

14274-7

SPECIAL LEASE OF CROWN LAND
UNDER SECTION 67(2) OF THE LAND ACT 1948

THIS DEED made the 16th day of December 2003

BETWEEN HER MAJESTY THE QUEEN acting by and through the Commissioner of Crown Lands (hereinafter with her successors and assigns referred to as "the Lessor") of the one part

AND NGĀI TAHU PROPERTY GROUP LIMITED (hereinafter with its successors and permitted assigns referred to as "the Lessee") of the other part:

WITNESSETH that in consideration of the rent hereinafter reserved, and of the covenants, conditions and agreements herein contained and implied and on the part of the Lessee to be paid observed and performed the Lessor **DOETH HEREBY DEMISE** and lease unto the Lessee all that parcel of land containing by admeasurement 1496 square metres be the same a little more or less situated in the Land District of Otago and being part of the bed of Lake Wakatipu as is outlined in red on the attached plan (hereinafter referred to as "the said land") together with the rights easements and appurtenances hereto belonging **TO HOLD** the said premises intended to be hereby demised unto the Lessee for the term of thirty-three (33) years commencing on the first day of January 2004; **YIELDING** and paying therefor unto Land Information New Zealand at Wellington the annual rent hereinafter provided

AND THE LESSEE DOETH HEREBY COVENANT WITH THE LESSOR AS FOLLOWS:

1. (a) **THAT** for the first three (3) years of the said term the Lessee shall pay an annual rent of \$1000.00 (plus GST) payable without demand by equal half-yearly payments in advance on the first day of July and the first day of January in each year.
- (b) **THAT** during each three yearly period of the balance of the said term the Lessee shall pay an annual rent to be determined in accordance with the provisions of clause 1(c) **PROVIDED HOWEVER** that such annual rent shall not in any event be less than the annual rent payable during the period of twelve months immediately prior to any review.
- (c) **THE** annual rent shall be reviewed by the Lessor by the 31st December in each three year period of this lease or any renewed term hereof ("the review dates") in the following manner;
 - (i) The Lessor shall commence a review by not earlier than three months prior to a review date giving written notice to the Lessee specifying the annual rent considered by the Lessor to be the current market rent as at that date;
 - (ii) If by written notice to the Lessor within twenty-eight days after receipt of the Lessor's notice, the Lessee disputes that the proposed new annual rent is the current market rent, then the new annual rent shall be determined by arbitration **BUT** such new annual rent shall not be less

- than the annual rent payable during the period of twelve months immediately prior to the relevant review date;
- (iii) if the Lessee fails to give such notice the Lessee shall be deemed to have accepted the annual rent specified in the Lessor's notice;
 - (iv) the annual rent so determined or accepted shall be the annual rent from the review date or the date of the Lessor's notice if such notice is given later than three months after the review date;
 - (v) pending resolution of the reviewed annual rent the Lessee shall pay the annual rent specified in the ~~Lessee's~~ ^{Lessor's} notice provided that such annual rent is supported by a valuation from an independent valuer. Upon determination of the reviewed annual rent an adjustment shall be made either by the Lessor or the Lessee if appropriate.
2. THAT the Lessee shall and will pay the annual rent hereby reserved at the times and in the manner aforesaid free of set-off, exchange and all other deductions; 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.
3. THAT the Lessee shall use the said land for the purpose of a commercial jetty with a wharf with floating jetties and/or pontoons mounted thereto, a licensed café/restaurant, booking office or any other retail, office, or commercial uses, facilities to dispense fuel, and purposes ancillary thereto as may be permitted by the territorial authority.
4. THAT the Lessee will not transfer assign sublease or otherwise dispose of its interest or any part thereof in the said land without the previous approval in writing of the Lessor which approval shall not be unreasonably withheld. The provisions of this clause shall apply to all transfers and other dispositions of shares in the Lessee company as if such shares were interests in the said land PROVIDED HOWEVER that a transfer of shares in the Lessee to any related company (as defined in section 2(3) of the Companies Act 1993) shall not require the Lessor's consent PROVIDED FURTHER THAT the Lessee may permit, licence, or sublease jetty sites for terms of no more than six months without being required to obtain the Lessor's consent.
5. THAT the Lessee may from time to time impose such conditions as it considers necessary for the purposes of ensuring the safety of the persons using the buildings and jetty constructed on the said land and to ensure the efficient operation of the jetty.
6. (a) THAT the Lessee will prior to the erection of or alterations or additions to any structure or buildings or other appliances or improvements on the said land furnish to the Lessor plans specifications and colour schemes of the structure or buildings to be erected or of the alterations or additions to be made or of other appliances or improvements to be erected and will not erect such structure or buildings or appliances or other alterations or improvements or carry out any development on the said land without the prior written approval of the Lessor whose consent will not be arbitrarily or unreasonably withheld.
- (b) THAT if at any time the Lessor considers that any remedial work or maintenance is reasonably required as a result of any work carried out by the Lessee under the terms of this lease, the Lessee shall carry out such remedial work or maintenance as is specified in writing by the Lessor within such time as the Lessor shall consider to be fair and reasonable. If the remedial work or maintenance is not carried out within the time specified the Lessee hereby agrees that the Lessor may by the

Lessor's employees and contractors enter upon the said land and do the work at the cost of the Lessee and that the Lessee will pay the costs involved upon demand from the Lessor together with interest thereon at the rate of 14% per annum from the date of expenditure to the date of actual payment.

7. THAT the Lessee will provide for the approval of the Lessor an indicative development plan showing the details of proposed developments and no approvals to new developments will be given until the Lessee has forwarded detailed plans referred to in clause 6(a) hereof to the Lessor. At all times the Lessee shall comply with the requirements under the Resource Management Act 1991.
8. THAT the Lessee will to the satisfaction of the Lessor and any other authority having jurisdiction in the matter dispose of all refuse away from the said land and will keep the said land in a clean and tidy condition to the satisfaction of the Lessor or other authority.
9. THAT the Lessee will not carry out any disturbance of the lake bed or vegetation on the said land or carry out earthworks or excavation for any purposes whatsoever without the prior approval in writing of the Lessor being first obtained, such approval not to be unreasonably or arbitrarily withheld.
10. THAT the Lessee will permit any person or persons appointed by the Lessor to inspect the said land and all buildings erections and installations situated thereon at reasonable intervals and the Lessee will immediately comply with all fair and reasonable directions from the Lessor in regard to repairs and maintenance and sanitation.
11. THAT the Lessee will with respect to its use of the said land indemnify and keep indemnified the Lessor from and against all actions suits claims demands proceedings losses damages compensation sums of money costs (including solicitor and client costs) charges and expenses whatsoever to which the Lessor shall or may be liable for or in respect of the said land or any building structure fitting fixture chattel or erection now on or hereafter erected thereon or for or in respect of the construction erection or user of any of the foregoing or for or in respect of all losses damages accidents or injuries of whatsoever nature or kind and howsoever sustained or occasioned (and whether to any property or resulting in the destruction of any property or not) at upon or in connection with the said land or any building structure fitting fixture chattel or erection as aforesaid and although outside the same or which may be consequent upon the installation maintenance working keeping or storage of any plant structure machinery or goods by the Lessee or in respect of leakage of water inflammable liquid or other liquid flowing into or from the said land AND notwithstanding that any of such actions suits claims demands proceedings losses damages compensation sums of money costs charges and expenses shall have resulted from any act or thing which the Lessee may be authorised or obliged to do under these presents and notwithstanding that any time waiver or other indulgence has been given to the Lessee in respect of any obligation of the Lessee under this lease AND IT IS HEREBY EXPRESSLY AGREED AND DECLARED that the obligation of the Lessee under this clause shall continue after the expiration or other determination of this Lease in respect of any act deed matter or thing happening before such expiration or determination.
12. THAT the Lessee shall having regard to the purpose for which this Lease is granted and the Lessee's ability to obtain an appropriate level of financial return from the improvements on the said land, provide an appropriate range of facilities and amenities for full and safe enjoyment for its patrons.

13. THAT the Lessee shall not erect or display or permit to be erected or displayed on the said land any hoardings or advertising matter of any description without first obtaining the approval of the Lessor, such approval not to be unreasonably or arbitrarily withheld.
14. THAT the Lessee will insure within the meaning ascribed to those words in the Fourth Schedule to the Land Transfer Act 1952 all buildings tenements and premises belonging to the Lessee and will produce to the Lessor on demand the receipt or receipts for the annual or other premiums payable on account thereof and the policy or policies and all moneys received pursuant to any such insurance shall be expended in or towards repair reinstatement and re-erection of buildings, structures, tenements and premises on the said land PROVIDED HOWEVER that if in the reasonable opinion of the Lessee such destroyed or damaged buildings structures tenements and premises are not to be repaired reinstated or re-erected, the Lessee may within three months of the date of any damage or destruction by notice in writing to the Lessor terminate this lease, and the Lessee shall forthwith remove the damaged or destroyed structure or buildings or the remains thereof and shall forthwith restore the said land to the satisfaction of the Lessor and that in such event the cost of removing damaged or destroyed buildings tenements and premises and restoring the area shall be paid from the proceeds of the insurance as aforesaid and the balance shall be paid to the Lessee
15. THAT the Lessee will to the fair and reasonable satisfaction of the Lessor throughout the term of this lease maintain repair and keep in good substantial repair order and condition all buildings structures and other erections now existing or hereafter erected on the said land.
16. THAT the Lessee will punctually observe and comply with and shall ensure that the Lessee's staff and employees observe and comply with every law statute rule regulation or bylaw now or hereafter in force and all consents orders and directions which may be given under the same or any of them insofar as the same or any of them relate to the said land or to the control management or use of any building structure erection or device thereon or to any business or operations conducted by the Lessee on or from the said land or to the conduct of any persons using or being upon the same or any building structure or erection thereon.
17. THAT the Lessee will from time to time during the continuance of this lease at the proper time for that purpose apply for and endeavour to obtain at its own expense all such licences permits or renewals thereof as may be necessary for the proper conduct of the Lessee's trading activities on the said land and will at the expiration or sooner determination of the term hereby granted transfer and assign and do all acts necessary for transferring and assigning such licences unto the Lessor or to such other person as the Lessor may appoint for that purpose AND that the Lessee will not do or suffer to be done any act matter or thing in or about the said land during the continuance of this lease whereby any such licence may be or become liable to be forfeited or suspended or the renewal thereof refused.
18. THAT the Lessee shall pay the Lessor's reasonable legal costs (as between solicitor and client) of and incidental to the enforcement or attempted enforcement of the Lessor's rights, remedies and powers under this Lease.
19. THAT the Lessee shall keep the said land free from all noxious aquatic and terrestrial weeds as required by the Lessor and in accordance with any applicable statutory and territorial authority requirements.

20. THAT where any GST is not paid by the Lessee as required under this lease the Lessee shall pay to the Lessor upon demand and together with the unpaid GST:

- (a) interest, at the rate of 14% per annum, on the amount of the unpaid GST and which will accrue from the Lessor's GST Date or the Lessee's GST Date (as the case may be) until the date of payment of the unpaid GST; and
- (b) any additional GST, penalty or other sum levied against the Lessor under the Goods and Services Tax Act 1985 or the Tax Administration Act 1994 by reason of either the Lessee failing to pay GST as required under this lease but does not include any sum levied against the Lessor by reason of a default by the Lessor after payment of GST to the Lessor.

AND IT IS HEREBY AGREED AND DECLARED BY AND BETWEEN THE LESSOR AND THE LESSEE:

- (a) That the Lessee shall have no right of acquiring the fee simple of the said land.
- (b) That the Lessee shall have the right to levy and collect charges for services rendered and facilities afforded from or at the said land. Such charges shall be clearly displayed for the information of members of the public visiting the said land.
- (c) That if
 - (i) The rent hereby reserved or any part thereof shall be in arrears or unpaid on any day on which the same ought to be paid and shall remain unpaid for thirty (30) days thereafter whether the same shall be lawfully demanded or not, or
 - (ii) Default is made by the Lessee in the full and faithful performance and observance of any of the covenants conditions and agreements contained in this lease, or
 - (iii) The Lessee shall become bankrupt or enter into any composition with or assignment for the benefit of its creditors (or being a company an order is made or an effective resolution is passed for winding up the company or a receiver of the assets of the company or any part thereof is appointed other than as part of the reconstruction of the company) or the Lessee shall abandon the said land or cease to function;

then in any such case it shall be lawful for the Lessor forthwith without suit notice or demand to enter in and upon the said land or any part thereof in the name of the whole and determine this lease but without discharging the Lessee from liability for rent due or accruing due or from any previous breach of the covenants conditions and agreements herein contained or implied.

- (d) That if at any time after making such enquiries as the Lessor thinks fit and after giving the Lessee an opportunity of explaining the usage of the said land the Lessor is of the opinion that the said land is not being used or is not being sufficiently used for the purpose or purposes specified in clause 3 hereof the Lessor may terminate this lease in the manner herein prescribed.

- (e) (i) That if this lease shall be terminated in accordance with clause (c) or clause (d) hereof then where the Lessor is of the opinion that the said land shall again be leased the Lessor shall cause a valuation to be made of the improvements that are then on the said land and as soon as possible thereafter shall publicly offer the said land for lease weighted with the value of improvements belonging to the Lessee.
- (ii) Where the Lessor is of the opinion that the leasing of the said land is being hindered by reason of the value of the improvements being excessive or of the terms for payment being onerous, the Lessor may in the Lessor's discretion from time to time reduce the value of the improvements or vary these terms as the case may be and again offer the said land and improvements for lease until such time as an offer suitable to the Lessor is received for the land and improvements.
- (iii) Where the said land and improvements are acquired under the provisions of this clause by an incoming lessee the value of the improvements shall be paid by him to the Lessor in cash before he is admitted into possession of the said land and from the amount so paid the Lessor shall be entitled to deduct and retain any moneys due and owing to the Lessor for any breach or default and shall forthwith pay the remainder to the Lessee hereunder
- (iv) If the Lessor should publicly offer the said land and improvements for lease as provided herein and not receive any suitable offers the Lessor may offer the improvements for sale for removal and in the event of a suitable offer being received and accepted the Lessor shall be entitled to deduct and retain any moneys due and owing to the Lessor by the Lessee including any damages assessed by the Lessor for any breach or default and to apply the remainder of such proceeds towards the costs of removal or destruction of any unsaleable items and the clearing and landscaping of the said land.
- (f) That if any improvements are destroyed by earthquake fire or tempest and are no longer required by or usable by the Lessee then the Lessee must remove such improvements from the said land and shall leave the said land in a clean and tidy state to the satisfaction of the Lessor.
- (g) That this lease is issued subject to the provisions of Section 11 of the Crown Minerals Act 1991.
- (h) Any notice required to be given by the Lessor to the Lessee under this lease may be given for and on behalf of the Lessor by the Commissioner of Crown Lands or his duly authorised agent.
- (i) If the Lessee has paid the rent hereby reserved and observed and performed the covenants and provisions hereof then the Lessee shall have the right or option (to be exercised before three (3) calendar months from the expiration of the term of this lease by notice in writing to the Lessor) to take a renewal of the term hereby created for a further period of thirty-three years from the expiration of the term hereby created at an annual rent for the first three (3) years calculated in accordance with clause 1(b) hereof and thereafter the new lease shall provide that every three (3) years throughout its term and any future term granted the annual rent for each three yearly period shall be calculated in accordance with clause 1(b)

hereof and otherwise upon and subject to the like covenants conditions and restrictions as are herein contained including this right or option of renewal.

- (j) That the Lessor may at any time transfer the Lessor's interest herein to any other party.
- (k) That these presents are intended to take effect as a lease under Section 67(2) of the Land Act 1948 and the provisions of the said Act and of the regulations made thereunder applicable to such a lease shall where not inconsistent with the provisions of this lease be binding in all respects upon the parties hereto in the same manner as if such provision had been fully set out herein.

IN WITNESS whereof the Commissioner of Crown Lands on behalf of the Lessor hath hereunto set his hand and these presents have also been executed by the said Lessee

SIGNED for and on behalf of
 the said Commissioner on
 behalf of the Lessor
 by [s 9(2)(a)]
 pursuant to a delegation
 in the presence of:

) [s 9(2)(a)]
)
)
)
)
)

Witness: [s 9(2)(a)]

Occupation: Property Manager

Address: LINZ

SIGNED by NGĀI TAHU PROPERTY
 GROUP LIMITED by its Attorneys
 and [s 9(2)(a)]
 in the presence of:

) [s 9(2)(a)]
)
)
)
)
)

[s 9(2)(a)]
 RFR/Trading Administrator
 Christchurch

03/11/2026
R.L. 313.11



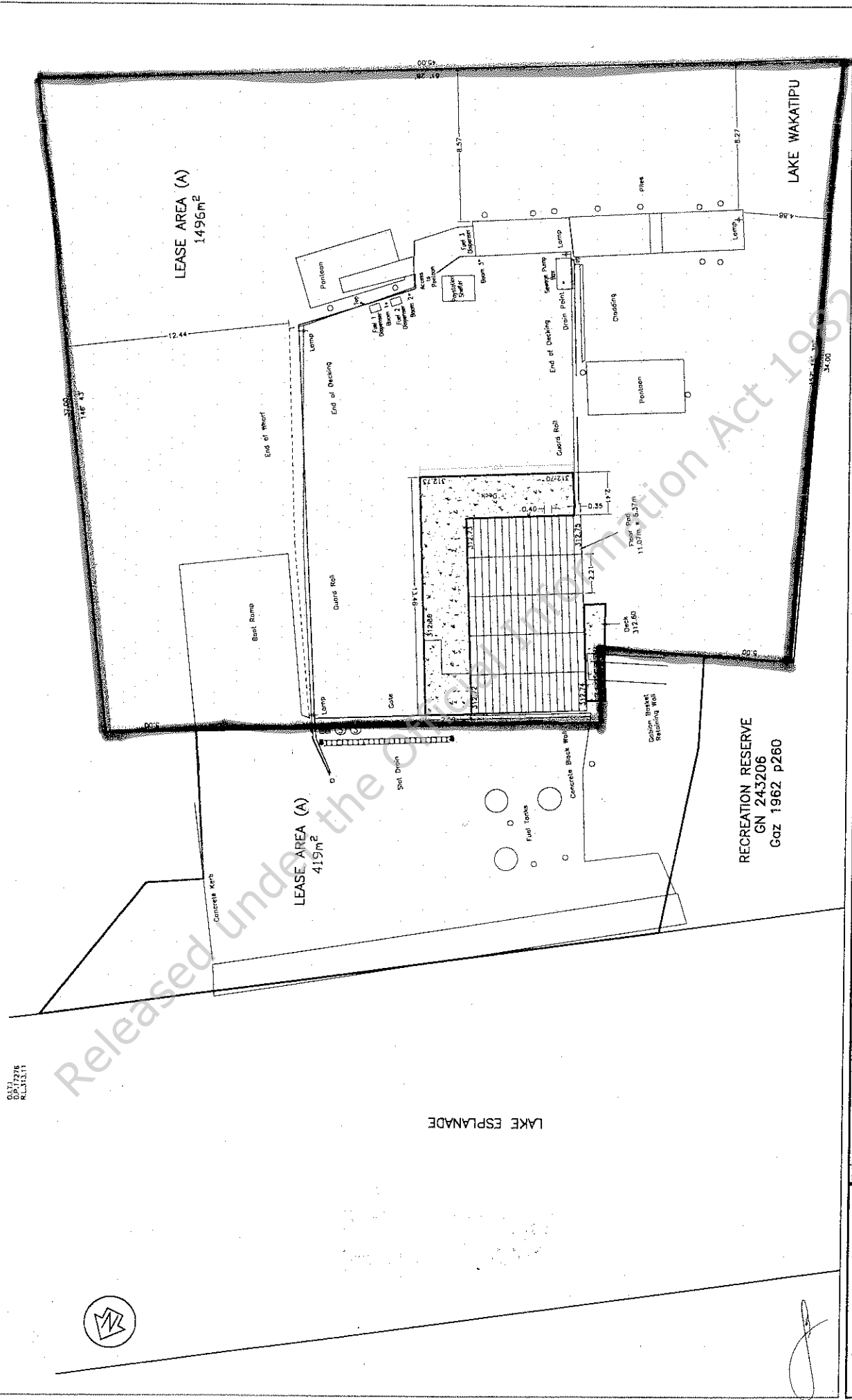
LAKE ESPLANADE

LEASE AREA (A)
1496m²

LEASE AREA (A)
419m²

RECREATION RESERVE
GN 243206
Gaz 1962 p280

LAKE WAKATIPU



<p>CLARK FORTUNE MCDONALD & ASSOCIATES REGISTERED LAND SURVEYORS AND DEVELOPERS 279 Lower Shaker Road, P.O. Box 553, Dunedin Tel: (03) 478-9999, Fax: (03) 478-1299, Email: clark@clarkfd.co.nz</p>		<p>2507 COMMENTS</p> <p>1. Ngai Tahu Properties - Day Deputies 2. Ngai Tahu Properties - Day Deputies 3. Landmark - Day Deputies 4. Landmark - Day Deputies 5. Ngai Tahu Properties - Day Deputies 6. Ngai Tahu Properties - Day Deputies</p>		<p>BY DATE</p> <p>CDJ 8/09/2001 R.L.S. 29/07/2002 R.L.S. 31/07/2002 R.L.S. 31/07/2002 R.L.S. 31/07/2002 R.L.S. 31/07/2002</p>		<p>PROJECT:</p> <p>St. Omer Wharf Ngai Tahu Properties</p>		<p>APPROVED:</p> <p>DESIGNER: J.P.W. DRAWN: C.H. 7-8-01 DATE: 24/07/02 SCALE: 1:100 OA1 1:200 OA3 JOB NO: 7764 PROJECT: 7764/5</p>	
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14274-7

Certificate of Non Revocation of Power of Attorney

We [s 9(2)(a)] and [s 9(2)(a)]

HEREBY CERTIFY:

1. That by Deed dated the 24th day of September, 2002 a copy of which is deposited with Land Information New Zealand under number 5356541.1 Ngai Tahu Property Group Limited appointed us as two of its attorneys on the terms and subject to the conditions set out in the said Deed and the attached document is executed by us under the powers thereby conferred.
2. That at the date hereof we have not received any notice or information of the revocation of that appointment by the winding up or liquidation of the said Ngai Tahu Property Group Limited or otherwise.

SIGNED at Christchurch

[s 9(2)(a)]

[s 9(2)(a)]

..... and

this 10th day of December 2003