

12; otherwise the Company to be at liberty to construct all other sections at such times and in such order as it thinks fit, but within the time limited by these presents for the completion of the said railway.

In case the Queen desires to work any section during the said period of five years, such working shall be on the terms hereinbefore set forth in clause 12.

14. If, after the said period of five years shall have elapsed, the Queen desires, at the request of the Company, to work any such portion of the said railway or any section thereof, the terms of such working shall be settled between the parties hereto on the basis of similar arrangements made between the Queen and other railway companies in New Zealand.

At any time before the completion of the said railway the Company may decline to work any section; and, unless the Queen desires, before the expiration of the period of five years hereinbefore mentioned, to work the same on the terms set forth in clause 12 hereof, or, after that period, on the terms mentioned in this clause, such section may remain unworked.

The working or non-working of any section shall not affect the earning by the Company of grants of land in respect thereof.

AND THIS DEED FURTHER WITNESSETH that, in further consideration of the premises and of the mutual covenants herein on the part of the Queen and of the Company contained, it is hereby covenanted and agreed by and between the Queen and the Company as follows:—

15. The particulars of the certified valuation within the authorised area and the blocks of land which the Company shall from time to time be entitled to select in accordance with these presents are shown on the map hereunto annexed, marked “B1” (which said map, with the additions herein mentioned, is similar to the map marked “B” attached to the original contract, and referred to in the Third Schedule to “The East and West Coast (Middle Island) and Nelson Railway and Railways Construction Act Amendment Act, 1886”).

The Company shall not be entitled to make a selection or receive a grant of any land outside the authorised area on any account or claim under these presents or any Act relating thereto.

16. Subject to the conditions herein contained, all lands within the limits of the authorised area shall be available for selection by the Company, with the following exceptions:—

- (a.) All lands which at the date hereof are subject to any rights of private ownership, tenancy, or other occupancy, not being a tenancy or occupancy under leases or licenses granted for pastoral purposes; and all lands which have, prior to the first day of January, one thousand eight hundred and eighty-seven, been set apart either temporarily or permanently by or on behalf of the Queen, under any law for any public purpose, or which may at the time such selection takes effect under these presents be lawfully held, used, or occupied for mining purposes, but so that all lands so held, used, or occupied for mining purposes shall be included in the aggregate area mentioned in subsection (c) hereof:

Provided that nothing contained in this clause shall be deemed to prevent the Company from selecting, in accordance with these presents, the area of land comprised in the existing coal leases on the Blackball Creek and Ford's Creek, subject to all subsisting rights affecting the same.

- (b.) All lands described in the Schedules to “The Westland and Nelson Coalfields Administration Act, 1877.”
- (c.) All lands which from time to time in the opinion of the Governor are or may be required for *bona fide* mining

Company may construct other sections in such order as it thinks fit.

If Queen desires to work any section, terms to be as in clause 12.

If, after five years, Queen desires to work any portion or section, terms of working to be settled as stated.

Company may decline to work any section, and, unless Queen works same, it may remain unworked; but working or non-working not to affect Company's right to earn grants of land.

Particulars of valuation and blocks of land which Company is entitled to select shown on Map B1.

Company not to make selection or receive grant outside authorised area.

Definition of lands within authorised area which Company may select, with exceptions.

(a.) Exception of private lands, not being pastoral leases or licenses; reserves made before 1st January, 1887; lands held for mining purposes at date of selection;

Proviso as to certain areas under lease.

(b.) Lands in schedules to Westland and Nelson Coalfields Administration Act;

(c.) Lands required