

EXHIBIT J.

A. J. WASHBOURN'S MINERAL LEASE.

THIS DEED, made the day of , in the year of our Lord one thousand nine hundred and seven, between His Most Gracious Majesty EDWARD THE SEVENTH, of the United Kingdom of Great Britain and Ireland King, of the one part, and ARTHUR JOSEPH WASHBOURN, of Collingwood, in the Provincial District of Nelson and Colony of New Zealand, miner, and HENRY PHILLIP WASHBOURN, of the same place, miner, of the other part.

Whereas the said Arthur Joseph Washbourn and Henry Phillip Washbourn are the holders of a mineral lease of the land hereinafter described under the Third Schedule of the Land Act 1877 Amendment Act, 1882, dated the twentieth day of August, one thousand eight hundred and eighty-six, and have applied to the Commissioner of Crown Lands at Nelson for a renewal of the said lease:

Now this deed witnesseth that in consideration of the premises and of the rents, royalties, reservations, covenants, provisos, and agreements in and by this lease contained or implied, or contained in the provisions of the Land Act 1877 Amendment Act, 1882, Third Schedule (under which Act this lease is issued), on the part of the lessees, executors, administrators, and assigns, His Majesty the King doth hereby demise and grant unto the said Arthur Joseph Washbourn and Henry Phillip Washbourn, as tenants in common (hereinafter called "the lessees"), their executors, administrators, and assigns, all that piece or parcel of land containing by admeasurement fifty-six acres and thirty-six perches, more or less, situated in the Provincial District of Nelson, being section numbered 122 on Square 14, and bounded as follows: On the north-eastward (109 links) partly by Section 77 and partly by a public road, (600 links) by part of Section 76, (1400 links) by Section 76, and (226 links) by Section 149; on the south-eastward (2698 links) by Section 149; on the south-westward (1881 links) by Crown land; and on the north-westward (2791 links) by Crown land: as the same is delineated on the plan drawn hereon and coloured pink: and all mines, veins, and strata of coal, copper, and other minerals therein or appertaining thereto except gold, hereby expressly reserved for the term of twenty-one years from the first day of July, one thousand nine hundred and seven, yielding and paying therefor yearly in advance on the first day of January the sum of five pounds twelve shillings for and during each and every year of the said term hereby granted; subject to the deductions specified in section 19, subsection (4), of the Third Schedule of the said Land Act 1877 Amendment Act, 1882; and also yielding and paying the royalty (free of all costs and charges) of one-twenty-fifth part of all such coal or other minerals as shall during the continuance of this lease be dug, raised, gotten, or taken from the said piece or parcel of land, excepting on such coal as may be necessarily used by the said lessees for carrying on the mining operations hereby specified or implied, full, true, and correct accounts of which shall be kept by the said lessees, and faithful copies of the said accounts rendered each and every half-year during the continuance of this lease to the Commissioner of Crown Lands for the Provincial Land District of Nelson for the time being, who shall also have full liberty, either personally or by some one appointed by him in that behalf, to inspect from time to time the books of account kept by the said lessees; excepting and always reserving out of this demise unto His said Majesty the King, his heirs and successors and assigns, his and their servants and workmen, full and free liberty at all times of making and using any railroads, tramways, or other roads or paths in, through, over, and upon the said piece or parcel of land hereinbefore described or any part or parts thereof, and also excepting and reserving the right of using, letting, or demising unto any person or persons whomsoever such part or parts of the surface of the said land as shall not be required by the said lessees for the purpose of working the said mines and seams of coal, copper, and other minerals; and also excepting and reserving out of this demise full and free right of mining for gold upon the said land at all times, and for any person or persons whomsoever; and also excepting and reserving out of this demise power from time to time for the Gold Warden of the district for the time being to grant the right of ingress and egress to, from, and across the said land hereby demised; and also to grant to any holder of a miner's right the privilege of entering upon such land for the purpose of cutting and maintaining water-races or tail-races, and of leading head or tail water through the same, or for any of the purposes for which such miner's right shall have been issued: Provided always, and it is hereby declared and agreed, that the said lessees, their executors, administrators, and assigns, covenant with His Majesty, his heirs, successors, and assigns, that if at any time during this demise the rent hereby reserved or any part thereof shall be in arrear and unpaid for six calendar months, the lessees will pay a fine equal to one-fourth of the rent so in arrear: Provided nevertheless that this covenant shall not prejudice the rights and remedies of His Majesty, his heirs, successors, and assigns, under the power of re-entry hereinafter contained.

Provided always, and it is expressly agreed, that if the rent hereby reserved, and the said fine or any part thereof respectively, shall remain unpaid on the thirty-first day of December in any year, such lease shall be *ipso facto* void, and (although no formal demand shall have been made thereof) in case of the breach or non-performance of any of the covenants and agreements herein contained or implied on the part of the lessees, then and in either of such cases it shall be lawful for His Majesty the King, his heirs, successors, or assigns, at any time thereafter, into and upon the said demised premises or any part thereof, in the name of the whole, to re-enter, and the same to have again, repossess, and enjoy as of his or their former estate, and such re-entry shall operate to release and discharge the lessees' estate and interest at law and in equity to the demised premises, anything herein contained to the contrary notwithstanding; but such re-entry shall not release the lessees from any rent in arrear or from liability for any breach of covenant: Provided that no covenants whatever shall be implied herein on the part of His Majesty the King or the Land Board respectively. And also that the said lessees, their executors, administrators, and assigns, shall at all times efficiently and properly work the said mines hereby demised, and shall carry on such work to the satisfaction of the Government Inspector of