

*Leases.*

3. Any licensed prospector shall be entitled to take up as a mining claim a block of ground not exceeding 60 acres, and shall forthwith mark out the same by causing to be driven into the ground four posts or pegs, one at each corner of the land proposed to be applied for, such posts or pegs to be not less than 3in. in diameter and to be sunk at least 2ft. in the ground, and to show not less than 3ft. above the surface of the ground and also cut trenches or lockspits on the lines at the corners to show the angles, and shall thereupon make application to the manager of the company for a lease of such claim as hereinafter provided.

4. Every mining claim thus marked off shall be in the form of either a square or a rectangular parallelogram, and shall not exceed 30 chains in its greatest length, nor shall the breadth be less than two-thirds of the length. No claim shall be marked off within 30 chains of any other claim already applied for or granted by the company, and the lands within the said distance may be taken up by syndicates on terms to be arranged with the company: Provided, however, that the discoverer of any *bona fide* new find not less than 80 chains from any other known find or claim on the company's estates shall be entitled to take up 100 acres in a block the greatest length of which shall not exceed 40 chains.

5. Every application shall be made in writing to the manager of the company and shall be accompanied by a money deposit to cover the necessary fees and expenses for the survey of the claim, such fees and expenses to be in accordance with the scale set forth in the regulations made under "The Mining Act, 1891," or such modifications thereof as may from time to time be made, and on receipt of such deposit the manager of the company shall cause a survey to be made of the claim applied for.

6. In the event of there being more than one applicant for the same piece of ground, or any part thereof, or of any dispute as to the order of priority, the decision of the manager shall be final and absolute.

7. Upon such survey being completed, the company will grant to the licensee a lease of the land, surveyed and pegged out for the purpose of mining for gold and silver, such lease to be for a term of twenty-five years, renewable for a further term of twenty-five years, subject to the following conditions:—

- (a.) Rent per acre per annum, 10s., payable half-yearly in advance.
- (b.) A right of distress if rent be in arrear for thirty days, and a right of re-entry if rent be in arrear for sixty days, or in case of any breach of the lease by the lessee.
- (c.) A right of entry and inspection by the company, its agents, or servants of the lands and all workings.
- (d.) For insuring that the ground is worked in a proper and efficient manner, and that the regulations made under the Mining Acts for the time being are complied with so far as applicable thereto.
- (e.) For making void the lease on breach of any of the stipulations on the part of the lessee therein contained.
- (f.) Defining water, timber, and other rights, and reserving to the company (with the right to grant same to others) rights-of-way and passage, water, timber, machine-sites, residence-sites, tailing-sites, mullock-tips, races, and other rights and privileges acquired for mining purposes.
- (g.) For providing that, in the discretion of the manager, one man at least be employed for every 3 acres comprised in the lease.
- (h.) Such other conditions as the company may reasonably deem necessary to protect the company or the rights or interests of third parties.

8. The lessee shall be entitled to water for domestic use and for battery or washing purposes, but not for providing power or for any other purpose except by consent of the company. The lessee shall not divert water so as to affect any other workings without the consent of the company.

9. No kauri-gum shall be removed from any of the Kauri Estates Company's freehold land, whether leased to any person or otherwise, without the consent of the company.

10. In carrying on mining operations, whether in prospecting or otherwise, every precaution shall be taken by the prospectors and miners to prevent damage by fire to any bush growing on the company's lands.

11. Every lessee or prospector shall have a right to use, free of charge, but for mining or domestic purposes only, timber growing on the land; but for every tree exceeding 6ft. in girth which the prospector or lessee shall cut or use he shall pay to the company at the rate of 9d. per 100ft. superficial.

12. The lessee shall have full right at all times, and for all persons authorised by him, with or without horses or other animals and vehicles, to pass and repass to and from the block or blocks pegged off or selected under these presents over any lands of the company. The company shall have similar rights for itself and any person or company claiming under it over any block or blocks pegged off and selected by the lessee under these presents. And whereas the Kauri Timber Company has certain rights as to cutting and clearing the trees reserved for them, the lessee hereby agrees to observe and be bound by the said rights, and to use all reasonable means to protect the trees of the said Kauri Timber Company on the lessee's block or blocks from wanton injury.

13. If the licensee shall not complete his lease as provided in clause 7 hereof within twenty-eight days after being notified by the company by ordinary course of post to do so, his protection shall cease, and his license become void.

14. Such lease and the counterpart thereof shall be prepared by the company at the expense of the licensee, who shall execute the same when called upon at the office of the company, or such other place as the company may appoint, and shall at the same time pay the cost thereof.