

SESS. II.—1897.
NEW ZEALAND.

LANDS FOR MINING PURPOSES

AGREEMENT BETWEEN THE KAURI TIMBER COMPANY, LIMITED, OF AUCKLAND, AND HER MAJESTY THE QUEEN *RE SURRENDER OF*.

Laid on the Table of the House of Representatives by Leave.

AGREEMENT between the KAURI TIMBER COMPANY (LIMITED), of Auckland, and Her Majesty the QUEEN *re Surrender of Leases for Mining Purposes.*

This deed, made the seventeenth day of May, one thousand eight hundred and ninety-seven, between the KAURI TIMBER COMPANY (LIMITED), of Auckland and elsewhere, in the Colony of New Zealand (hereinafter called "the Company"), of the one part, and Her Majesty the QUEEN of the other part:

WHEREAS Her Majesty has from time to time acquired from the Native or other owners certain lands in the North Island of the said colony, subject nevertheless to certain outstanding leases or licenses granted to or acquired by the company from the said owners prior to such acquisition as aforesaid: And whereas, by virtue of such acquisition, all the rights of the said owners as grantors of such leases or licenses are now vested in Her Majesty: And whereas it has been agreed between the parties hereto that the said leases or licenses and all extensions thereof granted under "The Kaimarama Land Act, 1890," shall, in the manner, to the extent, and subject to the conditions hereinafter appearing, be surrendered from time to time by the company, as to such of the lands comprised therein as for the time being are timberless or denuded of timber, and that each such surrender shall be effected under section 29 of "The Mining Act Amendment Act, 1896":

Now this deed witnesseth that it is hereby agreed by and between the parties hereto, as follows:—

1. These presents shall apply in every case where lands in the North Island have been acquired by Her Majesty for an estate in fee-simple, subject to any outstanding estate or interest possessed by the company therein by virtue of any lease or license granted by the Native or other owners of such lands prior to the acquisition thereof as aforesaid by Her Majesty, and also to all extensions thereof granted under "The Kaimarama Land Act, 1890," but shall not apply to any new lease or extended lease granted under "The Tairua Land Act, 1893."

2. The company, at the request of the Minister of Mines of the said colony, and on receipt from him of not less than three months previous written notice so to do, will from time to time, according to the tenor of such notice, surrender any of the aforesaid leases or licenses as to the whole or any portion of the timberless or timber-denuded lands comprised therein: Provided that each such notice shall specify with reasonable particularity the land as to which any lease or license is to be surrendered, and also that such notice shall avail only in respect of lands that are timberless or denuded of timber: Provided further that such notice shall be deemed to have been duly given in respect of all the timberless or timber-denuded land on the following blocks, that is to say: Tairua, Kapowai, Te Karo No. 1, Puketui, and Ounuora No. 2.

3. The company shall be entitled to compensation for all land surrendered under these presents, and the amount thereof shall in each case be assessed on the basis of the actual cash value of the surrendered land to the company at the time of the surrender, and shall be paid to the company when the surrender is completed: Provided that no compensation shall be payable in respect of the auriferous or argentiferous value of any such land.

4. The amount of the compensation shall in each case be determined, if necessary, by arbitration either under "The Arbitration Act, 1890," or otherwise, as may be agreed, and in every case the costs of arbitration shall be equally divided between Her Majesty and the company.

5. All moneys payable by Her Majesty to the company in respect of any such compensation shall be payable out of moneys appropriated by Parliament: Provided that, if and in so far as is allowed by law, the company shall have the option to take timber-land to the value of such compensation in lieu of cash.

6. For the purposes and subject to the provisions of section 53 of "The Mining Act Amendment Act, 1896," it is hereby declared that, upon the surrender of any land under the provisions of these presents, the water and other rights then held and enjoyed by the company in respect thereof

by virtue of any such lease or license as aforesaid shall, notwithstanding such surrender, be deemed to be reserved to the company in so far as may be necessary to enable the company to cut, float, and remove timber upon any land which shall not then have been surrendered by it, and to float and remove any such timber therefrom upon, over, and by means of the land so surrendered as fully and effectually as the company could lawfully do by virtue of any such lease or license as aforesaid immediately prior to the making of and every such surrender.

7. All mining claims and other mining privileges granted by the Warden under the aforesaid section 53 in respect of any surrendered land shall be granted subject to the express conditions to be indorsed on any license issued by the Warden, that the company shall not be liable for damage of any kind that may be caused to the owner of any such claim or mining privilege in the reasonable exercise by the company of such reserved rights: And also that in every case where such reserved rights include the right to stop, dam, divert, or use water or water-channels, such right shall, when required to be exercised for the purpose of floating and removing timber as aforesaid, be exercisable in priority to any water rights granted under the aforesaid section 53 to the owner of any claim or mining privilege: And also that if the licensee diverts any water from any stream to which such priority applies he shall erect and maintain at the point of diversion such wing-dam or other construction or contrivance as will enable the company by means thereof to stop such diversion whenever it requires the water.

8. In every case where the land to be surrendered is less than the whole of the lands comprised in the lease or license, the following special provisions shall apply:—

- (a.) The expenses of any survey that may be necessary for the purposes of the surrender shall be borne by Her Majesty.
- (b.) In order to lessen the risk of damage by fire or otherwise to the timber on the land that is not to be surrendered, the boundaries of the land to be surrendered shall be so adjusted as to leave a sufficient belt of timberless land not exceeding twenty chains in width unsundered.
- (c.) A duly proportionate abatement of the rent (if any) payable in respect of the unsundered land shall be made for the residue of the term of the lease or license.

In witness whereof these presents have been executed by or on behalf of the parties hereto the day and year first hereinbefore written.

The common seal of the Kauri Timber Company (Limited) was affixed hereto by order of the board of directors thereof, in the presence of—

GEO. LUSH, } Directors. (L.S.)
JOHN SHARP, }
THOS. D. HOWELL,
Secretary, Kauri Timber Company (Limited),
17, Queen Street, Melbourne.

The Trustees, Executors, and Agency Company (Limited), of No. 412, Collins Street, Melbourne, as mortgagee, hereby consents to the above-written deed, subject to payment to it of all moneys payable in respect of any claim for compensation to which the Kauri Timber Company (Limited) is entitled, and to security being given to it over any land taken in lieu of any such moneys; and, subject as aforesaid, agrees to consent to the arrangements contemplated or provided for by the said deed, and from time to time, at the request of either of the parties to the said deed, and at the cost of the said company, to execute such instrument of consent or other assurance in the premises as either of the said parties requires.

Dated this 21st day of May, 1897.

The seal of the Trustees, Executors, and Agency Company (Limited) was hereto affixed by us, two of the directors of the said company,—

F. R. GODFREY, } Directors, (L.S.)
J. M. WATT, }

in the presence of—

JAS. BORROWMAN, Manager,

and of—

THOS. D. HOWELL,
Company Secretary, 17, Queen Street, Melbourne.

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