CIVIL ACTION NO 4/96

Between: Patrina Botelanga and Ronald Deduna

-PLAINTIFFS

and

Nauru Phosphate Corporation

-FIRST DEFENDANT

Secretary For Justice

-SECOND DEFENDANT

<u>Held</u>

1. Legality of the leases of Phosphate bearing land cannot be challenged. They have been effectively and lawfully vested in (as opposed to assigned) in the Nauru Phosphate Corporation which is entitled to the benefit and subject to the obligation accruing therefrom.

2. In these leases of portion 362 and 365 the lessor has given the lessee two rights. It permits during the term thereof the lessee to give occupancy of his land to the Administrator of Nauru. This other right given is that right of lessee to mine phosphate thereon. These two rights enure for the term of the lease and may be exercised at any time during that term.

3. In the lease of portion 377, the court is satisfied that the provision in question "Purpose of Lease" contains a binding condition as to the permitted use thereof, the breach of which could probably entitle the lessor to an award of damages. The lease is clear and unequivocal and although the land is phosphate bearing, there does not flow from that status any right in the Republic to mine it or grant to any other person that right. It should also be said that, if the land being leased for a specific purpose, is held by the lessee for any other purpose, such use can be restrained by injunction.

V. Clodumar for Plaintiffs Kaierua for First Defendant Dwivedi for Second Defendant

Before - DONNE. C.J.