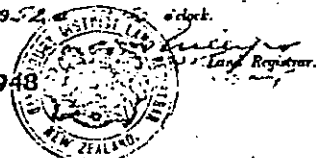
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PART-CANCELLED
NEW ZEALAND
NOT
TO BE CONVERTED

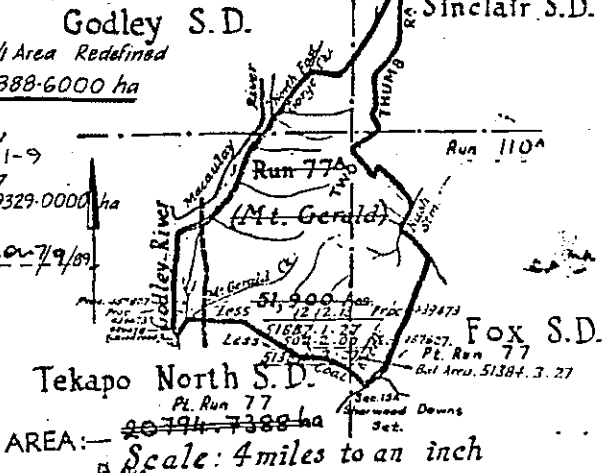
NOT REGISTERED UNDER THE
LAND TRANSFER ACT 1952
Entered in the Register-book, Vol. 529 fol. 22
the 23 day of February
1952

Issued as a Renewal of [Pastoral Leases] License
Pastoral License No. 333
Registered in Vol. 529 fol. 22



Pastoral Lease of Pastoral Land under the Land Act, 1948
P. No. 10.

This Deed, made the 1st day of March, one thousand nine hundred and fifty-one
between HIS MAJESTY THE KING (who, with his heirs and successors, is hereinafter referred to as "the Lessor"), of the one part, and
RODINALD WALTHAM, of Lake Tekapo
Sheepfarmer (who, with his executors, administrators, and permitted assigns, is 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 or implied and on the part of the Lessor to be paid, observed, and performed, the Lessor doth hereby demise and lease unto the Lessee all that piece or parcel of land containing by admeasurement Fifty-one thousand Nine hundred (51,900) acres
situated in the Land District of Canterbury, and being
Run 77A (Mt. Gerald) situated in Godley, Sinclair, Tekapo North and Fox Survey Districts
(hereinafter referred to as "the said land"), as the same is more particularly delineated in the plan drawn hereon and therein contained and in outline together with the rights, easements, and appurtenances thereto belonging. TO HOLD the said premises intended to be hereby demised unto the Lessee for the term of thirty-three years, commencing on the first day of July together with the period between the date of this lease and the aforesaid first day of July 1951
Yielding and paying therefor during the said term unto the Department of Lands and Survey at the Principal Land Office for the said Land District of Canterbury the clear annual rent of One hundred and ninety pounds (£190.0.0) 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 term. And also paying in respect of the improvements specified in the Schedule hereto the sum of (£) by a deposit of (£) (the receipt of which sum is hereby acknowledged) and thereafter by () half-yearly instalments of () pounds () shillings and () pence (£ : :) on the 1st day of January and the 1st day of July in each year in the sum of (£)



1/4 120624/1 Area Redefined
19388-6000 ha

Part now
Secs 1-9
S.O. 17867
Total Area - 19329.0000 ha

Shannon 7/9/09
A.L.R.

METRIC AREA: 20794.7388 ha
Scale: 4 miles to an inch

AND the Lessee doth hereby covenant with the Lessor as follows, that is to say:-

1. THAT the Lessee will fully and punctually pay the rent hereinbefore reserved at the times and in the manner hereinafter named in that behalf; and also will pay and discharge all rates, taxes, assessments, and outgoings whatsoever that now are or hereafter may be assessed, levied, or payable in respect of the said land or any part or parts thereof during the said term.
2. THAT the Lessee will within one year after the date of this lease take up his residence on the said land, and thereafter throughout the term of the lease will reside continuously on the said land.
3. THAT the Lessee will hold and use the said land bona fide for his own use and benefit and will not transfer, assign, sublet, mortgage, charge, or part with possession of the said land or any part thereof without the previous approval of the Land Settlement Board: Provided that such approval will not be necessary in the case of a mortgage to the Crown or to a Department of State.
4. THAT the Lessee will at all times farm the said land diligently and in a husbandlike manner according to the rules of good husbandry and will not in any way commit waste.
5. THAT the Lessee will throughout the term of his lease to the satisfaction of the Commissioner of Crown Lands for the Land District of Canterbury (hereinafter referred to as "the Commissioner") cut and trim all live fences and hedges, clear and keep clear the said land of all noxious weeds, and will comply strictly with the provisions of the Noxious Weeds Act, 1928.
6. THAT the Lessee will keep the said land free from wild animals, rabbits, and other vermin, and generally comply with the provisions of the Rabbit Nuisance Act, 1928.
7. THAT the Lessee will clean and clear from weeds and keep open all creeks, drains, ditches, and watercourses upon the said land, including any drains or ditches which may be constructed by the Commissioner after the commencement of the term of the lease; and will not at any time without the prior consent of the Commissioner alter the channel of any such creek or watercourse or stop or divert the water flowing therein.
8. THAT the Lessee will at all times during the said term repair and maintain and keep in good substantial repair, order, and condition all improvements belonging to the Crown (including those specified in the Schedule hereto which are being purchased by the Lessee) now or hereafter erected on the said land, and will not, without the prior written consent of the Commissioner, pull down or remove them at any part of them.
9. THAT the Lessee will insure all buildings belonging to the Crown (including those specified in the Schedule hereto which are being purchased by the Lessee) now or hereafter erected on the said land to their full insurable value in the name of the Commissioner in some insurance office approved by the Commissioner and will pay all premiums falling due under every such insurance policy and deposit with the Commissioner every such policy and, not later than the forenoon of the day on which any such premium becomes payable, the receipt for that premium.
10. THAT the Lessee will not throughout the term of the lease without the prior consent of the Commissioner, which consent may be given on such terms and conditions (including the payment of royalty) as the Commissioner thinks fit, fell, sell, or remove any timber, tree, or bush growing, standing, or lying on the said land, and that he will throughout the term of the lease prevent the destruction of any such timber, tree, or bush unless the Commissioner otherwise approves: Provided that the consent of the Commissioner as aforesaid shall not be necessary where any such timber or tree is required for any agricultural, pastoral, household, roadmaking, or building purpose on the said land nor where the timber or tree has been planted by the Lessee.
11. THAT the Lessee shall not, except for the purpose of complying with any of the provisions of the Noxious Weeds Act, 1928, burn any tussock, scrub, fern, or grass on the said land, nor permit any tussock, scrub, fern, or grass on the said land to be burned, unless in either case he shall have obtained the prior consent in writing of the Commissioner, which consent may be given subject to such terms and conditions as the Commissioner may deem necessary.
12. THAT officers and employees of the Department of Internal Affairs 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 Department is charged with the duty of exterminating or controlling, or for the purpose of destroying any such animals: Provided that such officers and employees in the performance of the said duties shall at all times avoid undue disturbance of the Lessee's stock.
13. THAT the Lessee shall exercise due care in stocking the said land and shall not overstock.

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

- (a) THAT the Lessee shall have the exclusive right of pasturage over the said land, but shall have no right to the soil.
- (b) THAT the Lessee shall have no right, title, or claim whatsoever to any minerals (within the meaning of the Land Act, 1915) on or under the surface of the soil of the said land, and all such minerals are reserved to His Majesty together with a free right of way over the said land in favour of the Commissioner or of any person authorized by him and of all persons lawfully engaged in the working, extraction, or removal of any mineral on or under the surface of the said land or any adjacent land of the Crown, subject to the payment to the Lessee of compensation for all damage done to improvements on the said land belonging to the Lessee in the working, extraction, or removal of any such minerals: Provided that there shall be no right of way over, or right to work, extract, or remove any mineral from, any part of the said land which is for the time being under crop or used or situated within 100 yards of a yard, garden, orchard, vineyard, nursery, or plantation, or within 100 yards of any building: dwelling-house: Provided also that the Lessee may, with the prior consent in writing of the Commissioner, which consent may be given subject to such conditions as the Commissioner thinks fit, use any such minerals for any agricultural, pastoral, household, roadmaking, or building purpose on the said land, but not otherwise.
- (c) THAT upon the expiration by effluxion of time of the term hereby granted and thereafter at the expiration of each succeeding term to be granted to the Lessee the outgoing Lessee shall have a right to obtain, in accordance with the provisions of section 66 (3) of the Land Act, 1915, a new lease of the land hereby leased as a rent to be determined in the manner prescribed by Part VIII of the said Act for a term of thirty-three years computed from the expiration of the term hereby granted and subject to the same covenants and provisions as this lease, including this present provision for the renewal thereof and all provisions ancillary or in relation thereto.

Change Quality due to Condition of Original

529/22

- (4) THAT the Lessee shall have no right of acquiring the fee-simple of the said land.
- (5) THAT the Lessee may, with the prior consent in writing of the Commissioner given subject to such conditions as the Commissioner may deem necessary,--
 - (a) Cultivate any portion of the said land for the purpose of growing winter feed for the stock depastured thereon;
 - (b) Crop such area of the said land as is sufficient for the use of himself and family and his employees;
 - (c) Plough and sow in grass any portion of the said land;
 - (d) Clear any portion of the said land by felling and burning bush or scrub and sow the land so cleared in grass;
 - (e) Surface sow in grass any portion of the said land;

Provided that the Lessee shall, on the termination of the lease, leave the whole of the area that has been ploughed or cultivated properly laid down in good permanent clovers and grasses to the satisfaction of the Commissioner.

(7) THAT the Lessee shall exercise due care in stocking the said land and shall not overstock; and for the purpose of this clause it is hereby mutually declared and agreed between the said Lessee and the Commissioner that the number of sheep to be depastured on the said land during the twelve months shall not, without the prior consent of the Commissioner, exceed a basis of a ewe for a dry sheep and of one and a half for breeding ewes.

- (3) THAT if the Lessee shall leave New Zealand or abandon the said land or if he cannot be found or if he shall neglect or fail or refuse to comply with the covenants and conditions herein expressed or implied in the satisfaction of the Land Settlement Board or the Commissioner, as the case may be, or make default for not less than two months in the payment of rent, water levy, or other payments due to the Lessor, then the Land Settlement Board may, subject to the provisions of section 116 of the Land Act, 1948, declare this lease to be forfeit, and that without discharging or releasing the Lessee from liability for rent due or accruing due or for any prior breach of any covenant or condition of the lease.
- (4) THAT these covenants are intended to take effect as a pastoral lease under 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.

SCHEDULE

EMPLOYMENTS BELONGING TO THE CROWN AND LEASED PURCHASED BY THE LESSEE

- (1) That pursuant to Section 8 of the Coal Mines Amendment Act, 1950, this lease is subject to the reservation to the lessor of all coal existing on or under the surface of the land, and subject also to the reservation to the lessor of the power to grant coal mining rights over the land under Part I of the Coal Mines Act, 1925.

In witness whereof the Commissioner of Crown Lands for the Land District of Canterbury, on behalf of the Lessor, hath hereunto set his hand, and these presents have also been executed by the said Lessee.

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

Witness: W. J. Ryan
 Occupation: Bank Officer, Bank
 Address: Christchurch

[Signature]
 Assistant Commissioner of Crown Lands.

Signed by the above named as Lessee, in the presence of--

Witness: [Signature]
 Occupation: [Signature]
 Address: [Signature]

[Signature]
 Lessee.

(8) THAT the Lessee shall be deemed not to have failed to use due care in stocking or to have overstocked so long as the number of sheep depastured on the said land does not exceed 5555 (being an increase of ten per cent on the carrying capacity on which is based the rent hereinbefore reserved) but the Commissioner may by notice in writing permit the lessee to depasture thereon any greater number should he deem it advisable or expedient so to do. Any permission so granted shall be subject to revocation or amendment by the Commissioner at any time and particularly in the event of a transfer. Any variation consented to by the Commissioner shall not affect the repayable hereunder.

440547 Ebbw Vale agreement under Electricity Amendment Act 1947 entered 25 July 1951 at 10:25 am

439473 Proclamation proclaiming parts of the within land (containing 12a 2r 13p) to be taken for the development of water power (Lake Tekapo River Scheme) entered 11 June 1956 at 1:50 pm

439478 Proclamation proclaiming portions of road adjoining above land to be closed entered 11 June 1956 at 1:55 pm

459827 Proclamation proclaiming the levelled watercourse in parts of the within land (containing together 50r or 2r 0p) to be taken for the development of water power (Lake Tekapo River Scheme) entered 2 May 1957 at 1:55 pm

Transfer 507010 of a one quarter share Reginald Mathies to John Reginald Mathies of Lake Tekapo Farmer/producer produced 20/8/1959 at 11:2 am

Transfer 558717 of his interest John Reginald Mathies to Reginald Mathies of Lake Tekapo Farmer/producer produced 23.8.1961 at 12:23 pm

Transfer 578908 Reginald Mathies to John Reginald Hogg of Lake Tekapo Farmer/producer produced 13.6.1962 at 1:11 pm

Mortgage 578909 Reginald Mathies to John Reginald Hogg of Lake Tekapo Farmer/producer produced 13.6.1962 at 1:11 pm

578909 produced on 10th day of January 1962 at 1:50 pm

Transfer 688596 of a one third share to Ian Robert Fraser Lake Tekapo a sheepfarmer - 2.8.1966 at 10:30 am

Mortgage 688596 to Ian Robert Fraser Lake Tekapo a sheepfarmer - 2.8.1966 at 10:30 am

Valuation of Mortgage 378909 26.6.1968 at 10:30 am (with the int of the mortgage under mortgage 688596)

Mortgage 740035 State Advn Corporation of New Zealand 26.6.1968 at 10:55 am

740036 Removandum of Priority and Mortgage NO. 740035 second Mort and Mortgage NO. 688596 Shurd Mortgage produced 26.6.1968 at 10:55 am

Valuation of Mortgage 740035 - 20.8.1968 at 10:55 am (Mortgage under mortgage 688596 consent)

THIS REPRODUCTION (ON A REDUCED SCALE) CERTIFIED TO BE A TRUE COPY OF THE ORIGINAL REGISTER FOR THE PURPOSES OF SECTION 215A LAND TRANSFER ACT 1952.

5/10/68

1963 NLR 311

COE/B

"RELEASED UNDER THE OFFICIAL INFORMATION ACT"
Transmission 925978 of Mortgage 578909
to G. e Kay Malthus and Graeme Alexander
Foote as Executors - 31.8.1973 at
11.38 a.m.

Variation of Mortgage 925979 - 2.9.1980 at
9.39 a.m.

DISCHARGED

[Signature]

for A.L.R.

Mortgage 925979 to the Perpetual Trustees
Estate and Agency Company of New Zealand
Limited - 31.8.1975 at 11.38 a.m.

Transmission 401375/1 of Mortgage 265132/6
to Joseph Gordon Butterfield and David Bruce
Timpany as Executors - 17.9.1982 at 9.27 am.

DISCHARGED

[Signature]

for A.L.R.

No. 925980 Memorandum of Priority making
Mortgage 925979 first mortgage and
Mortgage 740035 second mortgage -
and Mortgage No.688596 third Mortgage -
31/8/1973 at 11.38 a.m.

Variation of Mortgage 265132/5 -
1.7.1985 at 2.45a.m.

DISCHARGED

[Signature]

A.L.R.

Mortgage 48821/1 to The Rural Banking and Finance
Corporation of New Zealand - 29.7.1975 at 9.37 a.m.

No.825902/1 Change of Apellation whereby
the description of part of the within
land is changed to Sections 1,2,3,4,5,6,7,
8 and 9 S.O.17867 formerly Pt Run 77A
(19329-0000 hectares) - 7.9.1989 at 9.18am

DISCHARGED

[Signature]

A.L.R.

[Signature]

for A.L.R.

120624 Certificate of alteration under
Section 113 Land Act 1948 redefining
the within area to 19,388.6000 hectares
- 14.3.1977 at 9.07 am.

No.897757/1 Renewal of the within lease for
a further term of 33 years commencing on
1.7.1984 (variation of terms) - 18.9.1990
at 10.05am

DISCHARGED

[Signature]

A.L.R.

Variation of Mortgage 740035 - 31-10-1978 at 9.53a.m.

[Signature]

for A.L.R.

Certificate No. 252540/3 that
the within Mortgage No. 740035
is vested in the Rural Banking
and Finance Corporation of New
Zealand 14/11/1974 at 11.05a.m.

Transfer 897757/2 of their share Ian
Robert Fraser, David Bruce Timpany and
Graeme Alexander Foote to Ian Robert Fraser
and David Bruce Timpany both abovenamed and
Joseph Gordon Butterfield of Timaru,
Chartered Accountant - 18.9.1990 at
10.05am

[Signature]

A.L.R.

for A.L.R.

Transfer 265132/4 of his share John Telfer
Hogg to Ian Robert Fraser of Tekapo, Farmer
Graeme Alexander Foote Chartered Accountant
and David Bruce Timpany, Solicitor both of
Timaru - 5.3.1980 at 11.16 a.m.

Transfer 897757/3 of a one-half of their
share Ian Robert Fraser, David Bruce
Timpany and Joseph Gordon Butterfield to
Allan Robert Fraser of Tekapo, Farm Hand -
18.9.1990 at 10.05am

[Signature]

for A.L.R.

Mortgage 265132/5 to the Rural Banking and
Finance Corporation - 5.3.1980 at 11.16 a.m.

No. 897757/4 Surrender of the within Lease
as to 1,2,3,4 and 5 S.O. Plan 17867 and
Part Run 77A Mt Gerald - 18.9.1990 at
10.05am

[Signature]

for A.L.R.

Mortgage 265132/6 of their share Ian Robert
Fraser, Graeme Alexander Foote and David
Bruce Timpany to John Telfer Hogg -
5.3.1980 at 11.16 a.m.

Mortgage A120564/3 to Lightson Farmers
Finance Limited - 22.7.1980 at 9.50am

[Signature]

for A.L.R.

[Signature] for A.L.R.

No.284016/1 Land Improvement Agreement
under Section 30 Soil Conservation and
Rivers Control Act 1941 - 22.7.1980 at
9.12 am.

A354836.2 Transfer to Mt. Gerald Station
Limited

DISCHARGED

[Signature]

for A.L.R.

[Signature]

for A.L.R.

A354836.3 Variation of the within lease
all 8.6.1998 at 1.38

[Signature]
for DLR

"RELEASED UNDER THE OFFICIAL INFORMATION ACT"

A38579.1 Mortgage to The National Bank of New
Zealand Limited - 12.1.1999 at 1.40:

B. Lang
for DLR

"RELEASED UNDER THE OFFICIAL INFORMATION ACT"

Facsimile



To: Ray Ward-Smith

Company: Knight Frank(NZ) Ltd
Timaru

Fax No: Auto

From: Mike Todd
Crown Property Contracts

Date: 8 July 1999

Page 1 of: 1

Our Ref: _____

Your Ref: _____

Christchurch Regional Office
Torrens House
195 Hereford Street
Private Bag 4721
DX WP20033
Christchurch
New Zealand
Tel 64-3-379 9793
Fax 64-3-366 6422
DDI 64-3-364 59#
E-mail
#@linz.govt.nz
Internet
<http://www.linz.govt.nz>

8 JUL 1999

RECEIVED

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Subject: HAZARDOUS SUBSTANCE LAND USE RISK ASSESSMENT

Ray,

I refer to your letter of 29 April 1999 and apologise for the delay in replying.

Can you please go ahead with the proposed risk assessment. Please note that should costs significantly exceed the estimate of \$300 you will need to come back to me for further approval.

Regards

Mike Todd



CANTERBURY REGIONAL COUNCIL

58 Kilmore Street
P O Box 345
Christchurch

Telephone (03) 365 3828
Fax (03) 365 3194

21 APR 1999

Our Ref: IN7C-0100

Your Ref:

Contact: Dave Clancey
Ext 7280

Handwritten: 17002
17010

21 April, 1999

Land Information New Zealand
C/O Landcorp
PO Box 564
TIMARU

Dear Sir or Madam

The Canterbury Regional Council's Contaminated and Hazardous Substance Land Use (CHSLU) Site Database

The Canterbury Regional Council is compiling a database of sites that have used or stored hazardous substances, and/or have had a land use that has the potential to cause contamination, and intends to include a property owned by you. If your site no longer stores or uses hazardous substances, **but has done in the past**, or if the use of the property has changed from that stated below, your site still meets the criteria for inclusion on the database. A summary of the information we hold on your property(s) is attached to this letter.

What is the Contaminated and Hazardous Substance Land Use Site Database?

The database is being developed by identifying all properties in the Canterbury Region that have been used for activities defined by the Australian and New Zealand Environmental Conservation Council (ANZECC) as having the potential to result in site contamination. A list of these sites is available from this Council. In addition, sites that have used or stored hazardous substances, or are contaminated, but are not included on the ANZECC list, will also be identified and included on the database. The database is known as the Canterbury Regional Council's Contaminated and Hazardous Substance Land Use (CHSLU) Site Database.

The database identifies sites where activities have occurred that are known to have the potential to contaminate land. These are called **Hazardous Substance Land Use (HSLU)** sites. If a site is classed as a hazardous substance land use site, the degree to which it is contaminated, if at all, cannot be confirmed until there has been further investigation. The inclusion of your site on our database does not indicate that the site is contaminated.

This process is part of the implementation of the Canterbury Regional Council's Contaminated Site Information Management Strategy (1997) in which we seek to *'ensure that the adverse environmental effects that result from the contamination of land are avoided, remedied or mitigated to an acceptable level of risk'*. The collection, verification, and management, of information relating to contaminated sites and sites where hazardous substances have been stored or used (HSLU sites) are major elements of this strategy. The database is being developed to assist the Canterbury Regional Council in fulfilling its functions under the Resource Management Act 1991.

Have we got it right?

The information contained on the database reflects this Council's current understanding of your site based on a desktop information gathering exercise. The information is held at the Canterbury Regional Council office, 58 Kilmore Street, Christchurch. As the site owner, you have unrestricted access to all information held about your property. Furthermore, any information held by the Council can be corrected if you supply appropriate information to this Council.

Before including your property on the database the Council would like to offer you the opportunity to correct or clarify the information we currently hold. A summary of the details we hold on your site is attached. We would appreciate your filling in the gaps. .

The site records relating to your site can be amended at any time if additional substantiated information is provided to the Council. Details of this process are outlined in the Contaminated Site Information Management Strategy (1997). However, you should note that after **20 days** of this letter being sent the details of the information stated below will be formally registered onto the Council's database and will then become available to be used in meeting requests for information as noted above.

What information does the Council hold about my site?

The information that this Council currently holds about your site is collected from a number of sources, including: public registers, i.e., phone books and trade registers; conversations with the site owner, site occupier; information supplied to this Council by district and city councils. It includes such information as details of the owner and occupier of the site, legal description, map reference, site location, and qualitative details of the type of hazardous substances used on the site as well as some history of the site.

What do I need to do?

Attached to this letter is a site information sheet containing the details of your site that will be added to the database in 20 working days. To ensure that the database only contains information that is correct and accurate, please check these details. A blank space indicates that we do not currently hold information for this field and would appreciate your adding the relevant details. This will allow us to ensure that all the information we hold about your property is correct and up to date, and will mean that we do not have to contact you at a later date to obtain the information. Please contact me if you have any questions about the type of information you should provide.

In addition to the details of your property, there is also a map of your property attached to this letter. Where relevant, please indicate where on the site the identified land use(s) activities have been undertaken, or where hazardous substances are stored, i.e. in underground or above ground storage tanks. Once you have checked these two attachments, please return them to the regional council.

This letter does not need to be returned to us, only the site information sheet with details about your site, and the map of your property.

I encourage you to assess how you manage hazardous substances at your site to prevent possible ongoing or potential future contamination. You should ensure that hazardous substances in use or stored on your site have adequate storage and containment facilities, spill contingency plans, and adhere to Codes of Practice for your industry.

September 1299

Grid Reference: 13E1280-1657

This information has been taken from Canterbury Regional Council records. It is provided in good faith but its accuracy or completeness is not guaranteed. If the information is used in support of a resource consent application it should be verified independently.

Digital Terrain Information obtained from the Department of Survey and Land Information Digital Elevation Dataset (DEM) 1:50,000. CROWN COPYRIGHT RESERVED.

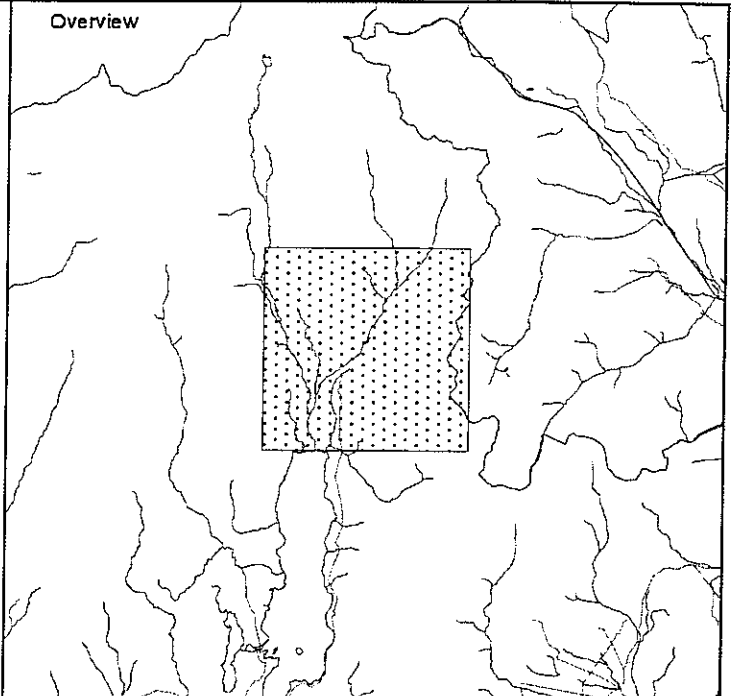
Cadastral Information derived from the Department of Survey and Land Information's Digital Cadastral Database (DCDB). CROWN COPYRIGHT RESERVED. Approved for internal reproduction by the Canterbury Regional Council.

Created by the Canterbury Regional Council's GIS PLOTS system.

Plot sampled by: balmole Tue Apr 20 14:12:28 1999

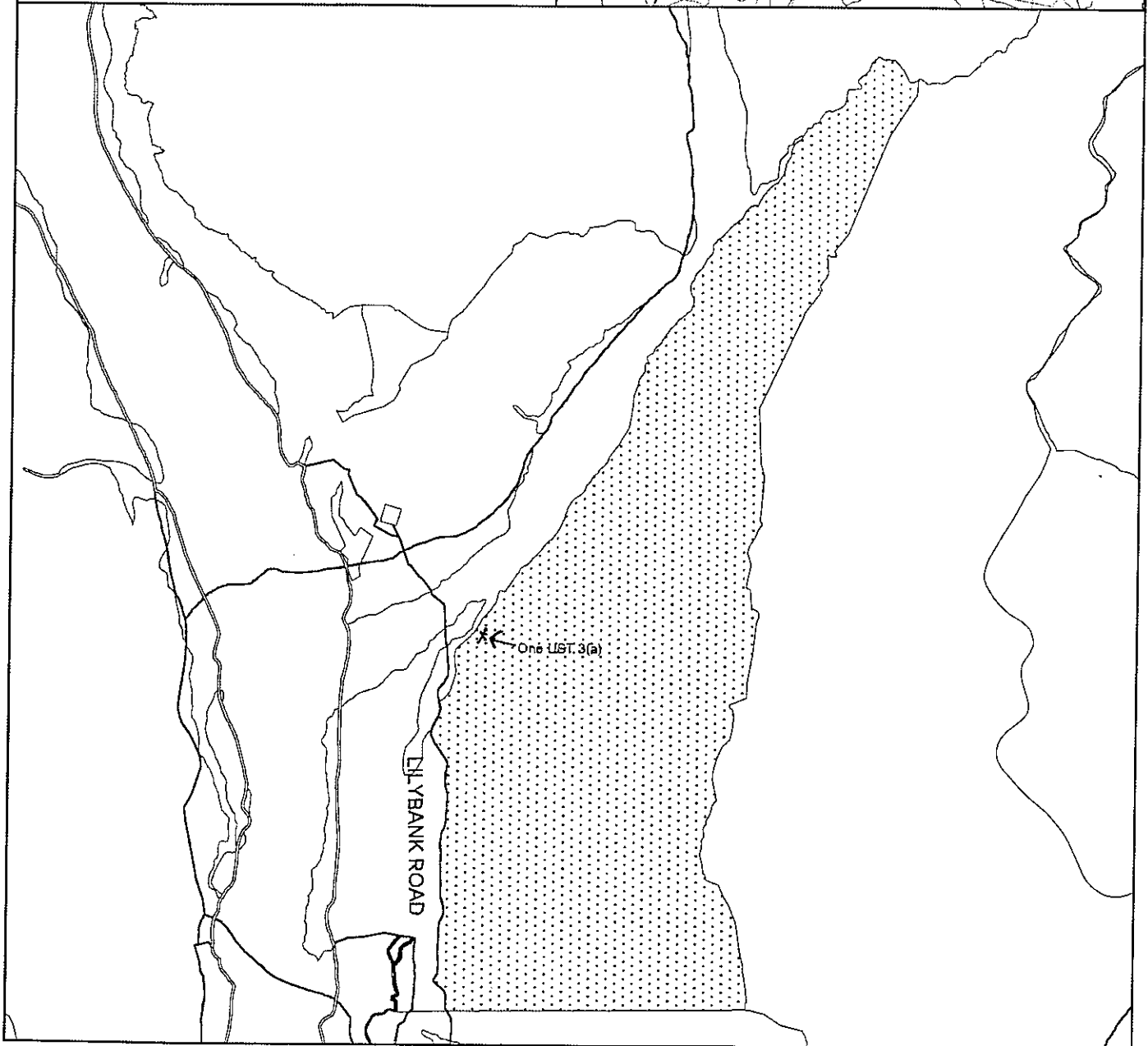


Overview



- Roads
- District Boundaries
- Land Parcels

0 0.8 1.6 2.4 3.2 Kilometers

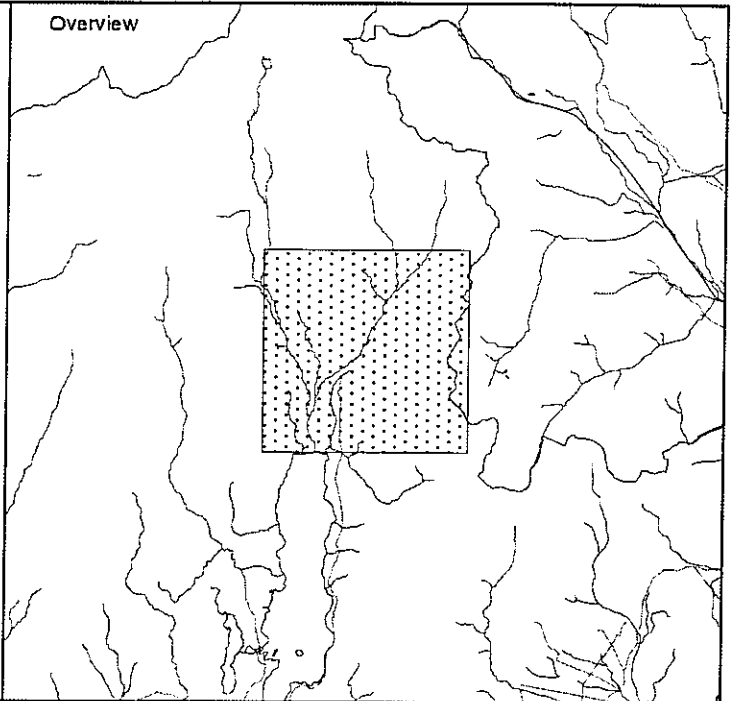


Sheet 1299 (ENLARGEMENT)

Grid Reference: 128 1255-1257
This information has been taken from Carleton Place Regional Council records. It is supplied in good faith but its accuracy or completeness is not guaranteed. If the information is relied on in support of a resource consent application it should be verified independently.
Digital Terrain Information obtained from the Department of Survey and Land Information's Digital Cadastre Database (DCDB)
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Created by the Carleton Place Regional Council's GIS PLDT's system
Plot completed by: belndage Tue Apr 20 14:12:28 1999

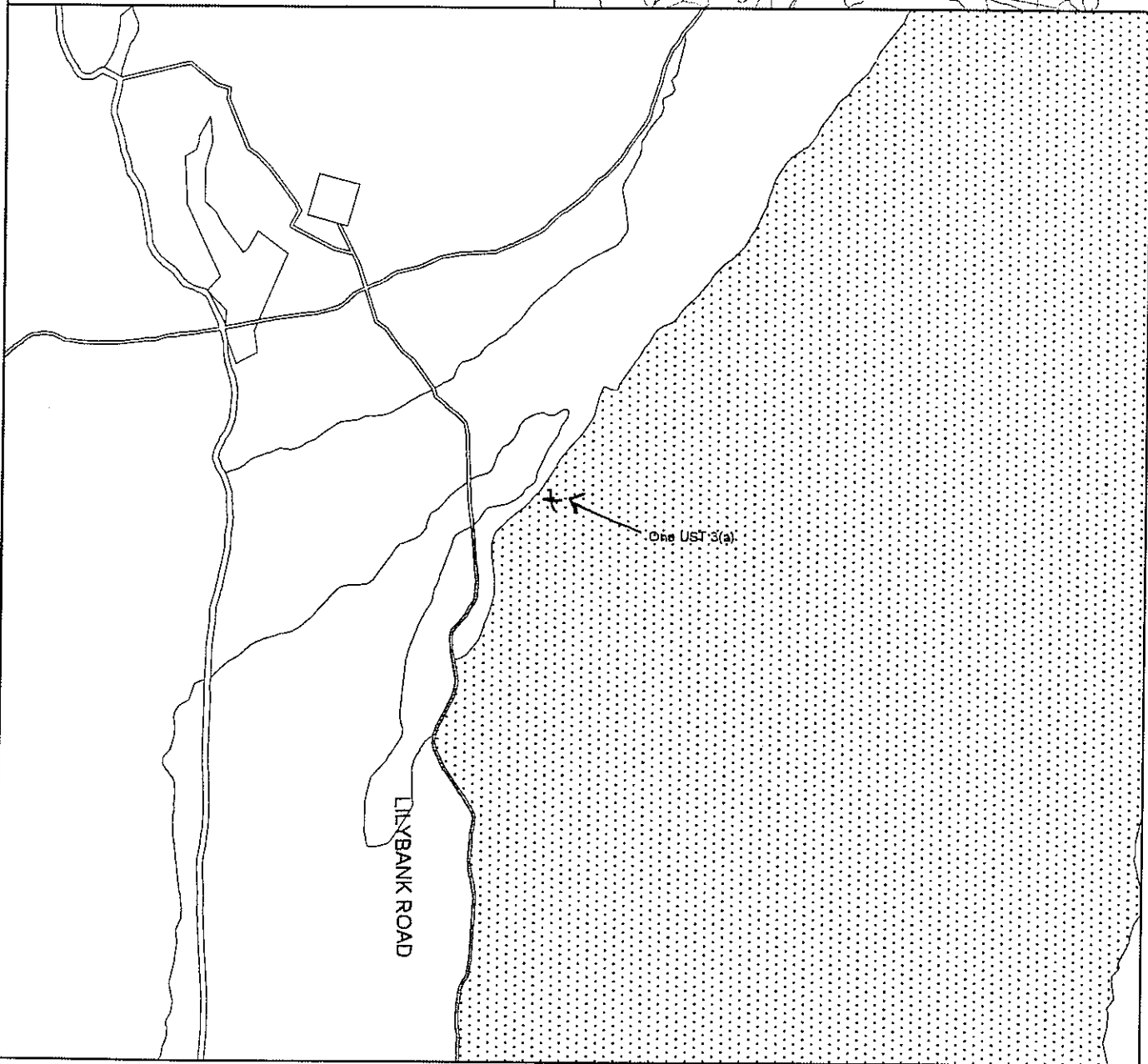


Overview

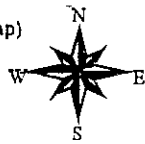


- Roads
- District Boundaries
- Land Parcels

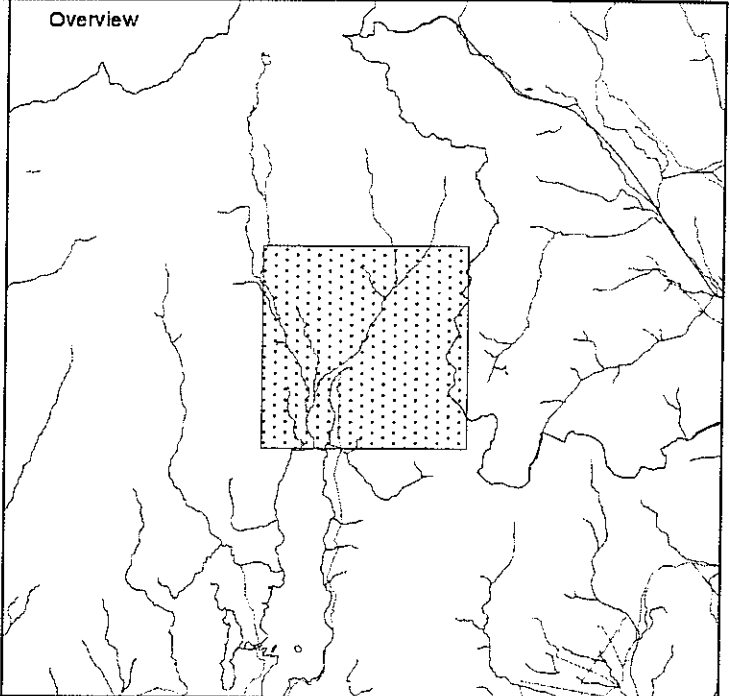
0 0.3 0.6 0.9 1.2 Kilometers



Number 1299 (Enlargement with topo map)



Overview



Grid Reference: 129:1285-1837

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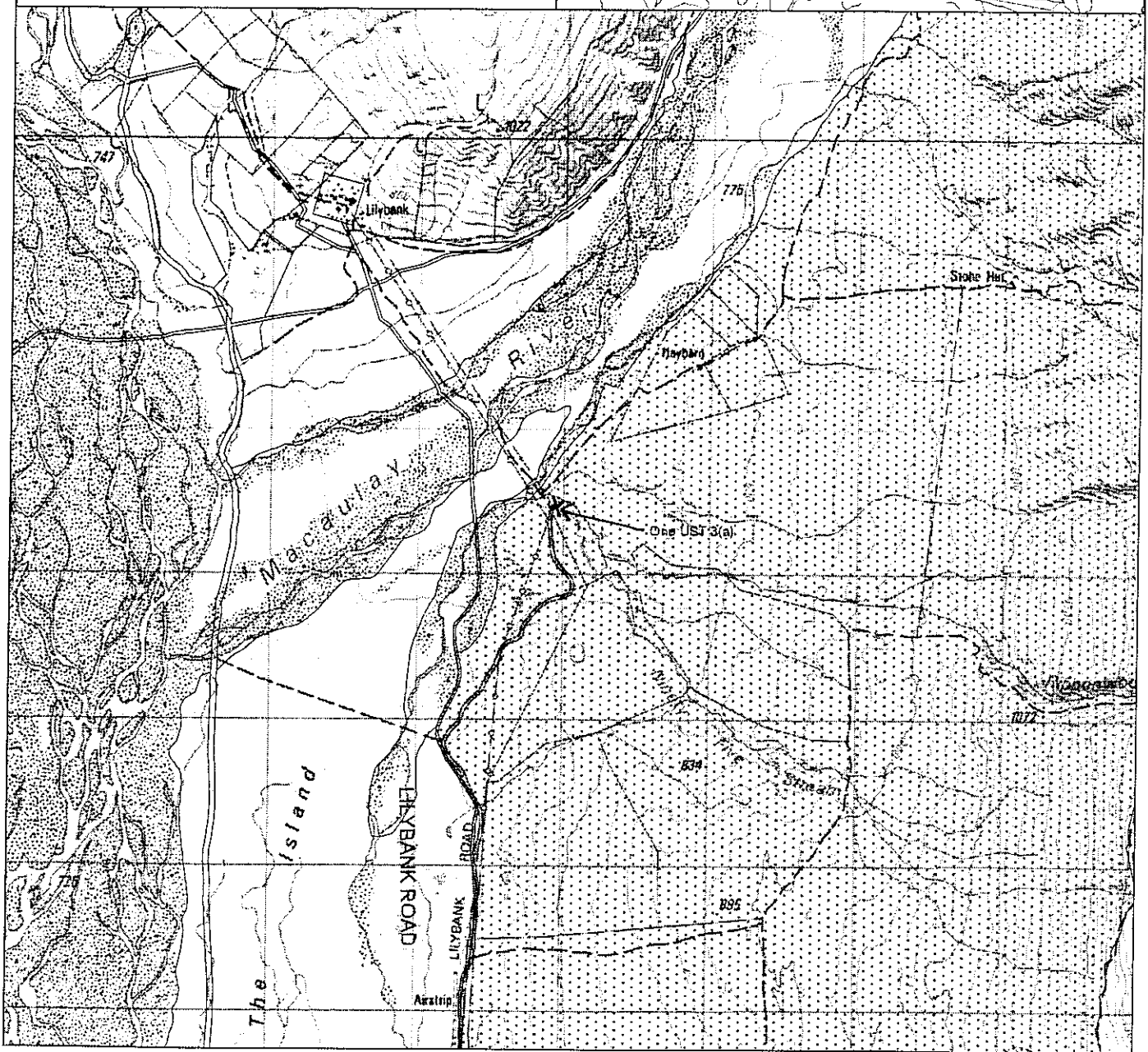
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Digital Cadastral Database (DCDB)
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Created by the Canterbury Regional Councils GIS PLOT's system

Plot completed by: kwhdya Tue Apr 20 14:12:28 1999

- Roads
- District Boundary
- Land Parcel

0 0.3 0.6 0.9 1.2 Kilometers



e Information Sheet: Site Number 1299

Please check that the following information is correct. A question mark (?) indicates that we have no details on your property for this field. Please assist us by supplying this information and returning this sheet to the Regional Council. The terms used to describe the hazardous substances contained on your property are as follows:

- The class '3(a)' refers to a liquid with a flashpoint less than 23°C, i.e. petrol
- The class '3(b)' refers to a liquid with a flashpoint not less than 23°C but less than 61°C, i.e. white spirits
- The class '3(c)' refers to a liquid with a flashpoint not less than 61°C, i.e. diesel, light fuel oil (LFO).

Details about your property

Site Name:

Please provide the trading name of the property

Lilybank NZ Ltd fuel tank

Site Address:

At the end of Lilybank Road, Lake Tekapo (on Mt Gerald Station Ltd land)

Legal description:

Sec 6 SO 17867

Valuation number:

2530015200

Current and Historical Land Uses:

Please provide details of the current and past uses of the property. For example:

1975-1980: auto electrician

1980-1985: panelbeater

Underground Storage Tanks on site:

Are there or have there been underground storage tanks (USTs) on the site? If they have been removed, please state when, and who removed them. Please also indicate if soil samples were taken at the time of removal.

For example:

"20 000 litre UST removed by "*Oil company name*" on "*date*". Dangerous goods inspector present during removal. 2 Soil samples taken by oil company representative. Owner does not have a copy"

According to the user of the tank there is one underground storage tank (UST) containing a class 3(a) substance on this piece of land. The UST is no longer in use and is situated at the end of Lilybank Road, near the Macaulay River.

Hazardous Substances stored on site:

Please identify if/how hazardous substances are or have been stored on the site (other than in a UST) and relevant details (i.e. how long substances stored, size of containers etc.). For example:

- Above ground storage tanks e.g. 3000 litres of diesel, tank installed in 1960
- Drums e.g. 205 litre used oil