Before the Expert Panel appointed under the Fast-track Approvals Act 2024

Under	the Fast-track Approvals Act 2024 (**Act**)
And	
In the Matter of	an application for approvals by Matakanui Gold Limited to establish, operate, rehabilitate and ultimately close an open pit and underground gold mining operation known as the Bendigo-Ophir Gold Project

Statement of Evidence of **Benje Patterson** on behalf of **Matakanui Gold Limited** in response to Section 53 Feedback

Economics

Dated: 17 April 2026

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INTRODUCTION

1. My full name is Benjamin Robert Patterson. I am known professionally as Benje Patterson.

2. I am a self-employed economist, who specialises in regional economics.

3. I have worked professionally as an economist for 15 years. For the last 7 years I have been self-employed. Immediately prior to that I was Senior Economist, Head Regions for a Wellington-based economic consultancy (Infometrics).

4. I am a current member, and former board member, of Economic Development New Zealand, which is the industry body for economic development professionals in New Zealand.

5. I hold a Master of Arts (Economics and Politics) from the University of Freiburg, Germany, as well as a Postgraduate Diploma in Economics and a Bachelor of Commerce (majoring in Economics and Finance) from the University of Otago.

6. I have a high degree of familiarity with the Central Otago and neighbouring Queenstown Lakes economies, having worked on dozens of projects in the local area over recent years across a broad range of industries, and I am resident within the region. I was formerly a member of the Otago Regional Economic Development (**ORED**) working group and I am a current board member (and former Chair) of the Arrowtown Promotion and Business Association (**APBA**).

7. This statement is given as part of Matakanui Gold Limited's (**MGL**) response to comments on the Bendigo-Ophir Gold Project (**BOGP**) made under Section 53 of the FTA.

8. My original findings are provided in full in the Part B appendix of the Substantive Application under "B.01 Benje Patterson (People and Places) – Economic Impacts of the Bendigo-Ophir Gold Project (Benje Patterson 2025)". This report is referred to in this Statement of Evidence as the Benje Patterson Limited (**BPL**) Report.

9. My responses to the Section 53 comments rely primarily on content from the BPL report, supplemented by additional information directly provided to me by the Applicant, and other material referenced in my responses. All financial figures are in New Zealand dollars (NZD) unless otherwise specified.

10. The BOGP mine site sits within Central Otago District. The BPL report and this Statement of Evidence also make references to Inland Otago (encompassing Queenstown Lakes and Central Otago) to reflect geographical and commuting practicalities of suppliers and the hundreds of workers associated with the BOGP.

11. I have prepared this statement in the limited time available for MGL to respond to comments under the Act. If the Panel requires elaboration on any of the matters raised in this statement, I am available to provide further information on request.

12. Although this is not an Environment Court proceeding my confirmation of compliance with the Code of Conduct for Expert Witnesses in the Environment Court Practice Note 2023 is included in Substantive Application Document A0.2B.

SPECIFIC RESPONSE TO COMMENTS

13. I have identified the following parties as having either provided comments that relate to the BPL Report or as having made comments regarding other relevant economic issues that were not directly addressed in that report which I have responded to in this Statement of Evidence:

    (a) Regulators:

        (i) Central Otago District Council (**CODC**); and

        (ii) Otago Regional Council (**ORC**).

    (b) Owners and occupiers:

        (i) Simon Gibbard and Nicola Mulvena;

        (ii) Folding Hill Wine Company Limited;

        (iii) John Charles Perriam (Bendigo Station);

        (iv) Gibbston Valley Wines Limited;

        (v) Lilian Cheryl Lucas (Cheryl);

        (vi) Ardgour Family Trust (Ardgour Station);

        (vii) Sharon Brodie; and

        (viii) QWIL Investments (NZ) Pty Limited.

(c) Others:

(i) Crown Ministers (Hon James Meager, Hon Chris Bishop, Hon Shane Jones, and Hon Nicola Willis);

(ii) Environment Defence Society Incorporated;

(iii) Royal Forest and Bird Protection Society of New Zealand;

(iv) Sustainable Tarras;

(v) Schoolhouse Terrace Services Company Limited;

(vi) The Chinamans Terrace Services Company Ltd;

(vii) The Canyon Vineyard Ltd;

(viii) Central Otago Winegrowers Association (**COWA**);

(ix) Tourism Industry Aotearoa;

(x) Queenstown Business Chamber of Commerce;

(xi) Business South;

(xii) Santana Mine Supporters Group; and

(xiii) New Zealand Minerals Council.

14. Given the substantial volume of comments from the invited parties that relate to economics, I have grouped my responses into “themes”. Wherever relevant, I have also identified where these themes were similar to the Panel’s Request for Information (**RFI**) made under Section 67 of the Act on 1 April 2026. The following table summarises the list of themes which I have responded to.

Theme groupings for responses	Related Panel RFIs
1. Scale of economic benefits	
2. High-value add nature of the Project	67
3. Methods to calculate economic activity and benefits	72, 73
4. Fly-in-fly-out (FIFO)	62
5. Sensitivities of direct economic activity to gold prices	51 to 56
6. Discounting and NPV of direct economic activity	
7. Government revenue	64
8. Uncertainties regarding indirect economic activity	70, 71
9. Impact analysis versus cost-benefit analysis	46
10. Further costs should be quantified	66, 68
11. Existing use of land	66
12. Viticulture in Bendigo	68
13. Tourism in Bendigo	68
14. Housing supply for workers	75, 76
15. Pay rates and project employment	60, 61
16. Spare capacity in local labour market	62, 63
17. Labour market catchment for workers	

Table 1: Theme groups for responses

Theme 1: Responses to comments regarding "scale of economic benefits"

15. Several parties commented on the large scale of economic activity directly generated by the Project, and the contribution of mining more generally to New Zealand's economy. Many parties concluded that the Project's contribution is regionally and nationally significant, however, there were some parties who did not agree with this perspective or expressed caution in how the benefits are calculated. Many of the comments expressing caution regarding the scale of the benefits focussed on different techniques for attributing benefits (see paragraphs 27 to 41), the sensitivities of GDP calculations to gold price assumptions (see Theme 5 in paragraphs 47 to 53), and the need for the cumulative GDP effects to be discounted using Treasury's 8% discount rate (see paragraphs 54 to 58).

Theme	Related parties
1. Scale of economic benefits	• ORC • CODC • New Zealand Minerals Council • Santana Mine Supporters Group • Crown Ministers (Hon James Meager, Hon Chris Bishop, Hon Shane Jones, Hon Nicola Willis) • Queenstown Business Chamber of Commerce

Table 2: Parties with comments related to "scale of economic benefits"

16. Regarding the scale of mining across New Zealand, recent estimates from Infometrics for 2025 put the estimate of New Zealand's Mining GDP at $3.17 billion (source: Infometrics Economic Profile).

17. Direct GDP from the BOGP would be in addition to this baseline mining GDP that already occurs in New Zealand. Page 7 of the BPL report highlights direct GDP effects from the BOGP of $360 million per year. Notwithstanding some minor feedback on potential methodological improvements to measuring benefits (addressed elsewhere in this Statement of Evidence), both the CODC and ORC peer reviewers concluded that this economic activity from the Project would bring significant benefits to the region and New Zealand. A number of government ministers also noted the large benefits, the scale, and significance of the project (Hon James Meager, Hon Chris Bishop, Hon Shane Jones, and Hon Nicola Willis).

18. While the benefits are tied to the 14 years of operational mining, paragraphs 55 to 58 of this statement of evidence demonstrate that the total NPV of these direct GDP effects using the Treasury's 8% discount rate would be $3.1 billion. Household wealth effects from higher accumulated incomes will extend beyond the closure of the mine

19. The economic activity directly generated by the BOGP ($360 million per year according to the BPL report) is large compared with the existing use of Project Site for pastoral farming ($33,400 of potential lost GDP from not farming the land each year). The existing land use is introduced in paragraphs 90 to 91.

20. The economic activity directly generated by the BOGP ($360 million per year) is also large compared with existing viticulture and tourism activity that occurs on land directly adjoining the Project Site. Baseline economic activity in the viticulture sector in the immediate vicinity of the Project Site is currently estimated at $9 million to $10 million of GDP a year, while visitor activity occurring in areas directly adjoining the mine is estimated to support the generation of about $5.8 million a year of tourism GDP.

21. So long as the BOGP is operating within the conditions of its approvals, then the direct effects on economic activity in these two sectors will be minimal against each sector's respective GDP baseline estimates. These estimates of direct viticulture and tourism activity are explored in more detail in paragraphs 92 to 109 and 110 to 126 respectively.

Theme 2: Responses to comments regarding "High-value add nature of the Project"

22. Several parties identified that the project offers much higher-value adding opportunities for the region's economy than the existing local industry mix. It was also identified that having a new industry can improve resilience through economic diversification. The high-value adding nature of the Project compared to other industries also relates to the Panel's RFI 67.

Theme	Related parties
2. High-value add nature of the Project	• CODC • New Zealand Minerals Council • Santana Mine Supporters Group • Queenstown Business Chamber of Commerce • Ardgour Family Trust

Table 3: Parties with comments related to "high-value add nature of the Project"

23. Page 18 of the BPL report estimates that the BOGP is anticipated to deliver about $1 million per annum of GDP per job, while if capital and labour in the local region remained under their status quo uses then the economic return would be $133,811 of GDP per job in Inland Otago. This status quo use of resources to generate existing GDP is the opportunity cost of investing capital locally and employing people to operate in the region's existing economy – it is the alternate to investing in a highly productive mine such as the BOGP. If we consider productivity nationally then the opportunity cost would be $155,707 of GDP per job.[1]

24. GDP per worker for the BOGP is estimated to be 7.7 times the current average productivity across Inland Otago of $133,811 of GDP per job (and Otago Region's average of $133,711 of GDP per job) quoted in the BPL report. In addition, the productivity of the BOGP sits well above the mining average of $734,585 of GDP per job across Waitaki and Dunedin (2024, Infometrics) where mining GDP is primarily driven by the Macraes mine.

[1] Source: Infometrics Regional Economic Profile 2025

25. This economic evidence on the high levels of productivity (GDP per job) of the BOGP relative to other industries is consistent with comments made by the Ardgour Family Trust that stated its motivations for selling were to give the community access to higher value opportunity than existing industry.

26. At present there is only a small amount of mining activity in Inland Otago (0.3% of GDP in 2025, Infometrics Regional Economic Profile), while the direct GDP estimate of the BOGP was estimated in the BPL report (Table 5, Page 12) to be equivalent to 5.4% of Inland Otago's GDP. The increase to mining from the BOGP would establish scale in a new high-value adding industry, which could support resilience through economic diversification away from existing industry. The benefits of the economy diversification from the Project into a new high-value industry was identified by both CODC and the Queenstown Business Chamber of Commerce in their comments.

Theme 3: Methods to calculate economic activity and benefits

27. A wide range of comments were made regarding how direct economic activity was calculated from a GDP perspective, with many comments related to foreign ownership suggesting that it would also be appropriate to consider Gross National Product (**GNP**) measures to better understand how the benefits from this activity stick in New Zealand. These comments were also addressed in my responses to the Panel's RFIs 72 and 73.

Theme	Related parties
3. Methods to calculate economic activity and benefits	• ORC • CODC • Environmental Defence Society Incorporated • Sustainable Tarras • New Zealand Minerals Council • Sharon Brodie • Santana Mine Supporters Group • Forest and Bird Protection Society of New Zealand • Central Otago Wine Association • Trevatham Family

Table 4: Parties with comments related to "methods to calculate economic activity and benefits"

28. I will address comments with how direct GDP was measured in detail below and provide GNP estimates to address ownership consideration related to the benefits of this activity. Before I do, it is important to note that these considerations were a key theme of expert reviews among the two regulators within the region (Sense Partners, ORC and Natalie Hampson, CODC), with both reviews finding that the benefits of the BOGP are large and regionally significant, despite both these reviews suggesting conceptual improvements to how these benefits should have been measured in the BPL report.

29. The direct GDP effects of the BOGP's operational activities on regional GDP in the BPL report were estimated by summing EBITDA (earnings before interest, taxation, depreciation, and amortisation) with wages and salaries that were sourced from data that underpinned the "Bendigo-Ophir Gold Project Updated Pre-Feasibility Study July 2025 (**PFS**)". In the case of capital investment, like investment to develop mining infrastructure and processing capacity, a share of this spending was also directly apportioned to GDP using an assumption from Infometrics showing that for every $1 of capital investment spent, there is $0.32 of economic value added (GDP) because of additional demand within the civil infrastructure and engineering sector.

30. It is worth noting that 97% of the direct GDP effects ($359.7 million pa on average) estimated in the BPL report were driven by the direct GDP from operations ($348.7 million pa on average), with just 3% ($11.0 million pa on average) driven by capital investment over the project duration.

31. The methods used to estimate direct GDP from operations are consistent with Statistics New Zealand guidance in a regional environment:[2]

    (a) Statistics New Zealand utilises a bottom-up production approach to measuring mining GDP in a regional environment, that explicitly estimates direct activity based on where the business unit is located. Page 9 of Statistics New Zealand's Regional GDP Concepts states: "*The internationally preferred approach for regional GDP compilation is to directly measure the activity of local units (represented by geographic units in New Zealand), and build up regional accounts from this information. The geographic unit compilation approach is preferred as it directly measures value added. This approach is also useful analytically since it clearly links the activities of businesses within a region to the growth of that region. The New Zealand regional GDP estimates have used this approach for most industries."*

[2] See: Statistics New Zealand, 2007, Regional GDP Concepts, Sources and Methods

(b) Page 2 of Statistics New Zealand regional GDP methods highlights that its calculation of direct GDP within each business unit in an industry incorporates: "*compensation of employees, consumption of fixed capital, gross operating surplus, subsidies, and taxes on production*". The BPL report has adopted the same methodological approach for consistency with Statistics New Zealand.

(c) In situations where input data is not in a format conducive to a bottom-up approach to measuring regional GDP, Statistics New Zealand suggests alternative approaches can be used including those which apportion gross output into value-added. This was the approach followed in the BPL report for capital investment, which as noted above only accounted for 3% of the direct GDP contributions of the BOGP. The $533 million of capital investment signalled in the PFS was apportioned into GDP using the $0.32 value-add ratio from Infometrics, which amounted to an average of $11.0 million pa of GDP across the life of the project. It is identified by Ms Hampson for CODC that the manner in which footnote 4 of the BPL report was written suggested that a slightly different approach was followed – it is acknowledged that footnote 4 is confusing and the reader is directed to the characterisation of techniques on Page 7 of the BPL report which also aligns to what is described in this paragraph.

32. Several commentors suggested that the use of GDP to measure economic activity directly from the Project is not the best way of measuring economic benefits. These comments primarily rested on the idea that ownership considerations can influence the distribution of benefits. The Panel also asked about these factors which was addressed in responses to RFIs 72 and 73.

33. GDP measures economic activity that is produced within each industry in New Zealand, irrespective of ownership structures, and is a way of consistently understanding how much value is added using capital and labour resources. GNP on the other hand, adjusts GDP for the ownership structures of these resources so that value-added that is attributable to New Zealand-owned resources only is included.

34. Statistics New Zealand says that "*GDP is New Zealand's official measure of economic growth*".[3] In a regional context, Statistics New Zealand says that "*Regional gross domestic product (GDP) is a geographic breakdown of national-level GDP, which is New Zealand's official measure of economic activity*[4]".

[3] See: https://www.stats.govt.nz/information-releases/gross-domestic-product-december-2025-quarter/.
[4] See: https://www.stats.govt.nz/information-releases/regional-gross-domestic-product-year-ended-march-2025/

35. Although Statistics New Zealand produces complementary GNP measures at a national level, there are no GNP benchmarks estimated by Statistics New Zealand in a regional environment (only regional GDP). Additionally, both MBIE and Infometrics, who are the only other organisations providing benchmarks of regional economic activity that are regularly published in public facing dashboards, only produce regional GDP measures and not regional GNP.

36. The lack of regional GNP benchmarks in New Zealand means that while I have estimated the potential direct GNP of the BOGP below, the Panel should be cautious in how these economic benefits from a GNP perspective are compared against other relevant benchmarks. For example, any comparisons of Project benefits against potential effects of activities on adjacent land (e.g. viticulture) should ensure that comparisons are made on a GDP basis, unless the potential effect on the activities on the adjacent land have also considered the ownership structures of the landholdings and the business activities occurring on that land.

37. Recognition that regional GNP benchmarks are not available was also highlighted by Sense Partners in its peer review for ORC, with Sense Partners acknowledging that despite regional GNP theoretically offering ways of better understanding the flow of benefits, the lack of such regional measures mean that it is common to use GDP.

38. With these comments regarding interpretations and comparisons in mind, I have estimated the GNP effects of the BOGP as distinct from the GDP effects. Estimation of GNP for the BOGP was possible because of the following assumptions could be made about labour and capital resources:

    (a) 97% of labour market resources will be resident of New Zealand (based on MGL's recent survey in paragraph 46 showing 3% of interested mine employees would need visa sponsorship).

    (b) As at 31 March 2026, 39.1% of Santana Minerals Limited's (**SML**) shares were New Zealand owned according to data provided by MGL.

39. Using the assumptions above regarding the residency of labour market resources and shareholders, I estimate that the average direct GDP effects of the BOGP of $360 million a year quoted on Page 7 of the BPL report, are equivalent to average direct GNP effects of the BOGP of $230 million a year. It is worth noting that these estimates are conservative against current gold prices (which are currently over 50% above the assumption from the BPL modelling).

40. It is not possible to regionalise these GNP calculations further to exclude the benefits of the BOGP that accrue to New Zealand shareholders outside Otago. Shareholder data is not available in that format and even if it could be made available, institutional investment by funds (e.g. KiwiSaver) would inhibit interpretations of the locations of fund members. Related concerns that all tax revenue to the New Zealand Government simply accrue to Wellington ignores the return of these resources to regions through government spending. Shamubeel Eaaqub recently in his role as Chief Economist at Simplicity calculated in early April 2026 (using Treasury, Departmental annual reports, and Stats NZ data) that the Otago Region currently receives a net fiscal transfer of $1,035 per capita from central government – i.e. there is $1,035 spent per capita more on each Otago resident than government receives from Otago in tax.[5]

41. The benefits of foreign shareholders in SML should not be completely discounted even though they technically do not fall within the definition of GNP. The 60.9% foreign shareholders in SML at present have invested a significant amount of money in the project, and without that investment there would be little chance of the project progressing. The exploration and consenting phase of the project, coupled with the development of the mining infrastructure, are the riskiest phases of the Project from an investment perspective. In February and March 2026 alone, SML raised more than AUD$130 million cash from share issuances.[6] It is this very investment that is necessary to unlock the benefits from the $230 million pa of GNP that were estimated in paragraph 39 which will accrue to New Zealand residents.

Theme 4: Responses to comments regarding "Role of fly-in-fly-out (FIFO)"

42. There was one party (Sustainable Tarras, Dr Richard Meade) who suggested that a large share of workers at the BOGP will be fly-in-fly-out (**FIFO**). This comment is inaccurate and is not supported by evidence on the projected breakdown of the expected workforce at the mine provided in response to the Panel's RFI 62.

Theme	Related parties
4. Role of fly-in-fly-out (FIFO)	• Sustainable Tarras

Table 5: Parties with comments related to "Role of fly-in-fly-out (FIFO)"

43. The word FIFO refers to a method of employing people in remote areas by flying them temporarily to a work site instead of relocating them permanently to the area. Such a situation represents a large additional business expense and is only followed by businesses when it is impractical to relocate or hire people locally.

[5] See here: https://www.linkedin.com/feed/update/urn:li:activity:7448584851110137856/
[6] See here: https://api.nzx.com/public/announcement/469631/attachment/464989/469631-464989.pdf

44. The BOPG is not located in a remote area and MGL does not intend to use a FIFO model. Workers have a variety of towns they can live in within approximately a one-hour commute of the mine (e.g. Alexandra, Cromwell, Queenstown, Wānaka), which each offer attractive lifestyles that will appeal to mine workers. Jobs associated with the BOPG are also projected to have average wages that are twice the local average (see paragraphs 136 to 138) and so will help enable these people to afford to live in within an area that has high housing costs.

45. In January 2026, MGL canvassed its database of people who had put in employment expressions of interest via an online survey posing a number of questions to enhance the recruitment planning. Of the 647 responses from potential employees:[7]

    (a) 83% are based in New Zealand with 47% within Central Lakes, 27% elsewhere in the South Island and 9% in the North Island.

    (b) 15% of the respondents currently live overseas and have a right to work in New Zealand via citizenship, residency or valid work visa. Feedback from some prospective employees and others (e.g. Kā Rūnaka) has been that many people have gone to Australia to work in the mining industry and it would be great to return home doing the same type of work.

    (c) Just 3% of workers would require visa sponsorship to work in New Zealand. Note that these 3% of workers requiring visa sponsorship, are still anticipated to live locally in Inland Otago while working on the project, but were excluded from Gross National Product calculations in paragraphs 27 to 41 due to them not technically being long-term New Zealand resident.

46. MGL's survey also showed that 67% of respondents either live or have accommodation within one-hour drive of the mine site, while 94% would use company-provided bus transport from centres including Cromwell, Alexandra, Queenstown, Wānaka and Hāwea if available to them. These survey points are also relevant to comments regarding the relevant catchment for workers addressed in paragraphs 148 to 153.

Theme 5: Sensitivities of direct economic activity to gold prices

47. Several parties commented that the BPL report modelling relied on one gold price assumption and modelling of the direct economic activity supported by the Project should have also been tested against higher and lower gold prices. I appreciate these comments and have developed GDP (and associated GNP) calculations for high and low gold price scenarios.

[7] See here: https://centralapp.nz/NewsStory/survey-suggests-potential-cromwell-mine-workforce-already-local/69a9e71aae5d4b002d5ac6a6

48. On a related note, the Panel made similar comments regarding MGL's finances, which were answered from a commercial perspective in responses to RFIs 51 to 56 using detailed sensitivity analysis in the updated PFS.

Theme	Related parties
5. Sensitivities of direct economic activity to gold prices	• CODC • Sustainable Tarras • Environmental Defence Society Incorporated • Business South • Forest and Bird Protection Society of New Zealand

Table 6: Parties with comments related to "Sensitivities of direct economic activity to gold prices"

49. The direct GDP calculations in the BPL report relied on a gold price of USD3,138 which was consistent with gold prices that persisted when the updated PFS was prepared in June 2025. To address comments raising the fluid nature of the gold price two further scenarios have been developed:

    (a) A high scenario (USD4,707) to reflect current pricing that is 50% above the base case. Current spot prices are at least 50% higher than the gold price assumed in the BPL report (USD3,138), with data from the World Gold Council showing that spot prices over the 7 days to 7 April 2026 were in the USD$4,600/oz to USD$4,800/oz range and peaked at over USD$5,000/oz on average through January 2026.

    (b) A low scenario (USD2,220) to reflect average gold prices over the previous 3 to 5 years. Santana spot price in its modelling USD 2,220 is similar to the 3-year average rates to June 2025 (USD2,260) and the 5-year average rate to June 2025 (in inflation adjusted terms which was USD2,090 (source Macrotrends).

50. GDP under the high and low scenarios would average $587 million and $241 million a year respectively, compared to the BPL report estimate of $360 million of direct GDP.

51. GNP under the high and low scenarios would average $364 million and $156 million a year respectively, compared to the estimate in this Statement of Evidence of $230 million of GNP a year under modelling aligned to the BPL report's gold price scenario. The benefits of either of these scenarios would still likely represent the largest monetary benefits of a Fast Track Approvals Act 2024 project to date.

52. Alongside comments regarding the need to consider a range of gold prices, some comments suggested that operating costs could be higher than stated which would reduce direct GDP. The potential for MGL to incur higher operating costs was already considered, with the updated PFS already conservatively included an additional a 10% contingency which is also incorporated into GDP and GNP calculations for all gold price scenarios in paragraphs 50 and 51.

53. In the Sustainable Tarras comments, it was suggested that MGL financial modelling had not adequately reflected differences between prices for impure gold doré and the refined value of pure gold. That statement is incorrect. MGL financial models in the updated PFS used in the economic impact assessments account for the full value of the gold as revenue at its per ounce price, and then net out the transport and refining margin as a cost that is excluded. The transport and refining margin (which accounts for cost of refining doré into pure gold bars) was assumed at $8/oz in the updated PFS. As such, the direct GDP estimates (and also government revenue estimates discussed in paragraphs 60 to 62) based on MGL's updated PFS account for these refining and transport costs.

Theme 6: Discounting and NPV of direct economic activity

54. Several parties highlighted that while the cumulative GDP effects were calculated in real (inflation-adjusted) terms, no allowance had been made for the time value of money. Commentors suggested that these cumulative GDP effects should be discounted using the Treasury's 8% real discount rate.

Theme	Related parties
6. Discounting and NPV of direct economic activity	• ORC • CODC • Environmental Defence Society Incorporated • Sustainable Tarras

Table 7: Parties with comments related to "Discounting and NPV of direct economic activity"

55. I estimate that the $5.8 billion of cumulative direct GDP (based on 2025 gold pricing which is significantly lower than the current price of gold) generated in Inland Otago quoted on page 6 of the BPL report is equal to an NPV of the direct GDP of $3.1 billion after discounting using the Treasury's real 8% discount rate.

56. This estimate is consistent with other experts. Experts for ORC, Environmental Defence Society, and Sustainable Tarras all arrived at an NPV of $3.3 billion, while Natalie Hampson for CODC estimated a NPV of $3.1 billion. The reason for my estimate and Ms Hampson's being lower is that our figures have conservatively been estimated under the assumption that income is recorded at the end of each

year, while the other experts have chosen to discount income under the assumption it is recorded at the start of each year.

57. It is worth noting that this NPV of the GDP effects of $3.1 billion generated in Inland Otago under the BPL report base case for direct GDP can also be compared against what the NPV of the direct GDP would be under the higher current spot prices, as well as lower gold price assumptions presented in paragraphs 49 and 50. In the high scenario, which reflects current gold prices the NPV of the direct GDP would be $5.0 billion, while under the low scenario which reflects the historical average from the 3-5 years before the updated PFS, the NPV of the direct GDP would be $2.1 billion.

58. The GNP calculations provided in paragraphs 39 and 51 can also be expressed in NPV terms across the Project. The NPV of the core GNP calculation to align to the BPL report GDP model would be $2.0 billion, while this NPV of the GNP from the Project would be $3.1 billion under current higher spot prices and $1.3 billion under the lower gold price scenario. As was raised in paragraph 41, the benefits of foreign shareholders in SML should not be completely ignored because even though they technically do not fall within the definition of GNP. The 60.9% foreign shareholders in SML at present have invested a significant amount of money in the project, and without that investment there would be little chance of the project progressing and unlocking the GNP benefits that accrue to New Zealand residents.

Theme 7: Government revenue

59. Several parties commented on government revenue, with some requesting that total government revenue should be provided as a discounted NPV using Treasury's 8% real discount rate (this was also raised in the Panel's RFI 64). Some comments further noted that government revenue would be sensitive to gold price assumptions. Scenarios for government revenue and their NPV implication are provided in paragraphs 60 and 62. There are also several specific comments regarding taxation that relate to the economic modelling in the BPL report that I address in paragraph 65.

Theme	Related parties
7. Government revenue	• ORC • CODC • Environmental Defence Society Incorporated • Sustainable Tarras • New Zealand Minerals Council

Table 8: Parties with comments related to "Government revenue"

60. Total government revenue in the BPL report was estimated to be $1.8 billion at a gold price of USD3,138. Under a high scenario for the gold price introduced in paragraph 49 (USD4,707), it is estimated that total government revenue would rise to $3.0 billion, while under the low scenario for the gold price (USD2,220) total government revenue would fall to $1.1 billion.

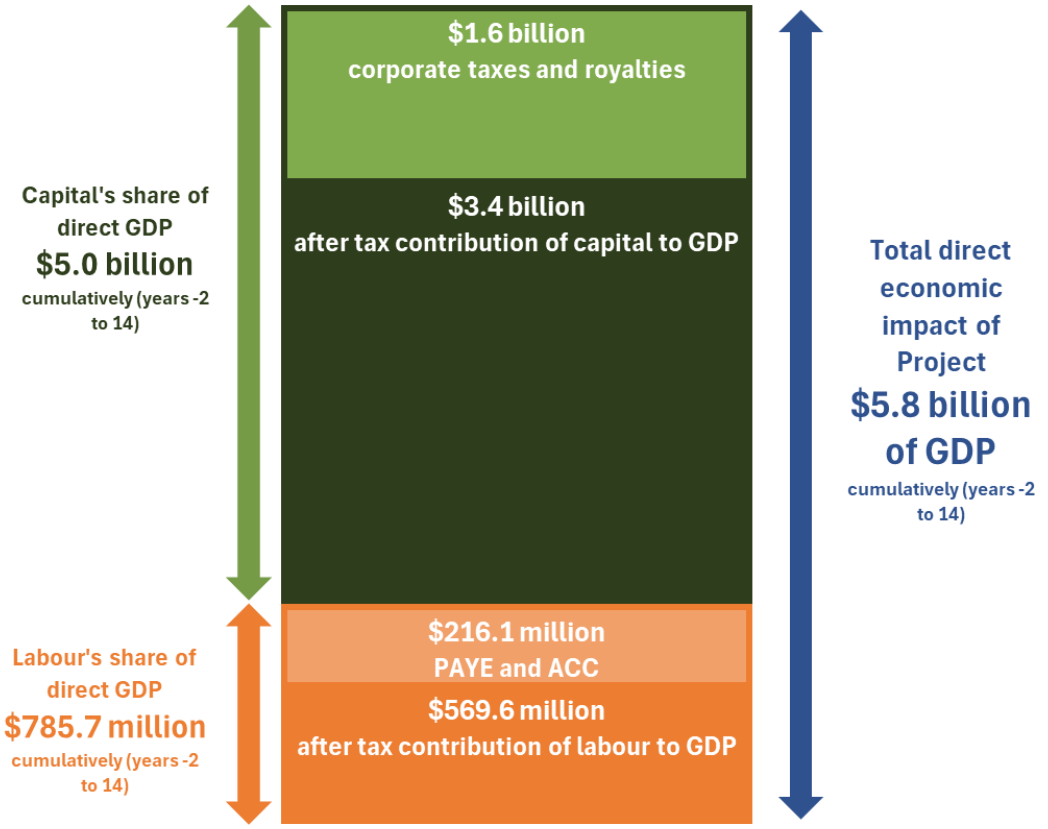
61. Further evidence of how government revenue rises under current gold prices is emphasised by recent evidence from OceanaGold, who paid almost $200 million to the New Zealand Government in corporate tax and royalties within a single year in 2025 alone.[8]

62. The total government revenue estimates in paragraph 60 can be discounted using the Treasury's 8% real discount rate which gives $966 million in NPV terms under the scenario in the BPL report, rising to an NPV of $1.6 billion in the high gold price scenario and falling to $651 million under the low gold price scenario.

63. Note that the Panel in RFI 65 identified an inconsistency between figures presented in Figure 3 and those in Table 3 within the BPL report. In response to this comment, I confirmed that the figures in Table 3 are correct (i.e. total additional government revenue, inclusive of PAYE and ACC of $1.82 billion) and so were those quoted in the associated text throughout Section 4.2. I further noted that Figure 3 had some mistakes as the Panel identified, and I have reissued an updated version of the diagram below to rectify those and ensure it is consistent with all other content in the report.

64. Updated **Figure 3** is below:

[8] See here: https://www.nzherald.co.nz/business/oceanagold-to-pay-near-200m-tax-and-royalty-bill-in-nz-after-golds-record-surge-last-year/premium/PMJNZBD73VFDVI5NG7E4JL67OI/



Amended Figure 3 from BPL Report

65. There are also several specific comments regarding taxation that relate to the economic modelling in the BPL report that I wish to address:

(a) Bill Kaye-Black for Environmental Defence Society suggests ACC tax payments should be considered different from normal taxation because theoretically they would simply compensate for economic loss if someone was hurt. He argues it is not a general tax transfer rather something that is independent of government to offset economic loss that exactly match the transfer. He suggests this would be no more than $19.4 million across the life of the project. This is fair and I note that against the $1.82 billion of government revenue this would amount to minor rounding.

(b) Edward Miller for Sustainable Tarras made comments related to the taxation implications of Investment Boost of accelerated depreciation. This policy was announced around the same time as the updated PFS was released, and it did not include Investment Boost within the financial projections. Investment Boost does not reduce taxation burdens, it simply shifts the timing of depreciation which allows a one-off charge of 20% in first year to support business cashflows. The same amount of tax gets paid over time, it is just marginal timing differences – the minor timing differences from this single year of accelerated depreciation would have minor discounting effects in NPV analysis which will be a rounding error. Also note that

Investment Boost is a legal right of all businesses in New Zealand and is not something that would be specific to MGL.

(c) In paragraph 53, it was noted that Sustainable Tarras in its summary comments suggested that MGL financial modelling had not adequately reflected differences between prices for impure gold doré and the refined value of pure gold. That statement is incorrect, because MGL financial models used in the economic impact assessments account for the full value of the gold as revenue at its per ounce price, and then net out the transport and refining margin as a cost that is excluded. As such, the government revenue estimates discussed in paragraphs 60 to 61 account for these refining and transport costs.

Theme 8: Uncertainties regarding indirect economic activity

66. Several parties highlighted that there is significant uncertainty regarding the scale of additional indirect activity that was calculated in the BPL report. Commentors emphasised that, while there are likely to be additional indirect effects which add to regional economic activity over and above the direct effects, the magnitude of this additional indirect activity is very uncertain. This uncertainty stems from conceptual differences between estimation techniques and the extent to which suppliers can scale up in response to demand from the mine. Most comments suggested that indirect economic activity estimated using economic multipliers tends to be overstated in studies, though interestingly CODC's peer reviewer (Natalie Hampson) highlighted that there was a risk the BPL report understated the positive multiplier effects. Questions regarding estimation techniques for indirect effects were also addressed in responses to the Panels RFIs 70 and 71.

Theme	Related parties
8. Uncertainties regarding indirect economic activity	• ORC • CODC • Environmental Defence Society Incorporated • Sustainable Tarras

Table 9: Parties with comments related to "Uncertainties regarding indirect economic activity"

67. I will discuss the way I estimated indirect activity and how it should be interpreted at length in paragraphs 68 to 77, but before I do, I would like to summarise my position on the issue of indirect activity:

(a) I agree with comments that there is significant uncertainty regarding the scale of additional indirect activity, partly because of conceptual differences in estimation techniques and partly because of uncertainty regarding the extent to which suppliers to the mine can respond to additional demand in the local area. It was because of these uncertainties that I adopted a much more conservative position than other studies (e.g. Mike Copeland and Shamubeel Eaaqub's reports related to mining projects referenced below).

(b) I am of the opinion given these uncertainties surrounding quantifying the indirect effects, that the best position for the Panel to take would be to primarily focus its benefits assessment on the direct economic activity of the Project. Within this position, I would recommend that the Panel acknowledge there will undoubtedly be additional indirect economic activity stimulated above and beyond the direct activities of the Project, but that the precise quantification of these additional benefits is very uncertain and will be difficult to resolve between experts.

(c) This position would be consistent with advice in the economic evidence of Sense Partners for ORC who emphasised the need to primarily focus on the direct effects. It is worth noting that in grappling with similar issues in approving the Waihi North Project, the Decision Report of the Panel[9] decided to set aside indirect effects on employment nationally, but did rely on these indirect effects within its benefits assessment for employment in the local Waihi area. This was interesting given the multipliers used in Waihi for employment relied on much large multiplier effects than those used in the BPL report (about twice the employment multiplier I used, see paragraph 72).

68. The BPL report estimated multiplier effects for both GDP and employment. Given methodological similarities between the two estimation techniques, the focus of the following comments will be on GDP (paragraphs 69 to 72). However, employment multiplier effects are still touched on in paragraphs 73 to 75. In paragraph 76 and 77 I briefly touch on alternates to multiplier analysis, before concluding my position on interpretations of multiplier effects.

69. With regards to calculating indirect multiplier effects on GDP which accrue because of the BOGP's procurement of goods and services from other businesses:

[9] See paragraphs 813-17 of the Waihi North Project Expert Panel Decision, available here: https://www.fasttrack.govt.nz/__data/assets/pdf_file/0020/20279/Decision-Text-18-December-2025.pdf

(a) The indirect economic multiplier which I used when estimating indirect GDP in my report was conservative compared to Mike Copeland's study of Macraes Mine which is also in Otago (see below). The estimate of $25.1 million a year of indirect GDP within Otago and $58.5 million of indirect GDP across other parts of New Zealand in the BPL report was equivalent to about $0.23 of indirect GDP for every $1 of direct GDP, with $0.07 falling in Otago and the rest spread elsewhere in New Zealand. In comparison, Mike Copeland's 2024 "Assessment of the economic effects of OceanaGold's proposed extensions to its open pit mining operations at the Macraes Gold Project" in paragraph 5.8 used a regional multiplier of 2.0 of total economic impacts (i.e. direct plus indirect impacts) relative to the direct impacts. Mr Copeland's multiplier would give the equivalent of $1 of indirect GDP within Otago for every $1 of direct GDP, which would be more than four times what I modelled across New Zealand.

(b) I chose the phrase "*theoretical maximum*" when describing these indirect economic effects to describe the situation to express caution to the reader when interpreting multiplier effects. In my opinion, the much larger multiplier effects that have been used in some studies for other mining projects risk overstating the potential multiplier effects and so the "theoretical maximum" that I modelled is already inherently more conservative than others have used.

(c) Ultimately, multiplier effects are something that will only occur if sufficient capacity is developed among suppliers over time to service the additional demand from the mine. If capacity does not build to the extent modelled then this could lead to more services needing to be procured from a wider footprint, including overseas. The net effects of any of these risks could be lower indirect economic benefits in the region and potentially nationally, hence why I took a deliberately conservative approach.

(d) Even though I took a conservative approach, it is worth noting that the Inland Otago economy has a track record of rapidly scaling up economic capacity to respond to demand. For example, in 2025 alone there was a 660 lift to the number of business units in Inland Otago (source: Statistics New Zealand Business Demography).

70. The indirect economic multiplier I used in the report within Inland Otago was 7.0% of the initial direct effects. This was a scaled version of an 11.3% multiplier for mining in Otago provided to me by Infometrics. I scaled the multiplier based on the relative size of the BOGP's procurement compared to the Macraes mine, which is the only existing large scale mine in Otago.

(a) Natalie Hampson for CODC did not agree with this approach to scaling. She said there was no reason to scale down the Infometrics economic multiplier just because the mine had a smaller procurement footprint than Macraes. In fact, she contended that as procurement for the BOGP was smaller, she thought that was even less reason to think that procurement would put pressure on supply chains and so a larger multiplier should have been used. I understand Ms Hampson's logic, but mine was simply that I was uncomfortable suggesting that the supply chain in the region would precisely scale up proportional to the lift in activity and was taking a more cautious approach than Ms Hampson suggests.

(b) Regardless of concerns regarding scaling techniques, Ms Hampson also identified a currency issue that will have affected my estimate. I acknowledge that my calculation in the BPL report had mistaken a USD spending figure for Macraes for an NZD figure. If this mistake were rectified then my scaled multiplier would have been closer to 4.0% rather than the 7.0% figure used in the BPL report.

71. The indirect economic multiplier I used in the report for the rest of New Zealand using the geographical footprint of Macraes' procurement from a single year (2023). Natalie Hampson for CODC identified that such a technique was vulnerable to changes in procurement patterns year-to-year, and that more recent data would have returned a much higher rest of New Zealand indirect value added.

72. Some parties commented that my report should have provided a detailed break-down of the industry linkages of the regional multiplier. Unfortunately, this would not be possible. The scaled version of the Infometrics multiplier used in the BPL report did not contain further details of the composition of local industry linkages as the technique used by Infometrics to estimate indirect multipliers does not lead to a full regional Input-Output table. The multipliers are indicative of the scale of effect, but do not identify precise inter-industry links in the region as there is insufficient local evidence to estimate these. This speaks to the inherent uncertainties of assessing such indirect effects in a small industry in a small place.

73. With regards to calculating the multiplier effects on employment, I estimated both the indirect effects which accrue because of the BOGP's procurement of goods and services from other businesses, as well as employment induced from workers' spending:

(a) As with multiplier effects to GDP, I also took a more conservative approach to measuring the multiplier effects on employment. My estimate of 77 indirect jobs within Otago and 180 indirect jobs across other parts of New Zealand, alongside a further 145 induced jobs from workers' spending in Otago and another 61 induced jobs elsewhere in New Zealand from workers' spending was equivalent to a total multiplier effect of about 1.3 jobs relative to each direct employee. In comparison, Shamubeel Eaqub's analysis for the Waihi Gold Project[10], which was the subject of much discussion in the Expert Panel's Decision on the Project (see paragraphs 756-759 and 798-817 of the Decision[11]), identified a total multiplier effect of about 2.5 multiplier jobs to every 1.0 direct job. It is worth noting that despite concluding that Mr Eaqub's total multiplier effects nationally were uncertain, the Panel ultimately agreed with Mr Eaqub assessment of employment multipliers locally could be relied on.

(b) Even though I took a conservative approach to estimating local employment multiplier effects, the Inland Otago economy has a long-term track record of progressively scaling its workforce capacity to respond to demand. For example, Infometrics Regional Economic Profiles show that over the 10 years to 2025, employment growth averaged 4%pa at an average of around 1,600 new jobs each year (16,048 in total over the decade). By comparison employment growth averaged 1.9%pa nationally over the same period.

74. Regarding my choices of employment multipliers, for the indirect multiplier I used a ratio of indirect employment to direct employment from Infometrics for mining in Otago, that I scaled in a similar way to the indirect GDP multiplier. Comments made in paragraphs 70 and 72 pertaining to indirect GDP regarding my scaling technique and industry linkages also stand for the indirect employment effects.

75. For induced employment, I used a national level induced multiplier that was not specific to mining. CODC's peer reviewer Natalie Hampson deemed this to be close to equivalent ratio for the mining sector in the 2020 national I-O table and so accepted it as reliable.

76. Two parties, Sense Partners (ORC) and Bill Kaye-Blake (Environmental Defence Society), commented that it would have been theoretically better to have used a general equilibrium model rather than multiplier analysis for estimating the indirect effects on economic activity and employment.

[10] See figure 4 of https://www.fasttrack.govt.nz/__data/assets/pdf_file/0017/4139/B.51-Eaqub-Economic-Effects.pdf
[11] See: https://www.fasttrack.govt.nz/__data/assets/pdf_file/0020/20279/Decision-Text-18-December-2025.pdf

General equilibrium models are theoretically elegant as they can allow for some of the risks of multipliers overstating benefits to be minimised by allowing prices to adjust. But these models still rely on empirical relationships that are not necessarily well-tested in a small area when it comes to precisely understanding what capabilities, access to capital, and risk tolerances businesses in the local area will have to a very large new industry. In other words, while theoretically useful, a general equilibrium model is not necessarily going to lead to more reliable results than simply taking a conservative approach with regards to how indirect effects are measured and interpreted.

(a) The Waihi North Decision Report noted that general equilibrium modelling would be time-consuming and expensive. Ultimately, the Decision Report suggested that risks of displacing resources (e.g. labour resources for the mine cannibalising other industries) could be considered in other ways[12]. In the Inland Otago context these risks of mine employment cannibalising other industries over the long-term are discussed in paragraphs 142 to 153, which highlights that Inland Otago has a strong track record of attracting workers across its labour market catchment.

77. Given the uncertainties surrounding quantifying the indirect effects identified through paragraphs 69 to 76, I am of the opinion that the best position for the Expert Panel to take would be to primarily focus its benefits assessment on the direct economic activity of the Project. Within this position, I would ask that the Panel acknowledge there will undoubtedly be additional indirect economic activity stimulated above and beyond the direct activities of the Project, but that the precise quantification of these additional benefits is very uncertain and will be difficult to resolve between experts. Note that this is a perspective also shared by Sense Partners in its expert report for ORC.

Theme 9: Impact analysis versus Cost-benefit analysis

78. Several parties made comments regarding whether an economic impact analysis or cost-benefit analysis should have been used. These comments were also addressed in a response to the Panel's RFI 46.

[12] See paragraphs 802-05 of the Waihi North Project Expert Panel Decision, available here: https://www.fasttrack.govt.nz/__data/assets/pdf_file/0020/20279/Decision-Text-18-December-2025.pdf

Theme	Related parties
9. Impact analysis versus Cost-benefit analysis	• ORC • Environmental Defence Society Incorporated • Sustainable Tarras

Table 10: Parties with comments related to "Impact analysis versus Cost-benefit analysis"

79. The BPL did not undertake a cost-benefit analysis. The legal submissions by Lane Neave on behalf of MGL outline the legal reasons why. Here I briefly give an economics perspective on why no cost-benefit analysis has been done and why I consider the Panel should put weight on the economic impact analysis approach.

80. From an economics perspective, while the economic benefits of the Project and the potential costs of economic effects on existing industries can consistently be estimated in a way that allows for economic impact assessments, there are other costs related to non-economic effects (such as the environment) that can't readily or accurately be monetised. Environmental effects rely on intangible factors, some of which are qualitative, that do not all have market values and attempts at monetisation would not accurately reflect the nature of the effect. As such, the use of an integrated cost-benefit analysis would lead to an inconsistent comparison between the economic benefits and these other types of effects. Furthermore, the nature of outputs from a cost-benefit analysis, which essentially summarise results into a single metric (eg. $X of benefit to every $Y of cost), would further muddy the waters by not allowing the Panel to make its own trade-offs between quantitative and qualitative factors when applying relevant FTA statutory tests. If reliance was placed on such a cost-benefit assessment to make a decision, it would also risk double counting adverse effects if weight was also placed on the other assessments of effects supporting the FTA application for the BOGP.

81. ORC's peer review (ORC, Sense Partners) of the BPL report agreed that it was most appropriate to take an approach that focussed on economic impact analysis rather than on cost-benefit analysis.

82. For the potential costs of economic effects on other industries that can be quantified as part of economic impact analysis, several parties made comments that the BPL report inadequately captured some of these other potential economic costs. These comments have been further addressed below in paragraphs 83 to 88.

Theme 10: Further costs should be quantified

83. A wide range of parties commented that the BPL report did not adequately address all potential direct costs related to the BOGP. These comments identified direct costs that can broadly be classed in four ways as being related to the existing use

of land, viticulture, tourism, and other (e.g. environmental). Responses to these comments were also addressed in a response to the Panel's RFIs 66 and 68.

Theme	Related parties
10. Further costs should be quantified	• CODC • Sustainable Tarras • Business South • Queenstown Business Chamber of Commerce • Trevatham Family • Otago Conservation Board • Forest and Bird Protection Society of New Zealand • The Chinamans Terrace Services Company Ltd • Central Otago Wine Association • Environmental Defence Society Incorporated

Table 11: Parties with comments related to "Further costs should be quantified"

84. I agree that an assessment can be made of direct monetary costs due to the project. The existing use of the land for pastoral farming is the counterfactual scenario underlying the economic impact analysis in the BPL report. Costs related to this existing use were already estimated in the BPL report and are described in paragraphs 89 to 91.

85. The existing size of economic activity for viticulture and tourism that occurs on land directly adjoining the Project Site was not considered in the BPL report. However, quantification of this existing direct activity and potential effects in monetary terms for viticulture and tourism are explored in more detail in paragraphs 92 to 109 and 110 to 126 respectively.

86. No other costs, related to potential environmental and wellbeing effects were quantified in the BPL report in monetary terms. From an economics perspective, costs related to these non-economic effects can't all be estimated in a way that allows for consistent comparisons with the economic benefits. These non-economic effects rely on intangible factors that do not all readily have market values and so such monetisation would introduce errors and lead to an inconsistent comparison between the economic benefits and these types of other potential effects. Although environmental effects are not anticipated if the Project is operating within the conditions of its approvals, further comments related to environmental risks are outside of my area of expertise and are addressed in the evidence of other experts.

87. The Environmental Defence Society (Bill Kaye-Blake report) noted that post-closure costs from an economics perspective have not been counted.

88. This is true, but conceptually from an economics perspective post-closure spending would represent economic activity to undertake the work, albeit this would be offset by the opportunity cost of what those resources could otherwise have been used for. The Panel's RFI 69 also asked for more information about closure costs, but from a commercial perspective related to MGL's own finances and is addressed in the Statement of Evidence of Damian Spring.

Theme 11: Existing use of the land

89. Comments were made by parties relating to the existing economic use of the land for pastoral farming. These comments relate to responses made to Panel's RFI 66 which identified pastoral farming as the counterfactual scenario when assessing economic impacts to the land.

Theme	Related parties
11. Opportunity cost of existing use of land	• Ardgour Family Trust (Ardgour Station) • John Charles Perriam (Bendigo Station) • CODC • Sustainable Tarras • EDS

Table 12: Parties with comments related to "Existing use of land"

90. Comments by existing landowners of Ardgour Station (Ardgour Famlly Trust) and Bendigo Station (John Charles Perriam) confirmed that pastoral farming is the dominant existing use of land on which the mine is proposed.

91. Page 8 of the BPL report estimated the economic cost of foregoing this pastoral use of the land. The report stated that calculations from Beef and Lamb New Zealand's 2024 Sheep and Beef Farm Survey shows that the average South Island High Country farm returns about $60.65 per hectare of GDP (EBIDTA plus wages and salaries), which across 550 hectares translates into $33,400 of potential lost GDP from not farming the land each year. It was then emphasised that these farming loses would cumulatively total less than $0.5 million of lost farming GDP across the period of time the mine was being developed and mined, which would be insignificant against the $5.8 billion of cumulative direct GDP that can be generated by the mining project. Although the DDF in the Substantive Application is 610 hectares, rather than the 550 hectares previously used in the BPL report estimate, this would not change this estimate of about $0.5 million of cumulative lost farming GDP especially if this were further discounted using the Treasury's 8% real discount rate which would pull down the estimate further.

Theme 12: Viticulture in Bendigo

92. A wide range of parties made comments that focused on the viticulture sector. These comments included context regarding the overall size of the viticulture industry across Central Otago, while several landowners with viticulture interests in land adjoining the mine area raised concerns about the potential direct effects on their operations. Some comments were also made that discussed potential interrelationships between viticulture and tourism.

93. The Panel did not directly ask about viticulture in its RFIs, but some background information regarding viticulture in Bendigo was provided in my response to RFI 68. This background information is expanded on below in paragraphs 94 to 109 together with more specific information in response to the invited comments.

Theme	Related parties
12. Viticulture in Bendigo	• COWA • Folding Hill Wine Company Limited • Gibbston Valley Wines Limited • QWIL Investments (NZ) Pty Limited • Schoolhouse Terrace Services Company Limited • The Chinamans Terrace Services Company Ltd • The Canyon Vineyard Ltd • John Charles Perriam (Bendigo Station) • Tourism Industry Aotearoa • Queenstown Business Chamber of Commerce • Business South • Sustainable Tarras

Table 13: Parties with comments related to "Viticulture in Bendigo"

94. The key finding below in paragraph 101 is that economic activity from viticulture directly on land immediately adjacent to the mine is estimated at no more than $10 million a year of GDP. The link between wine and tourism is acknowledged, with more detailed discussions of tourism also progressed in the tourism activity section in paragraphs 110 to 126.

95. The BOGP Project Site is situated beside the Bendigo wine subregion. The Bendigo subregion accounts for approximately 25% of Central Otago's wine production[13] and a similar amount of the region's vineyard area.[14]

[13] Source: Bob Campbell Master of Wine, https://www.therealreview.com/2020/03/18/bendigos-birth/
[14] Source: Central Otago Winegrowers Association letter to the Environmental Projection Authority (14 November 2025 regarding the BOGP), available here: https://www.fasttrack.govt.nz/__data/assets/pdf_file/0017/22418/COWA.pdf

Given 2,116 hectares of grapes planted across the Central Otago wine region[15] (which actually includes the plantings in both Queenstown Lakes and Central Otago districts), this equates to around 500 hectares of vineyards in the Bendigo subregion. In comparison, there are about 44,229 hectares of vineyards across New Zealand. This means that the Bendigo subregion represents just over 1% of the New Zealand wine industry, while Central Otago's share of the New Zealand wine industry is just under 5%.

96. The Bendigo subregion is geographically broad and extends well beyond the immediate vicinity of the proposed mine, including areas to the north such as Māori Point and vineyards to the south of the mine along the eastern shores of Lake Dunstan. As such, only a subset of vineyards in the Bendigo subregion sit directly on land that is in the immediate vicinity to the mine.

97. It is also useful to consider the estimated GDP supported by the wine industry, which helps an understanding of the total economic value added to capital and labour resources after factoring in inputs costs. Infometrics data highlights that total GDP from the viticulture industry across both grape growing and winemaking through the entire the Central Otago wine region (i.e. across Queenstown Lakes and Central Otago) is about $74 million of GDP a year.[16] This figure includes all activity undertaken by vineyards and winemaking businesses, so some auxiliary revenue streams based on hosting visitors at the vineyard will also be captured within the viticulture GDP estimate.

98. Although there are conceptual differences between estimation techniques, this $74 million estimate of GDP for Central Otago's viticulture sector is of a similar order of magnitude to estimates provided in Tim Hazledine's evidence for COWA. Mr Hazledine estimated the value to the wineries in Central Otago of their premium product is about $47 million a year in inflation-adjusted terms.

99. Given the Bendigo subregion's 25% share of production across the Central Otago wine region, this implies about $18.5 million of GDP a year is generated by the viticulture sector in the Bendigo subregion out of the $74 million total viticulture GDP for Central Otago.

[15] Source: New Zealand Wine, A Snapshot (2026)
[16] Sourced from Infometrics Regional Economic Profiles of Queenstown Lakes and Central Otago to estimate the total Inland Otago (Central Otago wine region) wine GDP for 2025

100. Although there are conceptual differences, this $18.5 million estimate of viticulture GDP within the Bendigo subregion is of a similar order of magnitude to the $10 million a year of total spending by Bendigo vineyards estimated by Folding Hill Vineyards.

101. However, it is important to emphasise that the $18.5 million of estimated viticulture GDP in the Bendigo subregion, covers an area that extends much broader than land immediately surrounding the BOGP Project Site. As noted above, The Bendigo subregion extends well beyond the immediate vicinity of the proposed mine, including areas as Māori Point and vineyards to the south of the mine along the eastern shores of Lake Dunstan which are unlikely to be on land directly affected by the mine's usual operations. Given these geographical considerations, it is likely that only about half of the GDP ($9 to $10 million a year) within the subregion is generated by vineyards that sit in areas in the immediate vicinity to the BOGP.

102. Importantly, just because approximately $9 to $10 million of GDP is generated by vineyards that sit within the area that has potential to be directly affected by the mine, does not mean that it is anticipated that all of these vineyards will cease their operations. The $9 to $10 million estimate of GDP assessed here is given to illustrate the existing total size of the industry and to provide the Panel with a worse possible feasible direct economic case. Although there may be challenges for vineyards and mining operations to coexist, especially for the subset of vineyards with organic certifications, it is unlikely that the mine's activities would directly cause all vineyards to shut down in the affected area. In fact, overseas in areas such as the Upper Hunter Valley, there is a long history of mining and vineyards coexisting with close proximity to each other. For example, there are several vineyards[17] located along Wollombi Brook within 2-4 km of the edge of the Bulga Coal open cut mining operation which employs 940 people[18] near Singleton.

103. Accordingly, given my evidence in paragraphs 94 to 102, an estimated range of potential direct economic risk from the Project to the wine industry immediately adjacent to the mine ranges from $0 to $10 million per annum of GDP, with a midpoint risk of approximately $5 million. The lower end of this range would be a scenario where none of vineyards surrounding the mine ceased operations or had material operational effects, while the upper end of this range would be a scenario where all vineyards on land immediately adjacent to the mine ceased operations. The scenario of all vineyards ceasing operations is a conservative, worst-case scenario that is not anticipated if the BOGP is operating within the conditions of its approvals.

[17] For example: https://www.visitnsw.com/destinations/hunter/hunter-valley/singleton/food-and-drink/talits-estate
[18] https://www.glencore.com.au/operations-and-projects/coal/current-operations/bulga-coal

I am unable to assign probabilities related to a worst-case scenario of a facility failure or contamination event occurring because it is outside of my expertise and is addressed in the evidence of other experts.

104. This midpoint of economic direct risk to viticulture of $5 million of GDP a year compares to the Project's estimated direct GDP contribution of $360 million per annum in the BPL report (and $587 million direct GDP contribution from the Project if recent gold spot prices were used).

105. COWA made claims in its evidence that the beneficiaries of this viticulture GDP are all locals, and that majority of the BOGP GDP will flow offshore. This assertion is incorrect with regards to the BOGP. Calculations in paragraph 39 showed that GNP from the BOGP ($230m a year) was estimated at 64% of direct GDP ($360m a year). In contrast, we do not know how much of the benefits of viticulture GDP in the area adjoining the mine remain in New Zealand as GNP. COWA did not substantiate its assertions with evidence of the residencies of shareholders in each vineyard or the origins of the vineyards' workforces. Research for CODC released in 2024, based on surveys of Central Otago vineyards showed that three quarters (74.5%) were temporary overseas workers (backpackers and RSE staff).[19] As a point of comparison, MGL's survey of people who have expressed an interest in working at the mine shows just 3% of workers would require visa sponsorship to take up roles at the mine. The inference from MGL's survey is that the majority of employment benefits would stay in New Zealand.

106. A number of commentors raised links between the wine industry and tourism. It is acknowledged that the wine industry also benefits from its linkages to tourism, as these visits and associated wine purchases can add to viticultural revenue. The economic activity that directly accrue to the viticulture sector from wine tourism on land immediately adjacent to the mine site is already captured within the direct viticulture GDP estimate. There will also be other spending associated with these wine tourists that are generated for other businesses (e.g. accommodation), which will be identified in light of tourism estimates provided in paragraphs 110 to 126.

107. Several parties commented that alongside direct effects, perceptions related to mining by the BOGP, could indirectly affect sales of wine from vineyards across the rest of the Central Otago wine region through branding effects. Such indirect effects are not anticipated if the BOGP is operating within the conditions of its approvals.

[19] See page 17, available here: https://www.codc.govt.nz/repository/libraries/id:2apsqkk8g1cxbyoqohn0/hierarchy/Services/Economic%20Development/Horticulture%20and%20Vitculture%20Labour%20Market%20Survey%202024.pdf

108. The Central Otago wine region is geographically spread out, with Bannockburn 30km away from the mine site, and Gibbston 55km removed. Evidence from the Hunter Valley in Australia suggests that premium wine regions can coexist with mining. Paragraph 102 highlighted several vineyards within 2-4km of the Bulga Coal open pit mine employing 940 people by Singleton. Furthermore, there are another 150 premium vineyards in the Lower Hunter Valley which operate within less than 50km of the Bulga Coal mine.[20] Note that in addition to Bulga, there are also 4 other open pit coal mines in total in the Singleton area where the Bulga Coal mine is located, with other coal mines also located elsewhere in the Hunter Valley.[21]

109. Alongside direct viticulture GDP that I have identified as being related to activities occurring on land immediately adjacent to the mine, landowners Simon Gibbard and Nicola Mulvena identified that their land is used for olives through a business known as Squeaky Hinge which they process into olive oil. I have prepared some high-level estimates of potential activity associated with Squeaky Hinge olives, to contextualise it against my viticulture estimates. These estimates show no more than $180,000 of olive oil revenue, which is not of a magnitude that warrants further research.

(a) The Squeaky Hinge website claims the land houses 350 olive trees. Data from Olives New Zealand[22] shows that average trees in Central Otago yielded 5.82kg of olives per tree in 2025, although in 2023 the highest yielding varieties in the region reached as high as 14.92 kg per tree, while across New Zealand the highest yields were 40 kg per tree in the Wairarapa in 2023.

(b) This yields data suggests Squeaky Hinge could have harvested 2.0 tonnes to 14.0 tonnes of olives. Olive New Zealand data shows that olive oil extraction accounts for about 11.6% of olive weight, while each kilogram of olive oil equates to just over 0.9 litres. This suggests Squeaky Hinge somewhere in the 250 to 1,500 litres of olive oil.

(c) Retail pricing on the Squeaky Hinge website, which will be higher than wholesale prices, show retail prices range from $55 per litre for 1-5 litre containers rising to $120 per litre if you buy in the small 250 ml containers.

[20] See: https://www.nswwine.com.au/hunter-valley
[21] See NSW EPA coal mines: https://hdp-au-prod-app-nswepa-yoursay-files.s3.ap-southeast-2.amazonaws.com/5617/2413/4006/20082024_-_NSW_coal_mine_EPL_links_-_v1.pdf
[22] See here: https://olivesnz.org.nz/wp-content/uploads/2025/11/2025-Grove-Census-Harvest-Data-Report.pdf

(d) Even if we assume that this was the highest yielding grove in the country and that everything was sold at the maximum price then these figures suggest Squeaky Hinge generates no more than $180,000 a year in revenue from olive oil sales at the upper end of these ranges, which is small even relative to the viticultural estimates.

Theme 13: Tourism in Bendigo

110. A wide range of parties made comments that focused on the tourism sector. These comments generally focussed on context regarding the overall size of Inland Otago's tourism sector that is predominantly a function of activity in Queenstown. None of the commentors sought to estimate the visitor activity and tourism that directly occurs in the area around the proposed mine.

111. The Panel did not directly ask about tourism in its RFIs, but some background information regarding tourism in Bendigo was provided in my response to RFI 68. This background information is expanded on below together with more specific information in response to the invited comments.

Theme	Related parties
13. Tourism in Bendigo	• CODC • Tourism Industry Aotearoa • COWA • Sustainable Tarras • The Chinamans Terrace Services Company Ltd • Queenstown Business Chamber of Commerce • Business South • The Canyon Vineyard Ltd • Coexisting with tourism • Santana Mine Supporters Group • Trevatham Family

Table 14: Parties with comments related to "Tourism in Bendigo"

112. The overall scale of tourism across Inland Otago, should not be conflated with the small amount of tourism activity that occurs directly within and immediately surrounding the mine site. The evidence below suggests that only about 0.3% of visitor days in Inland Otago can be directly related to activity on land adjoining the mine, which would be the equivalent to about $5.6 million of existing tourism GDP associated with these areas.

113. Data from MBIE's Accommodation Data Programme shows that there were 5.0 million commercial guest nights across Inland Otago in 2025, but 76% of these (3.8 million) occurred one hour's drive away from the Project site within the Destination Queenstown area centred on the Whakatipu Basin. A further 18% of guest nights (915,400) in Inland Otago were in Wānaka. Just 5% of guest nights (272,500) in Inland Otago during 2025 were in Central Otago, with very few of these visitors being accommodated in land immediately adjoining the mine site. Many of the visitors to Queenstown do not even pass through Central Otago on their journey, with Destination Queenstown Data showing that the majority of visitors arrive by plane, with 35% of visitors on domestic flights and an additional 27% on international flights[23].

114. Rob Greenaway's recreation assessment of the BOGP (B.39 Rob Greenaway & Associates Recreation Assessment) analysed DOC traffic counters (see section 5.1 of the Greenaway report), which show 8,546 to 9,094 vehicles per year visited the Bendigo Historic Reserve from 2019 to 2022. This is an average of 23 to 25 vehicles per day at Bendigo. Given that the number of vehicles was relatively steady immediately before and throughout Covid period of border closures suggests that mainly domestic visitors rather than international visitors go to the Bendigo area, which is consistent with the rest of Central Otago's tourism sector. MBIE's commercial accommodation data highlights that 84% of guest nights across Central Otago are domestic visitors, compared to just 35% in Queenstown.

115. The Greenaway report also identified Stantec transport assessments from 2024 which showed a similar average of 30 vehicles per day on Thomson Gorge Road suggesting that overall usage of the area remains similar to 2019 to 2022 of around 9,000 vehicles a year.

116. It is unknown how many of these people passing through the Bendigo area are locals versus how many are visitors. Even if we were extremely conservative and assume that 95% are visitors to the region who are going to Bendigo as a key activity for the day, and combined that with an assumption of 1.8 people in each travel party (which aligns to guests per accommodation booking in MBIE's accommodation data), then this would mean Bendigo hosts around 15,500 day visitors a year.

117. On top of these 15,500 potential day visitors, there is also a very small number of visitors who stay in Bendigo. An analysis of visitor accommodation available on booking platforms in areas adjoining the mine highlights that there are three visitor accommodation options (Bendigo Ridge, Ardgour Strawbale B&B, and Chinamens Ridge holiday house) which collectively offer 5 bookable spaces.

[23] Source: Destination Queenstown Visitor Experience Survey Results, Queenstown, YE June 2025

Given typical occupancy rates and guests per booking in the sector you would expect these accommodation options in areas adjoining the mine to total less than 2,000 guest nights per year by visitors.

118. Combining the estimated day visitors to Bendigo, and the potential visitors staying in local accommodation, suggests around 17,500 visitor days can be directly attributed to the tourism sector in areas adjoining the proposed mine. In the context of the broader tourism sector, those 17,500 visitor days would be equivalent to just 0.3% of commercial guest nights in Inland Otago. Even focussing directly on the Central Otago tourism area only, those 17,500 visitor days related to land areas adjoining the mine would be equivalent to just over 6% of guest nights in Central Otago.

119. We can also estimate the GDP that this visitor activity directly related to land adjoining the mine location can support in the tourism sector. Infometrics estimates in 2025 that Tourism GDP across Inland Otago was $1.6 billion, with just $107.1 million a year falling in Central Otago and the remaining $1.5 billion occurring within Queenstown and Wānaka. If we consider the 0.3% share of Inland Otago visitor days which directly occur in areas directly adjoining the mine, then this suggests that these visitors support the generation of about $5.6 million a year of tourism GDP.

120. It is important to emphasise, that just because an estimated $5.6 million a year of tourism GDP can be directly attributed to visitor days in areas adjoining the mine, does not mean that all of this activity would disappear as a result mining activities. Although some visitors may be put off going to Bendigo because of the mine, there will also be many visitors for whom the mine ends up being an attraction, given that mining history is already a key drawcard of visitors to Bendigo. Appendix 4 of the Greenaway report outlined interviews with a range of recreational stakeholders, including user groups representing biking, hunting, 4wd, motorbiking, heritage, outdoor access, and tourism. The engagement summarised in the Greenaway report suggests that these user groups did not have outstanding concerns regarding their stakeholders being able to recreate in the area providing adequate access arrangements are in place, including the alternative route to Thomson Gorge Road providing similar key values to the existing route. Interestingly, several of the user groups in the Greenaway report even went further and said that including a viewing platform of the mine would actually be an attraction for their stakeholders. Comments by Natalie Hampson for CODC suggested that tourism companies will likely even create mining tours, citing New Zealand examples from both the Macraes and Waihi gold mines.

121. Accordingly given evidence in paragraphs 112 to 120, an estimated range of the potential direct economic risk to tourism activity that occurs immediately adjacent to the mine ranges from $0 to $5.6 million per annum of tourism GDP, with a midpoint risk of approximately $2.8 million. At the lower end of this range, the assumption is that there are at least as many people attracted to visit the area by the mine as those who might be put off, while the upper end of the range makes the assumption that zero visitors will visit the area surrounding the mine.

122. This midpoint of economic risk to tourism on land adjacent to the mine of $2.8 million of GDP a year compares to the Project's estimated direct GDP contribution of $360 million per annum in the BPL report (and $587 million direct GDP contribution from the Project if recent gold spot prices were used).

123. A number of commentors raised links between the wine industry and tourism, as well as the role of cycling within the Thomson Gorge Road area. Further information regarding wine tourism and cycling are provided below.

124. With regards to wine tourism, it was already noted that direct activity that occurs at the vineyard is already included within the estimate that up to $10 million of direct viticulture GDP is generated in areas adjoining the mine site that were provided in paragraph 101. There will also be other spending associated with these wine tourists that are generated for other businesses (e.g. accommodation), form part of the estimated $5.6 million a year of tourism GDP supported by visitor days in areas adjoining the mine that were provided in paragraph 119. To give context to the potential scale of wine visitation, MBIE's International Visitor Survey for the 2025 year showed about 20% of visitors will go to a vineyard at least once during their holiday, which would mean that potentially around 3,500 of the 17,500 visitors to the areas adjoining the mine would be interested in wine tourism in the area.

125. With regards to the role of cycling, several parties commented on the size of the cycle tourism economy and that some people cycle on Thomson Gorge Road. I will provide evidence here that shows while cycle tourism is large in the region, the direct usage of Thomson Gorge Road through the mine site for cycling is small.

    (a) Previous research I have prepared for Queenstown Lakes shows that about 338,000 visitors cycle, with $280 million of spending associated with visitors whose main motivation is to bike.[24] Other research I prepared into the Otago Central Rail Trail, highlighted about $26 million of visitor spend associated with the Rail Trail.[25]

[24] See here: https://www.benjepatterson.co.nz/2025-update-bikings-contribution-to-queenstown-lakes-economy/
[25] See here: https://www.benjepatterson.co.nz/feasibility-study-economic-impacts-of-extending-the-otago-central-rail-trail/

(b) As another point of reference, the 2025 Evaluation of Ngā Haerenga Great Rides of New Zealand highlighted that annual usage of the Dunstan Trail for riding is currently about 57,065 cyclists.

(c) Although Thomson Gorge Road is a highly regarded cycle journey within the cycling community (see Jonathan Kennett's evidence for Sustainable Tarras), the usage of Thomson Gorge Road is very low compared to cycling in the broader region identified above and even other backcountry cycle journeys.

(d) There are no bike counters on Thomson Gorge Road, as there are in some parts of the broader cycle trail network, but we can still form understandings from Strava, which is commonly used among cyclists to record activities. Over the past 90 days to 11 April 2026 on Strava there have been 23 riders cycling on the Strava segment covering Thomson Gorge Road ("Boundary Fence to Top"). Another backcountry ride within Inland Otago, which does have trail counters, and so can provide a point of comparison for scaling is the Coronet Loop, near Arrowtown, which had 336 riders during the same period on a Strava segment ("Picnic Rock Climb") on its backside away from busy trail heads that might inflate the data. This means based on cyclists recording their ride with Strava, the Coronet Loop shows 15 times more usage than Thomson Gorge Road. This Strava sample is only a portion of riders over the first 3 months of the year, but it can be scaled on an annual basis. The Queenstown Trails Trust Annual Report (2025) showed 3,971 uses of the Coronet Loop in 2025 – using this annual benchmark combined with the Strava data from Thomson Gorge Road suggests about 272 riders on Thomson Gorge a year. Not all of these riders will be visitors, but even if they were this would be equivalent to less than 2% of the 17,500 total visitor days estimated within areas surrounding the mine identified in paragraph 118 which would be small within the context of the $5.6 million of tourism GDP associated with these total visitor estimates.

126. Several parties commented that alongside direct effects, perceptions related to mining by the BOGP, could indirectly affect tourism across the rest of Inland Otago. Such indirect effects are not anticipated if the BOGP is operating within the conditions of its approvals.

(a) Just 0.3% of visitor days in Inland Otago occur on land immediately adjoining the mine site. The Inland Otago tourism sector is geographically spread out, with Cromwell 25km away, Wānaka located 45km away, and Queenstown about 80km away. As was highlighted in paragraph 110, 76% of visitor days in Inland Otago (3.8 million) occurred one hour's drive away from the Project site within the Destination Queenstown area centred on the Whakatipu Basin.

(b) Most visitors to Queenstown do not even pass through Central Otago on their journey, with Destination Queenstown Data in paragraph 110 showing that the majority of visitors arrive by plane. There is little likelihood that this minority of visitors to Queenstown who drive past the mine site will associate their Queenstown experience with having momentarily seen a mine in passing from a distance, as they drive past at least one hour before they arrive in Queenstown. This point should also be considered in conjunction with evidence for the Applicant by Rhys Girvan of Boffa Miskell who assessed the visual effects of the mine as being low to moderate from state highways, with these effects reducing to neutral at closure. For the majority of people arriving by plane, these points also apply.

(c) Evidence from elsewhere supports the point that visitors are unlikely to associate their Queenstown experience with a mine located one hour's drive away. For example, in New Zealand, there is no evidence that Rotorua's tourism sector has suffered lost income because of perceptions effects associated with visitors driving past the Waihi Mine just over one hour before they reach Rotorua. In Australia, the Hunter Valley is estimated to have a tourism sector worth over AUD$641 million annually[26], which is centred on the Lower Hunter Valley, which was identified in paragraph 107 as being located within 50km of the Bulga open pit coal mine (with another four mines located close to that site).

Theme 14: Housing supply for workers

127. Several parties questioned whether it was reasonable to expect there to be sufficient housing supply to accommodate mine workers. These comments were also addressed in responses to the Panel's RFIs 75 and 76 regarding housing.

[26] See: "Hunter Valley: The crown jewel of our region", available here: https://www.hunterif.com.au/news-1/cessnock

Theme	Related parties
14. Housing supply for workers	• CODC • Environmental Defence Society Incorporated • Sustainable Tarras

Table 15: Parties with comments related to "Housing supply for workers"

128. The BPL report highlighted that in theory an average of 218 to 351 homes in Inland Otago above current build rates would neutralise the risk of the BOGP's workforce adding further pressure to housing shortages in the Inland Otago housing market (above and beyond those pressures that already exist). Extending this calculation to also incorporate the potential regional multiplier effects on employment, and conservatively assuming these multiplier jobs would all fall within Inland Otago (rather than spreading wider across Otago), this would potentially add demand for another 138 to 222 homes in Inland Otago. In total, this would mean that 360 to 569 additional homes would fully neutralise both the potential direct employment effects and the multiplier employment effects.

129. The scale of these additionally homes needed for employment related to the BOGP was similar to that estimated by experts in evidence for CODC and the Environmental Defence Society (Natalie Hampson and Bill Kaye-Blake respectively).

130. Although 360 to 569 new homes is a large number of new homes, the Inland Otago construction sector has previously demonstrated that it can build high volumes of housing over a sustained period and so could scale to meet this demand. Statistics New Zealand building consents data shows that new dwelling unit consents across Inland Otago over the 10 years to December 2025 totalled 15,800 at an average of 1,580 new dwelling units per annum. Over the past 12 months alone to February 2026, there have been 2,063 new dwelling units consented, which is a record annual running total and is almost 500 dwelling units above the long-term annual average. In practical terms, this shows within a single year, the construction sector has lifted its build rate by a magnitude that could fully accommodate the modelled long-term housing demand of the BOGP.

131. The Inland Otago construction sector is one of the leading places of residential construction in New Zealand. If we look across New Zealand, the only consenting authorities to consent more dwelling units than the combined Inland Otago area at present are Auckland and Christchurch City. In the 12 months to February 2026, there were 25.9 new dwelling units consented per 1,000 residents in Inland Otago, compared to 7.1 consents per 1,000 residents across New Zealand.

132. The pipeline of residential development in Inland Otago that will potentially become available through housing projects under the Fast-Track Approvals Act 2024 could accelerate the supply of housing further from its current level. One Fast-Track housing project, Homestead Bay with 2,800 residential allotments, has already been approved, with another 7 projects listed or referred to follow the Fast-track process currently centering on housing.

133. One of these referral projects is Parkburn, which will create approximately 1,000 residential units on the Luggate-Cromwell Road, approximately 8km from Cromwell.[27]

134. Natalie Hampson on behalf of CODC agreed with my assertion that housing supply in Inland Otago would respond in a way that could manage the long-term effects of demand from employment influenced by the BOGP. However, Ms Hampson did note that there would be temporary pressures related to initial project construction, but that these would be reduced to a manageable level with proposed worker accommodation.

135. Bill Kaye-Blake on behalf of the Environmental Defence Society did not agree with my assertion that the effects on housing could be managed. Mr Kaye-Blake's argument rested on a narrow interpretation of labour market catchments, that did not allow for commuting from places other than Cromwell. This narrow interpretation of labour market catchments was not supported by Ms Hampson who like me is of the opinion that the relevant catchment is Inland Otago. A narrow catchment would also be inconsistent with the locations of people responding to MGL's survey of its database of people who have already made expressions of interest for employment. That survey shows that 94% of people would use company-provided bus transport from centres including Cromwell, Alexandra, Queenstown, Wānaka and Hāwea if available to them. I will address labour market catchments in more detail in paragraphs 148 to 153.

Theme 15: Pay rates and project employment

136. A range of parties commented that jobs at the BOPG, like with any mining related roles, would be high paying which would be significantly above the average wages on offer in Inland Otago. There were also some comments that suggested wage comparisons shouldn't be made against average roles as many workers would come out of construction or technical roles that may pay more than the average. Pay rates and project employment were also of interest to the Panel and have been addressed in my responses to RFIs 60 and 61.

[27] See: https://www.fasttrack.govt.nz/projects/parkburn

Theme	Related parties
15. Pay rates and project employment	• ORC • CODC • Queenstown Business Chamber of Commerce • Business South • Sustainable Tarras • Santana Mine Supporters Group

Table 16: Parties with comments related to "Pay rates and project employment"

137. Page 19 of the BPL report highlights: "*The average wage for workers associated with the BOGP will be $140,300 a year, which is 104% higher than the average wage in Inland Otago of $68,904 in 2024, and 98% above the Otago Region average of $70,766 per year*."

(a) Recent data from Infometrics 2025 Regional Economic Profile highlights that a benchmark for New Zealand would be $81,958 a year. The average wage for workers associated with the BOGP would be 71% against this New Zealand benchmark.

138. It is acknowledged that workers moving into BOGP roles will have a mix of skills. This means that, while some workers will come out of average wage roles, there will be others coming from higher skilled industries. A survey undertaken by MGL reported that 27% of potential employees will be new to construction and mining, while the rest have experience across related skills.[28] As such, other points of wage comparison may also be helpful to the Panel. Statistics New Zealand's Monthly Employment Indicators drawn from payroll tax filings to December 2025 can give a recent indication of average wages by industry in Inland Otago. Analysis of the data shows that industries which are likely to require workers matched to having technical and higher skills required by the mine, such as construction and professional, scientific, and technical services offer average earnings of $88,500 and $102,300 a year respectively in Inland Otago. The average earnings of BOGP workers would be 59% and 37% respectively higher than these benchmarks.

(a) Interestingly, the Statistics New Zealand Monthly Employment Statistics show that the average mining worker in Inland Otago currently earns $126,000 a year as of December 2025.

(b) This cohort of miners includes not only MGL staff, but also others involved in other gold mining enterprises in the area, as well as people employed in

[28] See here: https://centralapp.nz/NewsStory/survey-suggests-potential-cromwell-mine-workforce-already-local/69a9e71aae5d4b002d5ac6a6

mining of aggregates at quarries, which are of a lower economic value than gold.

139. The average wages of the BOGP presented in the BPL report pertain to the 351 direct workers employed on average. These estimates were primarily driven by manning and salary estimates that underpinned financial modelling for the Updated PFS. The company's salary expectations appear reasonable when you consider the existing evidence of current mining wages in Inland Otago drawn from Statistics New Zealand payroll tax data which shows that mining industry average pay rates (including both gold and lower value quarrying activity) are already close to the expected pay rates for the BOGP mine.

140. CODC's peer reviewer Natalie Hampson highlighted that there may be uncertainties regarding the precise number of jobs that will be created by the Project. The BPL report identified that while operational employment will remain relatively constant, employment from capital investment will vary greatly and may see temporary spikes if a large amount of investment occurs in a short period of time. The employment related to capital investment will be front-loaded into the pre-operational years, as construction occurs to build mine infrastructure and processing capacity. However, once the mine has begun its operations the manning requirements become easier to estimate.

141. It was shown in Table 4 of the BPL report, which relied on assessments of operational manning requirements prepared by MGL, that direct employment from operations would generally sit between 320 to 350 workers over the 14-year mining period. The MGL manning assessments were made with an understanding of the mining technologies available to them and the intended nature of operations. Note that this estimate of employment is very similar to the estimated direct employment needs of the Waihi Gold Mine in 2024.[29]

Theme 16: Spare capacity in local labour market

142. Several parties commented that the BOGP will have trouble sourcing workers given low unemployment in Central Otago. Others noted that even if workers are found that this would displace people from existing industries. These comments were also addressed in responses to the Panel's RFIs 62 and 63.

[29] See paragraph 759 of the Waihi North Project Expert Panel Decision, available here: https://www.fasttrack.govt.nz/__data/assets/pdf_file/0020/20279/Decision-Text-18-December-2025.pdf

Theme	Related parties
16. Spare capacity in local labour market	• Environmental Defence Society Incorporated • Sustainable Tarras • Lilian Cheryl Lucas • Business South • Trevatham Family

Table 17: Parties with comments related to "Spare capacity in local labour market"

143. MGL has already identified a large number of people who have submitted expressions of interest for employment. Paragraph 45 outlined the results of a January 2026 MGL survey of 647 of these potential employees, which represents almost twice the typical number of direct jobs (351) driven by the Project that were identified in Table 4 of the BPL report and discussed in paragraphs 139 to 141.

144. Unemployment is not a widespread problem within Otago, and so the employment opportunity from the mine is primarily centred on offering higher paying opportunities to workers, rather than removing them from unemployment. Statistics New Zealand data from the December 2025 Household Labour Force Survey shows that the unemployment rate across New Zealand was 5.4% in the December 2025 quarter, with Otago Region recording just a 2.3% unemployment rates, which was the lowest unemployment rate for a region in New Zealand. Estimates from Infometrics 2025 Regional Economic Profiles of both Central Otago and Queenstown Lakes highlight even lower unemployment of 1.3% and 1.7% respectively in the Inland Otago area surrounding the BOGP mine.

145. Given that unemployment is not a widespread problem in the area surrounding the BOGP mine, it should be emphasised that the higher wages of the mine (104% above the Inland Otago average as per paragraph 137) and the higher productivity (GDP per job that is 7.7 times the Inland Otago average as per paragraph 24) are the primary economic opportunity for workers and their employer.

146. Despite relatively low levels of local unemployment in Inland Otago, the area has a history of attracting people from all over New Zealand, and the world, to meet employment needs. Over the 10 years to 2025, Inland Otago employment climbed by 16,048 at an average of 1,600 jobs per year (source: Infometrics Regional Economic Profile). Over the same period of time, Inland Otago attracted net migration of 23,120, with 13,610 of this being net internal migration from other parts of New Zealand, and 9,510 being net international migration from overseas (source: Statistics New Zealand Subnational Population Estimates).

147. This strong track record of the area attracting migrants highlights that job vacancies can be filled for positions that emerge directly as a result of the BOGP. It should be noted that that some of these job vacancies will be for mining roles directly with the

Project that are not filled with existing local residents, while other vacancies will also subsequently emerge from existing local residents who switch to mining jobs.

Theme 17: Labour market catchment for workers

148. The relevant labour market catchment for workers in the BPL report was Inland Otago. This position was accepted and supported in expert economic evidence for CODC, but Bill Kaye-Blake for the Environmental Defence Society suggested that workers will come from a narrow catchment within the Cromwell Basin.

Theme	Related parties
17. Labour market catchment for workers	• CODC • Environmental Defence Society Incorporated

Table 18: Parties with comments related to "Labour market catchment for workers"

149. As I outlined above, workers at the BOGP are anticipated to reside broadly across a range of towns in Inland Otago. These include areas such as Cromwell, Alexandra, Clyde, Queenstown, Wānaka, and Hāwea to name a few.

150. The use of Inland Otago as a labour market catchment is consistent with the geographies used in the Otago Regional Workforce Plan (2022)[30] that was developed by the former Otago Skills Regional Leadership Group (RSLG) supported by MBIE. The RSLG identified that territorial boundaries were not reflective of labour market catchments in Otago and it was better to consider labour market outcomes and skills needs within Inland Otago across an area that integrated Queenstown Lakes and Inland Otago.

151. The New Zealand Government has more recently in 2025 acknowledged the economic integration of the Inland Otago area, with the combined Queenstown Lakes and Central Otago area having been identified to jointly enter into regional deal negotiations.[31] The Regional Deals Strategic Framework[32] requires geographies to support priority objectives for building economic growth with jobs being listed as one of the key outcomes.

152. MGL's own survey of 647 prospective employees who had submitted expressions of interest for employment showed that 67% of respondents either already live or have accommodation within one-hour drive of the mine site, while 94% of people would use company-provided bus transport from centres including Cromwell,

[30] Available here: https://ored.org.nz/media/bhnoulp5/otago-regional-workforce-plan-june-2022.pdf
[31] See here: https://www.beehive.govt.nz/release/city-and-regional-deals-unlock-growth
[32] See here: https://www.beehive.govt.nz/sites/default/files/2024-08/Regional%20Deals%20Strategic%20Framework.pdf

Alexandra, Queenstown, Wānaka and Hāwea if available to them. These responses from prospective employees suggests that workers themselves are already anticipating that they will come from a wider labour market catchment that is more closely aligned to Inland Otago definitions rather than narrow interpretations that focus only on Cromwell.

153. Accessing the BOGP by bus from this broader labour market catchment is reasonable in practical terms. Workers at the Macraes Mine use company-provided buses each day from places including both Oamaru and Dunedin, which are located more than 90km from the Mine Site. In the case of the BOGP, this distance would be similar to workers coming from Queenstown which is about 80km away.

Benje Patterson

17 April 2026