

Crown Pastoral Land Tenure Review

Lease name : HUNTER HILLS

Lease number : PT 082

Due Diligence Report (including Status Report)

This report and attachments results from a pre-Tenure Review assessment of the pastoral lease for the purpose of confirming land available for Tenure Review and any issues, rights or obligations attaching to it. The information is gathered from files and other sources available to the LINZ contractor.

Part of the information relates to research on the status of the land, resulting in a Status Report that is signed off by a LINZ approving officer. The remainder of the information is not analysed for relevancy or possible action until required, and LINZ does not guarantee its accuracy or completeness as presented.

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

February 06

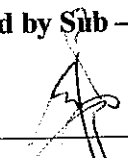
**DUE DILIGENCE REPORT
CPL PRE TENURE REVIEW ASSESSMENT STANDARD 6:**

File Ref: CON 50272/09/12702/A-ZNO **Report No:** QVV 223 **Report Date:** 11/02/2002
Office of Agent: CHRISTCHURCH **LINZ Case No:** 02/
TR 02/314 **Date sent to LINZ:** 14/02/2002

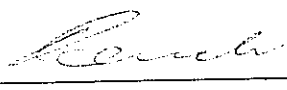
RECOMMENDATIONS

1. That the Commissioner of Crown Lands or his delegate **note** this Due Diligence Report which has been prepared in accordance with the Pre Tenure Review Assessment Standard.
2. That the Commissioner of Crown Lands or his delegate **note** that no incomplete actions have been identified as a result of this file search.
3. That the Commissioner of Crown Lands or his delegate **note** that no potential liabilities have been identified as a result of the file search.


Signed by Sub – Contractor:


Name: D. McGregor
McGregor Property Services Limited
Accredited Agent

Signed by Contractor


Name: B. Dench
Team Leader for Tenure Review
Quotable Value (Valuations)

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


Name: GRANT KASPER WEBLEY
Date of Decision: 20/2/02

1. Details of Lease:

Lease Name: Hunter Hills.

Location: Situated on Hakataramea Downs Road approximately 45 kilometres North-East of Kurow.

Lessee: Isabel Grace EMERSON, Scott Kenmore EMERSON and PMC TRUST MANAGEMENT LIMITED.

Tenure: Pastoral Lease of pastoral land under Section 66 and registered under Section 83 of the Land Act 1948 as varied by Memorandum of Renewal No. A78196.1.

Term: 33 years from 1 July 1992 (expires 30 June 2025).

Annual Rent: \$1312.50.

Rental Value: \$87,500.

Date of Next Review: 30 June 2003.

Land Registry Folio Ref: C.L. CB529/95 (Canterbury Registry).

Legal Description: Sections 4, 5, 6, and 7, S.O. 17295.

Area: 2687.9100 hectares.

2. File Search

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

File Reference	Volume	First Folio Number	Date	Last Folio Number	Date
Pt 082-SCH-01	1	66	10/12/1924	233	15/09/1949
Pt 082-SCH-02	2	234	30/04/1956	378	04/08/1969
Pt 082-SCH-03	3	379	06/08/1969	508	20/06/1980
Pt 082-SCH-04	4	509	17/06/1980	675	18/12/1984
Pt 082-SCH-05	5	676	January 1985	-	26/03/1993
Pt 082-SCH-06	6	-	26/05/1993	-	30/06/2000
Pt 082-SCH-07	7	-	01/11/1956	-	30/01/1981
Pt 082-SCH-08	8	-	03/03/1981	-	05/02/1989
Pt 070A (Plans only)	-	-	01/01/1980	-	Current
CON/50213/09/12702/A-ZNO	1	-	01/07/2000	-	Current

Files held by Q.V. Valuations on behalf of LINZ:

File Reference: CON/50272/09/12702/A-ZNO-01
 Volume: 1
 First folio: 1
 Date: August 2001.
 Last folio note: -
 Date: Current

3. Summary of Lease document: (Copy of CL CB529/95 attached as *Appendix 1*).

3.1 Terms of Lease

A 33 year term from 1 July 1992 at the Annual rental of \$1312.50 based on the Rental Value of \$87,500.

Stock limitation in Lease:

2200 sheep (2000 sheep plus 10%).

Commencement Date:

The original lease was issued 1 July 1959 at a rental of \$340.00 based on the stock limitation of 2200 sheep. The annual rental was reduced by \$40 to \$300 as a consequence of the surrender of land in 1971 (Partial Surrender 850623). The lease was renewed for a further term of 33 years from 1 July 1992 by Memorandum of Renewal of Lease No. A78196.1 (registered on 27 October 1993) whereupon the Annual rental of \$1312.50 was calculated on the Rental Value of \$87,500.

Other Provisions:

Nil.

3.2 Area adjustments

There have been considerable historical adjustments to the area undertaken and fully completed.

The only adjustment to the lease since full survey in 1989 (S.O. 17295) related to the surrender of Sections 1-3, S.O. 17295 (registered as Partial Surrender 921324) and subsequently declared Conservation land.

3.3 Registered Interests

Mortgage

5040487.1 to National Bank of New Zealand registered on 10 May 2001.

3.4 Unregistered Interests

There are no Recreation permits or other known unregistered interests in existence over the lease.

Unregistered Mortgages / debts

None known.

4. Summarise any Government programmes approved for the lease:

A Land Improvement Agreement was entered into between the then lessee and the Waitaki Catchment Commission in 1980 but has never been registered against the lease (a copy of the executed Agreement is not available from the Canterbury Regional Council). However the works, as proposed, involved retirement, offsite and other fencing, provision of an alternative water supply, and cultivation development to facilitate the retirement of 1857 ha of erosion prone land.

In 1982 an extension to the original LIA provided for the retirement of 2327 ha (and surrender from the lease or letting on Pastoral Occupation Licence) by upgrading the existing conservation fence and the provision of a green belt area, offsite development, windbreak and erosion control fencing and tracking upgrade.

The retired area (now Sections 1-3, S.O. 17295 – 1995.0600 ha) was formally surrendered by Memorandum of Partial Surrender 931324.1 and has been declared Conservation land.

The property is not part of any Rabbit and Land Management Plan.

5. Summary of Land Status Report:

A Land Status Report undertaken by McGregor Property Services Limited for and on behalf of Q V Valuations on 18 January 2002, confirms the status of the land as Crown Land, leased pursuant to Section 66 of the Land Act 1948, and registered under Section 83 of the same Act.

The land is subject to the registered interests included in *Clause 3.3* above and Part IVA of the Conservation Act 1987, upon disposition.

The minerals remain with the Crown as the land has never been alienated since its acquisition from the original Maori owners under the Kemp Purchase.

The report notes that:

- 1) The topographical map reveals that the southern fenced boundary does not conform to the legal boundaries.
- 2) S.O. 11929 (Diagram B) shows a proposed Water Supply Easement from the Wyatt Stream over R.S. 40006 in favour of the former Run 65 (now Section 4, S.O. 17295). However formalisation appears to have been overlooked.

[A further check has revealed that the lease is unaffected by the proposed easement at (2) above (as clarified by the superseding S.O. 14357 over RS 40806 – formerly RS 40006)].

A copy of SO 14357 is attached as Appendix 2.

Copy of the Land Status Report attached as *Schedule A*

6. Review of Topographical and Cadastral data:

The maps attached to the Land Status Report show there are no known transmission or local power lines, telecommunication other hilltop installations, huts, historical sites, airstrips, dams or water races on the property.

6.1 Legal Roads – formed and paper

The Land Status Report indicates that S.O.2722 as supported by S.O.'s 14146, 15168 and 17295 denote the roads abutting the property as legal by Section 110A of the Public Works Act 1928.

6.2 Fenced Boundaries v Legal Boundaries (peripheral):

While the topographical map shows that the legal boundary does not confer with the fenced boundary the recent survey (S.O. 17295- Sheet 3 of 3) shows that the boundary is the fenceline.

7. Details of any neighbouring Crown or Conservation land:

Eastern Boundary	<i>Section 1, SO 17295 - (Conservation land by N.Z. Gazette 1997 p.4269).</i>
Southern Boundary	<i>R.S.42257 – Stewardship land held by DoC pursuant to Section 62 of the Conservation Act 1987.</i>

Section 1, 3 and 4, S.O. 18590 - (Asheridge Pastoral lease).

8. Summarise any uncompleted actions or potential liabilities:

There are no incomplete actions or potential liabilities.

Schedule A – Land Status Report.

APPENDICES

- 1. Copy of Lease Document.**
- 2. Copy of S.O. 14357.**

Schedule A

PROPERTY 1 of 2

**Appendix A - Land Status Report
(and supporting plans)**

**Q.V. VALUATIONS
OF ISTCHURCH OFFICE**

APPENDIX A1

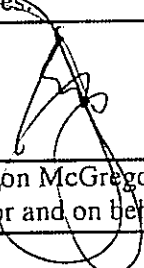
Project Number : QVV:222

This report has been prepared on the instruction of Land information New Zealand in terms of Contract No. 50272 (as yet undated) and is undertaken for the purposes of the Crown Pastoral Land Act 1998.

LAND STATUS REPORT for Hunter Hills Tenure Review	LIPS Ref: 12702
Property 1 of 2	

Land District	Canterbury.
Legal Description	Sections 4, 5, 6, and 7, S.O. 17295.
Area	2687.9100 hectares.
Status	Crown land subject to the Land Act 1948.
Instrument of lease	Pastoral Lease CL CB529/95 pursuant to Section 66 and registered under Section 83 of the Land Act 1948 as varied by Memorandum of Renewal A78196.1.
Encumbrances	Subject to Part IVA of the Conservation Act 1987.
Mineral Ownership	The Mines and Minerals are owned by the Crown because the land has never been alienated from the Crown since its acquisition for settlement purposes from the former Maori owners under the 1848 Kemp Deed of Purchase.
Statute	Land Act 1948 and Crown Pastoral Land Act 1998.

Data Correct as at	18 January 2002.
[Certification Attached]	Yes



Prepared by Crown Accredited Supplier	Don McGregor, McGregor Property Services Limited, Christchurch for and on behalf of Q.V. Valuations.
--	--

NOTES: This information does not affect the status of the land but was identified as possible requiring further investigation at the due diligence stage: See Crown Pastoral Standard 6	<ol style="list-style-type: none"> 1) Please note additional Report within the periphery of / adjoining the lease. 2) The topographical map reveals that the southern fenced boundary does not conform to the legal boundaries. 3) SO11929 (Diagram B) shows a proposed Water Supply Easement from the Wyatt stream over RS 40006 in favour of the former run 65 (now section 4, SO17295). However, formalisation appears to have been overlooked.
--	---

LAND STATUS REPORT for Hunter Hills Tenure Review

LIPS Ref: 12702

Property 1 of 2

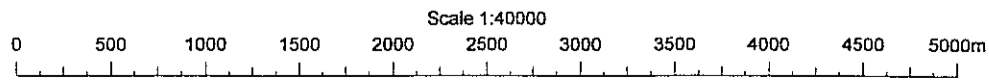
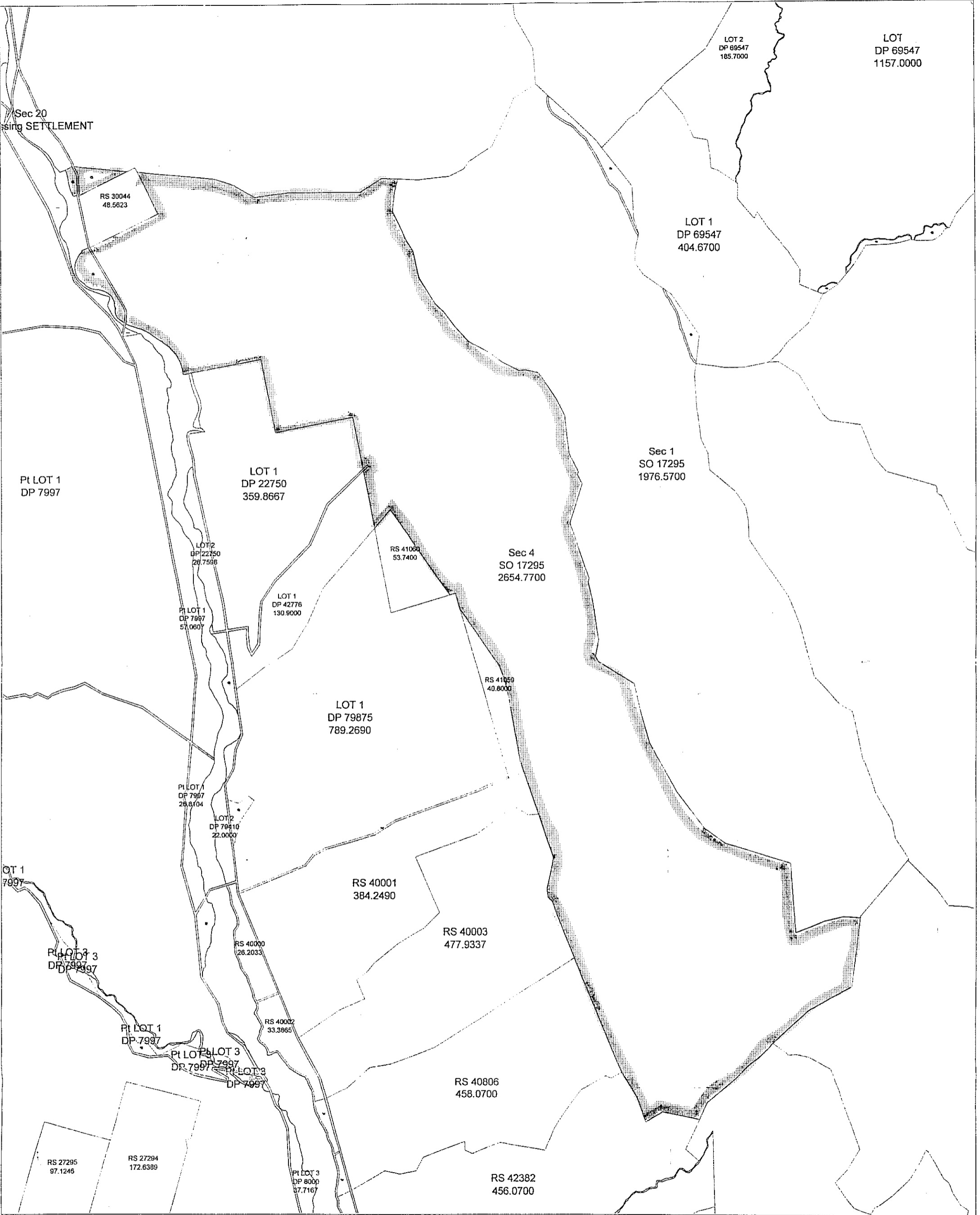
Research Data: Some Items may not be applicable

SDI Print Obtained	Yes.
NZMS 261 Ref	I 39/J 39.
Local Authorities	Waimate and Mackenzie District Councils.
Crown Acquisition Map	Kemp Deed of Purchase.
SO Plans	<p>SO 2722 - Plan of Part Hakataramea Valley – Mackenzie District (circ late 1870's).</p> <p>SO 10362 - Plan of Roads to be closed adjoining... ..and Run 65 (Approved 10 March 1965).</p> <p>SO 11063 – Plan of adjoining Mt Nessing Settlement (Approved 7 July 1968).</p> <p>SO 11423 – Plan of Plan of R.S.'s 39887, 39888 and Parts Run 65 (Approved 09/07/1970).</p> <p>SO 11929 – Plan of R.S. 40006 and Proposed Easement - Moorland Farm Settlement (Approved 5 March 1973).</p> <p>SO 14146 – Plan of Run 346 "Hakataramea Downs" (Approved 16/10/1976).</p> <p>SO 15161 – Plan of R.S.'s 41059 and 41060 (Approved 30/06/1980).</p> <p>SO 15168 – Plan of Run 350 "Hakataramea Downs" (Approved 31/03/1980).</p> <p>SO 15932 – Plan of RS 41697 (approved 30/9/1983)</p> <p>SO 17108 and 17116 – DoC Allocation Plans.</p> <p>SO 17295 – Plan of Sections 1-7 (Approved 14/06/1989).</p> <p>SO 19034 – Plan of Waterways in Pastoral lease 529/95 along which Section 24 of the Conservation Act applies (Approved 02/07/1993).</p> <p>SO 19916 – Plan of Statutory Acknowledgement for Hakataramea River in Schedule 16 of the Ngai Tahu Claims Settlement Act 1998.</p>
Gazette Notices	<p>N.Z. Gazette 1966 p347 (Proclamation 677787) Closed ares of road (SO 10362) adjoining or passing through Run 65 etc., pursuant to Section 29 of the Public Works Act 1928.</p> <p>N.Z. Gazette 1997 p4269 declared Sections 1-3, SO 17295 to be held for Conservation purposes pursuant to TO Section 7(1) of the Conservation Act 1987.</p>
Lease Ref	Pastoral Lease CL CB529/95 pursuant to Section 66 and registered under Section 83 of the Land Act 1948 as varied by Memorandum of Renewal A78196.1.

Leg...sation Cards	Searched. SO 11423 – No cards - action completed. SO 17295 – Legalisation of Sections 1-3 – for Conservation purposes by N.Z. Gazette 1997 p4269 completed.
CLR	Confirms Pastoral Lease tenure.
Allocation Maps (if applicable)	Searched. No DoC or SOE Allocations are within the lease. DoC allocation J39/K39-16 (SO 17116) being DoC stewardship land adjoins (mow RS 42257). Extracts of DoC Allocation Maps and Schedules attached.
VNZ Ref – if known	VR 25170/20200.
Crown Grant Maps	Not applicable.
Subject Land Marginal Strip: a) Type [Sec 24(9) or Sec 58] b) Date Created c) Plan Reference	a) Section 24(9) of the Conservation Act 1987 – along both banks of the Two Legged stream and as marked A-B and C-D (on SO 19034) on the left bank of the Hakataramea river. b) 02 July 1993. c) S.O. 19034.

LAND STATUS REPORT for Hunter Hills Tenure Review	LIPS Ref 12702
Property 1 of 2	

If Crown land – Check Irrigation Maps	Searched – Not applicable.
Mining Maps	Searched – Not applicable.
If Road a) Is it created on a Block Plan – Section 43(1)(d) Transit NZ 1989 b) By Proclamation c) Gazette Ref:	a) SO Plan 2722 and supported by S.O.'s 14146, 15168 and 17295 denoting Roads coloured burnt sienna as legal by Section 110A of the Public Works Act 1928. b) Not applicable. c) Not Applicable.
Other relevant information a) Concessions – Advice from DOC or Knight Frank. b) Subject to any provisions of the Ngai Tahu Claims Settlement Act 1998 c) Mineral Ownership d) Other Info	a) No current DOC concessions exist within the lease boundaries. The only DOC interests are in the Marginal Strips existing and those yet to be defined. No current concessions are administered over this lease by Knight Frank Limited b) The adjacent Hakatamea River is recorded as a Statutory Acknowledgement in Schedule 16 (S.O. 19916) of the Ngai Tahu Claims Settlement Act 1998. c) Mines and Minerals are owned by the Crown because the land has never been alienated from the Crown since its acquisition for settlement purposes from the former Maori owners under the 1848 Kemp Deed of Purchase. d) Not applicable.



**Appendix B – Land Status Report
(Certified Correct by Chief Surveyor)**

LAND STATUS REPORT

**for
Tenure Review**

HUNTER HILLS

**Prepared by Don McGregor, McGregor Property Services Limited
for and on behalf of Q.V. Valuations**

December 2001

**Q.V. VALUATIONS
CHRISTCHURCH OFFICE**

APPENDIX B

Project Number : QVV 222

This report has been prepared on the instruction of Land Information New Zealand in terms of Contract No : 50272 (as yet undated) and is undertaken for the purposes of the Crown Pastoral Land Act 1998.

LAND STATUS REPORT for Hunter Hills Tenure Review				LIPS Ref: 12702
Property	1	of	1	

Land District	Canterbury
Legal Description	Sections 4,5, 6, and 7, S.O.17295.
Area	2687.9100 hectares.
Status	Crown land subject to the Land Act 1948.
Instrument of title / lease	Pastoral Lease CL CB529/95 pursuant to Section 66 and registered under Section 83 of the Land Act 1948 as varied by Memorandum of Renewal A78196.1.
Encumbrances	Subject to Part IVA of the Conservation Act 1987.
Statute	Land Act 1948 and Crown Pastoral Land Act 1998.

Data Correct as at	10 December 2001.
[Certification Attached]	Yes

Prepared by	(Don McGregor)
Crown Accredited Supplier	McGregor Property Services Limited, Christchurch for and on behalf of Q.V. Valuations

Certification:

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

R. Moulton

Date: 19/12/2001

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

Notes:

- 1) Variation of Lease 566112.2 has no validity as a consequence of Partial Surrender 921324.1.
- 2) The baseline Legal Description shown on the attached lease copy is incorrect as Sections 1-7, SO 17295 represented all the land in the then lease.

CERTIFICATION

Report to the Chief Surveyor, Christchurch, for certification of Status Investigation for the HUNTER HILLS Pastoral Lease Tenure Review.

1. I, Donald McGregor of McGregor Property Services Limited, acting for and on behalf of Opus International Consultants Limited, certify that the status report enclosed for certification is in order for signature.
2. In giving this certification I, Donald McGregor of McGregor Property Services Limited, acting for and on behalf of Opus International Consultants Limited, undertake that the status report has been completed in compliance with all relevant policy instructions and in particular, OSG Standard 1999/05 and the Regulatory Chiefs' Land Status Investigations Guidelines 1999/01.



D McGregor
McGregor Property Services Limited
Accredited Supplier
10 December 2001

PROPERTY 2 of 2

**Appendix A - Land Status Report
(and supporting plans)**

**Q V VALUATIONS
CL ISTCHURCH OFFICE**

Project Number QVV 222

This report has been prepared on the instruction of Land information New Zealand in terms of Contract No. 50272 (as yet undated) and is undertaken for the purposes of the Crown Pastoral Land Act 1998.

LAND STATUS REPORT for Hunter Hills Tenure Review (Freehold land)	LIPS Ref: Not Applicable
Property 2 of 2	

Land District	Canterbury.
Legal Description	Rural Section 30044, situated in Block XVI, Mackenzie Survey District.
Area	48.5622 hectares.
Status	Freehold land held by Isabel Grace EMERSON, Scott Kenmore EMERSON and PMC TRUST MANAGEMENT LIMITED.
Instrument of title	CT CB25B/354.
Encumbrances	Nil.
Mineral Ownership	Mines and Minerals held in freehold ownership.
Statute	Not applicable.

Data Correct as at	18 January 2002.
---------------------------	------------------

Prepared by Crown Accredited Supplier	Don McGregor, McGregor Property Services Limited, Christchurch For and on behalf of QV Valuations
--	--

NOTES: This information does not affect the status of the land but was identified as possible requiring further investigation at the due diligence stage: See Crown Pastoral Standard 6	Not applicable.
--	-----------------

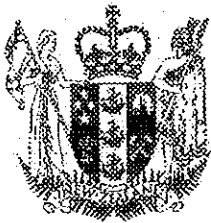
LAND STATUS REPORT for Hunters Hills Tenure Review (Freehold land)	LIPS Ref Not Applicable
Property 2 of 2	

Research Data: *Some Items may not be applicable*

SDI Print Obtained	Yes.
NZMS 261 Ref	I39/J39.
Local Authority	Mackenzie District Council.
Crown Acquisition Map	Not applicable.
SO Plans	SO 2722 – Plan of Part Hakataramea Valley – Mackenzie District (circa late 1870's).
Relevant Gazette Notices	Not applicable.
CT Ref	CT CB25B/354.
Legalisation Cards	Not applicable.
CLR	Not Crown land.
Allocation Maps (if applicable)	Not applicable.
VNZ Ref – if known	Not known.
Crown Grant Maps	S.O. 2722.
If Subject Land Marginal Strip: a) Type [Sec 24(9) or Sec 58] b) Date Created c) Plan Reference	a) Not applicable. b) Not applicable. c) Not applicable.

LAND STATUS REPORT for Hunter Hills Tenure Review (Freehold land)		LIPS Ref Not Applicable
Property 2 of 2		
If Crown land – Check Irrigation Maps	Not Applicable.	
Mining Maps	Not Applicable.	
If Road a) Is it created on a Block Plan – Section 43(1)(d) Transit NZ 1989 b) By Proc	a) SO Plan 2722 and supported by SO's 14146, 15168 and 17295 where Road adjoining Rural Section 30044 is denoted as legal by Section 110A of the Public Works Act 1928. b) Proc Plan Not applicable. c) Gazette Ref Not applicable.	
Other relevant information a) Concessions – Advice from DOC or Knight Frank. b) Subject to any provisions of the Ngai Tahu Claims Settlement Act 1998 c) Mineral Ownership d) Other Info	a) Not applicable. b) Not applicable. c) Remains with CT CB25B/354. d) Not applicable.	

APPENDIX 1



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



Historical Search Copy

R. W. Muir
Registrar-General
of Land

Identifier CB529/95
Land Registration District Canterbury
Date Registered 19 March 1959 09:17 am

Part-Cancelled

Type	Lease under s83 Land Act 1948	
Area	4855.0000 hectares more or less	Term 33 years commencing on the first day of July 1959 and extending the term for a further 33 years commencing on 1.7.1992

Legal Description Part Run 346, Part Run 350, Section 1-7
Survey Office Plan 17295, Rural Section
41059, Rural Section 41060 and Rural
Section 41697

Original Proprietors
Hunter Hills Farming Company Limited

Interests

- 850625 Certificate of Alteration varying the terms of the within Lease - 30.11.1971 at 9.15 am
- 191179.1 Certificate of Alteration under s113 Land Act 1948 - 25.8.1978 at 10.03 am
- 436903.1 Surrender of the within lease as to RS 41059 and 41060 (94.5400 hectares) part herein and CT CB25A/206 issued - 21.6.1983 at 11.20 am
- 566112.1 Surrender of the within lease as to Rural Section 41697 (77.0000 hectares) part herein - 12.9.1985 at 11.51 am
- 566112.2 Variation of the within Lease - 12.9.1985 at 11.51 am
- 899381.3 Variation of the terms of the within Lease - 26.9.1990 at 11.57 am
- 921324.1 Partial Surrender of the within Lease as to Section 1, 2, 3 S.O. Plan 17295 - 20.2.1991 at 10.59 am
- A78196.1 Variation of the within lease and extension of the term for 33 years commencing on 1.7.1992 - 27.10.1993 at 11.56 am
- 5018320.1 Transfer to Isabel Grace Emerson - 12.1.2001 at 9:00 am
- 5025416.1 Transfer to Isabel Grace Emerson, Scott Kenmore Emerson and PMC Trust Management Limited - 21.2.2001 at 3:27 pm
- 5040487.1 Mortgage to The National Bank of New Zealand Limited - 10.5.2001 at 9:00 am

Not Registered under Land Transfer Act.—Registered under Section 83, and Act, 1948

Issued as a Renewal of (or in Exchange for) Lease

registered in Vol. fol.

NEW ZEALAND

CANTERBURY LAND DISTRICT



Entered in the Register-book, Vol. 529 fol. 95.

1948, at 9 11 o'clock.

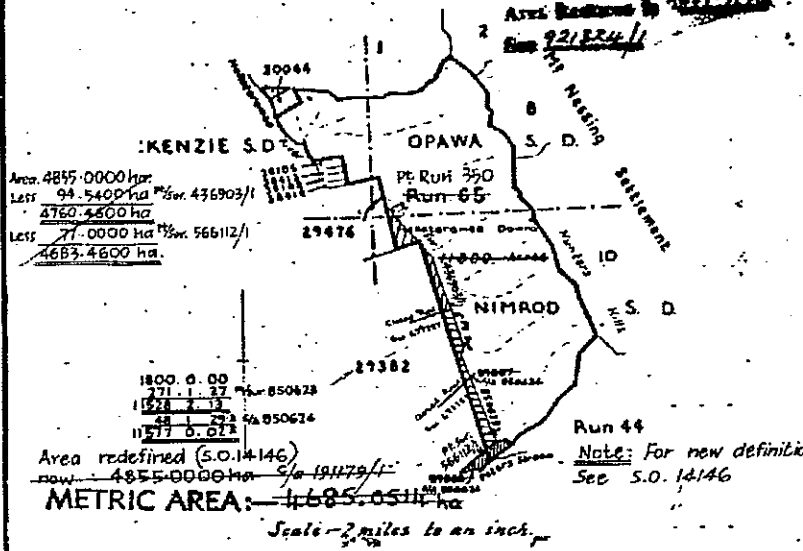
John Land Registrar.

Image Quality due to Condition of Original

Pastoral Lease of Pastoral Land under the Land Act, 1948

No. P.82

This Deed, made the first day of March, one thousand nine hundred and fifty-nine, between the Lessor and the Lessee...



is hereinafter referred to as "the Lessee", of the other part. WITNESSETH that, in consideration of the rent hereinafter reserved, and of the covenants, conditions, and agreements herein contained or implied and on the part of the Lessee to be paid, observed, and performed, the Lessor doth hereby demise and lease unto the Lessee ALL that piece or parcel of land containing by admeasurement Eleven thousand Eight hundred (11,800) acres...

(hereinafter referred to as "the said land"), as the same is more particularly delineated in the plan drawn hereon and therein coloured red in outline; together with the rights, easements, and appurtenances thereto belonging. TO HOLD the said premises intended to be hereby demised unto the Lessee for the term of thirty-three years, commencing on the first day of July one thousand nine hundred and fifty-nine, together with the period between the date of this lease and the aforesaid first day of July...

- AND the Lessee doth hereby covenant with the Lessor as follows, that is to say:
1. THAT the Lessee will fully and punctually pay the rent hereinafter reserved at the times and in the manner hereinafter named in that behalf; and also will pay and discharge all rates, taxes, assessments, and outgoings whatsoever that now are or hereafter may be assessed, levied, or payable in respect of the said land or any part or parts thereof during the said term.
2. THAT the Lessee will within one year after the date of this lease take up his residence on the said land, and thereafter throughout the term of the lease will reside continuously on the said land.
3. THAT the Lessee will hold and use the said land bona fide for his own use and benefit and will not transfer, assign, sublet, mortgage, charge, or part with possession of the said land or any part thereof without the previous approval of the Land Settlement Board: Provided that such approval will not be necessary in the case of a mortgage to the Crown or to a Department of State.
4. THAT the Lessee will at all times farm the said land diligently and in a husbandlike manner according to the rules of good husbandry and will not in any way commit waste.
5. THAT the Lessee will throughout the term of his lease to the satisfaction of the Commissioner of Crown Lands for the Land District of Canterbury (hereinafter referred to as "the Commissioner") cut and trim all his fences and hedges, clear and keep clear the said land of all noxious weeds, and will comply strictly with the provisions of the Noxious Weeds Act, 1928.
6. THAT the Lessee will keep the said land free from wild animals, rabbits, and other vermin, and generally comply with the provisions of the Rabbit Nuisance Act, 1928.
7. THAT the Lessee will clean and clear from weeds and keep open all creeks, drains, ditches, and watercourses upon the said land, including any drains or ditches which may be constructed by the Commissioner after the commencement of the term of the lease; and will not at any time without the prior consent of the Commissioner alter the channel of any such creek or watercourse or stop or divert the water flowing therein.
8. THAT the Lessee will at all times during the said term repair and maintain and keep in good substantial repair, order, and condition all improvements belonging to the Crown (including those specified in the Schedule hereto which are being purchased by the Lessee) now or hereafter erected on the said land, and will not, without the prior written consent of the Commissioner, pull down or remove them or any part of them.
9. THAT the Lessee will insure all buildings belonging to the Crown (including those specified in the Schedule hereto which are being purchased by the Lessee) now or hereafter erected on the said land to their full insurable value in the name of the Commissioner in some insurance office approved by the Commissioner and will pay all premiums falling due under every such insurance policy and deposit with the Commissioner every such policy and, not later than the forenoon of the day on which any such premium becomes payable, the receipt for that premium.
10. THAT the Lessee will not throughout the term of the term without the prior consent of the Commissioner, which consent may be given on such terms and conditions (including the payment of royalty) as the Commissioner thinks fit, fell, sell, or remove any timber, tree, or bush growing, standing, or lying on the said land, and that he will throughout the term of the lease prevent the destruction of any such timber, tree, or bush unless the Commissioner otherwise approves: Provided that the consent of the Commissioner as aforesaid shall not be necessary where any such timber or tree is required for any agricultural, pastoral, household, roadmaking, or building purpose on the said land nor where the timber or tree has been planted by the Lessee.
11. THAT the Lessee shall not, except for the purpose of complying with any of the provisions of the State-Use Trench Act, 1945, burn any tussock, scrub, fern, or grass on the said land, nor permit any tussock, scrub, fern, or grass on the said land to be burned, unless in either case he shall have obtained the prior consent in writing of the Commissioner, which consent may be given subject to such terms and conditions as the Commissioner may deem necessary.
12. THAT officers and employees of the Department of Internal Affairs shall at all times have a right of ingress, egress, and regress over the land comprised in this lease for the purpose of determining whether such land or any adjoining land is infested with deer, wild goats, wild pigs, opossums, or other animals which the said Department is charged with the duty of exterminating or controlling, or for the purpose of destroying any such animals: Provided that such officers and employees in the performance of the said duties shall at all times avoid undue disturbances of the Lessee's stock.

AND it is hereby agreed and declared by and between the Lessor and the Lessee:—
(c) THAT the Lessee shall have the exclusive right of pasturage over the said land, but shall have no right to the soil.
(d) THAT the Lessee shall have no right, title, or claim whatsoever to any minerals (within the meaning of the Land Act, 1948) on or under the surface of the soil of the said land, and all such minerals are reserved to His Majesty together with a free right of way over the said land in favour of the Commissioner or of any person authorized by him and of all persons lawfully engaged in the working, extraction, or removal of any mineral on or under the surface of the said land or any adjacent land of the Crown, subject to the payment to the Lessee of compensation for all damage done to improvements on the said land belonging to the Lessee in the working, extraction, or removal of any such minerals: Provided that there shall be no right of way over, or right to work, extract, or remove any mineral from, any part of the said land which is for the time being under crop or used or situated within 60 yards of a yard, garden, orchard, vineyard, nursery, or plantation, or within 100 yards of any buildings: Provided also that the Lessee may, with the prior consent in writing of the Commissioner, which consent may be given subject to such conditions as the Commissioner thinks fit, use any such minerals for any agricultural, pastoral, household, roadmaking, or building purpose on the said land, but not otherwise.
(e) THAT upon the expiration by effluxion of time of the term hereby granted and thereafter at the expiration of each succeeding term to be granted to the Lessee the outgoing Lessee shall have a right to obtain, in accordance with the provisions of section 66 (3) of the Land Act, 1948, a new lease of the land hereby leased at a rent to be determined in accordance with the provisions of Part VIII of the said Act for a term of thirty-three years computed from the expiration of the term hereby granted and subject to the same covenants and provisions as this lease, including this present provision for the renewal thereof and all provisions ancillary or in relation thereto.

529/95

- (4) THAT the Lessee shall have no right of acquiring the freehold of the said land;
- (5) THAT the Lessee may, with the prior consent in writing of the Commissioner given subject to such conditions as the Commissioner may deem necessary,
 - (i) Cultivate any portion of the said land for the purpose of growing winter feed for the stock depastured thereon;
 - (ii) Crop mark area of the said land as is sufficient for the use of himself and family and his employees;
 - (iii) Plough and sow in grass any portion of the said land;
 - (iv) Clear any portion of the said land by felling and burning bush or scrub and sow the land so cleared in grass;
 - (v) Suffer to grow in grass any portion of the said land;
 Provided that the Lessee shall, on the termination of the lease, leave the whole of the area that has been ploughed or cultivated properly laid down in good permanent clover and grass to the satisfaction of the Commissioner.
- (6) THAT the Lessee shall exercise due care in stocking the said land and shall not overstock and, for the purpose of this clause, the Lessee shall be deemed not to have failed to use due care in stocking or to have overstocked so long as the number of sheep depastured on the said land does not exceed 2200 (being an increase of ten per cent on the carrying capacity on which is based the rent hereinbefore reserved) but the Commissioner may, by notice in writing, permit the Lessee to depasture thereon any greater number should he deem it advisable or expedient to do so. Any permission so granted shall be subject to revocation or amendment by the Commissioner at any time and in particular in the event of a transfer. Any variation consented to by the Commissioner shall not affect the rent payable hereunder.
- (7) THAT if the Lessee shall leave New Zealand or abandon the said land or if he cannot be found or if he shall neglect or fail or refuse to comply with the covenants and conditions herein expressed or implied to the satisfaction of the Land Settlement Board or the Commissioner, as the case may be, or make default for not less than two months in the payment of rent, water levy, or other payments due to the Lessee, then the Land Settlement Board may, subject to the provisions of section 116 of the Land Act, 1949, declare this lease to be forfeit, and that without discharging or releasing the Lessee from liability for rent due or accruing due or for any prior breach of any covenant or condition of the lease.
- (8) THAT these presents are intended to take effect as a pastoral lease under the Land Act, 1949, and the provisions of the said Act and of the regulations made thereunder applicable to such leases shall be binding in all respects upon the parties hereto in the same manner as if such provisions had been fully set out herein.

SCHEDULE

Improvements Removable to the Crown and Being Purchased by the Lessee

In witness whereof the Commissioner of Crown Lands for the Land District of ... hand, and these presents have also been executed by the said Lessee.

... on behalf of the Lessor, hath hereunto set his

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

Witness: J. McCarroll
 Occupation: Head Office Clerk
 Address: Auckland

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

Witness: R. M. Maclean
 Occupation: Field Officer
 Address: Box 22, Timaru

A. J. Smith
 Commissioner of Crown Lands

A. J. Smith
 Lessee

- (c) THAT the Lessee shall exercise due care in stocking the said land and shall not overstock and, for the purpose of this clause, the Lessee shall be deemed not to have failed to use due care in stocking or to have overstocked so long as the number of sheep depastured on the said land does not exceed 2200 (being an increase of ten per cent on the carrying capacity on which is based the rent hereinbefore reserved) but the Commissioner may, by notice in writing, permit the Lessee to depasture thereon any greater number should he deem it advisable or expedient to do so. Any permission so granted shall be subject to revocation or amendment by the Commissioner at any time and in particular in the event of a transfer. Any variation consented to by the Commissioner shall not affect the rent payable hereunder.

DISCHARGED

Mortgage 467 William Taylor to the National Mortgage and Agency Company of New Zealand - 28/5/1964

Transfer 61980 to the above named Allan Taylor Smith as Lessee entered 5/3/1964 at 11:11

Transfer 619830 to Lindsay Gordon Roy of Timaru stock farm through the above named Allan Taylor Smith at 5/3/1964 at 11:13

Transfer 639704 to Euan Graham Smith of Haketere entered 15/1/1964 at 12:10

Mortgage 639706 to Allan Taylor Smith at 15/1/1964 at 12:10

DISCHARGED

LAND & DEEDS

Name: National Trust

File: 662

Date: 19 MAR 1965

Page: 97am

Fee: £1.50

Allocated: 1949

Proclamation: 677787 proclaiming part of the road adjoining the within land closed 25/3/1966 at 2.45p

Transfer 711367 to David Gilbert Smith and Donald Bruce Smith both of Haketere as Farmers & tenants in common in equal shares 19.5.1967 at 9.55

Mortgage 711368 to David Gilbert Smith and Donald Bruce Smith 19.5.1967 at 9.55

No. 850623 Partial Surrender of the within lease 25.11.1971 at 9.15 (Part of within lease 711368 containing)

No. 850624 Certificate of alteration whereby the of the within lease is increased to 115.77 acres 2.3 perches by the incorporation of Rural Sect 39887 and 39888 Block V Hakedere Survey - 30.11.1971 at 9.15

No. 850625 Certificate of alteration varying the terms of the within lease - 30.11.1971 at 9.15 (Restriction granted £500)

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

A. J. Smith A.L.R.

105350/1 Change of appellation whereby the description of the within land is changed to "Run 346 HAKATARAMEA Downs" AND THE AREA IS 6855.0 HA produced this 10th day of November 1976 at 2.11pm Assistant Land Registrar

DISCHARGED Mortgage 451379/10 to The Rural Banking and Finance Corporation 7.5.1987 at 9.27a.m.

Mortgage 155712/1 to Raymond Raymond Ward & Sullivan Securities Limited 15.11.1977 at 10.27 a.m.

46360/1 Change of appellation whereby the description of the within land is changed to Rural Section 41697 (77.000 hectares) Part Run 350 (Hakataramea) produced this 18th day of November 1983 at 2.00pm Assistant Land Registrar

Variation of Mortgage 155712/1 - 13.7.1978 at 10.24 am.

Variation of Mortgage 451379/10 - 16.5.1984 at 10:27 a.m.

No. 191779/1 Certificate of Alteration under Section 113 Land Act 1948 - 25.8.1978 at 10.03 a.m.

Variation of Mortgage 451379/10 - 2.10.1984 at 9:56 a.m.

Transmission 201615/1 of Mortgage 711368 to Hay Taylor Smith and Mervyn Graham Smith as Executors - 8.11.1978 at 10.02 a.m.

Transfer 546051/1 to Donald Bruce Smith abovenamed and Barbara May Smith of Hakataramea, Farmer as tenants in common in equal shares - 15.5.1985 at 9.12a.m.

Transfer 232434/2 of his share David Gilbert Smith to Donald Bruce Smith abovenamed - 27.6.1979 at 9.43 am.

Mortgage 232434/3 to The Rural Banking and Finance Corporation 27.10.1979 at 9.43 am.

No.566112/1 Surrender of the within lease as to Rural Section 41697 (77.0000 hectares) part herein - 12.9.1985 at 11.51 a.m.

273440/1 Change of appellation whereby the description of the within land is changed to "Run 350 Hakataramea Downs" (4760 ha) produced this 8th day of May 1980 at 10.51am Assistant Land Registrar

No.566112/2 Variation of the within lease. 12.9.1985 at 11.51 a.m.

256728/1 Change of appellation whereby the description of the within land is changed to Rural Section 41059 (94.5400 hectares) AND RURAL SECTION 41060 (53.7499ha) produced this 1st day of August 1980 at 11:21am Assistant Land Registrar

Variation of Mortgage 451379/10 - 5.11.1985 at 10:08 a.m.

CAVEAT 402895/1 BY THE SOUTH CANTERBURY SAVINGS BANK - 28.9.1982 at 9.08 a.m. (affects part)

Mortgage 574732/3 to The National Bank of New Zealand Limited - 5.11.1985 at 9:08 a.m.

CAVEAT 402895/2 BY THE RURAL BANKING AND FINANCE CORPORATION OF NEW ZEALAND - 28.9.1982 at 9.08 a.m. (affects part)

Variation of Mortgage 451379/10 - 26.6.1986 at 9:26 a.m.

No. 436903/1 Surrender of the within lease as to R.S. 41059 and 41060 (94.5400 hectares) part herein and CT 25A/206 issued - 21.6.1983 at 11.20 a.m.

Mortgage 704772/1 to The Rural Banking and Finance Corporation of New Zealand - 01.10.1987 at 9.00am

Mortgage 451379/8 to South Canterbury Savings Bank - 6-9-1983 at 9:27a.m.

No. 704772/2 Memorandum of Priority making mortgages 704772/1, 451379/10 and 547732/3 first, second and third mortgages respectively - 01.10.1987 at 9.00am

No. 451379/9 Memorandum of Priority making Mortgages 451379/8 and 232434/3 first and second Mortgages respectively - 6-9-1983 at 9.27a.m.

No. 704772/2 Memorandum of Priority making mortgages 704772/1, 451379/10 and 547732/3 first, second and third mortgages respectively - 01.10.1987 at 9.00am

DISCHARGED 27.6.1978

DISCHARGED

DISCHARGED 4.11.1979

DISCHARGED

DISCHARGED

DISCHARGED

DISCHARGED

A.L.R.

for A.L.R.

814079/1	Change of appellation whereby the description of the land is changed to
Sections 1, 2, 3, 4, 5, 6, 7	S.O. 17295
produced this 5 day of July	1989 at 10 am
Assistant Land Registrar	

No. 899381/3 Variation of terms of the within lease - 26.9.1990 at 11.57am

[Signature]
for A.L.R.

Transfer 899381/4 to Raymond Sullivan McGlashan Model Company No. 49 Limited at Timaru - 26.9.1990 at 11.57am

[Signature]
for A.L.R.

No. 899381/5 Change of Name of the registered proprietor to Hunter Hills Farming Company Limited - 26.9.1990 at 11.57am

[Signature]
for A.L.R.

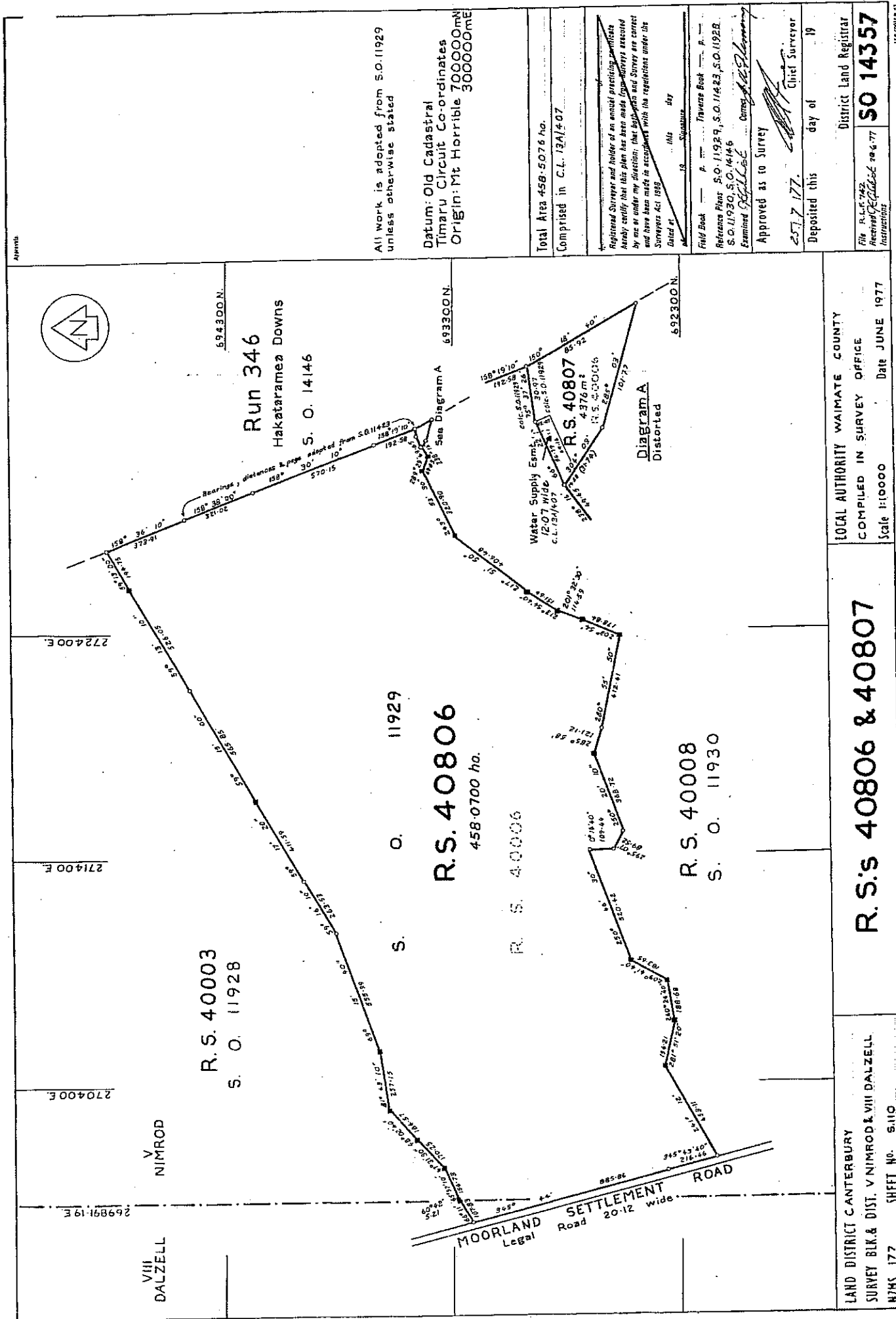
NO. 921324/1 Partial Surrender of the within lease as to Section 1, 2, 3 S.O. Plan 17295 - 20.2.1991 at 10.59am

[Signature]
for A.L.R.

No. A78196/1 Variation of the within lease and extension of the term for 33 years commencing on 1.7.1992 - 27.10.1993 at 11.56am

[Signature]
for A.L.R.

APPENDIX 2



Run 346
Hakataramea Downs
S. O. 14146

All work is adopted from S.O. 11929 unless otherwise stated

Datum: Old Cadastral
Timaru Circuit Co-ordinates
Origin: Mt Horrible 700000m
300000mE

Total Area 458.5076 ha.
Comprised in C.L. 13A/407

Registered Surveyor and holder of an annual practicing Certificate
Already notified that this plan has been made. Compulsory surveys executed
by me or under my direction, that bearings and surveys are correct
and have been made in accordance with the regulations under the
Surveyors Act 1958

Dated at _____ this _____ day _____
Field Book _____ p. _____ Traverse Book _____ p. _____
Reference Plans S.O. 11929, S.O. 11423, S.O. 11928
S.O. 11930, S.O. 14146
Examined Phillip Lee Chief of Planning

Approved as to Survey _____
25.7.177. _____
Chief Surveyor

Deposited this _____ day of _____ 19 _____
District Land Registrar
SO 14357
File No. 742
Received _____ 20.6.77
Instructions

LOCAL AUTHORITY WAIMATE COUNTY
COMPILED IN SURVEY OFFICE
Scale 1:10000 Date JUNE 1977

R. S.'s 40806 & 40807

LAND DISTRICT CANTERBURY
SURVEY BLK & DIST. V NIMROD & VIII DALZELL
NZMS 177 SHEET No. 5110