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To:	Bendigo-Ophir Gold Project Expert Panel	**Cc**:	Environmental Protection Authority
From:	Lane Neave	**Date**:	17 August 2026

Subject: Request for Information 11 - Question 20

1. This memorandum responds to question 20 of the Expert Panel's Request for Information 11 (**RFI 11**):

   Question 20:

   Given CODC's reluctance to be the beneficiary of any future covenant, are there any alternative mechanisms available to achieve the long-term management objectives for this part of the site?

2. Matakanui Gold Limited (**MGL**) has considered a range of mechanisms for ensuring the ongoing obligations relating to the long-term management of the offsetting and compensation areas. Having assessed the available options, MGL's position is that a covenant imposed under Section 108 of the Resource Management Act 1991 (**RMA**) is the most appropriate mechanism for long-term management of the offsetting and compensation areas on the basis it provides the greatest degree of certainty and durability that the management outcomes will be maintained in perpetuity.

3. MGL proposes that a covenant imposed under Section 108 of the RMA be registered on the relevant Records of Title that will run with the land. This creates an ongoing obligation for successors in title and provides certainty that the management outcomes will be maintained regardless landownerships. As confirmed by Central Otago District Council (**CODC**) at the hearing held in Cromwell on 29 April 2026,[1] a covenant imposed under Section 108 of the RMA is a standard resource management tool for securing long term environmental outcomes and providing certainty. Such covenants are commonly used where ongoing management obligations are required to endure beyond the implementation of a consent, bind successive landowners, and provide ongoing certainty as to the achievement of environmental outcomes.

4. Unlike a private covenant, it is not proposed that the covenant under Section 108 of the RMA would provide CODC with any private benefit. Rather, CODC's role in the covenant is as the regulatory authority administering and enforcing the requirements of the RMA. The covenant is proposed to be the legal mechanism through which the environmental outcomes required by the resource consent are secured and given enduring effect.

5. The RMA recognises the enduring nature of obligations imposed through consent conditions by enabling covenants to be registered against the relevant title. Once registered, the covenant runs with the land and binds successor owners, ensuring those obligations continue to apply over time. While alternative mechanisms are available, none provide the same level of ongoing certainty, enforceability, and continuity of obligations over the long term. This is shown in the analysis in **Appendix 1**.

6. Any concerns regarding enforcement-related costs to the Covenantee can be addressed through appropriate assignment and cost-recovery provisions in the covenant. Proposed condition 131 of the common conditions of the CODC and Otago Regional Council consents[2] requires that the consent holder pay the Council's actual and reasonable charges arising from monitoring the conditions of consent. The requirement to create a covenant is the subject of a consent condition and therefore covered by condition 131. Given this, the costs associated with monitoring and enforcing the covenant do not create an unfunded monitoring burden on the

[1] Bendigo-Ophir Gold Project, Hearing Transcript, 29 April 2026 at page 8 [38] – [43] and page 9 [1] – [2].
[2] D.03 – Schedule One – Common Conditions for CODC and ORC Consents (22 June 2026).

Council (or ratepayers), as monitoring and associated administrative costs are borne by the consent holder.

7. For these reasons, MGL considers that a Section 108 covenant represents the most robust and reliable option to create enduring certainty that the management outcomes will be maintained. It is also the mechanism expressly contemplated by the RMA for securing long-term obligations imposed by consent conditions, including obligations that are intended to run with the land and bind successor owners. As such, the proposed covenant is consistent with the regulatory framework and established resource management practice.

8. In the event that the Expert Panel is not minded to impose a Section 108 covenant condition, reliance on the consent conditions would still provide a high degree of certainty. MGL seeks land use consents with an unlimited duration, and the conditions of those consents would remain legally enforceable by the Councils for as long as the consents remain operative and are not surrendered. Further Section 138 of the RMA provides that consent obligations may continue to be enforceable even where a consent is surrendered.

Instrument/Mechanism	Enforcing Entity	Effectiveness	Comments
Covenant imposed under Section 108 of the Resource Management Act 1991.	Central Otago District Council (**CODC**).	High. CODC's role as covenantee aligns with its statutory responsibilities under the RMA. Section 108 expressly contemplates the use of covenants as a regulatory tool to secure the long-term performance of consent conditions. The covenant is the mechanism provided for by the RMA for securing enduring compliance, binding future landowners, and providing long-term certainty that the environmental outcomes required by the consent will be protected and maintained.	Proposed in Condition C113 of the common conditions for the CODC and Otago Regional Council consents (22 June 2026). A covenant runs with the land in perpetuity and binds all future landowners (including the Matakinui Trust) and has a clear statutory basis under Section 108 of the RMA for securing performance of consent conditions. A covenant imposed under Section 108 would not impose a financial burden on CODC (or ratepayers) as the costs of monitoring and compliance remain the responsibility of the consent holder.[3] The proposed conditions of consent require the consent holder to meet the Council's actual and reasonable monitoring costs. As envisaged by the RMA when undertaking monitoring or enforcement activities under the covenant CODC would be exercising its existing statutory functions under the RMA as the consent authority responsible for monitoring and enforcing compliance with consent conditions.
QEII Covenant.	QEII Trust.	Low. Not viable as QEII open space covenants are narrowly focused on protecting existing environments and do not contemplate positive obligations such as	They do not accommodate the full range of active management obligations required here (ongoing ecological maintenance, pest control, water treatment, heritage protection, managed grazing, public access). QEII Trust standard

[3] D.03 – Schedule One – Common Conditions for CODC and ORC Consents (22 June 2026) at Condition 131.

Instrument/Mechanism	Enforcing Entity	Effectiveness	Comments
		rehabilitation or offsetting and compensation.	covenant terms are unlikely to align with the bespoke environmental outcomes specified in Condition C113. QEII covenants do not typically impose active/ongoing management obligations of the kind contemplated. QEII Trust is not a party to the Fast-track Approvals Act 2024 proceedings, has had no involvement in the development of the proposed conditions or project, and would need to agree to participate in and accept the proposed covenant arrangement.
Encumbrance.	CODC. DoC. Other Crown Entity e.g. Heritage New Zealand.	Low. Not viable as encumbrances are for securing the payment of money.	It is not suited to the broad, ongoing, and adaptive environmental management obligations required here. The positive obligations specified in Condition C113 (maintaining ecological values, pest control, heritage protection, managed grazing, public access) go well beyond what an encumbrance is designed to secure. This applies regardless of the enforcing entity (CODC, DoC, or other Crown entity).
Consent Notice.	CODC.	Not feasible. Not a mechanism available to MGL.	A consent notice under Section 139A of the RMA is not an available option in this case as consent notices can only be imposed in conjunction with a subdivision consent. MGL does not seek subdivision consents as part of the Bendigo-Ophir Gold Project. Consent notices are not an appropriate mechanism for securing obligations to endure beyond the term of the consent as they are tied to the underlying resource consent.

Instrument/Mechanism	Enforcing Entity	Effectiveness	Comments
			The BOGP requires obligations in perpetuity (post-consent expiry), particularly for long-term maintenance by the Matakinui Trust. A consent notice cannot provide the required level of certainty or enduring protection.
Easement.	N/A.	Not viable.	An easement requires a dominant tenement (benefited land) and servient tenement (burdened land). There is no obvious dominant tenement here. Easements also typically confer rights (e.g., rights of way, drainage) rather than impose positive management obligations on the burdened landowner. Not suitable for the range of ongoing environmental outcomes required by the consent conditions.
Reliance on conditions of consent.	CODC and ORC.	Medium.	MGL seeks land use consents with an unlimited duration as provided for by the RMA. Given this reliance on the conditions of the land use consent provides a substantial degree of certainty as the legally enforceable conditions of consent and the obligations they impose continue up until the point a consent is surrendered. Section 138 of the RMA provides certainty that in the event a resource consent is surrendered a consent holder may remain liable for any work to give effect to the consent unless the consent authority directs otherwise when accepting the surrender. This framework provides assurance that the consent obligations will continue to be enforceable over time and will not automatically fall away if there

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			is a change in ownership or the surrender of a consent. So while a potential option open to the Panel, the certainty provided from relying on the conditions alone is not equivalent to that provided by a covenant imposed under Section 108. While consent conditions are enforceable for the duration for as long as the consent remains operative, they remain dependent on the continued operation of the statutory framework. Should the RMA be amended or repealed in the future there is a risk the ongoing enforceability of those obligations could be altered. In contrast a covenant imposed under Section 108 is a separate statutory mechanism specifically contemplated by the RMA to secure the performance of consent obligations over the long term. Once registered on the title, the covenant would run with the land, bind any successor in title and remain separate to any potential reforms to the resource management regime. The covenant could not be removed from the title without the approval of the relevant parties and regulatory authorities providing a high level of certainty that the obligations will endure over time.
Matakinui Trust as the likely ultimate holder of the resource consents.	Trustees as the primary enforcers of the Trust Deed.	Medium.	With approval from the regulators, the Matakinui Trust is the proposed long term stewardship vehicle intended to be responsible for the land and project's enduring

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	CODC and ORC as the consent authority responsible for monitoring and enforcing compliance with consent conditions.		environmental obligations once mine closure is achieved.[4] The Matakinui Trust is intended to be a charitable trust to ensure the endowment fund is protected for its intended purpose.[5] The Trust structure provides a degree of certainty that long term obligations will continue to be carried out as the Trust would be legally required to act for its stated charitable purpose and it provides a mechanism to protect and apply funds over the long term. Trustees would be subject to fiduciary duties and statutory obligations under trust law and relevant legislation. The Trust would be a separate legal arrangement and would continue to operate notwithstanding changes in ownership, management, or personnel. However, it is considered that this provides less certainty than a covenant imposed under Section 108 of the RMA as: - A covenant creates a direct legal obligation that runs with the land and is enforceable by the consent authority.

[4] Matakanui Gold Limited response to request for information 11 Questions 12 – 16.
[5] Matakanui Gold Limited response to request for information 11 Questions 12 – 16.

Instrument/Mechanism	Enforcing Entity	Effectiveness	Comments
			- A covenant imposed under Section 108 is specifically designed to secure the ongoing performance of particular obligations over the long term. - Compliance with a covenant can be monitored and enforced through the RMA's enforcement regime. In contrast while trustees are legally required to act consistently with the trust deed and applicable legal duties, enforcement of those obligations would generally rely on trust law remedies, regulatory oversight or court intervention following a breach. It is considered the RMA framework provides a more direct and proactive mechanism for ensuring compliance.