

Crown Pastoral Land Review of Other Crown Land

**Lease name :
SOLDIERS SYNDICATE**

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.

June 04

DUE DILIGENCE REPORT
REVIEW OF OTHER CROWN LAND

File Ref:	Oo091	Report No:	A2038	Report Date:	13 May 2002
LINZ Ref:	12425				
Office of Agent:	Alexandra	LINZ Case No:	TR02/579	Date sent to LINZ:	20.5.02

RECOMMENDATIONS:

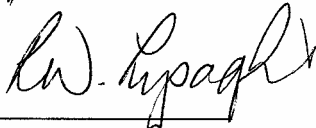
- (1) That the Commissioner of Crown Lands or his delegate **note** this Due Diligence Report which has been prepared in a manner similar to the Pre-Tenure Review Assessment Standard on instructions from the Commissioner of Crown Lands.
- (2) That the Commissioner of Crown Lands or his delegate **note** that there were no incomplete actions identified in this report.

Signed by DTZ New Zealand Limited:



K R Taylor:

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



Name:

Date of decision: 10.6.02

(1) Details of lease:

Lease name: Soldiers Syndicate

Location: On the northern side of the Ida Range with access via the Mount Buster Road from Naseby. The local service centre of Naseby is located 25 kms south with major services available in Dunedin some 185 kms.

Lessee: Kyeburn Downs Limited (5/12th share), Glenspec Holdings Limited (5/12th share), David John MacAtamney and Jeffery David MacAtamney (2/12th share).

Tenure: Crown land subject to the Land Act 1948. Subject to Pastoral Occupation Licence No 91.

Term: 5 years from 1 January 1999.

Annual Rent: \$1,170 (plus GST).

Rental Value: Not applicable.

Date of Next Review: Expires 31 December 2003.

Land Registry Folio Ref: Otago Land Registry CIR 7657 (Instrument PL5044330.1).

Legal Description: Part Run 573 situated in Mount Buster Survey District, Block III Naseby Survey District and Block VII Kyeburn Survey District, being all the land contained in CIR 7657.

Area: 4450 hectares more or less.

(2) File Search:

Files held by LINZ Christchurch:

<i>File Reference</i>	<i>Volume</i>	<i>First Folio</i>	<i>Date</i>	<i>Last Folio</i>	<i>Date</i>
Oo/091-SDN-03	1	1	11/08/1920	171	05/04/1929
Oo/091-SDN-04	2	1	22/04/1929	282	23/06/1958
Oo/40-SDN-01	3	283	07/07/1958	411	22/06/1964
Oo/59-SDN-02	4	412	16/10/1964	549	17/01/1978
Oo/091-SDN-05	5	550	24/11/1977	689	05/11/1985

Files held by agent in Alexandra on behalf of LINZ:

<i>File Reference</i>	<i>Volume</i>	<i>First Folio</i>	<i>Date</i>	<i>Last Folio</i>	<i>Date</i>
Oo/091-SDN-06	6	690	01/11/1985	814	09/07/1992
Oo091	7	815	05/1992	80	11/12/1998
Oo091	8	1	15/07/1999	8	26/11/1999
CON/50213/09/124 25/A-ZNO	9	1	04/07/2000	52	08/10/2001
Oo091	10	54	23/10/2001	72	28/03/2002

The first two volumes contained in this file search were photocopies of earlier records. These records date back to the initial allocation of the licence ex Kyeburn Station. Over 80 years of history there are very few missing folios and confidence is held that all relevant records have been searched.

As part of the subdivision of the Kyeburn Station in 1920 the successful applicants for sections in the Kyeburn area were given the option of acquiring a lease in common of this run. The area of the lease was proposed as 20376 acres (8246 ha) at an annual rent of £50 and paying for fencing valued at £76.8.0. The successful applicants were initially William Edward Stroud, Alfred Carey, Alex Maxwell, Charles Johnston Irvine and Patrick Daniel Hanrahan. An application from James McMillan was initially declined but subsequently added in 1921 as a result of a rehearing. Alex Maxwell transferred his share to himself and his brother John Watson Maxwell in 1921. An application by P D Hanrahan to transfer his interest to Lancelot Hore in 1921 was approved but subsequently this was reversed following objection by the other holders.

In 1922 application was made to extend the licence for a period of 14 years from 1 March 1942. This action was subsequently reviewed at some length by the Land Board through the Under Secretary for Lands. Correspondence in relation to this identifies that the Soldiers Syndicate POL was “a back block of the subdivisions of the Kyeburn Run for which there was no front country to make it into a self-contained run and was let to the soldier settlers to give their low places a spell in the summer”. A schedule of the renewable leases to which this land was attached is also on file in 1923. The extension to the term of the licence was approved in May 1923.

A further application to transfer the interest of P D Hanrahan to L J Hore was received in 1924 and declined. Application to transfer the interests of the Maxwell Brothers to Harold Stroud in 1925 was approved as was an application to transfer the interests of J C Irvine to William John Mulvena and an application to transfer the interest of A Carey to James Robert Geddes. An application to transfer the interest of W J Mulvena to Peter Wilson in 1927 was declined. A subsequent application to sub-lease to Mr Wilson was approved. A further application to transfer the Mulvena interest to Eleanor Todd was also declined. This interest was subsequently transferred to Wilson in 1928. The interest of P D Hanrahan was transferred to William Davis Hore in 1929.

During these years the interests of the settlers was held very closely and any transfer of an interest to an outside party was scrutinised extremely closely. In 1932 the interest of W E Stroud was transferred to Jesse Maisey Crutchley. In 1935 this same interest was transferred to Mr Crutchley's father Jesse Mace Maisey Crutchley. In 1937 Harold Stroud transferred his interest to W E Stroud, a former holder and in 1944 the interest of J R Geddes was transferred to Kenneth Thompson Geddes. In 1947 Peter Wilson transferred his share to Harvey Scott Butcher. 1950 saw the transfer of W E Stroud's interest to H and G R Stroud and subsequently to Harold Stroud in his own right. In 1952 the interest of W D Hore was transferred to Herbert Davies Hore.

A review of the licence was undertaken in 1955 for renewal purposes. This review suggested a boundary adjustment with the neighbouring Kyeburn (*Mount Ida*) Syndicate. It also noted that the members of the syndicate at that point all had a good farm property capable of further development. It was noted that the run was in reasonable condition but referred to severe fires during the past history of the run. It was noted that if the run had been playing a major part in the economy of an individual lessee who had a small area of low country, a pastoral lease would be recommended. At that point the various members had holdings capable of carrying between 1770 and 3400 sheep. The submission to the Land Settlement Board was not made until 1957. The recommendation to the Board was for a term of 21 years from 1 July 1956. This was amended on the submission to 7 years. Subsequent correspondence noted that *the Soldiers Syndicate has been a very successful one – the run has apparently at all times been judiciously grazed and is today in excellent order*. The Land Settlement Board decision was to grant a licence for a term of 5 years from 1 July 1956. The decision also noted that there was no commitment in respect of a 7 year licence. This was however subsequently amended back to a 7 year term. In advising the holders of the decision the boundary adjustment was noted and also the restrictions of a Pastoral Occupation Licence were advised, that is a licence for a fixed term without a right of renewal and no right to freehold.

After much dialogue Licence O22 was issued to the existing holders for a term of 5½ years from 1 January 1958. A temporary licence was issued for the broken period from expiry of the previous licence to this date. The licence was issued over a revised area of 14570 acres (*5896 ha*) at an annual rent of £70. In the interim H D Hore had died and his interest transferred to Nellie Almina Hore as administratrix. In the period 1958 to 1960 a number of transfers took place. H S Butcher sold his share to Harold Stroud who in turn sold his two shares to William John Stroud. The interest of K T Geddes was sold John Gordon Smith and the interest of N A Hore was sold to Darcy Joseph and Josephine Steele.

An inspection of the run in 1960 indicated a serious decline in the condition of the run. It was considered that a recent fire had done a great deal of damage to country which was in a deteriorating condition prior to the fire. The Pastoral Lands Officer recommended that the licence be cancelled and then the country spelled for 4 – 5 years before considering the area as a cattle proposition in conjunction with other land. A subsequent report and map identified the syndicate properties plus the upper altitudes of a number of adjoining properties for restoration to the Crown. Syndicate members subsequently met with the Commissioner of Crown Lands and advised that the availability of the syndicate area as a summer run-off was critical to their farming operations.

Following a meeting between Syndicate members and senior departmental officials the Field's Director felt that the papers to date only presented part of the story. This led to further recommendations in relation to the renewal of the licence including a reduction to an area of 10000 acres (4077 ha) with a strict stock limitation with numbers to be reported on an annual basis. The Land Settlement Board subsequently approved a new licence over 9470 acres (3832 ha) subject to stock limits as above and with provision for a further licence for 5 years if the condition of the land did not deteriorate further. The offer of the renewed licence was accepted by the Syndicate.

The new licence was issued for 5 years from 1 July 1963 in the names of J M Crutchley, J G Smith, W J & V E Stroud, W J Stroud, D J & J Steele and J McMillan. The share of J McMillan was subsequently transferred to his sons Robert Ross McMillan and William George McMillan. Subsequent correspondence suggests that one H Stroud was utilising the 1/3 share in the names of W J & V E Stroud. It appears from the file that the requirements of stock numbers returns was complied with through the term of this licence. The share of J M Crutchley was transferred to Frederick Michael Moynihan in 1964. It is also noted at this point that Eden John Steele was operating the share held by D J & J Steele. A formal transfer to E J Steele occurred in 1965 along with a transfer of J G Smith's share to James William Basil Smith.

An initiative from the Waitaki Catchment Commission to construct a firebreak access track was considered in 1965. A renewal report in 1967 noted that overall stock numbers had been well below the limit and also proposed a variation to the stock limit to provide more focus to summer grazing. The Land Settlement Board approved a recommendation for a 10 year licence from 1 July 1968 with a revised stock limitation and a continuation of the requirement to report on stock numbers. The annual rent was increased to \$100. In 1971 the condition of portions of the block were in such a good condition that the Senior Field Officer recommended approval to burning. The licence was renewed as O59 over 3763.5765 ha. In 1974 the share of F M Moynihan was transferred to John Raymond George Rawcliffe.

A field inspection in 1975 referred to the cover as follows *“area all in native, predominantly snowtussock association with some fescue and blue tussock. Sweet vernal, browntop and danthonia common on lower altitude. Area generally well covered in relation to altitude”*. Also in 1975 a transfer of the interest of W G McMillan to the Peter McMillan Trust was approved. In 1978 a transfer of the interest of J R G Rawcliffe to Stringer Farms Limited was approved.

A renewal report completed in 1977 reported there was little evidence of overgrazing and recommended that a special lease be issued for 10 years over an amended area of 2900 ha at a rental of \$1,080 per annum. There was ongoing dialogue within the department as to this review and in September 1977 the Land Settlement Board approved the offer of a further Pastoral Occupation Licence for a term of 5 years over the total area including the area west of Blue Duck Creek and the area up to the Mount Ida Range. The rental was fixed at \$1,170 per annum. Licence O91 was issued pursuant to the Land Settlement Board decisions. The area of the licence on renewal was set at 4450 ha. A Soil Conservation and Water Management report was prepared on the Soldiers Syndicate and adjacent UCL as part of a proposal for a Hawkdun Range catchment management area in 1979. This seemed to have the support of the department but did not proceed.

1982 saw the transfer of the interest of Stringer Farms Limited to J W B Smith and the share of E J Steele to E J and Margaret Ann Steele.

The first of a series of renewal reports appears of file in April 1982. This first report recommended a further POL for a term of 10 years. In 1984 a recommendation was made to the Land Settlement Committee for the issue of a permit to graze under Section 68A of the Land Act. A further joint report between field staff and reserve staff was completed in 1985 and recommended that a pastoral lease be issued over an amended area of 2450 ha for a term of 33 years from 1 July 1985. Secondly that a grazing permit be issued over 1450 ha west of Blue Duck Creek for 2 years from 1 July 1985 with a proposal for a run plan fence to separate the two areas. This proposal was supported by the Waitaki Catchment Commission. In December 1985 a new Land Settlement Board policy was implemented which established a process for the review of Pastoral Occupation Licences. This led to public notification of a proposed review in July 1986. In 1988 a field report noted unauthorised earth disturbance relating to firebreaks and tracks.

In 1990 a transfer of the shares of W J and V E Stroud and W J Stroud were transferred to Colin Bruce Watson and Valerie Ann Watson. A request for burning consent over a significant portion of the licence was declined in 1991.

A Biological Values Report was completed in 1990. This was followed by a detailed report by the Department of Conservation on the review of the POL in 1991. A further detailed report by the Department of Conservation was prepared in 1992. This led in turn to a joint report between Landcorp Property Limited and the Department of Conservation in 1993. This led to a recommendation that a Special Lease be granted to the current licensees over the total area of 4450 ha for a term of 14 years from 1 July 1993 with provision for reviews should the condition of the land be maintained or improved.

In 1993 a formal renewal of the licence (*which had been allowed to run on*) was granted for 6 months from 1 July 1993. During the 1993/94 period the Commissioner of Crown Lands entered into correspondence with the holders regards the review of the licence.

A further licence was granted for 12 months from 1 July 1994.

In the mid-1990's John Joseph Mulholland acquired the Steele and McMillan shares. This transfer was not registered as there was no licence document to register against.

A further licence was issued for 12 months from 1 January 1995 while debate and consultation continued on the special lease proposal with a further recommendation to the Commissioner of Crown Lands in October 1995, which recommended a granting of the lease the underlying land transferred to the Department of Conservation. This proposal was endorsed by the Department of Conservation. The proposal was referred to Ngai Tahu Maori Trust Board in 1995 for comment. The Board subsequently advised that they had completed the inspection process and approved of the review.

A further licence was granted for a period of 12 months from 1 January 1996.

In 1996 the review report was referred to the holder's solicitor as part of consultation.

A further licence was granted for 1 year from 1 January 1997 and a further licence for 1 year from 1 January 1998.

In 1998 C B and V A Watson applied to transfer their share to John Murray Scott as agent for Kyeburn Downs Limited. It was not possible to register this transfer.

In December 1998 the review process in terms of the Crown Pastoral Land Act 1998 was commenced. This ultimately led to the issue of a new Pastoral Occupation Licence for 5 years from 1 January 1999 to R R McMillan, P R McMillan, J W B Smith, E G Steele, M A Steele, and Kyeburn Downs Limited. A subsequent transfer saw the McMillan family withdraw from the Syndicate – the last of the original families. The Smiths acquired the Steele interest and half the McMillan interest and transferred to company ownership as Glenspec Holdings Limited. Kyeburn Downs Limited acquired the remaining McMillan interest and the Steele interest was acquired by D J and J D MacAtamney.

Consent to maintain existing tracks was granted in 2001.

This review of the files has identified that in 1921 when the licence was issued there may have been an expectation that occupancy would continue indefinitely. This view was however discounted with the renewal in 1957 where the conditions of renewal quite specifically identified that there was no right of renewal and no right to acquire the fee simple. Secondly any obligation in 1920 would appear to have been linked to the holders of the Kyeburn settlement properties. While this matter has not been extensively researched it is noted that the last descendants of the original settlers alienated their interest with the transfers in 2001. It is possible that Kyeburn Downs Limited occupies at least one of the original Kyeburn leases.

The proposed Waitaki District Plan zones the area as Rural Scenic. There are no heritage or archaeological sites identified which may affect tenure review. An area identified as being of natural significance borders the western end.

(3) Summary of lease document:

Terms of lease:

The commencement date of the licence on Crown files is in agreement with the licence document (CRI 7657).

The current Pastoral Occupation Licence was registered on 24 May 2001 for a term of 5 years from 1 January 1999 under Section 83 of the Land Act 1948. The original proprietors are as noted in the file record and a subsequent transfer to Kyeburn Downs Limited (5/12th share), Glenspec Holdings (5/12th share) and David John MacAtamney and Jeffrey David MacAtamney (2/12th share) is consistent with the information on the Crown files and this report.

The document is intended to take effect as an Occupation Licence of Land under Section 14 (7) of the Crown Pastoral Land Act 1998 and the provisions of the Land Act and the Crown Pastoral Land Act and of any regulations made under them is applicable to Occupation Licence and is binding in all respects upon the parties to the licence in the same manner as if the provisions had been fully set out in the licence. Crown improvements are listed as nil.

Original lease stock limit:

6500 breeding ewes for a period of 12 week from mid-January to early April. This number may be increased by prior written consent of the licensor subject to a right to revoke or vary the consent at anytime.

Renewals and variations:

The first Pastoral Occupation Licence for this area was issued for 21 years from 1 March 1921. Following a 14 year extension this expired on 31 March 1956. There is then a broken period until 30 June 1956 with a further licence being granted for a period of 7 years from 1 July 1956. A further licence for 5 years from 1 July 1963 was granted followed by a further licence for 10 years from 1 July 1968. There was a broken period of 1 year prior to a further licence being issued for a term of 5 years from 1 July 1979. This licence was allowed to run on from expiry in 1984 until a series of short term licences were granted commencing 1 July 1993. These licences continued to 31 December 1998 when the review of the licence became subject to the Crown Pastoral Land Act 1998. The current non-reviewable licence was granted for a period of 5 years from 1 January 1999.

Area adjustments:

No adjustments have been made to the area of this licence since issued in 1999.

During the previous history of the licences over this area it is noted that at the issue of each new licence the boundaries varied. In particular land at the north-eastern end was amalgamated with the adjoining Mount Ida Syndicate POL, and land to the southwest is now conservation estate. An area at the south-western end of Long Spur was excluded from some earlier licences and then later included back into this licence. A reconciliation of the areas is included in Section 5.1 of this report.

The Computer Interest Register shows only an abbreviated legal description without reference to the Survey Districts in which Part Run 573 lies. Apparently given the uniqueness of the run numbers this is considered correct.

Registered Interests:

Mortgages:

No mortgages are registered.

Other Interests:

5091091.1 Variation of Lease. This refers to a variation limiting the transfer of shares where the licensee is a company.

There are no farm plan agreements, no electricity agreements, and no Section 417 Certificates under the Resource Management Act. We are not aware of any recreation permits, mining or prospecting permits or easements affecting the licence.

(4) Summarise any Government programmes for the lease:

It appears that access tracks on the lease were completed as part of a firebreak access scheme with the Waitaki Catchment Commission in the late 1960's. No formal farm plan was undertaken and no Land Improvement Agreements were subsequently registered.

The property was not involved in the Rabbit and Land Management Programme.

No other government programmes have been identified that affect the licence.

(5) Summary of Land Status Report:

Copy attached as Schedule A.

5.1 The Pastoral Occupation Licence:

The Land Status Report confirms that the land is Crown land subject to the Land Act 1948, and subject to Pastoral Occupation Licence registered as CIR 7657.

The area of the licence is confirmed as 4450 ha. A full reconciliation sheet is included to show its derivation from the original licence (OT335/125) issued on 22 September 1920 for 20320 acres (8223.2122 ha) to the current area of 4450 ha. It is noted that there is a typographical error in this reconciliation where in two places the area is referred to as 4500 ha rather than 4450 ha. I also found some gaps in the reconciliation. A revised reconciliation is as follows:

Reconciliation of areas:

		<i>Acres</i>	<i>Hectares</i>
1921	PR 1628 335/125 Original lease	20230	8223.2122
1958	Area surrendered and incorporated in 386/140 (Mount Ida Syndicate)	5750	2326.9424
1958	Oo022 386/100	14570	5896.2698
1963	Area retired from grazing	5270	2132.6933
1963	Oo040 B2/1284	9300	3763.5765
1968	Oo059 3C/74	9300	3763.5765
1979	Area incorporated		686.4235
1979	Oo091 8C/622		4450.0000
1999	CIR 7657		4450.0000
	Area retired in 1963		2132.6933
	Area incorporated back in licence 1979		686.4235
	Balance area conservation stewardship land		1446.2698

Encumbrances recorded on the lease:

The only encumbrance identified is that the new licence is subject to Part IVA Conservation Act 1987.

The Crown retains mineral ownership.

The Status Check identifies two issues as possibly requiring further investigation being:

- (1) The south-western boundary between Boundary Creek to the north and the ridgeline to the south has not been defined by survey and peg.
- (2) That an area of 1446.2698 ha which was excluded from the licence in 1963, less an area of 686.4235 ha that was reincorporated in 1979 remains Unoccupied Crown Land (*stewardship land under the control of DoC*).

Both these issues are noted, but are not considered relevant to the review of the licence. Should areas be disposed of subsequent to the review survey requirements would be identified at that point.

5.2 Other Land:

No other land is covered in the Status Check.

(6) Review of topographical and Cadastral data:

Topographical Map:

All tracks to and within the property are of an internal farm access nature (*4WD*). Two access tracks lead to the property, one from the Mount Buster face and the other on Long Spur from the adjacent Mount Ida Syndicate property. These two access points are linked by a track, mostly within the lease boundaries around the head of a tributary of Guffies Creek. It is known that there is a short branch off this track onto the crest of the Ida Range.

A hut and holding yards are noted in the head of the tributary of Guffies Creek and a further hut and holding pen identified at the lower reaches of Long Spur. It is known that a recently constructed hut of high standard exists further up Long Spur and is the primary mustering hut for the property. The huts all relate to the operation of the licence and are not held by any external parties.

There are fenced boundaries from Blue Duck Creek to Guffies Creek and on the eastern and south-eastern boundaries which approximately follow the legal boundaries of the property. The other boundaries are unfenced.

Cadastral Map:

The Cadastral map shows a legal road approximately following the eastern boundary of the licence and leading to the licence from the Little Kyeburn. The access to the property approximately follows this legal road. No legal roads exist within the licence.

(7) *Details of neighbouring Crown or Conservation land:*

There are no conservation areas within the boundaries of the lease. A conservation area is shown on the southern boundary (*H41159*), this was set apart by New Zealand Gazette 1992/3331 and is an area of 1413.5669 ha.

An area of 1446.2698 ha on the south-western boundary of the licence was surrendered from the licence in 1963. This area is now unoccupied Crown land administered by the Department of Conservation as stewardship land.

There are no marginal strips identified on rivers or streams within the licence area, marginal strips are however shown on Boundary Creek and Blue Duck Creek on adjacent lands. A memorial of the current licence document notes that the licence is subject to Part IVA of the Conservation Act 1987, therefore marginal strips would exist on applicable streams.

A PNA survey of the Hawkdun Ecological District identified RAP Hawkdun 11 covering approximately 1270 ha of the licence. The principal values identified related to tussock grasslands. This has no legal standing.

(8) *Summary of uncompleted actions or potential liabilities:*

No uncompleted actions or potential liabilities were identified during the preparation of this report.

The following issue is brought to your attention to note only:

There is a typographical error in the reconciliation of areas in the Land Status Report where twice the area is referred as 4500 ha instead of 4450 ha.

The south-western boundary between Boundary Creek to the north and the ridgeline to the south has not been defined by survey and peg. This is relevant only in the context of future survey identification.

With the review of a Pastoral Occupation Licence an important issue may relate to any commitments for ongoing tenure. This has been thoroughly researched and while there may have been an implied commitment in 1921 when the original licence was issued this was definitely negated in the advice on the granting of the renewed new licence in 1958. Correspondence relating to this is attached.

ATTACHMENTS:

- Schedule A - Status Check.
- Attachment 1 - Recent copy of Occupation Licence document CIR 7657.
- Attachment 2 - Historic Licences relating to this area.
- Attachment 3 - Correspondence relating to potential commitment for ongoing tenure.

SCHEDULE A:

Status check.

KNIGHT FRANK (NZ) LIMITED

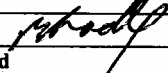
Appendix A

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

LAND STATUS REPORT for SOLDIERS SYNDICATE				<i>[LIPS ref.12425</i>
Property	1	of	1	

Land District	Otago
Legal Description	Part Run 573 situated in Mt Buster Survey District, Block III Naseby Survey District and Block VII Kyeburn Survey District.
Area	4450 Hectares (Subject to Survey)
Status	Crown Land subject to the Land Act 1948.
Instrument of Lease	All CIR 7657 (Instrument no: PL 5044330.1)
Encumbrances	Subject to Part IVA Conservation Act 1987 upon disposition.
Mineral Ownership	Minerals remain with the Crown as the land has never been alienated since its acquisition for settlement purposes from the former Maori owners under the Kemp Deed of Purchase.
Statute	Land Act 1948 & Crown Pastoral Land Act 1998.

Data Correct as at	21 December 2001.
[Certification Attached]	Yes

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

KNIGHT FRANK (NZ) LIMITED

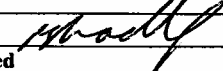
Appendix B

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

LAND STATUS REPORT for SOLDIERS SYNDICATE				[LIPS ref. 12425]
Property	1	of	1	

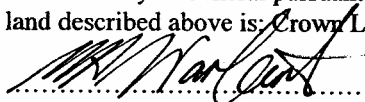
Land District	Otago
Legal Description	Part Run 573 situated in Mt Buster Survey District, Block III Naseby Survey District and Block VII Kyeburn Survey District.
Area	4450 Hectares (Subject to Survey)
Status	Crown Land subject to the Land Act 1948
Instrument of lease	All CIR 7657 (Instrument no: PL 5044330.1)
Encumbrances	Subject to part IVA Conservation Act 1987 upon disposition.
Statute	Land Act 1948 & Crown Pastoral Land Act 1998.

Data Correct as at	21 December 2001
[Certification Attached]	Yes

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

Certification:

Pursuant to section 11(1)(l) 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.



Date 21 / 12 / 2001

Mr Max Warburton Chief Surveyor
 Land Information New Zealand, Dunedin.

SOLDIERS SYNDICATE RESEARCH - Property 1 of 1

<p>Notes : This information does not affect the status of the land but was identified as possibly requiring further investigation at the due diligence stage : See Crown Pastoral Standard 6 paragraph 6</p>	<p>(i) We note that the south western boundary between Boundary Creek to the North and the Ridge Line to the south has not been defined by survey and pegged. The SDI printout confirms this also.</p> <p>(ii) We note that an area of 686.4235 ha was incorporated in CT OT 8C/622(28/7/1980) which was formerly held in CT OT 386/100(now expired). The balance area of 1446.2698ha held in expired CT OT 386/100 -POL 22) that was not included in CT OT B2/1284 issued on 12/11/1963 is now unoccupied crown land (stewardship</p>
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	land) under the control of DOC. See attached reconciliation sheet for reconciliation of area formerly held in CT OT 386/100..
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**Reconciliation of Area held in PO L 91
Soldiers Syndicate**

22/9/1920	Run 573 – OT CT 335/125	20,320 acres	Expired
13/2/1959	Pt Run 573 OT CT 386/100	14,570 acres	Expired
12/11/1963	Pt Run 573 OT CT B2/1284	9,300 acres (3763.5765 ha)	Expired
9/7/1968	Pt Run 573 OT CT 3C/74	9,300 acres (3763.5765 ha)	Expired
28/7/1980	Pt Run 573 OT CT 8c/622	4,500 ha 4450	Expired
28/3/2000	Pt Run 573 OT CIR 7657	4,500 ha 4450	Current

Reconciliation of Area held in CT386/100

Original area held in CT386/100 (13/12/1959)	14,570 acres	5896.2698 ha
Less area included in CT B2/1284 (12/11/1963)	9,300 acres	3763.5765 ha
Balance area in CT 386/100	5,270 acres	2132.6933 ha
Less area included in CT 8C/622 (28/7/1980)		686.4235 ha

Balance area in expired POL CT OT 386/100
(now controlled by DOC as stewardship land) 1446.2698 ha

Reconciliation of Area held in CT CIR 7657

Original area held in CT OT 3C/74 (9/7/1968)	3763.5765 ha
Plus Pt Run 573 included in CT OT 8C/622 (28/7/1980)	686.4235 ha

Present area held in CT OT CIR 7657 4450.0000 ha

LAND STATUS REPORT for SOLDIERS SYNDICATE				[LIPS ref.12425]
Property	1	of	1	

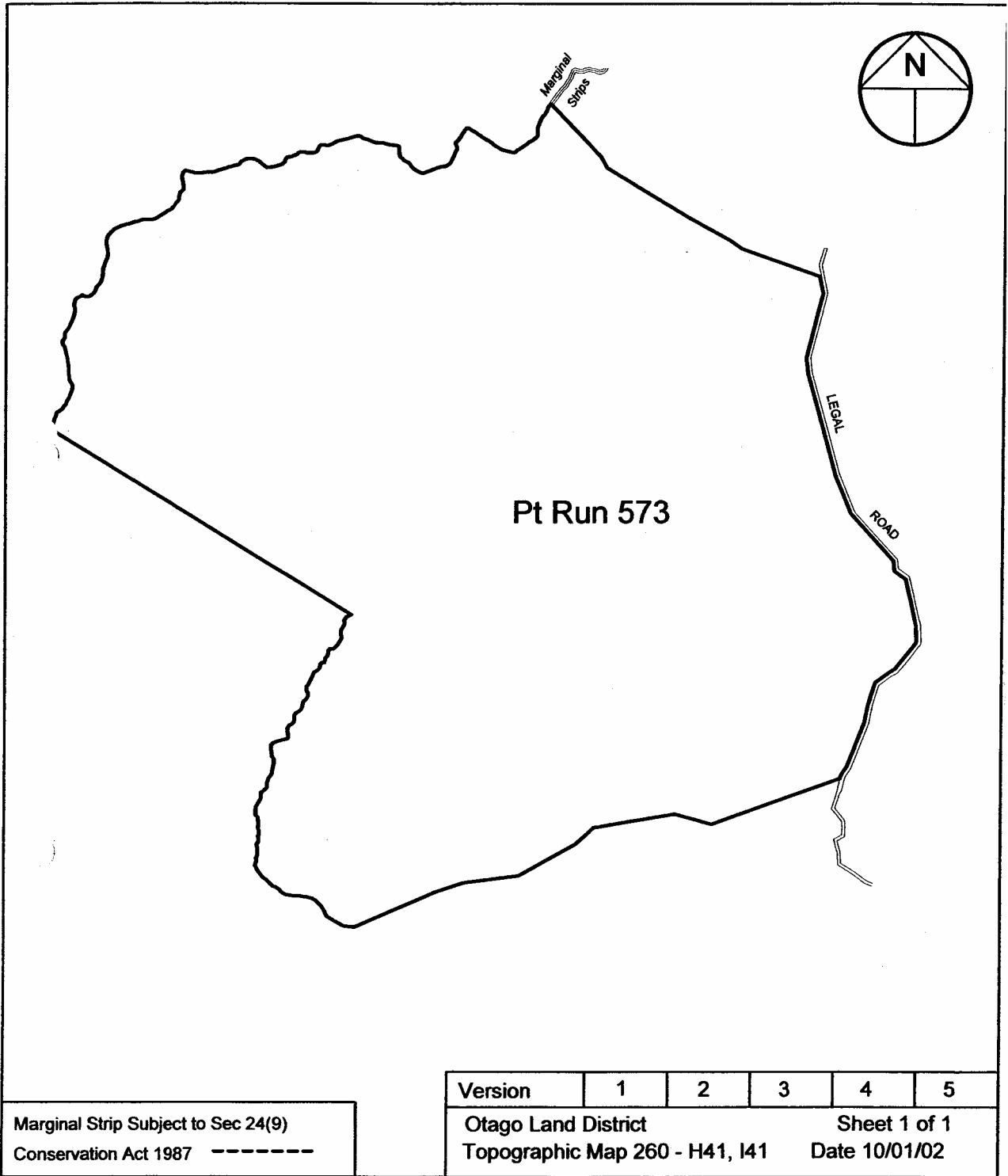
Research Data: Some Items may be not applicable

Property	1	of	1	
SDI Print Obtained				Yes
NZMS 261 Ref				H41 and I 41
Local Authority				Waitaki District.
Crown Acquisition Map				Kemp Deed of Purchase.
SO Plan				SO 788 and 789 (1918)
Relevant Gazette Notices				N/A
CT Ref / Lease Ref				All CIR 7657 (Instrument no :PL 5044330.1)
Legalisation Cards				So 788 – No Legalisation Card SO 789 – No Legalisation Card.
CLR				The CLR records the Pastoral Occupation Licence. Correctly in terms of area and lease details.
Allocation Maps (if applicable)				No allocations on the SOE/DOC/UCL Allocation schedules were found within the boundary of the pastoral occupation licence.
VNZ Ref - if known				26050 15500
Crown Grant Maps				Mt Buster, Naseby and Kyeburn.
If Subject land Marginal Strip:				Note: Both the current Licence and SO Plans 788 & 789 show no prior subject provisions to Section 58 Land Act 1948. There are no Conservation strips created within the boundaries of the Run pursuant to Section 24(9).
a) Type [Sec 24(9) or Sec 58]				
b) Date Created				
c) Plan Reference				

LAND STATUS REPORT for SOLDIERS SYNDICATE				[LIPS ref.12425]
Property	1	of	1	

Research – continued

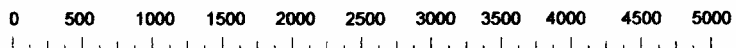
Property	1	of	1	
If Crown land - Check Irrigation Maps.				N/A
Mining Maps				There are no Mining interests recorded within the Run in the National Mining Index.
If Road				
a) Is it created on a Block Plan - Section 43(1)(d) Transit NZ Act 1989				a) Crown Grant & Section 110A Public Works Act 1981.
b) By Proc				b)N/A
c) Plan No				c) SO 789
Other Relevant Information				
a) Concessions - Advice from DOC or Knight Frank.				a) There is no Conservation land within the boundaries of the POL. However there is a conservation estate which adjoins the POL on the southern boundary which is known as Conservation Unit H 41159.
b) Subject to any provisions of the Ngai Tahu Claims Settlement Act 1998.				b)Subject to Part 9 of the Ngai Tahu Claims Settlement Act 1998.
c) Mineral Ownership				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 Kemp Deed of Purchase(1848).
d) Other Information				Contained in (provide evidence): Part Run 573 (lease no 1628-National Endowment) is the earliest lease issued after the establishment of Runs in the Otago Land District. d)-(1) We note that the south western boundary between Boundary Creek to the North and the Ridge Line to the south has not been defined by survey and pegged. The SDI printout confirms this also. (2) We note that an area of 686.4235 ha was incorporated in CT OT 8C/622(28/7/1980) which was formerly held in CT OT 386/100(now expired).The balance area of 1446.2698ha held in expired CT OT 386/100 –POL 22) that was not included in CT OT B2/1284 issued on 12/11/1963 is now unoccupied crown land (stewardship land) under the control of DOC. See attached reconciliation sheet for reconciliation of area formerly held in CT OT 386/100..

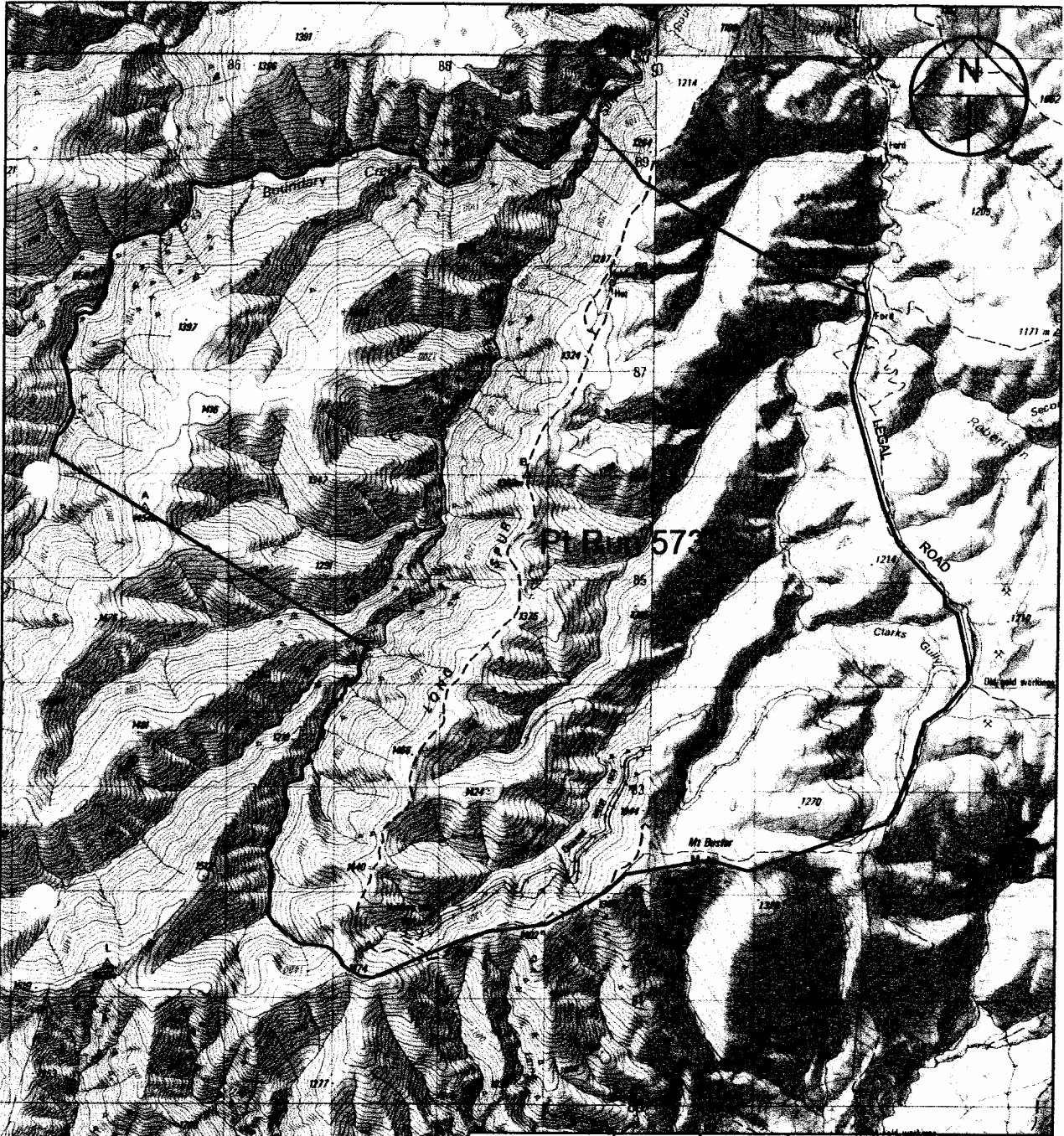


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Scale 1:50000





Marginal Strip Subject to Sec 24(9) Conservation Act 1987	Version	1	2	3	4	5
	Otago Land District	Topographic Map 260 - H41, I41			Sheet 1 of 1	
					Date 10/01/02	

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