



**Between**

**CENTRAL OTAGO DISTRICT COUNCIL**

**and**

**MATAKANUI GOLD LIMITED**

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**MEMORANDUM OF UNDERSTANDING**

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**Central Otago District Council**

**A TERRITORIAL AUTHORITY UNDER THE LOCAL GOVERNMENT ACT 2002  
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**MEMORANDUM OF UNDERSTANDING** made this 16<sup>th</sup> day of October 2025

**BETWEEN CENTRAL OTAGO DISTRICT COUNCIL ('CODC')**

**AND MATAKANUI GOLD LIMITED ('MGL')**

## **BACKGROUND**

- A. MGL holds Mineral Exploration Permit 60311 and Mineral Prospecting Permit 60882 which together encompass an area of 29,191.21 hectares in and around the Dunstan Mountains in Central Otago ('mineral permit areas').
- B. The CODC owns the fee simple to Thomson Gorge Road ('TGR') and a paper road known as Shepherds Creek Road ('SCR') both of which roads are located in the Dunstan Mountains within the mineral permit areas as shown in Attachment 1.
- C. MGL will shortly lodge with the Environmental Protection Authority an application under the Fast-track Approvals Act 2024 ('FTA') for resource consents under the Resource Management Act 1991 ('RMA') so that it may construct and operate a gold mine on a significant area of the Dunstan Mountains which area is adjacent to and includes TGR and SCR ('Bendigo-Ophir Gold Project' or 'BOGP').
- D. The CODC and MGL are to now enter formal negotiations for a comprehensive access agreement under section 54 of the Crown Minerals Act 1991 ('CMA') for MGL to have access to:
- (a) The section of TGR to the east of Matilda Rise Road to the Thomsons Saddle;
  - (b) All of SCR;
  - (c) The 20-metre strips of land either side of the section of TGR above and all of SCR; and
  - (d) Any other roads within the mineral permit areas owned by CODC as the controlling authority and 20 m either side thereof.
- ('access agreement')
- E. The CODC and MGL are agreed as to certain terms to be included in any access agreement concluded between them.
- F. The CODC and MGL have undertaken discussions as to other terms of an access agreement and wish to set out their understanding as to those terms that will be subject to finalisation of documentation via that access agreement
- G. This Memorandum of Understanding ('MOU') deals with and records the matters in paragraphs E and F above.

## **THE PARTIES ACKNOWLEDGE AND AGREE AS FOLLOWS:**

*Agreed terms*

1. Any access agreement is to oblige MGL to make a non-refundable payment of \$250,000.00 to the CODC within five (5) working days of the parties signing the same.
2. The term of any access agreement will be the duration of time that MGL continues to mine gold on any land within the mineral permit areas (and not just the Bendigo-Ophir Gold Project land).
3. Any access agreement will allow MGL access to the roads and adjacent land strips in paragraph D above for both gold mine exploration and mining.
4. Any access agreement will oblige MGL to undertake exploration pursuant to the terms of a work programme to be agreed by the parties and include an obligation by MGL to consult with the CODC.

#### *Conditions subsequent*

5. The parties record their understanding as to discussions to date that any access agreement may be subject to one or more conditions subsequent which may include but not necessarily be limited to:
  - 5.1 The granting of MGL's application under the Fast-track Approvals Act 2024 for resource consents and other regulatory requirements necessary to construct and operate the Bendigo-Ophir Gold Project.
  - 5.2 The obtaining by MGL of all other applicable permits covenants concessions authorities and requirements of the law of New Zealand necessary to construct and operate the Bendigo-Ophir Gold Project.

#### *Road stopping*

6. The parties record their understanding as to discussions to date concerning the stopping of the section of TGR to the east of Matilda Rise Road to the Thomson Saddle and all of SCR:
  - 6.1 Immediately on the parties signing an access agreement the CODC will use its best endeavours to have the roads stopped firstly under the Public Works Act 1981 and secondly under the Local Government Act 1974.
  - 6.2 During the road stopping the CODC will sell the fee simple in the roads to MGL for \$1.00 subject to MGL obtaining all permits covenants concessions or authorities and satisfying all other requirements of the law of New Zealand necessary to effect the sale at its cost in all respects.
  - 6.3 The CODC will support any application by MGL to the Overseas Investment Office that may be required with respect to transfer of ownership of the roads to it.
  - 6.4 Upon the roads being stopped, the CODC will immediately close both these to the public.
  - 6.5 In addition to its road stopping obligation in subparagraph 6.1, the CODC will during any access agreement use its best endeavours to stop any other road or part thereof within the mineral permit areas that MGL may reasonably require for the purposes of gold mining or undertaking mining operations.

- 6.6 The CODC's obligation in subparagraph 6.5 is to be subject to the following:
- 6.6.1 An alternative route is reasonably available or can be constructed by MGL to a design and specification approved and consented to by the CODC pursuant to all applicable CODC policies and regulatory procedures including but not limited to the resource consent procedure in the RMA or any legislation enacted in replacement or substitution therefor.
  - 6.6.2 MGL constructing an alternative route at its own expense in every practical respect.
- 6.7 MGL will meet all applicable reasonable costs of and associated with road stopping under this provision which costs will include but not necessarily be limited to those in Attachment 2.
- 6.8 Upon receipt of approvals under subparagraph 5.1, the CODC is to consider temporary closure of TGR and SCR for public safety if either the road stopping under subparagraph 6.1 or the construction of the alternate route in paragraph 7 have commenced but are yet to be completed provided best endeavours are being made to achieve completion.

*Alternative route to TGR*

7. The parties record their understanding as to discussions to date concerning an alternative route to TGR to be constructed through the nearby Ardgour Station:
- 7.1 It will be part of any access agreement for MGL to construct an alternative route to TGR through nearby Ardgour Station so that members of the public are able to travel over the Dunstan Mountains as they would have done using TGR ('alternative route').
  - 7.2 MGL has applied to the CODC in its regulatory capacity for a resource consent to construct the alternative route with the application now under consideration.
  - 7.3 The CODC requires that an alternative route be in accordance with its stated policies and procedures (including those as to roading) and the parties agree to cooperate in this regard so that MGL's resource consent application may be finalised as soon as possible.
  - 7.4 Any access agreement will provide as to the following:
    - 7.4.1 Immediately on grant of the resource consent under subparagraph 7.2 MGL will commence constructing the consented alternative route through Ardgour Station and it will be for MGL to arrange such landowner easements concessions permissions or consents required for that purpose.
    - 7.4.2 MGL will construct the consented alternative route at its own expense in every practical respect.
    - 7.4.3 MGL will construct the consented alternative route ready for use by the public no later than the time at which the roads referred to in paragraph 6 above are stopped.

7.4.4 Once the consented alternative route is ready for use by the public it will be subdivided and vest in the CODC in the usual way.

7.4.5 MGL will not be liable to contribute to the maintenance or upkeep of the alternative route in any way.

#### *Access agreement consideration*

8. The parties record their understanding as to discussions to date concerning consideration to be paid by MGL for any access agreement:

8.1 Six (6) months after achievement of commercial gold production from the Bendigo-Ophir Gold Project MGL will pay the amount of NZ\$1,250,000.00 (including GST if any).

8.2 Commercial Gold Production is defined as reaching a minimum of 30 consecutive days of operations during which the process plant operated at an average of 80% of nameplate throughput of 3,300 tonnes per day.

8.3 On each anniversary of the payment above MGL will pay \$1,250,000.00 (including GST if any) adjusted upwards for inflation by way of the annual percentage increase in the Consumer Price Index for the quarter preceding the quarter in which the payment is to be made.

8.4 MGL will make the payments in subparagraphs 8.1 and 8.3 for the first five (5) years of gold production from either the Bendigo-Ophir Gold Project or alternately, from the Bendigo-Ophir Gold Project together with any other gold mine operated by MGL within the mineral permit areas as the case may be.

8.5 If the annual profitability of all gold mining operations within the mineral permit areas falls below \$100 million in the sixth or any subsequent year of mining, the payment under subparagraph 8.3 above for that year will be adjusted downward on a prorated basis.

8.6 Annual profitability is defined as the Net Profit After Tax for MGL as published in the Annual Report or related documents lodged with any of the ASX, NZX or IRD.

8.7 Annual payments by MGL in consideration for any access agreement will cease when gold production by it within the mineral permit areas comes to an end.

#### *Community partnership trust*

9. The parties record their understanding as to discussions to date for the entity to receive and deal with the annual payment by MGL under paragraph 8 above as follows:

9.1 The annual payments by MGL are to be made to an entity to be formed.

9.2 The entity is to be governed equally by the CODC and MGL with there being at least one (1) independent governing member with the ability to use a casting vote to resolve any impasse.

9.3 The parties are now to negotiate as to the legal form of the entity to receive and deal with MGL's annual payments with it envisaged that the entity will be a form of trust or similar.

- 9.4 The objectives and purposes of the entity to receive MGL's payments are to be negotiated once an access agreement has been entered by the parties.
- 9.5 It is envisaged that the objectives and purposes of the entity will be charitable in nature and extend to those within the Central Otago District Council area.
- 9.6 Key elements of the entity objectives and purposes could include: a self-insurance fund to enable recovery following a natural disaster or emergency event, infrastructure resilience, economic and social development, support for the arts and culture and/or environmental initiatives.

#### *Access agreement scope*

10. The parties record their understanding as to discussions to date around the scope of any access agreement and the consideration by the CODC for the annual payments by MGL in paragraph 8:
  - 10.1 MGL's annual payments will be in consideration for access to the land described in Paragraph D above for the duration of time that MGL continues to mine gold on any land within the mineral permit areas.
  - 10.2 MGL's annual payments will not be in consideration or recompense for any other debt obligation or liability of any kind that may be due by MGL to the CODC as regulator now or at any time in the future.
  - 10.3 Notwithstanding subparagraphs 10.1 and 10.2 above, the CODC will not be entitled to any compensation from MGL otherwise payable under either the Public Works Act 1981 the Local Government Act 1974 or the Local Government Act 2002.
  - 10.4 Each party will bear its own legal costs of preparing and implementing this MOU and any access agreement.

#### *Preliminary civil works*

11. The parties record their understanding as to discussions for the CODC to approve and MGL to construct certain preliminary civil works to service the Bendigo-Ophir Gold Project nearby:
  - 11.1 The CODC will sign an Agreement for Grant for Services within Road Reserve that has been prepared by its solicitors for MGL to construct install and locate services for water wastewater telecommunication and electricity along CODC roads to the west of the intended site of the Bendigo-Ophir Gold Project.
  - 11.2 The CODC will progress the application made by MGL's application to re-align TGR from west of Matilda Rise and within the boundary of Ardgour Station into the adjacent road reserve in accordance with its stated policies and procedures (including those as to roading).
  - 11.3 The CODC will consider the application made by MGL to upgrade TGR from Ardgour Road to the turnoff to the alternative route turnoff, taking into account the Early Works consent and MGL's application under the FTA, with a view to enabling sealing to be completed before the winter sealing close-off from 15 May 2026.

11.4 When any of the civil works above is approved by CODC, MGL will proceed to undertake these at its cost in every practical respect and according to the approved design and all conditions among other things.

*Landowner support for MGL's fast-track approval application*

12. The CODC will sign and provide MGL with its approval to MGL's application upon both parties completing this MOU.

*Announcement*


13. If either party is required by any law or requirement of any stock exchange to disclose this MOU, upon it being signed, the other party agrees to such disclosure, and such agreement shall not be unreasonably withheld.

Executed by **Matakanui Gold Limited** in accordance with section 180 of the Companies Act 1993:


  
\_\_\_\_\_  
Authorised signatory

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Name of Authorised signatory

  
\_\_\_\_\_  
Name of director

Executed by the **Central Otago District Council** by: CEO

  
\_\_\_\_\_  
Authorised Signatory

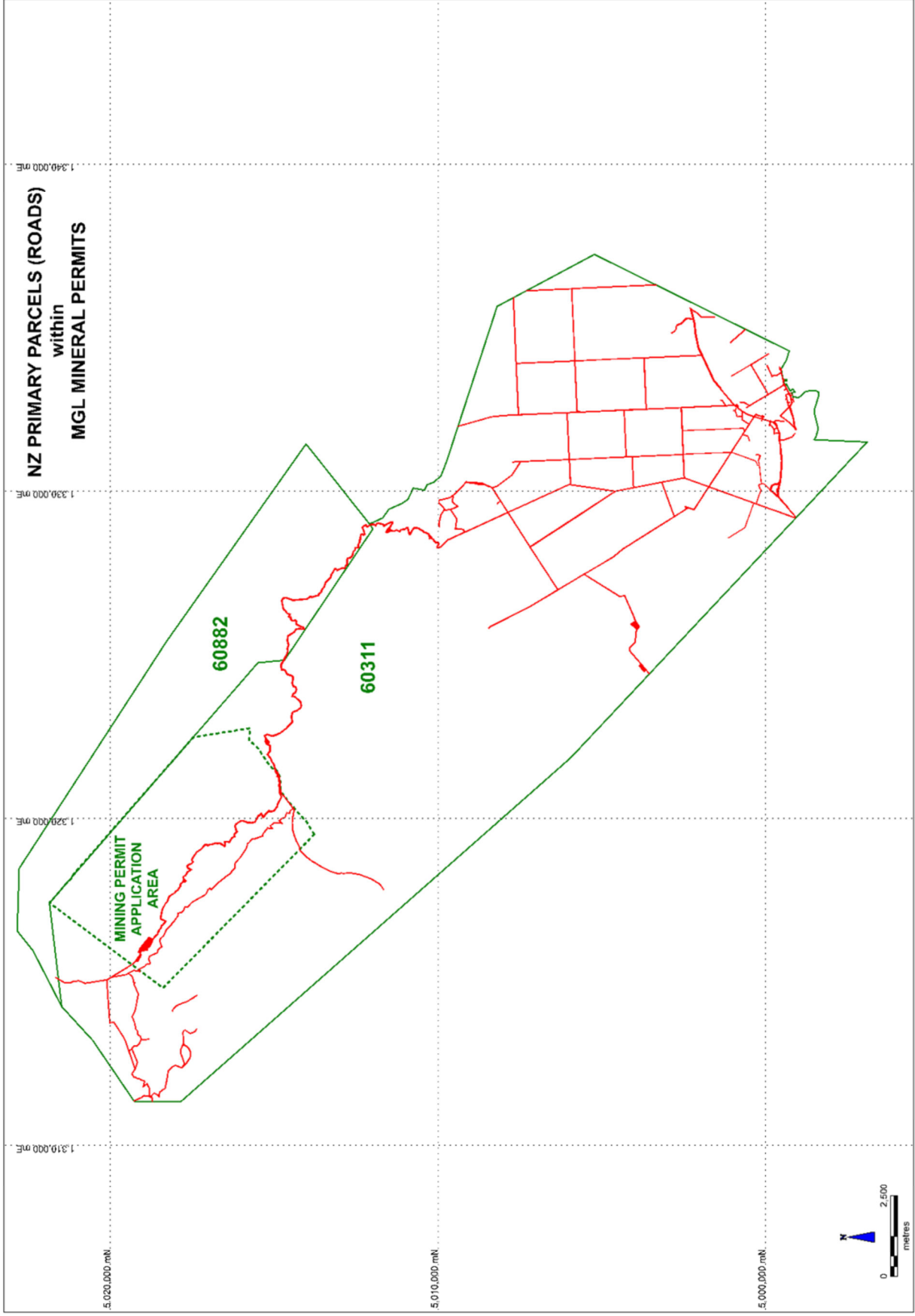
Peter Kelly

\_\_\_\_\_  
Print Name

# SANTANA

MINERALS LIMITED

Attachment 1



## **Road Stopping Costs and Fees**

Where a road stopping is initiated by the Council, the costs and expenses associated with the road stopping (including Council staff time) are to be funded from the Business Unit initiating the road stopping.

Where any other person applies to stop a road, then that person shall be responsible for meeting all costs and expenses associated with the road stopping process as determined by the Council (including Council staff time).

The Council may, in its discretion, determine that there is an element of public benefit to the proposed road stopping, and may agree that the costs associated with the road stopping should be shared between the applicant and the Council in such proportions as the Council shall determine. This will normally only be considered in the situation where a section of formed road is located on private property, and a road stopping process is being undertaken in tandem with legalising the existing road alignment.

The Council shall not commence any road stopping procedure unless it obtains a written agreement in advance from the applicant to pay all costs and expenses incurred.

The costs and expenses associated with the road stopping process will include:

### **(a) Application Fee**

An application fee shall accompany a road stopping application to the Council (unless the application is made by a Council Business Unit). The purpose of this fee is to cover the administration and staff costs incurred by the Council as a result of evaluating the application in accordance with this Policy. This fee is included in the Council's Annual Plan.

### **(b) Processing Fee**

If the applicant wishes to proceed with the road stopping application after evaluation by Council staff of the application and the preparation and presentation of the first report to the relevant Community Board or the Corporate Services Manager (as applicable), then a further non-refundable fee of \$1,000 (GST inclusive) will become due and payable to the Council to cover the staff time in processing the application from that point.

### **(c) Other Costs**

Other costs and expenses that an applicant will be liable to meet should a road stopping application proceed, include (but are not limited to):

- **Survey Costs**  
Includes identification and investigations of the site and professional fees associated with the compilation of a survey office plan.
- **Cost of Consents**  
Any costs associated with obtaining consents to the proposal including, but not necessarily limited to, the Minister of Lands.

- **Public Advertising**  
Includes the cost of public notification required under the Local Government Act 1974.
- **Accredited Agent Fees**  
Includes professional and other fees incurred as a result of any gazettal actions required.
- **Land Information New Zealand (LINZ) Fees**  
Includes lodgement fees associated with survey office plan approval, registration of gazette notice, easement instrument or any other dealing, and raising of new certificate(s) of title.
- **Legal Fees**  
The applicant will be responsible to meet their own legal costs, as well as those incurred by the Council including, but not limited to, the preparation of an Agreement for Sale and Purchase and the settlement of the transaction.
- **Valuation Costs**  
The costs to obtain an independent registered valuation of the proposed stopped road, including any additional costs that may be incurred by any ensuing discussions with the valuer as a result of the applicant querying the valuation.
- **Cost of Court and Hearing Proceedings**  
Pursuant to the Tenth Schedule LGA, if any objections are received to a road stopping application, and the application is referred to the Environment Court for a decision, then the applicant shall meet all of the Council's legal and other costs associated with the conduct of the legal proceedings in that Court.
- **Staff Time**  
Staff time to be calculated on a time and attendance basis according to individual staff charge-out rates.