

## Submissions on Introduction: key themes

1. Who Sustainable Tarras (**ST**) represents
2. One opportunity to get this right (precedent effect save
3. Immaturity of NZ's regulatory landscape for mining
4. Competence and trustworthiness of the applicant
5. Fundamental flaws characterising all aspects of the application. Confirmed in the absence of or the misleading nature of the responses by the applicant to the objectors evidence and , crucially to the 80 questions posed by the Panel
6. Tailings dam and waste rock dump likely becoming a permanent crown liability

### 1. Sustainable Tarras

ST represents the initial small local group adjacent to the mine site, which has now morphed into community of over 10,000 people from Central Otago and further afield have joined Sustainable Tarras - each confirming that they are strongly opposed, not necessarily to mining, but to this specific mine. It's an opposition based on a deep concern for and love of the iconic Central Otago landscape, heritage, to ensure it remains so for future generations and out of deep concern for the risks associated with this mine. As at this morning, there are 10,610 people in this group. It is currently growing at a rate of around 1,000 people per fortnight.

### 2. One opportunity to get this right

The Parliamentary Commissioner for the Environment put it plainly in his comments to this Panel: there is one opportunity to get this right.

Once these consents are granted, the gold comes out, the heritage landscape is gone, and 18 million cubic metres of toxic tailings sit behind a dam above the Clutha River — permanently.

This is what is at stake:

- **For Central Otago** - the tourism economy, the wine region, the outstanding natural landscape which draws visitors from around the world and is so important to those who live here, the rivers and aquifers which are vital to farming and viticulture.
- **For New Zealand** - the first decision by a fast-track Panel on a major extractive project in an outstanding landscape, the first revocation of a perpetual conservation covenant under the FTA, and the precedent that will determine how much comfort KO Gold and every other junior explorer with a permit over Otago can take from this outcome. A graphic example is the map presented in Professor James Higham's evidence showing the extent of mining permits across Otago. What

better evidence is needed showing how important getting the economics, the mining and the environmental evidence right. The same expert also provided a schedule of a significant number of overseas mining applications which have been rejected due to impacts on tourism, existing industries or the environment.

- **For future generations** - an 18-million-cubic-metre tailings dam that, on MGL's own admission, will require perpetual liability management. Long after the gold is gone and MGL has moved on that structure will remain. Seepage will likely continue for 150 years.

### **3. Immaturity of New Zealand's regulatory landscape**

MGL repeatedly told the Panel that its project is designed and will be regulated to the highest standards. Panel should understand precisely what those standards are - and what they are not.

New Zealand's mining regulatory system is relatively new, fragmented, and structurally designed to place trust in the operator (key instruments: Crown Minerals Act 1991, Building (Dam Safety) Regulations 2022 (only coming into force 2024); Resource Management Act 1991, Health and Safety at Work Act 2015, and in this case the Fast-track Approvals Act 2024 – administered by separate agencies, no single oversight)

What mature mining jurisdictions such as Australia and Canada have are decades of operational experience with tailings dam regulation which New Zealand simply does not yet have. Several critical gaps are relevant here.

- Canada and Australia require pre-approval for tailing facilities:
  - Full disclosure of cost estimates independently verified by the regulator . Key failure by MGL
  - Demonstrable operator competency. MGL never built or operated a mine anywhere in the world
- The Global Industry Standard on Tailings Management (GISTM) standards is the international benchmark for the design and operation of tailings dams.
  - It is voluntary but hundreds of mining companies internationally have signed up to this, of which roughly a third are gold mining companies - including, significantly, Oceana Gold. Clearly MGL's tailings management plans do not come close to complying with best standards.

In these mature mining jurisdictions the regulatory system provides independent checks on the applicant to be satisfied the applicant has the financial and mining experience required to run a major open cast mine that will leave the environment permanently damaged.

The Panel cannot cure these systemic gaps. What it can do is to require any applicant for a major open cast goldmine to comply with international best practice. It does this by the need to ensure the quality of the applicant is central to the application.

#### **4. Competence and trustworthiness of the applicant.**

We cannot trust the applicant to 'do the right thing'. This assessment draws on three bodies of evidence: its regulatory compliance history, the gaps that remain in its application after 9,400 pages and the response to comments process, decisions not to disclose a significant and the late disclosure of further significant reports, and its notional engagement with the community it will live alongside for 30 years.

##### Regulatory compliance history

The uncontroverted evidence shows there can be no assumption the applicant will or is capable of complying with its legal obligations.

The pattern across MGL's operations in New Zealand indicates a consistent, systemic disregard of significant legal obligations. This persist up to present day. These breaches include OIA breaches, breaches of the District Plan - see statement from Sustainable Tarras.

- OIA breaches
  - 2020 acquisition of Matakanui Gold
  - 2025 entering binding agreement to acquire Ardgour Station before the property had been advertised as required - characterised by Damian Spring as a "misunderstanding" of the rules and that exemptions exist because standard advertising is sometimes "neither appropriate nor practical." That is not a misunderstanding, it's a choice.
- District plan breaches
  - In June 2025, CODC issued a formal warning to MGL that it was operating in breach of the district plan in three separate ways: having at least 15 people engaged in commercial activity where only 3 were permitted, buildings painted in non-compliant colours, and stockpiles visible for more than six months. A sustained operation in breach of the rules for an extended period, only identified after a public complaint.
  - In March 2026 CODC issued an abatement notice requiring MGL to remove a communications tower and associated building erected in an Outstanding Natural Landscape without resource consent.

This pattern of behaviour is particularly concerning when MGL's entire effects management strategy rests on adaptive management: the idea that unforeseen issues will be detected early and responded to promptly. But adaptive management is only as good as the operator's willingness to act when monitoring

triggers are reached. The compliance record before this Panel shows a company that cannot be trusted to comply with its legal obligations under the license.

The gaps in evidence, the failures to respond to the key questions posed by the Panel and the non or late disclosure of key reports

The response to the opposition evidence and the Panel's questions have reinforced the fundamental flaws in the assessment of economic benefits regionally and nationally.

- In the last disclosure from MGL, Patterson conceded that the gold price required for the project to cover its costs is US\$2,131, which is only 4% below MGL's base (or most probable) case of US\$2,220.
- The recent disclosure of a report indicating mining-induced seismic risk not previously declared, and still unassessed
- A commissioned social impact assessment was completed by an independent consultant and delivered to MGL. It has never been disclosed despite it being requested. The obvious inference is it has conceded damaging effects that can't be rectified. But it's also a trust issue.

Engagement with the community

Engagement with the community adjacent to the mine site has been evasive, dismissive and unsatisfactory in almost every respect.

From when they first discovered that mining activity was being planned, members of Sustainable Tarras have been seeking answers from MGL. Examples include:

- Every meeting Sustainable Tarras had with MGL in the early months was requested by ST. MGL did not once proactively reach out.
- Out of frustration, in June 2025, ST sent MGL a list of over 50 reasonable, clear questions about many aspects of their proposed mining operations. A significant number of those questions remain unanswered to this day.
- MGL's response to the complaint by ST that its questions had not been answered was: "It is a matter of perspective whether a question is answered to the satisfaction of the person asking the question."
- Community drop in sessions run by MGL in Tarras can only be characterised as a PR exercise and not a genuine attempt to engage meaningfully with the local community.
- MGL's "Community Liaison Group" was set up to be restrictive and controlling - more akin to a communications damage limitation group than a true engagement mechanism.
- MGL's response to concerns or objections being raised is not to engage directly and meaningfully with those in the community showing concern, but to be defensive and even attack -

including in the media and via social media. People raising such concerns are characterised as “our opponents” and even peddlers of misinformation.

## **5. Fundamental flaws characterising all aspects of the application.**

Fundamental flaws in the assessment of the economic benefits and the risk analysis of the tailings storage solution.

No orthodox answer to the criticisms of the applicant’s economic evidence. The claims of massive tax contributions and royalties have been shown to be illusory as the profit predictions are based on unsupportable assumptions.

A more realistic assessment can be taken from the actual contributions to NZ by Oceana, the largest and most successful gold miner in NZ (in USD)

- 2021 tax NONE Royalties \$4.21M
- 2022 tax \$1.99M Royalties \$3.72M
- 2023 tax NONE Royalties \$4.73M
- 2024 tax \$5.97M Royalties \$5.97M
- 2025 tax \$170M No figure for royalties

## **6. Tailings dam and waste rock dump likely becoming a permanent crown liability**

The PCE is clear in his submission: if something goes seriously wrong at Bendigo-Ophir, the clean-up costs are likely to be large. The Panel should be absolutely clear about who would bear the cost - and it is the applicant, not the public, that should be held financially responsible.

MGL is a junior explorer that has never constructed or operated a gold mine anywhere in the world. Its entire value is its exploration licence and if consent is granted, these consents. The moment the consents are sold - as junior explorers routinely do - the long-term tailings liability belongs to a different, unknown entity.