



**Land Information
New Zealand**
Toitū te whenua

Crown Pastoral Land Tenure Review

Lease name : MT CREIGHTON

Lease number : PO 107

Preliminary Proposal- Part 4

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

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

May

14

SCHEDULE 1

1. Description of Land

The Land has an area of approx 1135 ha and shaded yellow and labelled CC1 on the Designations Plan.

2. Address for Service¹

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

C/- Box 5244
DUNEDIN

Fax (03) 477 8626

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

Mount Creighton Station Limited
c/- Kensington Swan,
Level 9,
89 The Terrace,
Wellington.

Fax (04) 472 2291

email: gerald.fitzgerald@kensingtonswan.com

or: Enquiries.External@kensingtonswan.com

3. Values of Land to be Preserved

Landscape Amenity:

The Twenty-four Mile and Twenty-five Mile Creeks are very steep and rugged.

The catchments are dominated by extensive montane beech forest, which has been preserved within dark gullies and draining west to Lake Wakatipu. Manuka, with sub alpine shrub and tussock land extending to the ridgeline are also characteristic. Beech is slowly expanding its boundaries. *Hebe*, snow tussock and *Dracophyllum* are notable within the sub alpine shrubland zone.

Visual & Scenic Values:

Like most of Mount Creighton, this area contains significant visual values as a result of the rugged, wild steep character of the land, and the natural character and pattern of the vegetation. The large areas of beech forest sub-alpine and alpine shrubland zones and tussock set within this rugged catchment is visually impressive. The contrasting textures, colours and patterns of beech; tussock and alpine shrubland contribute to the units high scenic quality. Above the beech, views to surrounding ranges and Lake Wakatipu are spectacular and highly memorable.

The majority of the area is visually very coherent due to the level of intactness.

Significance Evaluation Summary:

Criteria	Values	Comment
Intactness	High	High over majority of area. Reduced in lower catchment east of Big Geordie (outside covenant).
Legibility	Medium to High	Large areas of beech forest mask underlying landform.
Aesthetic Factors	High	High level of coherence. Rugged landforms combined with vegetation patterns and views are visually impressive.
Historic Factors	Low	
Visibility	Low to medium	Parts are visible from the Lake Wakatipu and Glenorchy-Queenstown Road. Frequently viewed from the air.
Significance	High	High natural values associated with large areas of beech forest, tussock and alpine areas.
Vulnerability	Medium	

Natural Environment:

Vegetation

Twenty-Four Mile Creek:

This area contains excellent tussockland in the upper parts with extensive shrublands, mainly manuka, and beech forest in the lower valley.

Alpine communities are typically described as: Narrow-leaved snow tussockland at 1300 m contains *Dracophyllum pronum*, *Raoulia subsericea*, *Celmisia semicordata*, *Rytidosperma setifolium*, *Aciphylla aurea*, *Pimelea prostrata*, *Lachnagrostis lyallii*, *Poa colensoi*, *Celmisia lyallii*, *Leucopogon suaveolens*, *Epilobium* spp, and *Scleranthus uniflorus*.

Beech forest is extensive on the true right but occupies a relatively narrow band on the true left. Mountain beech dominates but red beech is also present on lower margins. The forest has a typically open understorey but on lower terraces and near the stream bed there is increased diversity with *Carpodetus serratus*, *Fuchsia*

excorticata, *Rubus achmidelioides*, *Coprosma ciliata*, *Griselinia littoralis*, *Pseudopanax colensoi* var. *ternata*, *P. crassifolius*, *Podocarpus hallii* and manuka. Understorey and groundcover species include *Polystichum vestitum*, *Blechnum montanum*, *B. penna-marina*, *Leptocophylla juniperina*, and *Gaultheria antipoda*. The Twenty-Four Mile catchment may be in the most natural condition.

Twenty-Five Mile Creek:

The upper part of Twenty-Five Mile Creek above the tree-line has extensive sub-alpine and alpine communities dominated by narrow-leaved snow tussock.

Alpine communities contain dense narrow-leaved tussock, rock, litter, *Raoulia subsericea*, *Lycopodium fastigiatum*, *Kelleria dieffenbachii*, blue tussock and other species including scattered shrubs of *Coprosma cheesemanii*, *Dracophyllum longifolium* and *Ozothamnus vauvilliersi*. Browntop and occasional *Uncinia purpurea* appears at about 1200 m. Scree slopes typically contain *Epilobium pycnostachyum*, *E. melanocaulon*, *Stellaria gracilentia*, *Parahebe decora*, *Acaena saccaticupula*, *Gingidia decipiens*, *Trisetum spicatum* and *Anaphalioides bellidioides*. Porcupine shrub (*Melicactus alpinus*) grows on rocky sites.

Below about 1000 m the catchment is well forested, particularly above its junction with Reidys Creek. In places there is a well developed sub-alpine shrubland above the tree-line dominated by the shrubs *Hebe anomala*, *Dracophyllum uniflorum*, *D. pronum*, *Ozothamnus vauvilliersi*, *Coprosma ciliata*, *C. aff. parviflora* and *Leucopogon suaveolens*. The ground cover consists of *Raoulia subsericea*, *Blechnum penna-marina*, *Oreobolus pectinatus*, *Leucopogon fraseri*, *Gaultheria depressa*, *Pimelea pseudolyallii*, *Pentachondra pumila*, *Celmisia gracilentia*, blue tussock, *Racomitrium* moss and lichen.

Mountain beech is the dominant beech species with occasional red beech at lowest altitudes. Virtually no understorey exists except in steep wet gullies where there is *Fuchsia excorticata*, *Aristotelia serrata*, *Carpodetus serratus*, and *Podocarpus hallii*. The mistletoe *Alepis flavida* is a common hemi-parasite on mountain beech. At lower altitude the mistletoe *Ileostylus micranthus* is present on *Coprosma linariifolia* hosts. On sunny slopes and margins *Leptocophylla juniperina* is the dominant ground cover. Manuka has colonized many slopes that would previously have supported beech forest.

Wildlife Habitat - Birds

Present in the Twenty -Five Mile Creek Catchment were NZ falcon, kea, bellbird, brown creeper, fantail, grey warbler, harrier hawk, paradise shelduck, NZ pipit, rifleman and tomtit. The presence of the endemic and threatened yellow-crowned parakeet which is ranked as gradual decline is also significant (Heather and Robertson 1996; Hitchmough 2002). Yellow-crowned parakeets can be expected to be present and breeding throughout forest areas of the property.

Historical Values:

The mining sites are distributed along the true right or northern bank of the Twenty Five Mile Creek where it runs across the glacial terraces (upstream and downstream of the stock bridge) before descending to the lake. These sites run for about 300m along the edge of the creek and are mainly under beech forest. They consist of four discrete areas of ground sluicing where water from races was run over terrace edges. The resulting debris was washed through sluice boxes to extract the gold and the waste rock was stacked into tailings piles. The ruin of a stone dwelling was associated with the eastern most set of workings.

These mining sites are typical of the second phase of the gold rush period when ground sluicing replaced the shovel, gold pan and cradle as the main form of mining. This technique was also widely used by Chinese miners throughout the 19th and early 20th centuries.

SCHEDULE 2

Special Conditions

1. With regard to Clause 3.1.1, it is acknowledged that the Land is unfenced from adjoining freehold land. However the Land must not be deliberately stocked by the Owner. If monitoring reveals that the Values on the Land are being adversely impacted on by stock, the Owner will, in consultation with the Minister, at its own cost implement measures (which may include fencing) to halt and prevent such damage on the Land.
2. The Owner will take such steps on the Land as are necessary to control animal pests such as deer, goats and possums to a level that provides for a healthy forest ecosystem. Plant pests such as Douglas fir (*Pseudotsuga menziesii*) will also be controlled.
3. The Land will be monitored to ensure that the conditions of the covenant have been adhered to. The details of monitoring including timing, methods, results and consequential actions are set out in Schedule 3.

SCHEDULE 3

Description of a monitoring programme to be established

1. Responsibilities:

A vegetation monitoring programme will be established at the commencement of the covenant term by the Minister. A monitoring report will be produced to describe the programme, methods and results and to enable successful remonitoring. This report will be provided to the Owner. Subsequent re-monitoring is to be organised by the Owner with the assistance of the Minister.

The Minister will be party to the re-monitoring by providing one staff member to assist with the physical monitoring. The Minister will be consulted as to the selection of a suitably qualified monitoring provider. The Minister will be given a copy to the monitoring report.

2. Costs:

The Minister is responsible for the cost of establishing the monitoring and the initial report. The Owner will be responsible for the cost of repeat monitoring and the repeat report writeup. The Minister will cover his or her own staff cost for re-monitoring.

3. Forest monitoring:

Monitoring methods will be determined by a detailed inspection of the forest areas. The key issue is to monitor forest canopy gaps to ensure regeneration. The following methods are considered suitable:

- a) The Minister will establish xxx 20m x 20m forest plots to monitor seedling establishment.
- b) The Minister will establish xxx permanent Recce Plots.

Cost effectiveness will be a consideration in establishing types and numbers of plots.

4. Monitoring Frequency:

The forest will be re monitored every 5 years or at some other interval agreed between the parties.

5. Results:

Monitoring results will be used by the Minister to determine whether the land is being managed in a manner which preserves the Values. Results will be discussed between the Owner and the Minister. Results which point to poor forest health or poor regeneration will require positive action by the Owner, in consultation with the Minister, to address the issues.

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SCHEDULE 4

PLAN

GRANT of

Correct for the purposes of the
Land Transfer Act 1952

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

Solicitor for the Minister

COMMISSIONER OF CROWN
LANDS

to

MINISTER OF CONSERVATION

Solicitor
Department of Conservation
DUNEDIN/CHRISTCHURCH

DATED _____

Between

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

and

MINISTER OF CONSERVATION
("the Minister")

COVENANT UNDER THE CONSERVATION ACT 1987
AND THE RESERVES ACT 1977
FOR CROWN PASTORAL LAND ACT 1998 PURPOSES

THIS DEED of COVENANT is made the day of

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

AND **THE MINISTER OF CONSERVATION**

BACKGROUND

- A. The Commissioner of Crown Lands is deemed for the purposes of section 27 of the Conservation Act 1987 to be the owner of the Land under section 80(5) of the Crown Pastoral Land Act 1998.
- B. Section 27 of the Conservation Act 1987 provides that a covenant for conservation purposes may be granted or reserved over any land in favour of the Minister; and section 77 of the Reserves Act 1977 provides that the Minister may enter into a covenant with the owner of any land to provide for management of the lands' Reserve Values.
- C. The Land contains Conservation Values and Reserve Values worthy of protection.
- D. The parties agree that the Land should be managed:
 - (i) for Conservation Purposes in order to protect the Conservation Values; and
 - (ii) so as to preserve the Reserve Values

which purposes can be achieved without the Minister acquiring a fee simple or leasehold interest in the Land.

- D. An approved plan designating the Land as land over which a Covenant under section 27 of the Conservation Act 1987 and section 77 of the Reserves Act 1977 is to be created has been registered under section 64 of the Crown Pastoral Land Act 1998.
- E. The Commissioner of Crown Lands has agreed to grant the Minister a Covenant over the Land:
 - (i) for Conservation Purposes; and
 - (ii) to preserve the Reserve Values.

OPERATIVE PARTS

In accordance with section 27 of the Conservation Act 1987 and section 77 of the Reserves Act 1977 and with the intent that the Covenant run with the Land and bind all subsequent owners of the Land, the Commissioner of Crown Lands and the Minister agree as follows.

1 INTERPRETATION

- 1.1 In this Covenant unless the context otherwise requires:

“Conservation Purposes”	means the preservation and protection of natural and historic resources including Conservation Values on the Land for the purpose of maintaining their intrinsic values, providing for their appreciation and recreational enjoyment by the public, and safeguarding the options of future generations.
“Conservation Values”	means the conservation values specified in Schedule 1.
“Covenant”	means this Deed of Covenant made under section 27 of the Conservation Act 1987 and section 77 of the Reserves Act 1977.
“Director-General”	means the Director-General of Conservation.
“Fence”	includes a gate.
“Fire Authority”	means a fire authority as defined in the Forest and Rural Fires Act 1977.
“Land”	means the land described in Schedule 1.
“Minerals”	means any mineral that is not a Crown-owned mineral under section 2 of the Crown Minerals Act 1991.
“Minister”	means the Minister of Conservation.
“Natural Water”	includes water contained in streams the banks of which have, from time to time, been re-aligned.
“Owner”	means the person or persons who, from time to time is or are registered as the proprietor(s) of the Land.
“Party” or “Parties”	means either the Minister or the Owner or both.
“Reserve Values”	means any or all of the Land’s natural environment, landscape amenity, wildlife, freshwater life, marine life habitat, or historic values as specified in Schedule 1.
“Working Days”	means the period between any one midnight and the next excluding Saturdays, Sundays and statutory holidays in the place where the Land is situated.

1.2 For avoidance of doubt:

1.2.1 the reference to any statute in this Covenant extends to and includes any amendment to or substitution of that statute.

1.2.2 references to clauses are references to clauses in this Covenant.

- 1.2.3 words importing the singular number include the plural and vice versa.
- 1.2.4 expressions defined in clause 1.1 bear the defined meaning in the whole of this Covenant including the Background. Where the parties disagree over the interpretation of anything contained in this Covenant, and seek to determine the issue, the parties must have regard to the matters contained in the Background.
- 1.2.5 any obligation not to do anything must be treated to include an obligation not to suffer, permit or cause the thing to be done.
- 1.2.6 words importing one gender include the other gender.
- 1.2.7 the agreements contained in this Covenant bind and benefit the parties and their administrators and executors, successors and assigns in perpetuity.
- 1.2.8 where clauses in this Covenant require further agreement between the parties such agreement must not be unreasonably withheld.

2 OBJECTIVES OF THE COVENANT

- 2.1 The Land must be managed:
 - 2.1.1 for Conservation Purposes;
 - 2.1.2 so as to preserve the Reserves Values;
 - 2.1.3 to provide, subject to this Covenant, freedom of access to the public for the appreciation and recreational enjoyment of the Land.

3 IMPLEMENTATION OF OBJECTIVE

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

- 3.1.9 any action which will cause deterioration in the natural flow, supply, quantity, or quality of the water of any stream, river, lake, pond, marsh, or any other water resource affecting the Land;
- 3.1.10 any other activity which might have an adverse effect on the Conservation Values or Reserve Values of the Land;
- 3.1.11 any prospecting or mining for Minerals, coal or other deposit or moving or removal of rock of any kind on or under the Land;
- 3.1.12 the erection of utility transmission lines across the Land.

3.2 The Owner must:

- 3.2.1 eradicate or control all weeds and pests on the Land to the extent required by any statute; and, in particular, comply with the provisions of, and any notices given under, the Biosecurity Act 1993;
- 3.2.2 if it is safe to do so, assist the Fire Authority to extinguish any wildfire upon or threatening the Land;
- 3.2.3 keep the Land free from exotic tree species;
- 3.2.4 keep the Land free from rubbish or other unsightly or offensive material arising from the Owner's use of the Land;
- 3.2.5 subject to consultation between the Owner and the Minister and observance of any reasonable conditions imposed by the Owner, grant to the Minister or authorised agent of the Minister or any employee of the Director-General, a right of access on and to the Land, with or without motor vehicles, machinery, and implements of any kind, to examine and record the condition of the Land, or to carry out protection or maintenance work on the Land or to ascertain whether the provisions of this Covenant are being observed;
- 3.2.6 keep all Fences on the boundary of the Land in good order and condition and, notwithstanding clause 3.1.4, must rebuild and replace all such Fences when reasonably required except as provided in clause 5.1.2;
- 3.2.7 comply with all requisite statutes, regulations and bylaws in relation to the Land.

3.3 The Owner acknowledges that:

- 3.3.1 this Covenant does not affect the Minister's exercise of the Minister's powers under the Wild Animal Control Act 1977;
- 3.3.2 the Minister has statutory powers, obligations and duties with which the Minister must comply.

3.4 Notwithstanding clauses 3.2.1, 3.2.3, and 3.2.6, the Minister will pay the Owner a proportionate share of:

- (a) the repair or maintenance of fences on the Land if the work has first been approved by the Minister (which approval must not be withheld unreasonably);

- (b) the eradication or control of all animal and plant pests, and the removal of exotic tree species if:
 - (i) they impose a substantial burden in excess of the legal obligations that would have applied in the absence of this Covenant; and
 - (ii) the Minister has first approved the work (which approval is not to be withheld unreasonably).

3.5 The proportionate share payable by the Minister under clause 3.4 is to be calculated having regard to the purpose of any expenditure with the intent that:

- (a) expenditure essentially for conservation purposes only will be borne by the Minister;
- (b) expenditure essentially for farming purposes only will be borne by the Owner;
- (c) where the expenditure is partly for conservation purposes and partly for farming purposes then the expenditure will be borne by the parties equally or in such other proportion as they may agree and failing agreement as may be determined by the process set out in clause 12.

4 PUBLIC ACCESS

4.1 The Owner must, subject to this Covenant, allow the public to enter upon the Land and no specific permission or authority is required from the Owner for such entry.

5 THE MINISTER'S OBLIGATIONS AND OTHER MATTERS

5.1 The Minister must

- 5.1.1 have regard to the objectives specified in clause 2.1 when considering any requests for approval under this Covenant.
- 5.1.2 repair and replace to its former condition any Fence or other improvement on the Land or on its boundary which may have been damaged in the course of the Minister, the Director-General's employees or contractors, or any member of the public exercising any of the rights conferred by this Covenant.

5.2 The Minister may:

- 5.2.1 provide to the Owner technical advice or assistance as may be necessary or desirable to assist in the objectives specified in clause 2 subject to any financial, statutory or other constraints which may apply to the Minister from time to time;
- 5.2.2 prepare, in consultation with the Owner, a joint plan for the management of the Land to implement the objectives specified in clause 2.

6 JOINT OBLIGATIONS

- 6.1 The Owner or the Minister may, by mutual agreement, carry out any work, or activity or improvement or take any action either jointly or individually better to achieve the objectives set out in clause 2.

7 DURATION OF COVENANT

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

8 OBLIGATIONS ON SALE OF LAND

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

9 MISCELLANEOUS MATTERS

9.1 Rights

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

9.2 Trespass Act:

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

9.3 Reserves Act

- 9.3.1 In accordance with section 77(3) of the Reserves Act 1977 but subject to the terms and conditions set out in this Covenant, sections 93 to 105 of the Reserves Act 1977, as far as they are applicable and with the necessary modifications, apply to the Land as if the Land were a reserve.

9.4 Titles

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

9.5 Acceptance of Covenant

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

9.6 Fire

- 9.6.1 The Owner must notify, as soon as practicable, the appropriate Fire Authority (as defined in the Forest and Rural Fires Act 1977) and the Minister in the event of wildfire upon or threatening the Land;
- 9.6.2 If the Minister is not the appropriate Fire Authority for the Land, the Minister will render assistance to the Fire Authority in suppressing the fire if:
 - 10.6.2.1 requested to do so; or
 - 10.6.2.2 if there is in place between the Minister and the Fire Authority a formalised fire agreement under section 14 of the Forest and Rural Fires Act 1977;

10 DEFAULT

- 10.1 Where either the Owner or the Minister breaches any of the terms and conditions contained in this Covenant the other party:
 - 10.1.1 may take such action as may be necessary to remedy the breach or prevent any further damage occurring as a result of the breach; and
 - 10.1.2 will also be entitled to recover from the party responsible for the breach as a debt due all reasonable costs (including solicitor/client costs) incurred by the other party as a result of remedying the breach or preventing the damage.
- 10.2 Should either the Owner or the Minister become of the reasonable view that the other party (the defaulting party) has defaulted in performance of or observance of its obligations under this Covenant then that party (notifying party) may, by written notice:
 - 10.2.1 advise the defaulting party of the default;
 - 10.2.2 state the action reasonably required of the defaulting party to perform or observe in accordance with this Covenant; and
 - 10.2.3 state a reasonable period within which the defaulting party must take action to remedy the default.

11 DISPUTE RESOLUTION PROCESSES

- 11.1 If any dispute arises between the Owner and the Minister in connection with this Covenant, the parties must, without prejudice to any other rights they may have under this Covenant, attempt to resolve the dispute by negotiation or other informal dispute resolution technique agreed between the parties.
- 11.2 Mediation
 - 11.2.1 If the dispute is not capable of resolution by agreement within 14 days of written notice by one party to the other (or such further period as the parties may agree to in writing) either party may refer the dispute to mediation with a mediator agreed between them;

- 11.2.2 If the parties do not agree on a mediator, the President of the New Zealand Law Society is to appoint the mediator.

11.3 Failure of Mediation

- 11.3.1 In the event that the matter is not resolved by mediation within 2 months of the date of referral to mediation the parties agree that the provisions in the Arbitration Act 1996 will apply;
- 11.3.2 Notwithstanding anything to the contrary in the Arbitration Act 1996, if the parties do not agree on the person to be appointed as arbitrator, the appointment is to be made by the President of the New Zealand Law Society;
- 11.3.3 The parties further agree that the results of arbitration are to be binding upon the parties.

12 NOTICES

- 12.1 Any notice to be given under this Covenant by one party to the other is to be in writing and sent by personal delivery, by pre-paid post, or by facsimile addressed to the receiving party at the address or facsimile number set out in Schedule 2.
- 12.2 A notice given in accordance with clause 12.1 will be deemed to have been received:
- (a) in the case of personal delivery, on the date of delivery;
 - (b) in the case of pre-paid post, on the third working day after posting;
 - (c) in the case of facsimile, on the day on which it is dispatched or, if dispatched after 5.00pm, on the next day after the date of dispatch.
- 12.3 The Owner must notify the Minister of any change of ownership or control or all or any part of the Land and must supply the Minister with the name and address of the new owner or person in control.

13 JOINT OBLIGATIONS

- 13.1 The Owner or the Minister may, by mutual agreement, carry out any work or activity or improvements or take any action either jointly or individually to better achieve the Conservation Purposes on the Land.

14 SPECIAL CONDITIONS

- 14.1 Special conditions relating to this Covenant are set out in Schedule 2.
- 14.2 The standard conditions contained in this Covenant must be read subject to any special conditions.

Executed as a Deed

Signed by _____ acting under a _____)
delegation from the Commissioner of Crown Lands _____)
deemed pursuant to section 80(5) of the Crown Pastoral)
Land Act 1998 to be the Owner of the Land for the _____)
purposes of section 27 of the Conservation Act 1987 _____)
in the presence of : _____)

Witness: _____

Address : _____

Occupation: _____

Signed by _____ and _____)
acting under a written delegation from the Minister _____)
of Conservation and exercising his/her powers under _____)
section 117 of the Reserves Act 1977 as designated _____)
Commissioner in the presence of : _____)

Witness: _____

Address : _____

Occupation: _____

SCHEDULE 1

1. Description of Land

The Land has an area of approximately 1337 ha and is shaded yellow and labelled "CC3" on the Designations Plan.

2. Address for Service¹

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

C/- Box 5244
DUNEDIN

C/- 77 Stuart Street
DUNEDIN

Fax (03) 477 8626

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

Mount Creighton Station Limited
c/- Kensington Swan,
Level 9,
89 The Terrace,
Wellington.

Fax 04 472 2291

3. Values of Land to be Preserved:

Landscape Amenity

The Moonlight terraces sit above the Moonlight lower gorge with features reminiscent of Skippers Canyon. The terraces are a significant landform feature and consist of predominantly browntop, scattered short tussock and low native herbs and grasses. The scale and openness of the terraces is also a feature.

The tributaries of Dead Horse Creek and Butchers Creek are incised into the terrace formations. Tailings, sluice faces, water-races and dams are important historic/cultural features associated with the terraces. Exotic conifers and deciduous trees and briar occur on the terraces above the junction of Moke and Moonlight Creeks.

The south faces and tributaries above Moke Creek are also very steep and broken topography with extensive bare schist rock and matagouri/briar shrubland with snow tussock becoming more dominant higher up. The tributaries of Gills Creek, and Alpha Creek are all very rugged with large tracts of beech forest and tussockland. Nearer to Moke Lake the valley is more open with alluvial flats, low terraces and fan formations. These and the lower slopes between Moke Spur and Fan Creek are more modified. In these locations exotic species predominate, especially browntop.

This area has very high visual and scenic values, which is synonymous with the wild, rugged, and mountainous character of the area. The whole area is visually very impressive. This impressiveness is derived from:

- The extremely rugged and steep mountain slopes with rock outcrops and bluffs at all altitudes.
- The diversity and pattern of vegetation including beech forest, tussock and shrubland and alpine communities.
- The historic/cultural dimension associated with Moonlight Creek and terraces including stonewalls, sluice areas, tailings, water races and fluming.
- The striking visual effects of the Moonlight terrace formations including their scale, openness, and grass cover.
- The visual values associated with the fans and valley floor of Moke Creek and its backcountry/montane setting.

Significance has been accorded this landscape because of its high qualities of coherence, pleasantness and intactness.

Significance Evaluation Summary:

Criteria	Values	Comment
Intactness	Medium to High	Variable. High on upper elevations and in dark gorges and faces. Sunny faces and lower elevations are more modified but retain a natural character.
Legibility	High	Formative processes highly legible.
Aesthetic Factors	High	Landform and vegetation characteristics within whole of unit are highly distinctive and visually impressive. Moonlight terraces are a distinctive feature and highly scenic.
Historic Factors	High	Gold mining history very significant historic/cultural overlay within Moonlight and Moke Creeks.
Visibility	Low to Medium	Moonlight terraces visible from Ben Lomond track.
Significance	High	Moonlight/Moke is within an area generally regarded as having outstanding landscape values.
Vulnerability	Medium to High	Inherent fragility of land vulnerable to land use intensification or changes, wilding tree spread.

Natural Environment:**Vegetation**

Water-race faces and terraces above Moonlight Creek:

The Moonlight Valley is a well preserved (albeit modified by gold mining activity) uncommon type of valley environment formed by the massive accumulation of eroded headwater gravels and subsequent river down-cutting, leaving broad terraces now remote from fluvial processes. These relatively infertile and drought prone substrates support a distinctive flora dominated by short tussocks and low shrubs. Despite the ingress of exotic grasses into this terrace ecosystem, considerable indigenous plant diversity remains including species now uncommon in Otago.

An abundant intertussock species includes the regionally uncommon *Hebe pimelioides*. Other common species include *Raoulia subsericea* and *Leucopogon fraseri*, with occasional small patches of mouse ear hawkweed (*Hieracium pilosella*). Sparsely vegetated gravel sluicings have *Raoulia hookeri*, *Epilobium melanocaulon*, *Leucopogon fraseri* and *Hebe pimelioides*. Some terrace risers are shrubby with abundant *Dracophyllum prunum* and *Ozothamnus vauvilliersi*.

Butchers Creek, Dead Horse Creek and Gills Creek:

These three adjacent very steep tributaries of Moonlight Creek/Moke Creek are generally heavily forested up to the natural tree-line at about 1100 m.

Sub-alpine shrublands form a discontinuous fringe around the upper beech forest tree-line and pockets in the heads of small creeks. One such area at about 1000 m has high shrub diversity including *Olearia cymbifolia*, *O. arborescens*, *O. moschata*, *Hebe anomala*, *H. subalpina*, *H. salicifolia*, *Coprosma rugosa*, *C. "alpina"*, *C. serrulata*, *C. ciliata*, *C. aff. parviflora*, *Aristotelia fruticosa*, *Hoheria lyallii*, *Carmichaelia petriei*, *Gaultheria crassa* and *Dracophyllum longifolium*. These are mixed with nonwoody species including *Coriaria plumosa*, *Aciphylla "lomond"*, *Phormium cookianum*, *Polystichum vestitum*, *Hypolepis millifolium*, *Blechnum novae-zelandiae*, *Gleichenia dicarpa* var. *alpina*, narrowleaved snow tussock, *Chionochloa conspicua*, *Trisetum* sp, and *Anaphalioides bellidioides*.

North-facing slopes in Butchers Creek have extensive manuka shrublands as do slopes of the lower true right of Dead Horse Creek. At the latter site manuka is associated with matagouri and *Coprosma propinqua*, especially in gullies. Considerable mixed exotic/native grassland also occurs on the gentler lower valley slopes.

Fan Creek and Adjacent unnamed creeks:

Fan Creek and adjacent unnamed creeks have east flowing catchments encircled by Moke Spur in the south and the prominent spur separating Fan Creek from Gills Creek in the north. Beech forest is restricted to narrow remnants in fire refuges. Lower slopes denuded of beech forest are now in mixed tall tussock and scattered shrubland comprising *Dracophyllum longifolium*, *Olearia odorata* and *Ozothamnus vauvilliersi*. Introduced grasses are common below about 1100 m. Fan Creek in particular, has produced a large gravel outwash fan through which it has subsequently down-cut. This naturally highly disturbed area has an extensive montane shrubland, and short tussock and herbfield communities.

'Grey' shrublands on the outwash gravels of Fan Creek are a rare ecosystem, now much reduced by fire and pastoralism. The Fan Creek shrublands, although modified to some extent by tracking, grazing and weed invasion, are large in extent with good connectivity to both the riverbed and hillslope vegetation. The recovery

of shrublands in the absence of grazing and fire has been demonstrated at several sites in Central Otago (Walker loc. cit.) and is desirable and achievable at this site.

Very well drained terrace risers and treads have a short tussock cover along with introduced grasses such as browntop and sweet vernal. The terrace risers have a wide range of herbs and sub-shrubs including *Gaultheria depressa*, *G. nubicola*, *Hebe pimelioides*, *Raoulia subsericea*, *Leucopogon fraseri*, *Helichrysum filicaule*, *Gonocarpus aggregatus*, *Microtis unifolia*, *Lycopodium fastigiatum*, *Parahebe decora*, *Acaena caesiiglaucula* and *Oreomyrrhis rigida*. The terrace treads while having some species in common with the more arid risers, also have *Coprosma atropurpurea*, *Ranunculus multiscapus*, *Epilobium alsinoides*, *Wahlenbergia albomarginata*, *Geranium microphyllum*, *Microtis oligantha*, *Viola cumminghamii*, *Celmisia gracilentia* and *Brachyglottis bellidioides*. Mouse-ear hawkweed and tussock hawkweed (*Hieracium lepidulum*) are present at low density. The shrubland is dominated by matagouri, briar, and *Coprosma propinqua*. Other common species include *Olearia odorata*, *Aristotelia fruticosa* and the lianes *Muehlenbeckia complexa* and *Rubus schmidelioides*. Nearer the small gorge where Fan Creek discharges onto the flats there is progressively less matagouri with more *Aristotelia fruticosa* and *Olearia odorata* and the addition of *Dracophyllum longifolium*, *Coprosma rugosa*, *Hebe subalpina*, *H. salicifolia*, *Olearia nummularifolia*, *Hoheria lyallii* and *Carmichaelia petriei*.

A small valley floor wetland between the bottom of Moke Spur and Fan Creek displays some unusual hydrological characteristics and consequent vegetation patterning and composition. This includes two threatened species (Hitchmough 2002). Wetlands nationally have undergone a 90% reduction and remaining examples, particularly those in the lowland-montane bioclimatic zone, are a priority for protection.

This wetland appears to receive periodic creek overflow via meandering channels which coalesce into turfy wet plain. Wetter parts of the plain are dominated by rushes and sedges including *Eleocharis acuta*, *Carex gaudichaudiana*, *C. bergrennii*, and *Juncus spp* along with *Rumex flexuosus* and *Myosotis tenericaulis*. Drier turfy areas have *Hydrocotyle microphylla*, *Potentilla anserinoides*, *Ranunculus multiscapus*, *Gunnera monoica*, *Plantago novae-zelandiae*, and *Nertera balfouriana*.

Moke Creek

Of particular note is the occurrence of the nationally endangered shrub *Hebe cupressoides* in the Moke Creek gorge.

Wildlife – Invertebrates

A small valley floor wetland between the bottom of Moke Spur and Fan Creek has two species of threatened moth, *Orocrambus sophistes* (nationally endangered) and *Xanthorhoe bulbulata* (nationally critical). Of national significance is the invertebrate fauna of valley floor terrace grasslands and shrublands in the eastern parts of the proposal. These have retained significant assemblages of invertebrates and are significant habitats. Nationally, lowland grassland ecosystems and lowland shrublands (here at 500- 600m altitude) are recognised as under-represented in protected areas. The fauna of Moke Creek gorge inhabiting rock faces, damp enclaves and stream bedrock are distinctive but also representative of the Shotover Ecological District and have retained much natural character.

Geological

The Moonlight Fault is a major fracture in the Earth's crust, and is a geological feature of international significance (Turnbull and Forsyth 1988) because of the lenses of marine sediments along the fault line. Exposure of the Moonlight Fault at Fan Creek is ranked as regionally important (Arnard et. al 1991). It is listed in the 'Inventory of important geological sites and landforms in the Otago Region' (Kenny and Hayward 1993) as the most easily accessible exposure of the Moonlight Fault, and ranked C3 (regionally important, and unlikely to be damaged by humans). Moke Creek greenschist copper deposit, ranked regionally important (Arnard et. al 1991) is also listed in Kenny and Hayward (1993), as one of the very few pre-metamorphic metalliferous occurrences in the Otago schist and ranked C3.

Historic Values:

At its peak of mining in 1863, there was said to be 3000 miners in the Moke Creek/Moonlight Creek area (Miller 1949:161). The mining population soon declined as the easily won gold was worked out and miners left for other fields. In the late 1860s Chinese miners moved into the area and took over much of the ground abandoned by European miners. In 1896 there were 9 Chinese miners in the Moonlight and 6 in the Moke (Ng 1993:77). The Chinese continued to mine in the area using small scale hand mining techniques into the early years of the 20th century. The last Chinese miner reportedly left in 1914 (Miller 1949:161).

The last major alluvial mining was undertaken by the Moonlight Valley Gold Co. who in 1938 put in the last major water race in the area to bring water to their claim at Butchers Creek. Sluicing commenced in December 1938 (AJHR 1939 C2:46), but the advent of World War 2 led to the cessation of mining in 1940. After the war

small scale mining continued off and on in the Moonlight until the 1960s with Darkies Terrace the scene of much of the activity.

Moke Creek

Between Gill Creek and Alpha Creek there is an area of low terraces which have been extensively mined by ground sluicing. There is a so-called copper lode in Moke Creek. This was first noticed by miners in 1863 and a company was formed to work it but without success. As recently as 1967 the lode was prospected but no body of copper ore was located (AJHR 1968 C2:18). This is believed to lie with in the marginal strip.

Moonlight

The dominant historic feature of the upper section (above the covenant) is the water race constructed by the Moonlight Valley Gold Co. in 1938 to bring water to their claim at Butchers Creek.

The lower section of the Moonlight is where most of the historic mining took place as evidenced by the high level terraces which have been extensively worked by hydraulic sluicing. Large volumes of water were stored in reservoirs above the workings. The water was then piped down slope to a monitor where it is blasted at high pressure into the work face.

The Sheepyard Terrace to Butchers Creek area is remarkable for the high visibility of the mining systems. Notable features are the large 1938 water race, several smaller (and earlier) water races, large reservoirs (recorded as New Zealand Archaeological Association site no. E41/255), ground sluicings and hut sites. Also present is a Chinese miner's camp. The large scale hydraulic sluicings at Butchers Creek is the area historically referred to as Moonlight No.2. It is in this area that the Moonlight Valley Gold Co. claim was located. Some of the buildings on the south side of Butchers Creek may date to the 1930s mining as the Moonlight Valley Co. was reported to have built permanent quarters and a blacksmiths on the south side of the creek AJHR 1939 C2:46).

The area between Butchers Creek and Dead Horse Creek is similar to that north of Butchers Creek with extensive areas of hydraulic sluicings, reservoirs and hut sites. Similar sites are also present south of Dead Horse Creek. The Moonlight No.1 Claim was situated on the terraces towards the junction with Moke Creek. The workings here have been colonised by broom which has begun to obscure much of the historic features of this part of the Moonlight.

Overall the Moonlight is a superb example of a mining landscape with good examples of ground sluicing, hydraulic sluicing, water reticulations systems and dwelling sites.

SCHEDULE 2**Special Conditions**

- 1 Clause 3.1.1 is deleted and replaced with:
Sheep and cattle may graze the Land at a stocking rate that does not, in the sole opinion of the Minister, adversely impact on the Values. No cattle are permitted to graze on that part of the Land being the Moonlight or Sheeppark Terraces north of Dead Horse Creek.
- 2 Notwithstanding clause 3.2.1, the Owner must control wilding pines, hawthorn, willows, exotic broom and gorse including taking reasonable steps to prevent these species from seeding on the Land. The Owner will bear the cost of this work. Should the Owner fail to undertake this work the Minister may arrange to have this work undertaken and the Owner will be liable to meet the costs, which may include the reasonable costs of the Minister. Where weed problems are significant, the Owner will submit to the Minister for approval a plan for the control of weeds.
- 3 The Land will be monitored to ensure that the conditions of the covenant have been adhered to. The details of monitoring including timing, methods, results and consequential actions are set out in Schedule 3.
- 4 Feral and wild animals including rabbits, possums, deer, goats and pigs will be controlled by the Owner to low levels to avoid damage to the Land.
- 5 The part of the Land being the small valley floor wetland between the bottom of Moke Spur and Fan Creek may be fenced and destocked if it is considered necessary in the sole opinion of the Minister to maintain the natural environment values of that part of the Land. Notwithstanding clause 3.2.6, the cost of fencing this part of the Land in accordance with this special condition will be shared 50:50 by the Owner and the Minister.
- 6 Notwithstanding clause 3.1.5, the Owner may spray vegetation for the purpose of keeping some of the Land open for pastoral use, subject to the following conditions:
 - a No part of the Land may be sprayed on the specific shrubland areas identified on the covenant plan in Schedule 4.
 - b The Owner will consult with the Minister before spraying is undertaken.
 - c The Owner will ensure that the spray used will not cause damage to the tussock cover.
 - d The Owner will not spray within 20m of any stream or water course and spray drift must be minimised.
- 7 Notwithstanding clause 3.1.5, the Owner may topdress and sow seed.
- 8 Public access provided by clause 2.1.3 and 4.1 is restricted to wander at will access over the Land north of Dead Horse to enable them to inspect the historic values.

SCHEDULE 3**Description of the monitoring programme to be established****1 Responsibilities**

A vegetation monitoring programme will be established at the commencement of the covenant term by the Minister. A monitoring report will be produced to describe the programme, methods and results and to enable successful remonitoring. This report will be provided to the Owner. Subsequent re-monitoring is to be organised by the Owner with the assistance of the Minister.

The Minister will be party to the re-monitoring by providing one staff member to assist with the physical monitoring. The Minister will be consulted as to the selection of a suitably qualified monitoring provider. The Minister will be given a copy to the monitoring report.

2 Costs

The Minister is responsible for the cost of establishing the monitoring and the initial report. The Owner will be responsible for the cost of repeat monitoring and the repeat report write up. The Minister will cover her or his own staff cost for re-monitoring.

3 Monitoring Methods

A series of general repeatable photo point sites will be established. The purpose of these photopoints is to detect deterioration of the tussock, shrublands and forest being recorded as a consequence of grazing impacts and other management practices.

Photopoints will be at yet to be decided sites and yet to be decided number.

Within the Covenant area photopoints will consist of a series photos to ensure that conditions of the covenant are complied with.

- general monitoring: a series of general landscape photos.
- within shrubland areas will include: obvious fragmentation, tracking, gaps and canopy breakdown.
- within forest areas will include: observations of stock damage to the understory and regeneration of the forest

The Minister will have the discretion to require additional methods of monitoring to be used if results from photopoints or observations are found to be unsuitable for measuring the values being protected.

4 Monitoring Frequency

The forest will be re monitored every 5 years or at some other interval agreed between the parties.

5 Monitoring Results

Following monitoring, results will be discussed between the Owner and the Minister.

Should it be noted as a result of monitoring that grazing or other pastoral practices are having a detrimental impact on the Values then the Owner in consultation with the Minister, will take positive action to prevent this continuing, which may include such measures as fencing, reducing stock or pest numbers or changing stock types.

SCHEDULE 4

PLAN

GRANT of

Certified correct for the purposes
the Land Transfer Act 1952

CONSERVATION COVENANT

Under section 27 of the Conservation Act 1987
and section 77 of the Reserves Act 1977
for Crown Pastoral Land Act 1998 purposes

Solicitor for the Minister of
Conservation

COMMISSIONER OF CROWN LANDS

to

MINISTER OF CONSERVATION

**Legal Services
Department of Conservation
Dunedin**