

Crown Pastoral Land Tenure Review

Lease name: MT CREIGHTON

Lease number: PO 107

Preliminary Proposal- Part 7

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.

Appendix 9: Right of Way Easements to be Continued

Entered in the Register as No.

Registry) this day of at o'clock

(Otago 199

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71.

Land Registrar

THIS DEED made this 1st day of 1952 between the MINISTER OF CONSERVATION (hereinafter together with his successors and assigns called "the Grantor") of the one part and OUEENSTOWN SAFARI COMPANY LIMITED a company incorporated under the Companies Act 1955 and having its registered office at Christchurch (hereinafter together with its successors and assigns called "the Grantee") of the other part

WHEREAS Her Majesty the Queen is the owner subject to the Reserves Act 1977 of all that parcel of land being part Reserve A Block XIII Mid. Wakatipu Survey District (hereinafter called "the servient tenement")

AND WHEREAS the Grantee is registered as proprietor of an estate of leasehold subject however to such encumbrances liens and interests as are notified by memorandum underwritten or endorsed hereon in all that piece of land containing 98.2000 hectares more or less being Section 36 Block XIII Mid Wakatipu Survey District and being part of the balance of the land comprised and described in Crown Pastoral Lease P107 recorded as Register Volume 386 folio 52 (Otago Registry) (hereinafter called "the dominant tenement")

AND WHEREAS, the Grantor in pursuance of the powers conferred on him by section 48 of the Reserves Act 1977 has agreed to convey and grant to the Grantee the easement hereinafter referred to upon and subject to the conditions hereinafter contained

NOW THEREFORE THIS DEED WITNESSETH that IN CONSIDERATION of the sum of TEN CENTS (10c) paid to the Grantor by the Grantee (the receipt of which sum the Grantor hereby acknowledges) the Grantor DOTH HEREBY CONVEY AND GRANT to the Grantee the full free uninterrupted and unrestricted right liberty and privilege for the Grantee its servants tenants agents workmen licensees and invitees (in common with the Grantor his tenants and any other person lawfully entitled so to do) from time to time and at all times by day and by night to go pass and repass with or without horses and domestic animals of any kind and with or without vehicles motor vehicles and machinery of any kind over and along that part of the servient tenement marked with the letter "A" on DP 22486

AND IT IS HERERY AGREED AND DECLARED by and between the Grantor and the Grantee:

- 1 THE cost of maintenance of the right of way hereby created shall be borne solely by the Grantee.
- 2 THE Grantee will not upgrade the right of way without first obtaining the approval of the Regional Conservator Department of Conservation Dunedin.

- 3 THE Grantee shall indemnify the Grantor against all and any action claim injury damage or loss which may arise in any manner whatsoever from the creation of this easement.
- 4 THE costs of and incidental to this deed shall be borne by the Grantor.

<u>IN WITNESS</u> whereof these presents have been executed the day and the year first hereinbefore appearing.

SIGNED for and on behalf of the MINISTER OF CONSERVATION by Jeff Connell an officer of the Department of Conservation pursuant to a designation given to him by the Director-General of Conservation and dated the 30th day of June 1989 in the presence of:

Jun

Witness:

Occupation: Life

Address:

En -1-

THE COMMON SEAL OF Queenstown Safari Co. Limited was hereunto affixed by authority of the Board of Directors in the Presence of:

Secretary

Common Seal of OBJUNITY AND CHILD SAFARI CULTURE SA

Director

DATED

MINISTER OF CONSERVATION

TO

QUEENSTOWN SAFARI COMPANY LIMITED

DEED OF EASEMENT - RIGHT OF WAY

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Regional Spicitor 1510 330
Department of Conservation
DUNEDIN



Entered in the Register as No. Registry) this day of o'clock

(Otago

Land Registrar

day of with 19 92 between the MINISTER OF THIS DEED made this 12t. CONSERVATION (hereinafter together with his successors and assigns called "the Grantor") of the one part and **OUEENSTOWN SAFARI COMPANY LIMITED** a company incorporated under the Companies Act 1955 and having its registered office at Christchurch (hereinafter together with its successors and assigns called "the Grantee") of the other part

1

WHEREAS Her Majesty the Queen is the owner subject to the Reserves Act 1977 of all that parcel of land being part Reserve A Block XIII Mid Wakatipu Survey District SUBJECT to a right of way created by Deed embodied in the Register as Register No. 31-8009/2 (hereinafter called "the servient tenement")

AND WHEREAS the Grantee is registered as proprietor of an estate of leasehold subject however to such encumbrances liens and interests as are notified by memorandum underwritten or endorsed hereon in all that piece of land containing 3.0196 hectares more or less being Section 1 SO 23732 and being part of the balance of the land comprised and described in Crown Pastoral Lease P107 recorded as Register Volume 386 folio 52 (Otago Registry) (hereinafter called "the dominant tenement")

AND WHEREAS the Grantor in pursuance of the powers conferred on him by section 48 of the Reserves Act 1977 has agreed to convey and grant to the Grantee the easement hereinafter referred to upon and subject to the conditions hereinafter contained

NOW THEREFORE THIS DEED WITNESSETH that IN CONSIDERATION of the sum of TEN CENTS (10c) paid to the Grantor by the Grantee (the receipt of which sum the Grantor hereby acknowledges) the Grantor DOTH HEREBY CONVEY AND GRANT to the Grantee the full free uninterrupted and unrestricted right liberty and privilege for the Grantee its servants tenants agents workmen licensees and invitees (in common with the Grantor his tenants and any other person lawfully entitled so to do) from time to time and at all times by day and by night to go pass and repass with or without horses and domestic animals of any kind and with or without vehicles motor vehicles and machinery of any kind over and along that part of the servient tenement marked with the letter "B" on 40 **DP 22486**

AND IT IS HEREBY AGREED AND DECLARED by and between the Grantor and the Grantee:

- THE cost of maintenance of the right of way hereby created shall be borne solely by the Grantee.
- THE Grantee will not upgrade the right of way without first obtaining the approval of the Regional Conservator Department of Conservation Dunedin.
- THE Grantee shall indemnify the Grantor against all and any action claim injury damage or loss which may arise in any manner whatsoever from the creation of this easement.

THE costs of and incidental to this deed shall be borne by the Grantor.

<u>IN WITNESS</u> whereof these presents have been executed the day and the year first hereinbefore appearing.

SIGNED for and on behalf of the MINISTER OF CONSERVATION by Jeff Connell an officer of the Department of Conservation pursuant to a designation given to him by the Director-General of Conservation and dated the 30th day of June 1989 in the presence of:

J.

Witness:

To The Man

Occupation:

Solinton

Address:

Durale.

THE COMMON SEAL OF Queenstown Safari Co. Limited was hereunto affixed by authority of the Board of Directors in the Presence of:

Secretary

OUE NS ON THE NS

Director Alasking

DATED

MINISTER OF CONSERVATION

TO

QUEENSTOWN SAFARI COMPANY LIMITED

DEED OF EASEMENT - RIGHT OF WAY

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Regional Solicitor Department of Conservation DUNEDIN

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RELEASED UNDER THE OFFICIAL INFORMATION ACT			
Appendix 10: Registered Mi	ning Permits		o de se se en
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9D/477

29 July 1997

District Land Registrar Private Bag DUNEDIN

Dear Sir/Madam

AMENDMENT TO THE CONDITIONS OF MINING PERMIT 41 262

90/477

For your information the above certificate and amended conditions are enclosed.

Please attach the certificate and amended conditions to your copy of the permit.

Yours sincerely

Bh coming

Brian Wesney for Unit Manager - Permitting

Encl

33 Bowen Street · PO Box 1473 Wellington · New Zcaland Telephone 64-4-472 0030 · Facsimile 64-4-499 0968



DUNEDIN LAND REGISTRY OFFICE

MINING PERMIT 41 262 CERTIFICATE OF CHANGE OF CONDITIONS

IN THE MATTER of the Crown Minerals Act 1991

AND

IN THE MATTER of mining permit 41 262 dated 2 May, 1994 in the name of Alwyn John Sarginson trading as A J Mining.

PURSUANT to section 36(1)(c) of the Crown Minerals Act 1991 and under a delegation from the Minister of Energy of 7 October 1991, the conditions specified in the Third Schedule to the above mentioned permit are hereby replaced with those attached to this Certificate, and the Second Schedule to the above mentioned permit is hereby consequently amended and replaced with that attached to this certificate.

DATED at Wellington this 25th day of July 1997.

SIGNED by PAUL STEPHEN CARPINTER, Secretary of Commerce

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SECOND SCHEDULE

MINERAL

Gold

ROYALTY

As per condition 4(a) to 4(u) of the Third Schedule.

THIRD SCHEDULE CONDITIONS OF MINING PERMIT 41 262

WORK PROGRAMME

- 1. The permit holder shall be permitted to mine in a systematic and efficient manner using the mining methods prescribed;
 - a. mining by opencut methods using skid-mounted or floating gold recovery plant and earthmoving machinery as necessary for the processing of a minimum 5,000 cubic metres of gold bearing gravels per year;
 - b. mining using a suction dredge;
 - rehabilitation as appropriate;

provided that nothing in this clause shall exempt the permit holder from any obligation to comply with the requirements of any other Act or Regulation that may affect or apply to such operations.

ANNUAL WORK STATEMENT TO BE APPROVED BY THE SECRETARY

- 2 (a) The permit holder shall, before commencing work and within 30 days following the commencement of work on this permit in each year, submit to the Secretary a proposed annual work statement and mine plan for written approval.
- (b) The proposed annual work statement and mine plan shall detail what mining activities are proposed to be undertaken during the forthcoming twelve months.
- (c) If no mining activities, or pre-development activities only, are proposed during the forthcoming twelve months the permit holder shall give reasons for this in the proposed annual work statement.
- (d) Where mining activities are proposed the proposed annual work statement shall be accompanied by a mine plan and, where applicable, shall provide details of the quantity and grades of ore to be recovered, the mining method to be used, the anticipated location of mining, the extent and direction of mining, the estimated period of mine operation and the estimated remaining recoverable reserves.
- (e) If requested by the Secretary the permit holder shall supply further information to enable a decision on approval to be made.

- (f) If requested by the Secretary the permit holder shall provide a modified proposed annual work statement and/or mine plan for approval.
- (g) The permit holder shall comply with the current approved annual work statement and mine plan (where applicable) which may include modifications to the annual work statement and mine plan initially approved.

MARKING OUT

3 If required by the Secretary the permit holder shall clearly mark the boundaries of the permit or areas defined in the approved work statement of this permit by pegs, coloured tape or other approved means.

ROYALTIES PAYABLE FROM 1 OCTOBER 1997

(Terms used in this clause shall have the same meaning as in the Minerals Programme for Minerals other than coal and petroleum (1 October 1996) unless the context indicates otherwise.)

- 4(a) Subject to condition 4(b), from 1 October 1997 the permit holder is required to calculate and is liable to pay royalties to the Crown for any period for which a royalty return must be provided, in respect of all gold (whether in its natural state or combined or converted in any manner to form a mineral concentrate) taken from the land comprised in the permit that is:
 - (i) Sold; or
 - (ii) Gifted or exchanged or bartered or removed from the permit area without sale;
 or
 - (iii) Unsold on the surrender, expiry or revocation of the permit, that is, inventory or unsold stocks of any gold or gold concentrate.
- (b) The permit holder is not liable to pay a royalty when:
 - (i) The net sales revenues from the permit are less than \$100,000 for a reporting period, except where the permit is part of a production unit; or
 - (ii) The net sales revenues from the permit average less than \$8,333 per month if the reporting period is less than 12 months, except where the permit is part of a production unit; or
 - (iii) The permit is part of a production unit and the combined net sales revenues of all permits and licences in the production unit are less than \$100,000 for a reporting period; or average less than \$8,333 per month, if the reporting period is less than 12 months.

Rate of Royalty

- (c) Subject to condition 4(b), condition 4(d) and condition 4(e), the royalty payable in each reporting period, and that must be calculated, is the higher of either a one percent (1%) ad valorem royalty on net sales revenues or a five percent (5%) accounting profits royalty on accounting profits.
- (d) Subject to condition 4(b) and condition 4(e), where net sales revenues for the permit or the production unit are \$1,000,000 (one million dollars) or less for a reporting period, the permit holder is required to calculate, and is liable to pay the 1% ad valorem royalty only, and does not have to calculate and is not liable to pay the accounting profits royalty.
- (e) Where net sales revenues for the permit or the production unit exceed \$1,000,000 (one million dollars) for a reporting period, and in the preceding reporting periods net sales revenues were \$1,000,000 or less and \$100,000 or more, the permit holder is required to calculate the provisional accounting profits royalty for that reporting period and previous reporting periods (excluding any period for which a royalty was not payable in accordance with condition 4(b)), starting from either the commencement of the permit or the previous time the accounting profits royalty was calculated.
- (f) Where the permit holder is required to calculate the accounting profits royalty, then until all restoration costs are determined in respect of the permit, the permit holder is liable to pay the higher of a 1% ad valorem royalty on net sales revenues or a 5% provisional accounting profits royalty on provisional accounting profits. In the royalty return for the final reporting period, the permit holder is required to take into account all unclaimed restoration costs, and any proceeds or gains from hire, rent, lease or disposal of land or fixed assets which have not previously been deducted, and then to calculate any liability to pay the accounting profits royalty in all reporting periods where net sales revenues for the permit or the production unit exceeded \$1,000,000 (or averaged more than \$83,333 per month if the reporting period was less than 12 months.)
- (g) The net sales revenues, ad valorem royalty, the provisional accounting profits royalty and the accounting profits royalty must be calculated in accordance with the provisions of paragraphs 15.9 to 15.47 of the Minerals Programme for Minerals other than coal and petroleum (1 October 1996).

Point of Valuation

(h) For the purpose of calculating net sales revenues, the point of valuation for the gold recovered under this permit is the point where the gold crosses the permit boundary.

Reporting Period

(i) The annual reporting period for this permit is 1 April to 31 March in the following year.

Royalty Return

- (j) The permit holder is required to provide to the Secretary a royalty return for every reporting period within the duration of the permit regardless of whether or not royalty is payable in accordance with conditions 4(a) or 4(b). The royalty return is required to be provided within five months of the end of the reporting period. The royalty return must be in the form prescribed, from time to time, in relevant regulations. If no relevant regulations have been made the royalty return must be in a form that sets out information as presented in paragraphs 15.54 to 15.57 of the Minerals Programme for Minerals other than coal and petroleum (1 October 1996).
- (k) The declaration in the royalty return filed for the permit must be signed by the permit holder.
- (1) If the net sales revenues are \$1,000,000 or less for a reporting period (or average \$83,333 or less per month, if the reporting period is less than 12 months) and the permit holder employs or engages the services of an accountant (in public practice) the accountant must also sign the declaration in the royalty return filed for the permit.
- (m) If the net sales revenues are over \$1,000,000 in a reporting period (or average more than \$83,333 per month if the reporting period is less than 12 months), the royalty return filed for the permit must also be accompanied by a written statement signed by either an accountant or an auditor. If the permit holder engages the services of an auditor to review financial statements or financial information as part of meeting the statutory requirements of the Companies Act 1993 or the Financial Reporting Act 1993, then the auditor must sign the written statement. The statement must be in the form prescribed in the relevant regulations. The statement is required to be paid for by the permit holder.

Royalty Payments

- (n) Subject to condition 4(o), where net sales revenues for any half year (six months) in a reporting period average \$8,333 or more per month, the permit holder is liable to make an interim royalty payment of 1% of the net sales revenues for that six month period. The interim royalty payment must be received by the Secretary within 30 calendar days after the end of that six month period.
- (o) Where a reporting period is less than 12 months, the permit holder is liable to make one interim royalty payment to the Secretary of 1% of the net sales revenues for the reporting period, where net sales revenues for the reporting period average \$8,333 or more per month. The interim royalty payment must be received by the Secretary within 30 calendar days of the end of the reporting period.
- (p) The permit holder must pay to the Secretary any royalty that he or she is liable to pay within five months of the end of each reporting period. If the permit holder has made any interim payments of royalty and upon completion of the royalty return, the amount of royalty that he or she is liable to pay exceeds the total amount of interim payments made, the permit holder is required to pay the difference.

Keeping of Records

- (q) The permit holder must, for the purposes of supporting the royalty return, keep for seven years or until the acceptance of the final royalty return for which the permit holder is responsible, whichever occurs first, proper books of account and records, which may include the books and records listed in paragraph 15.62 of the Minerals Programme for Minerals other than coal and petroleum (1 October 1996) maintained in accordance with accepted business practice and which explain or provide details of any aspect of the matters listed in paragraph 15.61 of the Minerals Programme for Minerals other than coal and petroleum (1 October 1996).
- (r) The permit holder must supply additional information or a detailed explanation of the basis of the royalty return to the Secretary within 30 days of receipt of a request by the Secretary for such information or explanation (refer paragraph 15.57 of the Minerals Programme for Minerals other than coal and petroleum (1 October 1996)).

Reports of Production

(s) The permit holder is required to provide to the Secretary an accurate report of gold production for the preceding six-month period within 30 calendar days following 31 March and 30 September in each year. This report may be made as part of an interim royalty statement accompanying any interim royalty payment or the royalty return or by means of a separate production report. A report of production is required to be forwarded irrespective of whether there has been any production during the relevant six-month period.

Books to be available for Inspection

(t) All books, accounts and other records of the permit holder in relation to the permit shall be available at all reasonable times for inspection, for the purpose of verifying the royalty return, by the Secretary or any person legally authorised in writing for that purpose.

Amendment of Royalty Conditions

(u) Where the Minister considers that the amount of net sales revenues specified in condition 4(d), at which and below which the permit holder is required to calculate and is liable to pay the 1% ad valorem royalty only, should be increased, the Minister may amend that condition and conditions 4(e), 4(l) and 4(m) to increase that amount by giving the permit holder one month's notice in writing.

OTHER CONSENTS AND AGREEMENTS REQUIRED

- 5 The permit holder shall ensure that all necessary resource consents and land access agreements are obtained before the commencement of mining operations.
- The permit holder shall notify the Secretary, the Inspector of Mines and appropriate local authorities when operations are due to commence.

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CROWN MINERALS GROUP

ENERGY & RESOURCES DIVISION

Mirisury of Commerce Building 33 Bowen Street P.O. Box 1473, Wellington, New Zealand Telephone (04) 472 3030 Fax (04) 499 0968



26 August 1996



District Land Registrar Private Bag DUNEDIN

90/47

Dear Sir

AMENDMENT TO THE CONDITIONS OF MINING PERMIT 41 262 A J SARGINSON

For your information the above certificate and amended conditions are enclosed.

Please attach the certificate and amended conditions to your copy of the permit.

Yours faithfully

Barry J Winfield

Senior Operations Advisor

CMG

DUNEDIN LAND REGISTRY OFFICE

MINING PERMIT 41 262 CERTIFICATE OF CHANGE OF CONDITIONS

IN THE MATTER of the Crown Minerals Act 1991

AND

IN THE MATTER of mining permit 41 262 dated 2 May 1994 in the name of A J Sarginson

PURSUANT to section 36(1) of the Crown Minerals Act 1991, the conditions specified in the Second Schedule to the above mentioned permit are hereby replaced with those attached to this Certificate.

SIGNED by KATHY SMITH, Acting Secretary of Commerce

SECOND SCHEDULE CONDITIONS OF MINING PERMIT 41 262

Work Programme

- 1 The permit holder shall be permitted to mine in a systematic and efficient manner using the mining methods prescribed:
- a mining by open-cut methods using skid-mounted or floating gold recovery plant and earthmoving machinery as necessary for the processing of a minimum 5,000 cubic metres of gold bearing gravels per year;
- b mining using a suction dredge;
- d rehabilitation as appropriate.

Provided that nothing in this clause shall exempt the permit holder from any obligation to comply with the requirements of any other Act or Regulation that may affect or apply to such operations.

Annual Work Statement to be Approved by the Secretary

- 2.a The permit holder shall, before commencing work and within 30 days following the anniversary of the grant of this permit in each year, submit to the Secretary a proposed annual work statement for written approval.
- b The proposed annual work statement shall detail what mining activities are proposed to be undertaken during the forthcoming twelve months.
- c If no mining activities, or pre-development activities only, are proposed during the forthcoming twelve months the permit holder shall give reasons for this in the proposed annual work statement.
- d Where mining activities are proposed the proposed annual work statement shall be accompanied by a mine plan and, where applicable, shall provide details of the quantity and grades of ore to be recovered, the mining methods to be used, the anticipated location of mining, the extent and direction of mining, the estimated period of mine operation and the estimated remaining recoverable reserves.
- e If requested by the Secretary the permit holder shall supply further information to enable a decision on approval to be made.

- f If requested by the Secretary the permit holder shall provide a modified proposed annual work statement and/or mine plan for approval.
- g The permit holder shall comply with the current approved annual work statement and mine plan (where applicable) which may include modifications to the annual work statement and mine plan initially approved.

Marking out

3 If required by the Secretary the permit holder shall clearly mark the boundaries of the permit or areas defined in the approved work statement of this permit by pegs, coloured tape or other approved means.

Rovalties

- The permit holder shall pay to the Secretary a royalty on any gold produced under this permit. The royalty rate will be zero per troy ounce of gold until twelve months after the date of issue of the first minerals programme applicable to gold issued in terms of Section 18 of the Crown Minerals Act 1991 when the rate specified in that minerals programme will take effect.
- b All books, accounts and other records of the permit holder in relation to the permit for the purposes of this condition shall be open at all reasonable times to inspection by the Secretary or any person legally authorised for that purpose.

Reports

The permit holder shall provide such periodic reports and returns on production as are required in the Crown Minerals Act 1991 and its regulations. In particular the permit holder shall, within thirty days following the thirtieth of June and thirty-first of December in each year, provide the Secretary with true and accurate returns of the quantity of gold mined and the value of gold sold in respect of this permit during the preceding six months. If there has been no production during the reporting period then the permit holder shall provide written notification giving reasons for the lack of production.

Other Consents and Agreements Required

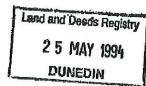
- 6 The permit holder shall ensure that all necessary resource consents and land access agreements are obtained before the commencement of mining operations.
- 7 The permit holder shall notify the Secretary, the Inspector of Mines and appropriate local authorities when operations are due to commence.

CROWN MINERALS OPERATIONS GROUP

ENERGY & RESOURCES DIVISION

Ministry of Commerce Building 35 Bowen Street P.O. Box 1473, Wellington, New Zealand. Telephone (04) 472 0030 FAX (04) 499 0968





4 May 1994

District Land Registrar Private Bag DUNEDIN

MINING PERMIT 41 262 BY A J SARGINSON TRADING AS A J MINING

I enclose 3 copies of the above permit signed by the Minister of Energy.

Would you please record the permit, number each copy, retain one copy and return the remaining copies to this office in accordance with Section 81 of the Crown Minerals Act 1991.

The registration fee is attached.

Helen Stark

for Unit Manager - Authorisations

DUNEDIN LAND REGISTRY OFFICE

MINING PERMIT 41 262 CROWN MINERALS ACT 1991

PERMIT HOLDER:

A J Sarginson

Trading as A J Mining

c/- 30 George Road, QUEENSTOWN

FIRST SCHEDULE:

CT Reference

Area

Legal Description of Permit Area

CL 386/52 6D/1163 150 hectares OTAGO LAND DISTRICT - QUEENSTOWN LAKES DISTRICT

All that area of land being Part Run 11 and Crown Land; Block XIII. Part Runs 795. 11 and 12A. Crown Land and Part Bed of Moonlight Creek, Blocks IX. XII and XIII, Glenorchy Survey District and XIII and XIV, Skippers Creek Survey District as is more particularly described in the legal description and shown on the plans attached hereto.

TERM:

Ten years

commencing on the date hereof.

<u>PURSUANT</u> to the Crown Minerals Act 1991 the Minister of Energy hereby grants to the above permit holder the right to mine the land described in the FIRST SCHEDULE hereto for those minerals specified in the SECOND SCHEDULE hereto upon the terms and conditions specified in the THIRD SCHEDULE hereto and subject to the Crown Minerals Act 1991 and any regulations made thereunder.

The grant of this permit does not entitle the permit holder to carry out any mining or enter on to any land without having obtained the relevant access arrangement in terms of the Crown Minerals Act 1991 or resource consents if required as provided for by the Resource Management Act 1991.

DATED at Wellington this 21 day of My 19 74

SIGNED by DOUGLAS LORIMER KIDD, Minister of Energy

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