APPLICATION FOR RESOURCE CONSENTS AND VARIATIONS TO RESOURCE CONSENTS UNDER SECTIONS 88 AND 127 OF THE RESOURCE MANAGEMENT ACT 1991
TO ALLOW FOR THE CORONATION NORTH PROJECT – AN EXPANSION OF MINING ACTIVITIES AT THE MACRAES GOLD PROJECT

TO: **THE WAITAKI DISTRICT COUNCIL**

AND TO: **THE DUNEDIN CITY COUNCIL**

AND TO: **THE OTAGO REGIONAL COUNCIL**

OCEANA GOLD (NEW ZEALAND) LIMITED ("the Applicant"), Level 3, Oceana Gold House, 22 MacLaggan Street, Dunedin applies for resource consents and variations to resource consents to authorise the following activities:

Description of Activity
An extension to the existing consented Macraes Gold Project is proposed, called the Coronation North Project ("the Project").

The main features of the Project are:

- The Project continues to be located on the ridgeline to the north of Horse Flat Road along the Shag River and Taieri River catchment divide and is situated between the features known as Sister Peaks and Highlay Hill.

- Development will continue to be within the upper reaches of Maori Hen Creek, the Mare Burn and Trimbells Gully Creek (Taieri Catchment).

- The estimated duration of the operation and rehabilitation phases of the Project will be approximately 5 years and the project will add approximately 3 years to the overall Macraes mine life.

- Mining operations will occur 24 hours a day, seven days a week.

- The existing Coronation Pit, which is currently consented to cover an area of about 62 Ha, will be extended primarily to the south to cover an area of about 85 Ha (an increase of 23 hectares). The existing pit was estimated to contain approximately 5Mt of ore, and exploration activity has confirmed additional ore is present. The estimated ore contained in the revised pit (including that which has already been processed) is approximately 8.5Mt. A pit lake, similar to that currently consented, will remain on closure.

- A resource has been identified within the area of the consented Coronation Waste Rock Stack which will be mined, and a new open pit (Coronation North Pit) will be developed. The Coronation North Pit is estimated to contain approximately 9Mt of ore (for total additional ore stocks comprised in this application of 12.5Mt) and will cover an area of about 63 Ha. The Coronation North Pit will be opportunistically partially backfilled where practicable and will be closed as a pit lake.

- The ore mining rate for the Pits will be approximately 5Mt per annum or 20Mt of material excavated per pit, per annum.

- The existing Coronation Waste Rock Stack will not be constructed to the fully consented extent. The total volume of waste rock will reduce from a currently consented 94Mt (an area of approximately 105 hectares) to approximately 29Mt (an area of approximately 41 hectares). This is a reduction of approximately 65Mt (and 64 hectares in area). The consented maximum height of the Coronation Waste Rock Stack will remain 730 mRL.

- A new waste rock stack (Coronation North Waste Rock Stack) will be constructed to the north east of the consented Coronation Waste Rock Stack. The waste rock stack design is capable of containing the total excavated waste material from Coronation North Pit and the Coronation Pit expansion (about 280Mt). It is designed to a maximum height of 695 mRL and a maximum potential area of 230 Ha. With the potential for opportunistic backfill placement within the Coronation pits, the size of the waste rock stacks may reduce in proportion to the amount of backfill placed in the pits. There will be no change in maximum height of the currently consented Coronation waste rock stack (730 mRL).

- All water from the Coronation North Pit and Coronation North Waste Rock Stack is expected to report to the Mare Burn catchment, a tributary of the Taieri River. Overflow from the expanded Coronation Pit Lake will also report to the Mare Burn catchment.

- A freshwater dam may be constructed within Coal Creek catchment. The proposed dam will consist of an embankment with an approximate height of 27m behind which about 670 million litres of water will be stored when at full capacity, with a footprint of about 9.3 Ha. This dam will provide a constant water supply downstream, of about 5 litres per second, to supplement naturally occurring low flows in Coal Creek and Mare Burn for water quality purposes.

- The existing haul road will be extended by about 2km to the north to reach the Coronation North Pit. Ore will be hauled from the Pits to the Macraes processing plant via the existing haul road across Horse Flat Road and along the Golden Point Road alignment to the Processing Plant. In most other respects the roading will remain the same as for the consented Coronation project.

- Current Coronation Project consent conditions provide for unformed Matheson Road to be realigned and unformed public access (15 metres wide) to be provided around the consented Coronation pit and waste rock stack when mining operations cease. Since the footprints of the Coronation North Pit and Coronation North Waste Rock Stack overlap the consented realignment OceanaGold will identify an alternative route for the realigned Matheson Road and apply to vary the Coronation land use consent.

- Surface water runoff around the pits, waste rock stack(s) and haul road will be managed with diversion drains and silt control dams located in gullies downstream of disturbed areas. Sediment control will be installed prior to any disturbance within each catchment area.

- Surface water and groundwater collected in the pits during operations will be pumped out to a water sump adjacent to the pits. Water from the sump will be used for dust control and any surplus water will be discharged via a silt pond.

- The portable diesel storage and refuelling facility installed adjacent to Coronation Pit will remain and be utilised for the Project. Temporary buildings (including toilet

facilities and crib room) will remain in place beside Coronation Pit and new temporary buildings may also be located adjacent to Coronation North Pit.

- The processing rate at the Macraes processing plant of about 6Mt per annum will be unchanged by the Project.

- The closure plan will comprise progressive rehabilitation of the Coronation and Coronation North Waste Rock Stacks, opportunistic backfilling of the pits during operations, formation of pit lakes within both Pits, removal of any buildings and other temporary structures, decommissioning of the silt ponds to become stock water ponds, removal of the haul road crossing over Horse Flat Road, rehabilitation of the main haul road from the pits and waste rock stack(s) to Horse Flat Road and reinstatement of Matheson Road on a new alignment. On the completion of mining Golden Point Road will be reopened for public access.

Specific details pertaining to the Project are contained in the Assessment of Environmental Effects ("AEE") attached as Annexure 1.

The AEE also discusses the effects the activities which consent is being applied for may have on the environment in accordance with the Fourth Schedule to the Resource Management Act 1991 ("the Act"). In summary it is anticipated that:

- Effects on traffic, noise, dust and vibration have been assessed and are of a similar nature to effects currently related to existing MGP operations, and are considered acceptable.

- Effects on landscape and visual values have been assessed and overall are considered acceptable, there is one viewpoint where the visual impact will be high during operations, reducing to moderate, with rehabilitation over time.

- Effects on heritage and archaeology have been assessed and the creation of the Coronation North Pit will not have any direct impacts on known archaeological sites. The Coronation North Waste Rock Stack will impact sites in Maori Hen Creek and the upper tributaries of Trimbells Gully. The Coronation North Waste Rock Stack will be modified to avoid the features identified within the upper tributaries of Trimbells Gully. The Coal Creek Freshwater Dam will significantly impact remains of alluvial and hardrock mining and these impacts will be appropriately mitigated in consultation with Heritage NZ.

- The Coronation North project footprint will have an unavoidable impact on some terrestrial ecology and aquatic ecology values. It needs to be recognised that there are constraints on the ability to avoid impacts on these values, since mining and associated infrastructure needs to be based at the location of the gold resource. OceanaGold is proposing an ecological mitigation package in consultation with key stakeholders.

- The Coronation North Project will assist in providing for the continuation of a range of major benefits from the MGP relating to employment and socio-economic well-being and will continue to support the infrastructure and activities of local communities through direct and indirect contributions.

- The impacts of the Project are of a similar nature to those currently managed by OceanaGold at MGP. A mitigation package is proposed in this Application and will be refined in consultation with key stakeholders. Comprehensive modelling and

monitoring, combined with operational management and careful post-mining planning, will result in adverse effects being avoided, remedied or mitigated appropriately and in accordance with accepted industry standards.

- The Applicant also intends to submit proposed conditions of consent which will mitigate any adverse effects of the Coronation North Project.

- Effects on water quality, particularly sulphate concentrations, will be such that water quality will remain within existing compliance limits during operation and also post-closure when mitigated by construction of the proposed Coal Creek Freshwater dam. A new water compliance monitoring point (MB02 centred at grid reference NZTM 1392955.43E, 4980551.73N) is proposed downstream from the current compliance monitoring point of MB01 as the Project will affect water quality downstream from MB01..

Consents and/or Variations Required
In respect of the Waitaki District Council ("WDC") the new consents and variations to existing consents required are:

Type	Purpose
Land Use	a) Extraction of minerals and overburden by mechanical means from Coronation Open Pit (centred at grid reference NZTM 1395770E 4977492N);
	b) Deposition of waste rock as backfill into the Coronation Open Pit (centred at grid reference NZTM 1395770E 4977492N);
	c) Operation and maintenance of various silt ponds and silt control facilities for controlling runoff from mining operations;
	d) Use of a haul road;
	e) Use of 2 haul road crossings;
	f) Realignment of Matheson Road and variation to timing of reopening of Golden Point Road;
	g) Use and storage of hazardous substances (explosives and diesel);
	h) Use of temporary buildings;
	i) Decommissioning and rehabilitation of the structures and works listed above.

And any consequential changes to existing consents and new consents required.

In respect of the Dunedin City Council ("DCC") the new consents required are:

Type	Purpose
Land	a) Extraction of minerals and overburden by mechanical means from Coronation

Use	North Pit (centred at grid reference NZTM 1394460E 4978050N);
	b) Deposition of waste rock produced by the operation to Coronation North Waste Rock Stack (centred at grid reference NZTM 1395310E 4978930N) and the deposit of waste rock as backfill into the Coronation North Open Pit;
	c) Construction, operation and maintenance of various silt ponds and silt control facilities for controlling runoff from mining operations;
	d) Construction and use of haul roads;
	e) Construction and use of temporary buildings;
	f) Earthworks in wetlands;
	g) Clearance or modification of indigenous vegetation;
	h) Decommissioning and rehabilitation of the structures and works listed above;
	i) The excavation, construction and operation of the Coal Creek Freshwater Dam and tracks associated with mining.

And any consequential changes to existing consents and new consents required.

In respect of the Otago Regional Council ("ORC") the new consents required are:

Type	**Purpose**
Coronation North Waste Rock Stack	
Land Use	To disturb, deposit and reclaim the bed of unnamed tributaries of Maori Hen Creek, Trimbells Gully, Mare Burn and Camp Creek for the purpose of constructing the Coronation North Waste Rock Stack.
Discharge	To discharge silt and sediment to water for the purpose of constructing the Coronation North Waste Rock Stack.
Discharge	To discharge waste rock and contaminants from waste rock to land for the purpose of constructing the Coronation North Waste Rock Stack.
Discharge	To discharge contaminants to water from the base and toe of the Coronation North Waste Rock Stack for the purpose of waste rock disposal.
Discharge	To discharge water from silt ponds to unnamed tributaries of Maori Hen Creek, Trimbells Gully, Mare Burn and Camp Creek for the purpose of operating silt ponds for the Coronation North Waste Rock Stack.
Coronation North Open Pit	
Water	To take surface water for the purpose of dewatering Coronation North Pit.
Water	To take groundwater for the purpose of dewatering Coronation North Pit.
Water	To divert water around the open pit known as Coronation North Pit for the purpose of preventing surface water ingress and managing the surface water runoff.
Discharge	To discharge waste rock to land within the Coronation North Pit for the purpose of disposing of waste rock.
Coronation North Pit Lake	
Water	To dam water in Coronation Pit for the purpose of creating the Coronation North Pit Lake.

Water	To take groundwater for the purpose of creating the Coronation North Pit Lake.
Water	To take surface water for the purpose of creating the Coronation Pit Lake.
Discharge	To discharge water from Coronation North Pit Lake to unnamed tributaries of Maori Hen Creek, Trimbells Gully, Mare Burn and Camp Creek for the purpose of pit lake overflow.
Air	
Discharge	To discharge contaminants from mining operations and post mining rehabilitation to air for the purpose of undertaking mining operations.
Coal Creek Freshwater Dam	
Discharge	To discharge silt and sediment to Coal Creek for the purpose of constructing the Coal Creek Freshwater Dam.
Water	To dam water for the purpose of operating the Coal Creek Freshwater Dam.
Water	To divert water for the purpose of construction of the Coal Creek Freshwater Dam.
Discharge	To discharge water from the Coal Creek Freshwater Dam to Coal Creek for the purpose of operating the Coal Creek Freshwater Dam and supplementing flows in Coal Creek and Mare Burn catchments.
Land use	To place a structure and disturb the bed of Coal creek for the purpose of constructing the Coal Creek Freshwater Dam embankment.

And any consequential changes or variations to existing consents and new consents required.

The names and addresses of the owners and occupiers of the land to which the application relates are:

Owner
Oceana Gold (New Zealand) Limited, Level 3, OceanaGold House, 22 MacLaggan Street, Dunedin.

Occupier
Colin Henry Howard (a lease from the Applicant).
JT Peddie Limited (a lease from the Applicant).

The location to which the application relates is:

Coronation North Project Element	Parcel Description	CT Number	Owner
Coronation North Waste Rock Stack	Part Section 2 Block V Highlay SD;	OT15A/514	The Applicant
Coronation North Open Pit	Part Section 2 Block V Highlay SD;	OT15A/514	The Applicant
Pit Infrastructure	Part Section 2 Block V Highlay SD;	OT15A/514	The Applicant

Silt Ponds	Part Section 2 Block V Highlay SD.	OT15A/514	The Applicant
Additional Haul Road	Part Section 2 Block V Highlay SD;	OT15A/514	The Applicant
Coal Creek Dam	Part Section 2 Block V Highlay SD;	OT15A/514	The Applicant
Coronation Pit Extension	Part Section 2 Block V Highlay SD Lot 1 DP 465577 Part Section 2 Block VII Highlay SD Part Section 11 Block VII Highlay SD	OT15A/514 OT620415 OT16B/855	The Applicant

No other information is required to be included in the application by the district or regional plan, the Act or regulations.

DATED **24 May 2016**

Signature: **Oceana Gold (New Zealand) Ltd**

Jackie St John
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Annexure:

1. AEE in support of this application