

29 May 2025 – Central Otago Winegrowers meeting - Key messages

Facilitated by Mike Collins CEO Business South & Shona Brown Advocacy Advisor for Business South.

Executive Summary: Proposed Bendigo-Ophir Gold Mine – Impacts and Sector Perspectives

This paper outlines significant concerns raised by Central Otago Winegrowers and wider regional stakeholders regarding the proposed Bendigo-Ophir Gold Project, currently lodged under the Fast Track Approvals Act 2024. The proposed development by Santana Minerals Ltd involves large-scale open-cast gold mining, chemical processing, and extensive infrastructure near key horticultural, agricultural, tourism, and residential areas in Central Otago.

Key Themes and Concerns:

- **Intergenerational Stewardship:** The proposed mine risks irreversible damage to land, water, and brand value built over generations by communities and businesses. Any decision must account not only for today's economics, but the cost to our children, future land uses, and the region's identity. Once a mine is approved, the landscape—and reputation—cannot be undone.
- **Economic Trade-Offs:** While the project promises royalties and short-term employment, stakeholders argue the projected economic return—estimated at just 1–2% in royalties—is marginal when weighed against the potential harm to existing high-value sectors. Central Otago boasts a thriving tourism economy, underpinned by its natural landscapes, wine trails, and outdoor recreation experiences that attract both domestic and international visitors. Alongside premium wine and horticulture exports, tourism generates significant revenue, employment, and regional vibrancy. There is strong concern that the introduction of large-scale open-cast mining could erode this economic foundation, damaging the region's brand, displacing local labour, and weakening the long-term value created by decades of investment across these interconnected industries.
- The overall tax collected would also be reduced by the new Investment Boost tax incentive announced in the Budget 2025 because it permits Santana Minerals to deduct a further 20% of the value of the assets it needs to build and operate the mine.



- **Environmental and Health Risks:** The mine’s visibility, dust (including arsenic), and water contamination risks pose serious threats to agriculture, biodiversity, and public health in Central Otago. The proposed extraction of water from already stressed catchments such as the Lindis and Clutha Rivers could compromise irrigation, drinking water supplies, and hydroelectric generation. Unlike existing gold mining towns such as Waihi or Reefton—where mining is the dominant or sole industry—Central Otago has a thriving, diversified economy. The proposed mine would operate in direct competition with established, high-value sectors like wine, agriculture, horticulture, and tourism, amplifying environmental risks and heightening inter-industry tensions in a region that is otherwise flourishing.
- **Social License and Community Impact:** There is widespread concern about the lack of public consultation and transparency under the Fast Track process. The community feels disempowered, with no meaningful engagement or clear assessment of long-term intergenerational costs. Concerns were raised about changes to social cohesion, regional brand, and cultural values.
- **Reputation and Market Risk:** Internationally recognised wine and tourism brands built on a clean, green image could be jeopardised. Dust and pollution could affect vineyards, organic certification, and horticultural exports (e.g. carrots, seed crops), with significant implications for Central Otago’s global reputation.
- **Process and Policy Gaps:** Local authorities (CODC, ORC), mana whenua (Aukaha), and other stakeholders are either uninformed or uncertain about their role in submissions. The Fast Track process lacks clarity on how health, environmental, and multi-sector effects are considered. The perceived imbalance between stringent farming regulations and lenient mining allowances has also been highlighted.

Recommendations and Next Steps:

- **Amplify sector voices:** Coordinate sector-specific sessions to increase awareness and participation (wine, tourism, horticulture, hospitality, accommodation, biking).
- **Public awareness campaign:** Use storytelling and visualisation (e.g. illustrate future impacts).
- **Equity in regulation:** Call for consistent standards across sectors (e.g. biodynamic farming vs gold mining).



- **Engage decision-makers:** Brief local and central government, Prime Minister, MPs, and relevant agencies on the broader economic and environmental risks.
- **Demand transparency:** Urge the government and Santana Minerals to share full environmental and economic assessments with affected parties and the wider public.
- **Aukaha:** Once endorsed by the working group provide these insights to the resource planning team at Aukaha for their reference.

Call to Action

We urge the Fast Track panel and central government to adopt a cautious, transparent, and evidence-led approach to the Bendigo-Ophir application. This includes:

- Requiring full disclosure of economic modelling and environmental impact assessments before any decision.
- Enabling public consultation and engagement with affected sectors and communities.
- Ensuring any final decision considers long-term regional impacts—economic, social, and environmental—not just short-term extraction benefits.

This document urges a balanced and evidence-based approach to decision-making—one that upholds the region’s long-term prosperity, environmental integrity, and social cohesion.



BACKGROUND

Proposal - Bendigo-Ophir Gold Project

[Application](#) FTA107 - Lodged with Environmental Protection Agency (EPA) who is the administrating agency of the Fast Track Approvals Act 2024.

The Project is to mine the world-class Rise and Shine (RAS) gold deposit and satellite deposits on both Bendigo and Ardour Stations. Mining would occur by way of an open pit mine in the first instance, with a later stage for underground mining of the resource as operations advance. The project will also include a variety of ancillary mining related activities, including engineered landforms for sterile rock storage, tailings storage, processing facilities and access roads.

The project will provide significant economic benefits to the regional and national economies as outlined in the Company's Scoping Study on RAS only released to the ASX on 17 April 2024.

Source: FTA107 application: Matakanui Gold Limited (a wholly owned subsidiary of Santana Minerals Limited)

What's happening now

- Ministry for Environment has assessed [details](#).
- Application is being made in June.
- Short space of time from application to decision being made.
- The affected parties are unknown.
- The proposed scale is similar to Oceana Gold's Macraes Operation, with 4 pits in the plan.
- The proposed mine is a hard rock process and will use chemicals to build a processing plant.
- Roads are to be 100m wide with 200 tonne trucks driving 60 km/hour.
- Santana proposes using water to suppress the dust - will it work?
- Twice a week they offer drop-in sessions – very limited information available, and the community is largely unaware.
- EPA - They are not providing much info/guidance on the Fast Track Approvals Act 2024 yet, as no one knows how to interpret the Act. What do they have to do; and do not have resources.
- Environmental Defense Society (EDS) sought release of information prior to Fast Track panel consideration. Previously EPA only published application information once it was deemed complete and within scope. See [here](#) for press release of EPA's decision to now see application documentation published on the fasttrack.govt.nz website when it is first lodged with the EPA. That should include an application's full Assessment of Environmental Effects). Recent news of this decision [here](#).



KEY THEMES

Why – Do we understand why the government would support?

A reasonable argument for the proposed gold mine:

- money going back to central government with royalties 2% net sales and taxes (although not high)
- feel good story growing the economy aligned to the government's growth agenda
- local spin-off jobs.

Flipside argument:

- The government believes that this mine operation would provide significant return on investment. But the return on investment for the NZ economy is not there as it will also compromise other sectors.
- Mining royalties are only 1-2% for government valued at \$10-20M, creating 50-100 jobs.
- Is it worth it, at the expense of other established sectors.
- Royalties of 2% net sales is half of what Australian miners pay.
- Coalition Agreement NZ First and National projects e.g. Taranaki Seabed, Denniston, Central Otago mining. It might be too much to chew in the election cycle.
- If the mine company is so confident it's a beneficial project, why not share and get the affected parties and the region on side, this is New Zealand, so let's respect the democratic process (note via email).

Is there middle ground?

- 8-10 times more expensive to do an underground mine, rather than open-cast.
- There is a perception that there will still be toxic tailings if the dam fails.
- There are concerns about the risks with open pit – need more information on what can be suppressed.

Longer-term horizon for future

- Local and central government think in 3–10-year timeframes, coinciding with election cycles.
- Advocating for bipartisan in government across healthcare, education and infrastructure
- Need to shift to bi-partisan long-term thinking and include NZ's approach to 'mining' in infrastructure plans.
- Businesses want certainty and the prospect of mine(s) in the region becomes uncertain
- Not confident the whims and wants of the Minister Mining are a valid justification, so please engage in a robust process that considers all the costs, especially those beyond



the government's balance sheet and make a decision that will be supported by the community now, and in 30 or 50 years (note via email).

- There are many who do not support this project. We do not want the costs for our business and region to go up, we do not need more employment, we do not want our regional image and tourism potential eroded, and we definitely do not want our environment degraded for us and generations to come (notes via email).

Economic Trade-offs

- While the project promises royalties, GDP growth and short-term employment, stakeholders argue the overall economic return to the region would result in negative growth because new mining activities in such sensitive locations would come at the cost of the erosion of GDP contributions from existing high-value sectors. Royalties, estimated at just 1-2% of turnover or 10% of net profits are considered marginal.
- The overall tax collected from the mine would also be reduced by new Investment Boost tax incentive announced in Budget 2025 because it permits Santana Minerals to deduct a further 20% of the value of the assets it needs to build and operate the mine.

Economic impact

- Local spin-offs are creating jobs, although it is unknown how many are skilled and do they come from outside i.e. fly in-out workers.
- Some positive trickle down to local businesses e.g. diesel mechanics, caterers, carpenters.
- Lower paid jobs in the proposed mine may be taken from other businesses.
- Take from apprentices that have been trained by local businesses and may go to proposed mine for \$10/hour more.
- Easy to analyse GDP growth but cannot analyse cost to business. It will cost winegrowers this much, but it's subjective and hard to calculate.
- The damage to reputation builds up.
- If this is a good thing for the nation, then share the economic analysis. Towns within the commute range of the Macraes Operation mine do not appear to be wealthy or flourishing because of the mine, so what benefit is it to this region.
- Costs to business owners – this mine will put additional pressure on every aspect of our already stretched regional services and infrastructure, and that will add directly to business operation costs (note via email).
- Sets precedent, once approved, others will be approved.



Community awareness and consultation – story telling

- Need to get voice out as there is a problem with getting this proposal known
- Cross-sectors – not sure if there is awareness or not
- General awareness of what this will look like in 5-10 years' time and present at community events. Most will never have been to Macraes Flat, across Thompson Gorge Road.
- Prospect that many will say “gee, we didn't know this”.
- Approach Animated Research, who are good at story telling using technology to simulate what it will look like.
- All industries would be damaged by this proposal with unintended consequences.

Stakeholders – Aukaha, CODC, ORC, EDS

- Aukaha has a resource planning consenting division and is interested in submitting. They have requested information from Santana.
- Other groups have asked for information but have not given any to CODC, EDS, ORC.
- Fast Track has stumped and overwhelmed local government. They think they cannot submit, but they can.
- Otago Regional Council – are doing some background work (water, soil, air).

Optics – visibility

- The proposed open cast mine will be highly visible to everyone who visits the region.
- Even if they have the world's best technology to minimise pollution impacts, visibility will impact businesses in the region.
- Visibility is one thing, but dust and pollution is due to arsenic in the water.
- Sectors deeply affected - exporters, viticulture, horticulture (stone fruit, cherries, carrots, bok choy) tourism, wine tourism, accommodation and hospitality, bike tourism and recreational users.

Investors in Otago

- They come to Central Otago and Queenstown Lakes because of the natural beauty of the landscape.

Reputation – International and Regional

- Risk - International reputation for the 'jewel' in NZ's tourism economy.
- Businesses are living on clean green - run on clean green image.
- E.g. olive groves, organic biodynamic farming



- Leach out down Lindis River and into Clutha.
- Say goodbye to the stars – floodlights at night.
- Degrade what built for tourism and wine industry (and other sectors)
- When the mine starts to grow, it will not stop – it will go through to Clyde
- At Macraes the dust is dislodged simply by kicking off when walking across grass
 - o dust will end up on the Pisa Mountains.
 - o Crops and grazing will be done.
 - o No one wants to buy anything from here.

Export

- Central Otago wines exported 50:50, the exact volumes can be confirmed via COWA.
- At Macraes Operation mine the dust is dislodged simply by kicking off when walking across grass
 - o dust will end up on the Pisa Mountains.
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Tourism and Wine tourism

- Visitors come for 4 days: Milford, Queenstown, and wineries. Heavily impacted if vineyard visits are at risk.
- Any mine will negatively affect the region's image and our ability to attract tourists.
- The wines here are on par, if not better than international visitors experience on their travels.
- Having a mine would undo the hard work to build up the industry and reputation as an international wine region.
- The same applies to bike tourism and the efforts to build the tracks in Otago, which are world class.
- Would you allow a mine to go in the Napa Valley or Bordeaux France wine regions?
- Who will want to buy Central Otago wines if there is a local mine?
- Concern with Santana using "Bendigo" in their name – it is an iconic sub-region used in wine marketing.
- Unique pinot noir growing area in the world – geography is confined and cannot be done elsewhere in the world.



Sectors – horticulture

- 40% of NZ carrots are grown in Central Otago.
- 80% of carrot seeds for global markets.
- Cross-pollination of seeds growing in Central Otago – carrots, bok choy, spinach.
- Compared to other regions there are differences in the treatment of regulating water consents. Consider inviting someone down from, e.g. Environment Canterbury to talk about water consents.
- At the Macraes Operation mine the dust is dislodged simply by kicking off when walking across grass
 - o dust will end up on the Pisa Mountains.
 - o Crops and grazing will be done.
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Biodynamic - Regenerative farming - wine

- Knock-on effect of brand and image.
- Central Otago wines are sold in regional hospitality venues and restaurants.
- Strict guidelines to follow to be certified biodynamic.
- Massive inequity as there is none for gold mining.
- There is the highest proportion of organic vineyards in Central Otago.
- Get BusinessNZ to look at the inequity.

Social License

- If everyone in the area claimed it would not happen.
- No sense of true partnership – come in, take and leave.
- Exploitation – doesn't matter who operates it.
- Power drain, environmental pollution.
- Santana is not aware of neighbours.
- The wine industry is re-investing in the community, but gold mining is not.

Water – Consents and Clutha River

- Proposed mine is above the Clutha River and over time will slowly leach into it.
- Leach out down Lindis River and into Clutha River – living on clean, green.
- People drink and irrigate for growing – the community need to be made aware.
- Impacts on agriculture, horticulture, tourism and recreational activities.
- What would happen to hydro generation?
- Huge impacts on population and businesses.



- Compared to other regions there are differences in the treatment of regulating water consents. Consider inviting someone down from, e.g. Environment Canterbury to talk about water consents.
- Understand how much water they need – 20% of total aquifer.

Weather events and climate change

- Historically a dam on Bendigo Station was constructed during summer and received 100mm rain overnight, which was an extreme event.
- Containing water and dams is unpredictable.
- Proposed mine is designed with a 1 in 10-year rain event in mind.
- The world is concerned about climate change.
- Optics of diesel usage – 65,000 litres a day at Macraes Operation mine.

Population

- Inland Otago (Central Otago and Queenstown Lakes) population is growing fast – In 2004, Inland Otago had a combined population of 37,950, against Dunedin's population of 121,600. In 2024, Inland Otago now has 78,900 residents, compared to 136,000 in Dunedin. If historical growth rates continue, then Inland Otago will have a larger population than Dunedin by 2039.
- Direct line of 2 kms to mine to people living in the community.
- Pressures on healthcare services.
- Crime – bringing drugs in the area.
- Established population growth along the Cromwell to Wanaka (Upper Clutha) corridor - what does it look like with a mine sitting in it?
- Social change with mining.
- It will also have a negative effect on individuals and how they see the place where they live.

Public Health impacts

- Need clarification on what is in the Fast Track legislation to assess health impacts.
- US National Institute of Health gold mine – dust gets out and blows around. Those living in neighbouring areas have elevated arsenic levels in their bodies.
- Pollution will not be contained - dust and water.
- At Macraes Operation mine the dust is dislodged simply by kicking off when walking across grass:
 - o dust will end up on Pisa Mountains



- crop and grazing will be done
- no one wants to buy anything from here

Environmental conditions

- Reefton gold mine – Otago University studies found arsenic contained and stable in the ground due to forest, rainfall heavier than Central Otago.
- Proposed Santana site is very different was a dry environment where dust blows up Thompsons Gorge Road. Winds are too strong, and dust will blow to Manuherehia Valley. Toxic to farming.
- Santana’s Mineral Council studies are based on 27km/hour winds.
- Santana has been ‘expert’ shopping.
- Dust is laden with arsenic.
- “Do not eat pigs from this area”.
- Power and water usage increase.
- Land – agricultural and wine sectors are encouraged to give something back to the land benefit to net zero+. How can an industry take something away for a net loss? The proposed mine might give back to the economy, but what about giving back to the land.
- There needs to be a robust scientific process to consider the environmental risks and outcomes of this project and the ongoing cost to our region well beyond the life of the mine. There’s now a number of defunct gold mines in NZ that are still leaching pollutants into the ground surface water around them, and currently tailings from the Macraes mine are leaching sulphates at a rate far in excess of their consent. Bendigo is the same rock formation as Macraes so there’s every reason to think the same will happen here, and that risk will remain for generations (note via email).

Minerals - Gold

- Critical minerals and gold are not on the list – what is the list?
- 90% of gold goes back in the ground – we do not need more gold in the world.
- 10% is used commercially.
- Want critical evaluation of mining
- Same fault line goes through to Macraes Operation mine.
- Gold prices are not stable, and the dollar is not stable.
- The world does not need more gold, despite Minister Shane Jones misleading claims there is many times more gold held as bullion than we need for industry (note via email).



Mining towns

- The impact of mining has led to toxic ghost towns in Tasmania.
- Macraes Operation bought local farms, houses so no one can complain.
- Difference between existing gold mining towns eg. Waihi, Reefton, which are supportive because no other industries are there – Santana is different proposition as existing industries will be competing.
- Millers Flat Hawks mine – uses water, not open-cast unlike proposed Santana project
- Social change with mining
 - o Aberdeen in Scotland – the city has not been the same
 - o Change in community values – community deserves conservation
- At Macraes Operation mine the dust is dislodged simply by kicking off when walking across grass:
 - o dust will end up on Pisa Mountains
 - o Crops and grazing will be done
 - o No one wants to buy anything from her

Employment and Accommodation

- Unemployment is low in this region.
- It is hard to get good staff in Central Otago.
- The region is growing on its own merits so there's no need or justification to add environmentally costly projects for the sake of jobs and employment.
- Accommodation for workers is a pressure point for different sectors.
- Accommodation – local businesses are building their own accommodation for their staff eg. owners of retirement village in Cromwell.
- Macraes Operation staff left – paid higher but not as high as Australian and African mining, so left.

Fast Track criteria

Question – what is the matrix used in decision making in Fast Track? Any submission needs to align to the areas.

1. Prove significant economic benefit
 - But it should not come at a cost to existing industries in the region.
 - It will degrade what has been built up over generations for local wine, horticultural, agricultural, tourism, and hospitality industries.



- Profits that investors in the proposed mine get today are at the cost of inter-generational.
 - If the mine company is so confident it's a beneficial project, why not share and get the affected parties and the region on side, this is New Zealand so let's respect the democratic process.
 - If it's a good thing for the nation, then share the economic analysis. Towns within commute range of the Macraes Operation mine do not appear to be wealthy or flourishing because of the mine, so what benefit is it to this region.
 - Real estate values of viticulture and agriculture take a long time and are due to intergenerational investment.
2. Business be of good reputation - Professionalism
- Tier 1-2 companies' vs Santana Minerals
 - Not interested in building social license and engaging with local communities and businesses
 - Industry insiders call them cowboys and total unknowns
 - History with mines in Bathurst, NSW – took 5 x's as much coal than consented for and issues with restoration
3. Public Health
- What's in the Fast Track legislation?
4. Multi-sector implications
- What's in the Fast Track legislation?

