

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"), which said particulars are hereby declared to be binding on the Queen and the Company.

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 *bond fide* mining purposes, and the several purposes connected therewith or incidental or conducive thereto, and which lands shall from time to time be set apart and defined by Proclamations to be issued in that behalf; but no more than ten thousand acres shall be so set apart or proclaimed in one block at any one time; and the lands so set apart and proclaimed from time to time shall not in the aggregate exceed seven hundred and fifty thousand acres.
- (d.) All lands which shall from time to time hereafter be reserved or set apart for purposes of public recreation, or as endowments for charitable or educational purposes, under any law for the time being in force: Provided that no such lands shall be so reserved or set apart unless the situation and extent thereof shall have previously been agreed upon between the Queen and the Company.

17. It shall be optional for the Company at any time to select lands within the authorised area which are held under lease or license for pastoral purposes; but in every such case such selection shall be subject to all existing rights affecting the same.

18. It shall be optional for the Company, with the consent of the Queen in every case, at any time to select the timber on any lands reserved or set apart as aforesaid under subsections (c) and (d) of clause 16 hereof, in lieu of land at the same value per acre as such lands shall be set down at in the certified valuation, and such area of timber so selected shall be reckoned as if it were an equal area of land selected by the Company: Provided that such option shall not be exercisable so as to in any way interfere with *bond fide* mining purposes: Provided also that such option shall not be exercisable over lands the timber on which shall in the opinion of the Governor be or be likely to be required for saw-milling industries in existence at the date when the Queen shall consent to

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 for mining purposes (to be set aside in blocks not exceeding 10,000 acres, and not exceeding in the aggregate 750,000 acres);

(d.) Lands reserved for public recreation, or endowments for educational or charitable purposes; but situation and extent to be agreed on between Queen and Company.

Option for Company to select land held under pastoral lease or license, saving existing rights.

Option for Company, with consent of Queen, to select timber on land.

Saving of lands and timber required for certain industries.