

SUBMISSION TO

BENDIGO-OPHIR GOLD PROJECT EXPERT PANEL

C/- PANEL CHAIR HON. MATTHEW MUIR KC

IN THE MATTER

SANTANA MINERALS - AN AUSTRALIAN REGISTERED MINING COMPANY

AND

MATAKANUI GOLD - ITS NEW ZEALAND SUBSIDIARY

AND

GOVERNMENT FAST TRACK APPLICATION

BENDIGO-OPHIR GOLD MINE

TREVATHAN FAMILY – ARDGOUR RD TARRAS

10th April 2026

Introduction

1 This Submission is presented by :

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Beau & Ann Trevathan

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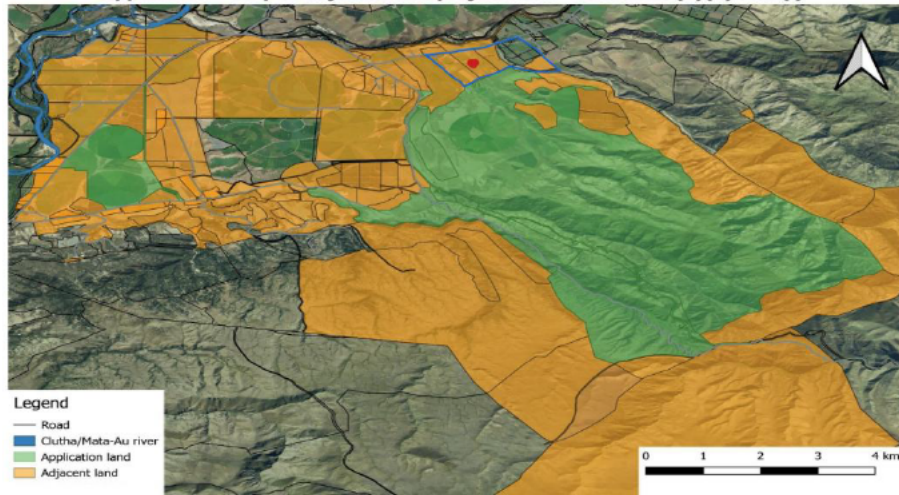
2 This is a 'layman's' submission to the Hearings Panel, which has not been professionally prepared. The Submission meets the criteria for consideration by the Hearing Panel as a directly adjoining land owner and follows a direct invitation from the Hearings Panel to submit for their attention under Minute 3 in accordance with Sec 53 (2).

The Trevathan farms are outlined in "blue" with a "red dot" fronting Ardgour Road on the Fast Track Plan below.

Fast-track

Te Kāwanatanga o Aotearoa
New Zealand Government

Appendix 2 - Map of adjacent and project land – section 53(2)(h) and (i)



3 We live and farm in the Ardgour Valley at Tarras, this is where children and grandchildren are raised, families form the interwoven fabric of our Community, livelihoods and dreams are nurtured, business enterprise takes place, and where three generations of the Trevathan family live on the Ardgour Road family farm. An established intergenerational farming operation, we support five families within the Clutha Plains Trust farms business with a modest turnover in the \$2-2.5m range.

The Trevathan Clutha Plains Trust farms are located to the east of Ardgour Road, adjacent alongside Dry Creek and Shepherds Creek (which run immediately past our homes), and are a direct neighbour to Ardgour Station. We understand Ardgour Station may have been conditionally sold to Santana Minerals subject to the Bendigo-Ophir Gold Mine proposal receiving Fast Track approval.

Given the wide publicity this Fast Track application has generated, we are well aware that any Tarras locals questioning aspects of the mine are widely labelled as NIMBY's and are expected to originate from or support one of the environmentalist lobby groups. The proposal has created some division within Central Otago specifically and even wider, however our considered view is that farmers are environmentalists whether they like it or not, we obtain our livelihood from the land, it's not an intellectual leap to say we need to look after it, especially as we live, work, raise our families here, and are intergenerational farmers, ... we are heavily invested with our land and our Community.

There are many aspects of farming that we cannot control, we cannot control the weather, the meat schedule, our NZ dollar exchange rate, International tariffs, Government levies, the mindless regional & local Council paperwork, International demand for our products, shipping, transport, fertiliser, fuel prices ... and so it goes on, there is a long list of things we have no control over.

What we can control is how we farm, what we do on and around our farms ... and what happens on our doorstep, to our farms, and anything that affects our continued farming viability, placing our livelihood at risk is of great concern and we need to pay attention.

So ... we cannot avoid the "NIMBY" tag line, however it's completely reasonable that we question the introduction of a Gold Mine with Tailings Storage facility right on our doorstep, in perpetuity, especially when the applicant, Santana Mineral Resources own professional experts lay down scenarios that not only could destroy our future farming but raise the spectre of very real risk to our lives.

Our question is not that it should not happen, but rather who is going to find ways to mitigate the 'socialised risk' in a practical manner AND under write that risk, neither of which is currently addressed in the Application or following our direct discussions with Santana Minerals.

The Minister of Resources on behalf of the Government has stated they will not underwrite any risk, it is not the role of the Hearings Panel, neither do the Otago Regional Council (ORC) or Central Otago District Council (CODC) perceive it to be their role. With talk of Government disestablishing the ORC, that will likely leave only the CODC as "last man standing" were an event to occur. We appreciate CODC will be aware of this projects risk profile and of Council Ratepayers future financial exposure should it proceed.

We have deliberately excluded Santana Minerals and Matakanui Gold as parties underwriting project risk. Santana Minerals as a 3rd Tier thinly capitalised private mining Company out of Australia has no current or apparent significant Bond strategy to underwrite a major adverse event for this proposal in spite of our engagement. Any Bonds would need to be and are expected to be substantial, easily and quickly accessible were an event to occur. Sadly the "common playbook" historically when things go wrong appears to be to liquidate and exit.

At this point the Santana Minerals fast track proposal imbues great favour to an International business over the many established local farming community business incumbents, with a few local Tarras farming incumbents being asked to shoulder "all the socialised, current and future risk for an Australian gold mining business, and the Government, and the ORC & CODC and potential workers and the wider Community. Our view this is an untenable position and needs to change.

4 Executive Summary :

4.1 The Trevathan family farms (*Clutha Plains Trust*) is a directly adjoining downhill neighbour landowner to the Santana Minerals gold mine proposal, and the proposed Gold Mine Tailings Storage Facility is located in the hills above our farming enterprise.

- 4.2 The proposed Tailings Storage Facility is at the headwaters of our water catchment, we are located downstream and draw water from the common aquifer.
- 4.3 Santana Minerals expert report prepared by Engineering Geology Limited, "Shepherds Tailings Storage Facility Technical Report - Appendix A "Dam Breach and Potential Impact Assessment" indicates our farm between Dry Creek & Shepherds Creek, and both of our family homesteads and farming infrastructure ... all sit within the red zone of influence to varying depths of 1-3m inundation for a Rainy Day failure event.
- 4.4 Santana Minerals expert report prepared by Lane Associates "Matakanui Bond Introduction" focuses bonding of the rehabilitation of mine works, and does not address the issue of "Significant Event Insurance" ... which includes the amount of insurance held, who holds the insurance, who is underwriting any shortfalls, under what circumstances Insurance can be accessed.

Given the Santana Minerals expert evidence to the Hearings Panel referred under 4.3 above, we are of a view an immediately available, easily accessed, financial recourse to what will need to be a substantial Bond is absolutely essential.

Note : If an significant event was to occur, and assuming we are still alive if it were a Dam Breach event, our Banks will foreclose our farming operation Mortgages very quickly, we would we would need financial reparation within 1month, 2 months at the most, certainly not years, and we would want to be at the "front of the bond payout queue, not the back". A significant event might include anything from a tailings dam breach, to contamination of the water aquifer we draw our drinking & stock water from.

- 4.5 We are aware that the Santana Minerals proposal, and the publicly scrutinised expert evidence presented, is going to directly affect our signing of property insurance policies (*all risks, public liability, ACC*) & private health Insurance policies, declarations for our banking facilities, the forward Value of the properties with the latent impairment will affect our existing ability to borrow from our Bankers and our ability to obtain "fair market value" should we need to sell.
- 4.6 **The Rt Hon Shane Jones, Minister for Resources has written to us directly and stated unequivocally, leaving no room for doubt that the Government will not be financially underwriting any risk arising from the Santana Minerals proposal or for any Fast Track Panel approvals were they to occur, from any failure events whatsoever.**
- 4.7 For completeness, the Trevathan Family met with Santana Minerals Messrs Spring (CEO) and Miles (GM) in February to discuss the mine and various concerns arising. We appreciate the discourse, however the matter of significant risk to both the farming operation and life have not been addressed even as late as today, 10th of April, and are in fact not easy to do so if the Santana professional expert evidence is to be believed.
- 4.8 We would like to see Santana Minerals encouraged to sign up to the International Code of Conduct for mining, which has strictly 'chain of responsibility' protocols. It is our understanding most all responsible Tier 1 & 2 miners are adopted into this Code.

Core Issues

- 5 Our main concern is pretty focused. Santana Minerals (Santana) and its New Zealand subsidiary Matakanui Gold Limited (MGL) are proposing a gold mining operation in the mountain tops of the Dunstan Range over a mixture of Ardour & Bendigo Stations, DOC estate, and public property (*Thompsons Gorge Road*).

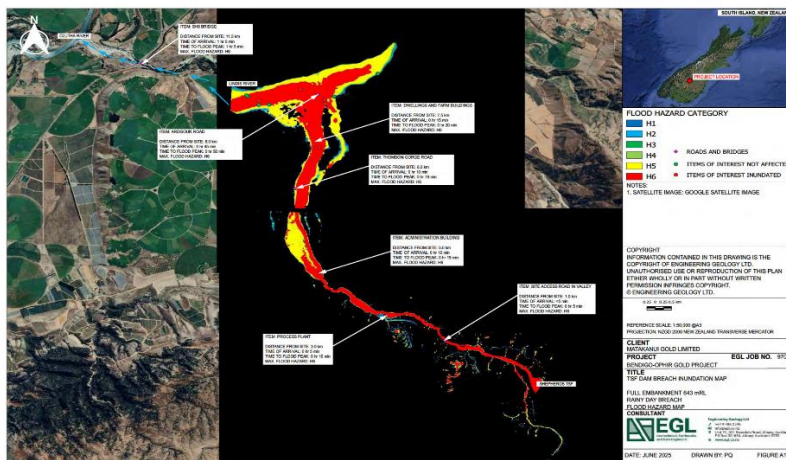
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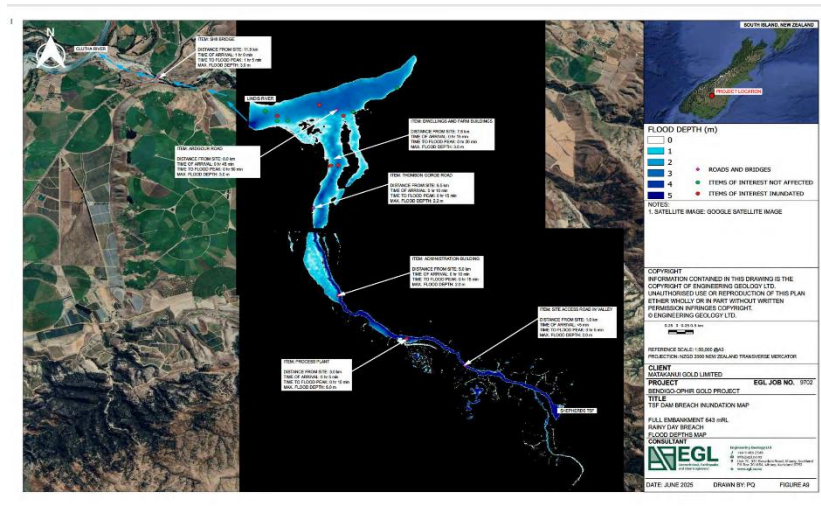
The Santana proposal is sited adjacent to and above the Clutha Plains Trust Ardour Road farming enterprise ... and above it all sits the proposed Gold Mine operation including the extensive Tailings Storage Facility, above our farms, and contributing to the head waters of our water catchment.



Figure 1: Potential breach flood path, items of interest and approximate distance downstream (Source: Google)

As our farm sits within the RED ZONE of the flood and inundation maps under various tailings dam failure scenarios that have been prepared by Santana Minerals Geotechnical professional experts, “Engineering Geology Limited” (EGL) Appendix A, very clearly if Santana Minerals experts have raised this issue then we have to treat it seriously and with respect.





7 The proposal *sites a Tailings Storage Facility* dam high up in the Dunstan mountain range, and above the Clutha Plains Trust farms, a gold mine which has an expected Mine life of circa 14 years, could likely be expansion to potentially circa 35 years, toxic tailings dam life greater than 60 years after mine closure so about 95 years total life, think that's right but stand to be corrected. We have no information as to how long the Tailings Storage Facility might be vulnerable to a potential failure. The Engineering Geology Limited, "Shepherds Tailings Storage Facility Technical Report - Appendix A "Dam Breach and Potential Impact Assessment" may have wrapped some finality about how long that potential is live, if so we may have missed that.

We also do not know the exact proposed size of the Tailings Storage Facility, but it is suggested to measure somewhere between 1000-2000m long (1-2 kilometres) x circa 400m wide by the depth of the valley system within which it is located, in any regard it is substantial, millions of m3. We imagine the exact size of the toxic tailings dam at any one time is likely a function of the daily processing rate by the length of years of operation,.

Santana advises it expects to be importing a minimum of two cubic metres (2m3) of sodium cyanide per day as part of the on site gold processing cycle, continuing over the life of the mine, unless production rates increase requiring more cyanide per day. We have only reflected on the publicly released stated amounts of imported sodium cyanide volumes so it could be more or less. We expect the Panel will have more accurate updated figures but we expect the public announced figures will probably be conservative, rounded and in any case linked to production.

We understand the concerns of Engineering Geology Limited, by locating the Tailings Storage facility up in the Dunstan 'tops', where both the rainfall and wind is higher you elevate the potential for greater damage due to the height. Height equals potential energy, if under heavy rain the Tailings Storage Facility breaches then that turns into kinetic energy, mass, momentum, speed down the slope. Similarly the height also contributes to hydraulic head / pressure, when there is underground leaching from the bottom of the Tailings Storage Facility and lastly the location at the top of the Dunstan Range is often in a high wind zone. The Christchurch Airport weather station in Bells Lane (SH8A down on the flats) has recorded wind gusts of over 110kph and it will be more on the Dunstan 'tops' ... **and our family farm and homes located downhill have been identified as being within a RED high risk area by Santana Minerals expert Geologists.**

8 We acknowledge arsenic is a naturally occurring compound, found 'naturally' in soils throughout New Zealand in variable 'ppm' or 'grams per m3'. Geological convention suggests naturally occurring arsenic is lowest in sedimentary rock, higher in volcanic and generally highest when in association with gold bearing material where it is most often co-located. We accept that the act of mining, *including the crushing, removal of ore, ball grinding, processing of ore, and tailing material relocation* tends to unlock naturally occurring arsenic,

concentrating its presence and most importantly increasing its mobility. Increasing the concentration and mobility allows that fugitive material to enter water channels and migrate.

There are well defined and published human health guidelines for the presence of this chemical and where you might find it, but having regularly tested our water over the years by the accredited Hills Laboratory, we have an established baseline sitting at **less than 0.0011 g/m3** (at the bottom of the testing range).

Arsenic mobilisation is a real concern, especially if that presents itself in our water over time migrating underground where it may take some time to show up in our bores. Given the strong winds that can blow consistently at various times of the year we are mindful that the wind blown dust plume (*with whatever elements are contained within it*) from around the mining operation (*including the Tailings Storage Facility*) will need to be taken seriously.

There is a procedure for neutralising cyanide using 'acid mine treatment' which often results in swapping one set of chemical compounds for another less toxic. We are advised this can sometimes result in an orange blooming in the watercourses and waterways. We would be devastated were such staining make its way into the pristine Lindis River across the Ardour Road from where we live.

- 9 Engineering Geology Limited Report (EGL) notes that no laboratory testing of samples has occurred from ground investigation in close proximity to the Tailings Storage Facility, indicating that will be undertaken as part of the design. That makes it difficult to interpret exactly what the fractured permeability is likely to be and that in turn affects both the extent and amount of likely downward leaching of arsenic into the water table where hydrostatic pressure and gravity pushes the ground water down into the lower reaches, which is where we draw our ground water from.

Points that stand out from the EGL report, the amount of fractured ground rock is expected to be relatively shallow and there is no general 'wet connection' between Shepherds Creek & Dry Creek and the Lindis River. We affirm that appears to be correct in our experience, at the Trevathan farm there is a relatively shallow water bearing layer, the farm bores are circa 6m deep, and there is a very strong impermeable layer below that. That tends to reinforce that water from the head waters (*up by the mine, ball crushing processing and Tailings Storage Facility*) will remain relatively shallow and downwardly mobile driven by the hydrostatic head above it.

We also note that EGL have modelled "Probable Maximum Precipitation" (PMP) and settled on a 72 hour (3 days) rainfall figure of 748mm, evaporation of 2.3mm per day over a temperature range of -5* to +35*C. Rainfall figures from multiple recent storms, in Northland, Auckland, Coromandel, Bay of Plenty, East Coast, Nelson, Christchurch Banks Peninsula et al have occurred more often in recent times and with greater localised intensity ... **rainfalls of in excess of 300mm in a 24 hr period are no longer uncommon or seen as wild random outlier rainfall figures.** We know that the West Coast of the South Island, less than 100km from the mine can see extraordinary rainfalls in what are relatively uninhabited locations with low secondary property risk. Central Otago, and specifically around Tarras has traditionally had a dryer, less humid climate than its immediate neighbours ... but those historic rainfall figures can no longer be considered absolutes and are being challenged around New Zealand in places and times of the year and in rainfall amounts previously thought inconceivable.

The PMP adopted is not considered to be excessive.

- 10 We recognise that if this proposal proceeds in the proposed format, there is a potential, very real, and completely foreseeable, that an adverse impact event could physically and economically seriously end our farming enterprise, and all whom we employ directly (currently five families) and those additionally engaged in support industries to our farm (*shearing, fencing, fertiliser, hay making, trucking ect*) and who rely on our enterprise for their employment. Loss of life has been factored into the EGL report, time of the day would have a lot to do with that, at night we would all be in bed tucked up and not see anything coming.

We are also mindful we are but one farm in a much wider active Tarras Community who have families drinking the water, we run a traditional sheep beef & dairy farming operations, and there are other similar operations, including horticulture, viticulture, tourist operations ... these are residents who live and work on the land and who also happen to be located downstream of the proposed mine, also within and below the water table catchment that Santana shares.

11 This is a burden of risk that worries us, **we are of a view this 'socialising and transfer of risk' to a nominated minority is far from reasonable**, and it is not one appropriate for specific farmers or the Community of Tarras to have to bear. We have on more melodramatic moments mused this is or could be likened to 'scoring an own goal', a potential 'Hinkley Ground Contamination' (Erin Brockovich) event in waiting. The Hearing Panel will already be aware of this socialising and transfer of risk and will form its own view.

12 There are contingent liabilities and large insurance questions that remain unanswered. The impact if things go wrong cannot be under stated, its all about risk assessment and mitigation, low risk high impact comes to mind, but given the toxicity of the materials we are talking about when something does go wrong, we need the Hearing Panel to assure us it will not be either lifer threatening or an 'in perpetuity' event. Not an easy declaration to make.

New Zealand does not have an extensive mining history at scale, say compared to Australia, the sort of scale and number of years that gives Insurance Underwriters levels of comfort, in fact quite the opposite, the tragic Pikes River event appears to have made obtaining meaningful mining insurance difficult as an abundance of caution is exercised.

Both the ORC & CODC will no doubt be aware of what can go wrong from its own inhouse research ... even the Zambian event in 2025 when unusually heavy rain breached a Sino Chinese Tailings Storage Facility with reported catastrophic consequences sent global cautionary signals at the time. The point is such events are neither rare or unknown within the industry on a world wide stage.

<https://www.telegraph.co.uk/global-health/climate-and-people/zambia-river-pollution-china-industrial-investment/>

13 Just to be clear, the location of this mine proposal is not in a remote, unpopulated, expansive or flat or unpopulated areas as might be found for example, in Australia or South Africa. Tarras happens to be located in the beating heart of Central Otago, it cannot be dismissed as being somewhere "remote", on the fringe, it is not even comparable to the OceanaGold Macraes mine at Ranfurly, the impact of any failure will likely be visual and emotive and economic and will be widely well covered by local & world media, it will impact on our meat, wool, horticulture, viticulture and more significantly our tourism in the Central Otago Queenstown Lakes area, it will likely be real and profound and according to the Santana Minerals experts will likely lead to loss of life.

So we are of a view that if central Government, the ORC and CODC are determined to champion the establishment of a mine in this location, *at any cost*, this being the first in this area through the Fast Track process, promoted as for the benefit of Central Otago, and which appears to be clearly favouring an Australian based business entity over incumbent New Zealand business's already present and co-located, immediately downstream of the mine ... **then at the least someone other than Santana needs to take full responsibility for the activity and financially underwrite the full risk of this mine.**

The Rt Hon Shane Jones, Minister for Resources has written to us directly and stated unequivocally that the Government will not be financially underwriting any risk arising from any failure events, or Fast Track approvals.

We appreciate both the ORC & CODC will be fully aware of their burden of responsibility, and will have turned its mind to risk, and risk management, and will likely already have mapped out a multi stepped mitigation plan for the environment and recompense for affected business and family enterprise for those both directly impacted and by association impacted by an adverse event. This will not be either an unforeseen or unreasonable consideration. We are seeking reassurance that a plan is in place and that the mitigation plan / insurance cover is sufficient to recompense anticipated claims were an event to occur. We appreciate neither ORC or CODC have released their mitigation strategy, or risk quantification or compensation scheme at this time.

- 14 We are almost embarrassed to say we are focused on how this could directly affect us personally, its seems so ... shallow ... but stripping away all the periphery concerns ... we are not worried about impacts on native frogs, lizards, birds, fauna, rare plants, outstanding high value landscapes, use of the DOC estate, public roads, "deals done behind closed doors", export of Central Otago wider produce, the viability of tourism if things go wrong, its not even about whether it is acceptable to allow a private business to store extremely material in a tailings dam in perpetuity ... whilst these things may be of importance they are low down on our priority list.

As we are a directly impacted Party, at the cutting edge, where things are real, we have had to give careful consideration to how we are likely impacted. Other people may 'push the barrow' and debate those other particular periphery issues, we are most focused on our survival were an adverse event to occur, we are the ones living underneath, down the hill from, downstream, below the mines, drawing water from the common water aquifer and who's homes could be inundated with 1-3m of material, and little warning were an event to occur.

We use water for everything, family drinking water, watering stock, all forms of irrigation, horticulture & viticulture. Arsenic is a cumulative poison, we do not want our products to be unsellable on the world stage, the abattoirs (meat works) to reject our meat for either local or export, our cherries and wine to be unable to be exported, our land to be rendered 'unusable' in a practical sense, and most important of all our Bankers to withdraw financial services, which would occur very quickly if an adverse event were to occur and may occur anyway if they determine to revalue our property to a lower value after considering a different risk profile due to the "EGL" identified breach risk and then reduce of financial facility. Most importantly of all we do not want our loved ones to fall sick to contaminated water or toxic wind blown dust plumes. We are aware that medical studies confirm that airborne Arsenic is certain to cause lung cancer in adjacent communities, which is of significant concern.

- 15 We are reliant in all things on Santana Minerals management "doing the right thing" and ORC & CODC regulatory authority oversight, especially as we are acutely aware Santana as a Company is untested in the art of mining, does not have a long successful track record to draw on and who's credibility appears entirely dependant on the incumbent management 'of the moment', and then their mining experience only offers comfort and currency for the length of their tenure with the Company. It is fair to say the current management will not be around in 35 years, much likely a way shorter time frame based on industry tenure norms and their ages ... we on the other will still be here with another generation taking over the farming operations.

Equally if the Otago Regional Council (ORC) is being disbanded, we are mindful that the 'art of mining' is a specific skill set not easily or casually transferred, and we are not sure these are skill sets that ORC & CODC currently possess, or if they do then the abundance, quality & depth of that experience, and if not present, that it will easily acquire this skillset at an appropriate level that we suggest is really important. We would appreciate the Hearings Panel testing the breadth and depth of experience in all three parties.

We are aware that there are two skilled mining operatives living in Tarras, one a recognised mining industries expert in mining employment, who operates widely within the Australian mining industry in particular advising, problem solving, contracting specific skill sets to various mining company's entities, including current auditing of mines. They may be available to be co-opted to give advice as required.

- 16 We are aware in the North Island, that dams and water containment construction often use expansive clays and bentonite materials to line the base of dam & retention structures. Those materials are not to our knowledge readily available locally, with the EGL report advising heavy reliance on the onsite naturally occurring micaceous material to seal the bottom of the Tailings Storage Facility.

Reading the EGL Report, we are not as convinced complete sealing of a tailings dam in excess of 2,000m x 400m x ? deep can be complete so that leakage only occurs into the installed subsoil pipes for collection, and that it will not migrate unexpectedly elsewhere.

We are aware there is a major GNS fault line recorded underneath close to the Clutha River less than 5-8k away, on its own that is a simple fact, an earthquake event cannot generally be predicted with accuracy, it is only the size of the event that sets the small events apart from the big ones. We are of course recording small earthquakes in the area all the time, its something we live with, nothing more, but a large enough event would have an impact through the ground shaking on the toxic tailings dam, almost certainly leakage from the bottom of the Tailings Storage Facility, others can comment of the face structure. We recognise earthquakes are relatively rare, there have only been two in recent 'geological' times that were considered significant and completely unforeseen, the Christchurch & Kaikoura earthquakes. It will be of no comfort to those who experienced those events, the clean up, rebuilding of lives, and many who are still paying the cost, but these were not generally in perpetuity events that contaminated the ground for a generation or more.

- 17 Santana is expecting to use high explosives twice a day for the life of the mine to fracture the granite rock to recover the ore in small enough pieces to feed the ball crushers, each explosion will cause primary and secondary shockwaves, not unlike small earthquakes, resulting in ground shocking and shaking, and which will not enhance the security of the bottom of the Tailings Storage Facility. How do you ensure the seal to the bottom of the toxic tailings dam remains intact ... how would you know. The use of explosives cannot be down played, as they are after all part of the mining process, required to fracture the rock, essential to extract the gold for processing.

Given the leakage from the bottom of the Tailings Storage Facility scenario has already been highlighted as a possibility, and it will affect our already established farming business enterprise, we are inclined to give it the respect it deserves.

- 18 So we are faced with a series of what if's ... So if arsenic leaks from the bottom of the mine site, who would know, how much would leak into the water table, over what time frame, how much is dangerous to your health on a cumulative basis, multiple families draw drinking water from ground bore water that is located down the hill from the mining activities, should we be worried, we water stock, horticulture & viticulture crops, **importantly we are required to sign material disclosures on health to insurance company's and financial banking declarations** ... how do you truthfully answer those statutory declarations, we carry sizable mortgages, like most farmers, what if the Insurers refuse insurance, Bankers change our risk profile, deem our property values to be worth less because of the risk and they seek a rebalancing of the mortgages by seeking repayment, what if they withdraw financial services altogether, what if

Bond

- 19 There are at least three Bond scenarios, the first covering rehabilitation of the mining activities, the second community remediation following an event (*clean up, roads, power poles, water systems, bridges, environmental clean up*). The third is the material clean up & loss individual property owners face, especially to those in the path of a breach event or subject to a leaching into the water supply event.

We can only speak to the third scenario and not with certainty as there are a long list of unknown variables, but if for instance our family farming business enterprise was impacted unable to be farmed for say 15 years (not long), then the loss is in the realm of \$40m without remediation of the farm. There could be multiple properties affected, to different degrees.

Insurance and other compensation mitigation packages, need to be meaningfully sufficient to cover an event, both in total amount and the enduring number of years. Given the cautious global insurance attitude, exclusions, activation delays after an event (*similar to the Christchurch earthquake where there are still*

unsettled claims), the needs of the 'inflicted' would be drawn out and our Bankers would have long foreclosed our mortgages and we would be forced off our land, looking for somewhere to live, sounds dramatic, but we do not want to test the reality.

Legal

20 We are aware there is a whole body of constitutional law, written, tested in the Courts, and refined over many years that applies to fugitive emissions, torts of negligence, nuisance and liability in situations where a party knowingly, or reasonably should have known the results of their actions, the *Rylands v Fletcher et al.* We would fail to find it acceptable to allow any increase in material to be directed, released, be it water or toxic arsenic/cyanide waste or acid mine replacement chemicals, or otherwise to be allowed to escape either under ground or over ground or redirected from this project. We do not expect our established tested chemical baseline (including arsenic) in our bores to increase.

We are mindful ORC/CODC will be practically and financially responsible for approvals, construction oversight, monitoring, management of process, and any subsequent problems arising were Santana / Matakanui Gold to default.

Given the Government stated position, is it will not under write the projects financial risk, that appears to default to ORC/CODC and Santana. We don't practice law so we stand to be corrected on New Zealand legal principles, but certainly the moral principles of allowing fugitive emissions to cross property boundaries is solid.

Financial

21 We are unconvinced that the stated financial benefits of the Santana project will provide the full range of financial benefits being touted. We appreciate the Hearing Panel will seek advice from specialists well versed in practical mining economics and wider macro economics.

We are mindful mining is a heavily front loaded financial operation, that significant benefits occur toward the tail end of the project and even then are sure to be adjusted along the way by inter company accounting between Australia & New Zealand, a profit may or may not occur in New Zealand hands depending on the management strategy at the time.

In the absence of published financial information, and unadjusted for NPV, the anticipated profits have risen due to the price of gold increasing to circa \$6B which over 15 years is around \$400M per year gross average, from which extraction costs, company overheads, PAYE, interest ect must be deducted. So the nett benefit to Central Otago is not the 'head line' number, any surplus cash generated will likely be added to sunk costs, which also minimises tax liabilities.

The profits and benefits also need to be bench marked against the income received from other established business enterprises including farming enterprise and tourism. Tourism alone runs into several billion per year.

Insurance and other compensation mitigation packages, were they offered by Santana, and we have not seen any suggestion so far that they have been offered, need to be meaningfully sufficient to cover an event, both in total amount and the enduring number of years catering for a toxic tailings dam retention. Given the cautious global insurance attitude, exclusions, activation delays after an event (similar to the Christchurch earthquake), the needs of the 'inflicted' would be drawn out and our Bankers would have long foreclosed our mortgages and we would be forced off our land.

22 Santana minerals advise a minimum number of jobs for 'skilled operators' will be offered to New Zealanders, we understand mining jobs in New Zealand advertised on Seek have 5-10 year experience requirements and remain advertised for circa 4-8 weeks before being filled, tending to re-enforcing that miners with the required experience across New Zealand already have employment. If there are insufficient skilled New Zealand mining operators to fill the quota, is it intended to seek dispensation for temporary immigration on the skilled migrants visa. Currently the lowest employment figures in New Zealand are in Central Otago, the reality is anyone who wants a job in Central Otago already has one, it may not be the dream job, it may not pay the

salary rates you would desire, but all you have to do is pass the drugs test & turn up, which is the first problem for the current unemployed, meeting the criteria of being a 'skilled mining operator' is going to be the second problem. We are also aware that secondment of people moving from one 'local job' to the 'mine' for a higher paying job simply drives up the local base wage across all employment industries, without increasing productivity ... that does not benefit Tarras, certainly not Central Otago nor arguably New Zealand.

23 The role of Fire & Emergency New Zealand (FENZ) is uncertain were an event to occur as is how would they cope. It is possible they could be over whelmed, being neither set up, equipped or funded for a magnitude event.

24 We wonder on the sale inclusion of covenanted Bendigo Conservation land to Santana, having been set aside under legislation for a specific conservation purpose by the former owners of Bendigo Station, and is now being potentially sold for mining purposes, with some suggestion of this being a 'problem work around', the current result is potentially a double sale accrued by the original owner and loss of the intended public asset.

Summary

25 At this point nothing we trust we have not said anything overly dramatic, outrageous, its just a thoughtful consideration of the information at hand that has a series of 'loose strings' that could unravel and cause future problems. Our view is Governments tend to be a blunt instrument, facilitating, and in this case having initiated the process, 'the parcel' has been handed to Hearing Panel, we have too much at stake to leave matters to chance ... hope is not a plan.

32 Our focus is a lot tighter, its personal, we do not want our business viability to be placed in jeopardy because of the Government Fast track scheme. Optimally we want to simply ensure the Tarras Community and those person's, farmers, properties who might be affected are fully and completely indemnified for future loss of land, family and business enterprise for what could be an 'in perpetuity' event, without jilting, conniving, retrospective positioning, no 'we are not responsible' it's a private matter between the Tarras individuals disadvantaged and Santana or whatever mining entity was in charge at that point, or it's the Hearings Panels fault as they made the decision, and of course an offending company would liquidate its New Zealand holdings were a significant event to occur.

33 We thank you for the opportunity to communicate, we trust it was not too forthright or robust, but the matter was we thought serious enough that we have taken the time to think carefully about how this could play out and directly impact our families and business enterprise. We would appreciate the Hearing Panels wisdom and consideration of our submission. Should you have any queries with our content, please do not hesitate to contact us.

Yours faithfully,

Jonny & Beau Trevathan