

November 23 2005



Dear Landowner

I am writing to you on behalf of Central Plains Water Limited. As you will be aware recent surveying has been undertaken to identify the 235 metre contour, as the proposed main headrace canal centre line for the scheme. It is proposed that the exact location of the headrace canal will be within 200 metres either side of the 235 metre contour. Your property has been identified as one that the canal is likely to run through. The exact location of the canal will be determined after consultation with directly affected landowners and the canal may be moved to miss important structures, houses or woolsheds within this band.

Please be assured it is our intent to consult with you as we progress the scheme.

This week Central Plains Water achieves a significant milestone when the Assessment of Environmental Effects (AEE) for Resource Consent Applications is delivered to Environment Canterbury. This is a significant step and brings us closer to achieving our end goal of obtaining the necessary resource consents for the scheme.

Lodging the consent applications is a major achievement; however it is simply the first step in a very long and complex process governed by the Resource Management Act. Gaining these resource consents is a critical step to furthering the scheme which will then enable Central Plains Water to negotiate with you. We acknowledge that this process may be frustrating, but find ourselves constrained by the requirements of the Act.

Before the scheme can proceed to construction, consents are needed:

- To divert and take water from the Rakaia and Waimakariri rivers.
- To store and use water in a defined way – for enhancement and irrigation.
- To discharge back into any identified water bodies/ground water.
- And a range of other consents required under the Resource Management Act.

Key elements of the proposed scheme:

- An intake on the Waimakariri River above the confluence with the Kowai River and an inlet canal feeding water to the Waianiwaniwa Reservoir via a tunnel through the Malvern Hills.
- An intake on the Waimakariri River at the Gorge Bridge to bring water into the main headrace across the plains.
- An intake on the Rakaia River approximately 8km downstream of the Gorge Bridge to bring water into the main headrace across the plains.
- A dam and consequent reservoir in the Waianiwaniwa Valley to provide stored water that will discharge into the main headrace.

- A level headrace that will run between the Rakaia and Waimakariri Rivers and deliver water to the distribution network.
- A distribution network of water races down the plains providing water to all shareholder properties in the scheme area.
- Pump stations to lift water from the headrace and inlet canal to land that is too high to be supplied by gravity in the Windwhistle and Springfield areas.
- Bywash, turnout water races, and wetlands at the bottom of the scheme area to discharge surplus water back into surface waterways or groundwater.

Requiring Authority Status

Today (23 November) we received advice that the Minister for the Environment has approved the company's application to become a requiring authority. Becoming a requiring authority is a common step in the process for large utility proposals where construction may not immediately take place. In effect we are securing the right to use the land, once we have secured the resource consents, which may take up to three years.

We will now notify the Selwyn District Council of our requirement for a designation. From this point there will be opportunities for the community to be involved in the process.

Selwyn District Council is required to initiate a submission and hearing process that is just as rigorous and transparent as the more familiar resource consent process. Community members can make submissions on the requirement in exactly the same way as you can on resource consents.

Central Plains Water wishes to work with you directly to seek a satisfactory outcome. Should you wish to discuss the content of this letter please feel free to contact Central Plains Director Doug Catherwood on (03) 318 0730 or myself on (03) 318 3783 or (021) 434 222.

Yours sincerely



Pat Morrison
Chairman – Central Plains Water Limited.

19 December 2005
Project No. 42156547.66250

Miss Madeline de Jong
The Oaks Historic Homestead
SH 73
Darfield RD1

Dear Miss de Jong,

Subject: Central Plains Water Project

As requested I am enclosing plans showing the proposed location of the Central Plains headrace in the vicinity of your property at the intersection of SH73 and Clintons Road.

Please note that the location shown is approximate. The project has applied for consents to build the headrace anywhere within the pink band shown on the maps to allow flexibility to accommodate the results of final detailed surveying and discussions with landowners over their needs.

Regarding the process for scheme implementation, the next main steps are to obtain consents and land designations. The company has applied for consents to Environment Canterbury and is required to inform you when the applications are formally notified so you can make any submissions you wish. Notification is not likely to take place until February or March 2006. When consents are finalised, and that is likely to take two years, the company will then seek to raise finance for construction and will also finalise design at that time.

If you have any further questions about race locations or processes please feel free to contact me.

Yours sincerely,
URS NEW ZEALAND LIMITED



Walter Lewthwaite
Senior Environmental Engineer

Enclosures

URS New Zealand Limited
Level 5, Landsborough House
287 Durham Street, Christchurch
PO Box 4479, Christchurch New Zealand
Tel: 64 3 374 8500
Fax: 64 3 377 0655





16 January 2006
Project No. 42156547.66250

Miss Madeline de Jong
The Oaks Historic Homestead
SH 73
Darfield RD1

Dear Miss de Jong,

Subject: Central Plains Water Project

As promised here is a plan showing the proposed locations of the smaller feeder races in your area. You will see that one race is shown flowing down SH73 and potentially passing through your property.

As with the plans I sent in December this location is tentative and subject to detailed design in discussion with the landowners, but we do not expect to have these discussions until nearer to the time of construction.

If I can be of any further help at this time please contact me.

Yours sincerely,
URS NEW ZEALAND LIMITED

Walter Lewthwaite
Senior Environmental Engineer

Enclosures

CENTRAL PLAINS WATER LIMITED

ATTACHMENT 4.

21 February 2006



Distribution race locations – Central Plains Water scheme

Dear Landowner

I am writing to you as the landowner of a property that last year was identified as one that will potentially be affected by a Central Plains Water scheme distribution race (or is within 100m of a race).

The purpose of this letter is to advise you that:

- The location of the distribution races (outlined in Central Plains Water's water use resource consent applications, lodged with ECan in November) were preliminary. The layout was indicative rather than the final design.
The more definitive land use consent applications are still being worked on and will be lodged with Selwyn District Council later this year, around April.
This is the reason why you have not been contacted by Central Plains Water until now.
- Central Plains Water is currently undertaking extensive work to define the locations of distribution races more accurately. This includes acting on initial feedback that suggests, in some areas, it is more appropriate if the races are sited away from main roads and, for example, run at the back of properties or along boundary fences between farms.
- Once this current process is complete (in the next 4-6 weeks) we will revise the overall layout of the distribution race network. We then will write to you again to let you know where the proposed plans can be viewed and to give you the opportunity to discuss any issues with Central Plains Water.

I want to make it clear that Central Plains Water has no wish to cause disruption by siting any structures in locations such as "through someone's house". There is considerable flexibility for Central Plains Water to position the distribution races so as to minimise their impact on your property. The final location of the races can continue to be refined and improved in consultation with property owners, up to the point of construction which is still some years away.

Therefore please be assured that, wherever possible, your individual concerns will be addressed prior to Central Plains Water confirming the layout of its proposed distribution race network.

Best regards

Pat Morrison
Chairman, Central Plains Water Limited

P.O. Box 13 468

Christchurch

New Zealand

Phone 377 8076

Fax 377 8575

Malvern News

Phone: 318 7450
 Fax: 318 7451
 Email: malvernnews@xtra.co.nz

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ISSUE 240

Friday, 27th January, 2006

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PROTECTING LIVELIHOOD & HISTORY

A web of subterfuge almost as tangled as the canals that are planned to criss cross the very fabric of our community has recently confronted local businesswoman **Madeleine de Jong**.

Madeleine owns and operates The Oaks, a beautiful, restored historic homestead on the outskirts of Darfield. The business is run as an elegant accommodation and dining establishment with the emphasis on ambience and quality.

So it's not hard to understand then, the sheer frustration and horror she felt when it

was eventually disclosed that the headrace of the proposed CPW irrigation scheme goes in close proximity to her property.

However on closer enquiry it was found that a secondary canal runs straight through the property, something the Environmental Engineers URS, 'forgot' to tell her.


The protracted saga began when Madeleine became uneasy about the lack of information and consultation by CPW and contacted URS NZ Ltd, something she would advise anyone with doubts or concerns to also do.

On December 19th, '05 a

communication was received at The Oaks outlining the location of the head race - alongside the property. A mention was made in the missive of the opportunity for submissions which could be received during February, March 2006. However Madeleine wasn't convinced that this headrace posed the only threat to her livelihood or to the protection of an historic homestead.

Finally on January 16th she was informed of the location of the feeder canals one of which also bisects the property. These canals are concrete structures measuring 13 metres in width and are definitely not an attractive addition to either Madeleine's business or to an area which is attempting to attract tourists to it.

Continued on page 2...



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Madeleine de Jong will not give up without a fight and knows there will be more than just her surprised, when they see the enormity of the plans for the proposed canals in the area.

CIRCULATION: Over 4200 - Area SH 1 W6st, between the rivers.

The information and opinions published are not necessarily those of the Malvern News proprietors.

Malvern News is distributed to over 4200 homes and businesses in the Malvern area.

Next edition will be distributed Friday 3rd February '06. Deadline - 5pm Tues 31st Jan '06.

- Weekly Newspaper
- Business Cards
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- Laminating
- Binding
- Typesetting

If it's newsworthy and you know about it - we'd like to know too!

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New Zealand

www.DuncanCotterill.com

25 January 2006

Madeleine de Jong
"The Oaks"
West Coast Road
DARFIELD RD

Dear Madam

Pat Morrison

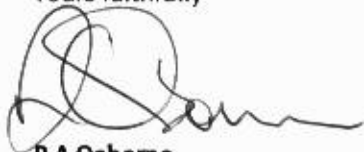
1. We act for Mr Pat Morrison. On Friday he was informed reliably that the woman who owns "The Oaks" had informed TV3 that he (Pat Morrison) had sold a property on the West Coast Road to that woman and that the property in question is affected by the Central Plains project.
2. It appears that you are the maker of those statements.
3. It is of course a matter of fact that our client is Chairman of the Board of Central Plains Water Limited. The statements made to TV3 carry several innuendoes including:-
 - 3.1 Our client as an owner of property affected by the Central Plains project was prepared to take advantage of his knowledge and/or insider knowledge to benefit himself;
 - 3.2 That our client with such ownership and information was prepared to take advantage of such information to disadvantage a purchaser;
 - 3.3 An innuendo that our client does not conduct his dealings in good faith;
 - 3.4 An innuendo that our client is not a person to be relied upon.
4. On Friday 20 January 2006 a Mr Cliff Joyner of TV3 News, Christchurch confirmed to our Mr Osborne that the statements referred to in the paragraphs above had indeed been made to TV3. Mr Joyner also indicated that he had taken up the statements with an organisation representing Central Plains Water Limited.
5. Accordingly, it appears clear that the statements made have already been published not merely to TV3 but beyond.

False Allegations

6. The allegations which have been made are false. The innuendoes are false.
7. Our client has never had an interest in the property in question.
8. The statements made to TV3 and since passed on to other organisations are false and defamatory.

9. Our client has held and continues to hold senior positions in commercial organisations in New Zealand and enjoys the highest reputation flowing from his commercial experience and integrity. The statements made gravely impugn that integrity. They have been made in such a way that a media organisation has effectively been invited to pick the statements up and republish them in the most public manner.
10. On Friday, 20 January 2006 this firm advised TV3 that the allegations made against Mr Morrison were false. However, neither Mr Pat Morrison nor this firm has direct control over the publication by TV3 and nor does this firm know to what extent and to what other persons the allegations in question may have been published.
11. We require from you by 4.30pm Friday, 27 January 2006 to be received at Duncan Cotterill the following:-
 - 11.1 In the event that you accept making statements to TV3 and others as set out above, written advice as to all the persons to whom you may have spoken to or otherwise communicated with to the same or similar effect to your discussion with TV3. To the extent that you have communicated in writing, (including e-mail), please provide copies of same.
 - 11.2 In the event that you accept making statements to TV3 and others, your unreserved apology and agreement that you will issue a retraction to the recipients of your statements in terms agreed to by us.
 - 11.3 In the event that you deny making statements to TV3 covering Pat Morrison, then we seek within the same timeframe (i.e. by 4.30pm Friday, 27 January 2006) your written statement that you have never made statements to TV3 or any other persons concerning the alleged sale of a property to you by our client.
12. If such an apology and other matters are not attended to by that time, then Mr Morrison has instructed us to take the appropriate steps to obtain those legal remedies.

Yours faithfully



R A Osborne
Partner

r.osborne@duncancotterill.com

Simon Mortlock Partners

Lawyers

Partners: Simon George Mortlock LL.B.B.Com. Anthony Robert Herring LL.B.(Hons),B.A. Amy Juliet Adams LL.B.(Hons)

Level 8, PricewaterhouseCoopers Centre, 119 Armagh Street, Christchurch
P O Box 13-474, DX WP21036, Christchurch Tel: 03 366 6130 Fax: 03 366 6018

27 January 2006

Duncan Cotterill
Level 9 Clarendon Tower
CHRISTCHURCH

Contact: Hamish Douch
E-mail: hamish@smpartners.co.nz
Partner Responsible: Tony Herring

BY FAX TO: 379 7097

FOR: Mr R A Osborne

Madeline de Jong - Pat Morrison

We act for Madeline de Jong and have been forwarded a copy of your letter to her dated 25 January 2006.

We have been instructed to reply on our client's behalf and respond as follows;

1. Whoever has "reliably informed" Mr Morrison has not received or passed on the correct information. We are instructed that our client when being interviewed by Mr Cliff Joyner of TV3 News, commented, whilst off camera, that "Isn't it ironic I brought the property from the Morrison family?". Mr Joyner asked our client if she had brought the property from Mr Pat Morrison and our client responded that "No, I brought it from Mr Pete Morrison". She was then asked, "Do you think that they would have known [about the scheme]". We are instructed her response was "who knows?". At no time did our client say to Mr Joyner that the property was purchased from Mr Pat Morrison and our client does not see how anyone could have made this inference.

TV3 obviously felt there was no newsworthiness in this as there was no reference made to that statement in the article on the TV3 news on Wednesday 25 January.
2. As the statements and the innuendo your client claims were made were not in fact made no statement will be given by our client.
3. In our view your clients claims are without merit or substance and any action will be defended by our client.
4. We are instructed our client has given a number of other media interviews and at no time has she told any media that she purchased from Mr Pat Morrison.
5. We are instructed that on Sunday of last week Mr Pete Morrison visited our client and he said to her he thought they had a good relationship. Our client confirmed they did to which he replied "the word on the street was that you [our client] was saying that the Morrison's must have known of the scheme when they sold the property". Our client is not saying that they were aware of it however, it had been mooted prior to the sale of the property. Our client acknowledges that Pat Morrison and Peter

Morrison are two totally different people and it is not being suggested that Mr Pete Morrison knew of the Central Plains Water Scheme. Our client advises that she did not say that and it was obvious that the press had got hold of the wrong end of the stick and she suggested that Mr Pat Morrison call her to sort anything out. It is unfortunate that your client has found it necessary to go to his Solicitors when a simple phone call would have resolved this matter.

Kind regards

Hamish Douch
ASSOCIATE

Direct Dial: 963 2866
Mobile: 021 500263

Madeleine de Jong
The Oaks Historic Homestead
Corner State Highway 73 and Clintons Road
Darfield RD 1

6 February 2006

CCC councillor

Dear Sir/Madam,

I am writing to you to express my concern over the Central Plains Water Scheme and The Selwyn District Council's involvement in this scheme. I would appreciate if my concerns could be tabled at the next council meeting on Wednesday 8 February 2006.

Please be advised that I purchased The Oaks Historic Homestead in April 2002 and have invested in excess of \$800,000 dollars to return to Darfield, restore the Homestead and commence a boutique style accommodation and private function operation. I am an International Hotel Manager by Trade. The Homestead features as a category 2 listing with The Historic Places Trust and is included in the Selwyn District Plan as a Historic Dwelling of local significance.

Only in October 2005 was I made aware of the extent of The CPW irrigation scheme and the amount of money that has been committed by the Selwyn District Council in support of this scheme. It was, by the way, not an easy process to acquire detailed information and this process took in excess of 2 months. I now have the feeling that I am reasonably informed not only about my own situation but also of the effects to the Malvern area, Canterbury Plains and Christchurch.

My concerns are as following;

-My right to protect my assets. With the granting of the Requiring Authority Status to CPW, potentially my right to my own assets have been taken away. I have been informed both by SDC and HPT that the Requiring Authority Status will supersede my Historic Listing both with HPT and the Selwyn District Plan. As a rate payer, how are you suggesting to assist me in protecting my assets and support me as a small business operator? I am aware of your support to the CPW scheme and the interest in large business operators but what about small businesses and individual assets? I am absolutely not in favour of rate payers' money being used to support this scheme. *will you.*

-Lack of information both from the SDC to its rate payers and from CPW to all people affected by the scheme. I might be naive but is it legally correct for a council to financially have interest in a private scheme without prior notification to all rate payers and without giving all rate payers the opportunity to inform themselves properly regarding the full scope of the CPW irrigation scheme and its flow on effect?

-Conflict of interest. I am extremely concerned about the potential undemocratic and biased attitude of the SDC towards the scheme. How will it be possible for people like me to have my concerns tabled objectively whilst the CPW Trust, which is supposed to influence and constrain the scheme, features trustees that are also Directors in the CPW LTD? How is it possible for SDC to be objective whilst being a shareholder in the Scheme?

-Proof of potential benefits. So far I have only heard the "potential positive financial flow on affects to the area" e.g. creation of 22.000 jobs?? I would like to council to actually put a dollar value on the following;

- - Loss of revenue and lifestyle of all affected by the scheme
- -Potential Loss of Tourist enjoyment and visitation to our area
- -potential loss of continual water supply to all rate payers
- -potential loss of the intrinsic value of the enjoyment of the Waimakariri river and the Rakaia river.
- -potential loss of eco systems and wild life that our rivers support
- Potential break up of whole communities and the associated sociological effects.

9 March 2006

ATTACHMENT 8.

The Oaks Historic Homestead
State Highway 73
Darfield
CANTERBURY

Attention: Ms Madeleine de Jong

Dear Ms de Jong

Thank you for your letter of 6 February.

As you will be aware the Council has had a Subcommittee looking into the issue of the Central Plains Water Debt Funding Proposal. This committee last met on 1 March.

At this current time the Council is holding discussions with Central Plains Water Limited but in its investigations it has identified a number of issues of concern that do not allow it to proceed with this proposal at the present time.

As more information becomes available I will endeavour to keep yourself and other interested parties informed.

Yours faithfully



pp Douglas Marshall
MANAGER CORPORATE SERVICES