

**UNDER** the Fast-track Approvals Act 2024 (**Act**)

**IN THE MATTER** an application for approvals for the Waihi North  
Project (**WNP**) – a listed project described in  
Schedule 2 of the Act

**BY** **OCEANA GOLD (NEW ZEALAND) LIMITED**  
**Applicant**

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**STATEMENT OF EVIDENCE BY DOUGLAS JOHN SAUNDERS ON  
BEHALF OF OCEANA GOLD (NEW ZEALAND) LIMITED**

**Valuation issues**

**Dated 1 September 2025**

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**Counsel acting:**  
Stephen Christensen  
Project Barrister  
P 027 448 2325  
stephen@projectbarrister.nz

## Introduction

1. My full name is Douglas John Saunders.
2. I hold a Bachelor of Commerce (Valuation and Property Management) from Lincoln University. I am a registered valuer and hold Fellow membership of the Property Institute New Zealand and New Zealand Institute of Valuers. I am currently employed by CBRE based in Hamilton.
3. I have 43 years of experience in valuation of a wide variety of property types throughout the Waikato and Bay of Plenty.
4. My previous work experience includes:
  - a. Rural land values around the proposed Mathers Road landfill – Waihi;
  - b. Rural property values surrounding the Tailings Storage Facilities and the Martha Mineral zone extension 1996 – Waihi;
  - c. Rural property values around the then proposed Meridian Wind Park Te Hauhiko O Wharauora – Te Uku, Raglan;
  - d. Residential values in Waihi East in relation to the then proposed Correnso underground mine; and
  - e. Compensation valuations for various types of public works including the assessment of injurious affection.
5. I have been asked by OceanaGold (New Zealand) Limited (**OGNZL**) to provide a response to matters within my area of expertise contained in written comments on the WNP application from persons invited by the Panel to comment under section 53 of the Act, generally concerning property market effects in Waihi township and surrounding areas.

6. My role in relation to the Waihi North Project (**WNP**) has been to provide expert advice in relation to the impact (if any) on property values.
7. I have prepared this statement within the limited time available to me. Consequently, it is necessarily at a high level. I am able to provide a more fulsome response to the issues covered in this statement if the Panel requires further assistance from me.

### **Code of conduct**

8. I confirm that I have read the code of conduct for expert witnesses contained in section 9 of the Environment Court Practice Note 2023 and have complied with it in preparing this evidence. I confirm that the issues addressed in this evidence are within my area of expertise, and I have not omitted material facts known to me that might alter or detract from my evidence.

### **Overview of Waihi property values**

9. The effect of mining on Waihi property values (excluding those purchased by OGNZL or its predecessors) is well understood because it has been assessed in six-monthly periods since 2008 and since 1987 in respect of annual market trends.
10. These studies have shown that since 1987, when local properties experienced a notable step increase in value, Waihi property values have grown at a rate that aligns with the broader New Zealand market, and have performed at least as well as those in comparable towns such as Paeroa and Te Aroha.

### **Expected effects of WNP on Waihi property values**

11. If approved, the extension of the mine life through the WNP is expected to continue the positive influence on local property values where those values

have maintained parity with external markets outside of Waihi as observed since the start of modern mining operations.

12. WNP will include five components being a new underground mine (**WUG**), a new open pit (**GOP**), a new tailings and storage facility (**TSF3**), a new rock storage facility (**NRS**), a new temporary rock stack at Willows Road and additions and upgrades to the existing processing and treatment area.
13. The proposed new WUG is located approximately 11km northwest of the current Processing Plant and is under the Coromandel Forest Park. Site infrastructure supporting the mine will be located on OGNZL owned farmland located at the end of Willows Road, with only minimal surface features within the forest, in the form vent raises.
14. The proposed GOP is adjacent to the southwestern side of the existing processing and treatment area.
15. Based on the analysis of changes in property values in Waihi over time, and relating them to the different phases in the progression of open pit and underground mining in the town, it is my opinion that property values in general in Waihi are unlikely to be impacted by most aspects of the WNP. However, some site-specific property may experience a temporary and small detraction to value during the period following announcement and until mining is established and operates within the conditions of the consent approved.
16. This temporary effect in value occurs in many situations during the period between when a new activity is announced and when it commences due to uncertainty, and often incorrect perceptions, about the impact the new activity will have. For example, a house next to a proposed medium density development might temporarily see a reduction in its value while the neighbouring development is completed due to uncertainty about a loss of views, privacy, etc. Once the development is complete, often those impacts

are either not realised or are much lower than anticipated by the market and the values return to close to their existing level.

17. Two small areas of rural residential property close to the GOP and the NRS and a mix of property types above the access tunnel between the Processing Plant and WUG may be impacted in this way.<sup>1</sup>
18. While we have not been able to identify impact on residential property around the Martha open pit in the past, the environment around a small enclave of ten rural lifestyle properties on Heath Road is likely to be perceived as having changed with the prospect of the GOP. I anticipate this influence will last through the period from the announcement, consent and planning until mining commences. At that time, I expect any change in values (if any) to restore to market levels with no impact as we have seen occur with residential property in the town.
19. Three rural residential properties at 639, 654 and 669 Golden Valley Road are in close proximity of the proposed NRS and, given the proximity through the construction phase of the NRS, might experience a similar, small but temporary influence on their values.
20. There are several properties at the northeastern fringe of the town directly above the proposed connecting tunnel corridor including a residential vacant section, rural residential small holdings and a dairy farm that may be impacted to a small level through the period from the announcement and until the development of the connecting tunnel is complete and mining commences.
21. The properties between Matura Road and the southern side of the Waihi-Whangamata Road could also be impacted in the same way initially but

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<sup>1</sup> There is one property that could have been affected by TSF3; however, I understand OGNZL has an agreement to purchase it. For clarity, I have not assessed any properties owned by OGNZL, or those subject to agreements with the company, in this statement.

reducing back to typical market levels once the development phase has passed beneath the land.

22. The Dairy farm on Wharry Road is contained in six titles with a paper road extension of Wharry Road running between the titles. While I would expect no impact from the construction of the connecting tunnel on the value of the property as a dairy farm, it is possible that if the construction was to occur while a subdivision of the land through boundary relocation of the multiple titles were being undertaken then a similar impact as the properties to the south maybe experienced reducing back to typical market levels once the development phase had passed beneath the land.
23. There is small group of lifestyle properties at the northwestern end of Highland Road. These properties have a line of sight to the position of the explosives magazine on the Willow Road farm where the surface facilities for WUG are located. While the house sites associated with each title are outside the 2kPa contour line, there may be some market resistance and an again a small impact could be anticipated for the life of the mine.
24. Overall, while the proposed WNP may have a small, temporary impact on the properties noted above, this will not be lasting for those properties on Heath Road, the properties on Golden Valley Road and the properties around Mataura Road.
25. The more significant impact is that the extension of the mine life to 2038, if approved, will continue the positive impact on property values that has been experienced in the Waihi since mining commenced in 1987.

### **Property value management measures**

26. I understand that OGNZL intends to implement a “Top Up” management measure to mitigate the impacts of mining activity on property values. The Top Up Programme involves OGNZL paying the difference between the 'fair price' offered by a purchaser and the 'fair market value' sought by a vendor.

Whilst the programme is discretionary, my estimates of market impact provide a basis for what could be considered a fair offer in light of the proposed mining activity.

27. A factsheet from the Applicant dated from November 2024 is attached as Appendix A and provides further information about the Top Up Programme.
28. Based on my understanding of the market reaction to the Correnso Underground Mine in Waihi East, the Top Up programme was successful in enabling market activity to continue for properties identified as potentially affected by the proposed mining activity, maintaining activity levels comparable to those before the announcement.
29. With the exception of the properties discussed earlier, I do not anticipate that the proposed mining and associated operations will have any measurable impact on most property values. In fact, if approved, the extension of the mine life is likely to continue the positive impact on property values that has been experienced in Waihi since modern mining began.

**Dated:** 1 September 2025

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Douglas John Saunders

## **Appendix A – Management measures factsheet**





## Waihi North Project

# PROPERTY EFFECTS

### OVERVIEW

We know from our engagement with the community, that there can be concerns about the potential for mining-related property effects. These include concerns about effects on property values, amenity, and property damage due to vibration.

OceanaGold believes that the proposed project will not cause property damage. The conditions we are proposing for the Waihi North Project include limits and processes designed to avoid property damage and protect amenity. For example, proposed limits on vibration from blasting have been set well below the level where experts have determined property damage could occur.

Waihi property values, excluding properties purchased by OceanaGold Waihi or its predecessors, have been assessed in six-monthly periods over many years. These assessments began prior to the issue of the original mining licence, and the start of mining in 1987. Those studies have shown that since 1987, when a step-increase in value occurred, Waihi property values have increased at a rate that reflects the general New Zealand market and have performed at least as well as those in the similar-sized, nearby towns of Paeroa and Te Aroha.

### PROPERTY VALUES

The extension of the mine life to 2037, if approved, will continue the positive impact on property values that has been experienced in Waihi since modern mining commenced. Our property value assessment has identified that, due to perceptions associated with mining activity, there is the potential for the proposed project to have a minor short-term impact on the values of a small number of properties.

These properties are:

- Within about 300 m south of the Gladstone Pit in the Heath Road area.
- East of the Northern Rock Stack along Golden Valley Road for approximately 500 m.
- Directly above a section of the proposed Transport Tunnel alignment.
- At the upper end of Highland Road and Willows Road, adjacent to the proposed Surface Infrastructure Area.

The extent of the potential effect varies with time and with location.

For the potentially affected properties, the duration of the potential effect is from the announcement of the project, through to the start of the new project and beyond, after which a recovery is likely to occur.

### PROPERTY VALUE MANAGEMENT MEASURES

In the past, OceanaGold Waihi and its predecessors have successfully implemented a Top Up management measure as a way of mitigating the impacts of mining activity on property values. OceanaGold Waihi will be implementing Top Up again as part of these new proposed projects.

#### TOP UP

The Top Up initiative is designed to avoid distortions in the property market due to any perceptions of adverse mining effects, and encourages ongoing private ownership. It involves paying the purchaser of a property the difference between their offer and the market value of the purchased property. This ensures that the vendor gets market value from the sale.

The Top Up Programme is based on the concept of a fair price and a fair offer. OceanaGold Waihi makes up the difference between the 'fair price' offered by a purchaser and the 'fair market value' sought by a vendor (within set boundaries). OceanaGold Waihi pays the purchaser a top up to add to the purchase price already offered and that is then paid to the vendor. This management measure has been successfully applied throughout the duration of recent mining.



IF YOU HAVE AN IDEA, CONCERN OR QUESTION, WE WANT TO HEAR FROM YOU.

You can contact us via our website; [waihinoth.info](http://waihinoth.info) or visit our Project Information Office; 86 Seddon Street, Waihi.

Our Free Community Engagement Line 0800 924 444 is available 7 days.

NOVEMBER 2024

This document has been produced for New Zealand consenting purposes only. Information contained herein must not be relied on for investment purposes.



PROPERTY MANAGEMENT MEASURES cont...

To be eligible for Top Up a property must meet the following criteria:

- The property must be within one of the defined areas shown outlined in yellow, where OceanaGold’s assessment has identified a potential effect on property values as a result of their proximity to mining activities;
- The property must be on the market with a registered real estate agent; and
- The property must have been on the market for a period of at least four months following the announcement of the Waihi North Project.

Only one Top Up is available per property. A purchaser, having bought a property with the benefit of a Top Up from OceanaGold Waihi, cannot then resell that property and rely on the second purchaser receiving a second Top Up to make up any difference in the price offered and market value. The first purchaser has benefited through buying the property at a lower cost to them, which has then been ‘topped up’ by the company, and has done so with full knowledge of the proximity of the property to the mining activity.

If you are thinking about selling your property, and it’s in one of the areas identified in the property value assessment, then we encourage you to contact us directly and we can help you navigate the Top Up process.

THE AMENITY EFFECTS PROGRAMME (AEP)

OceanaGold Waihi operates in close proximity to a number of residential properties in the Waihi community and under very stringent limits on environmental effects imposed by our resource consents.

Proposed consent conditions related to vibration are designed to be protective of amenity for most of the Waihi community for most of the time. However, we recognise that some residents close to the proposed Northern Rock Stack and Tailings Storage Facility 3 quarrying activities, the Gladstone Open Pit, and directly above the development of the Interconnecting Transport Tunnel may, from time to time, experience a perceived reduction in amenity due to mining activities.

The Amenity Effects Programme (AEP) aims to offset a perceived loss of amenity and establishes an arrangement between OceanaGold Waihi and residents identified as experiencing some effect on amenity due to vibration, despite the mining operations being conducted within consent compliance limits.

Participation is voluntary and residents would be contacted by OceanaGold Waihi staff if it is determined that the qualifying criteria have been met at their address. The criteria and details of the programme are outlined below:

- Tenants of rental accommodation must have lived at the address for a minimum period of six months before they will be eligible to receive AEP payments.
- The property must experience two or more blasts in a single month with ground vibration equal or greater than 1.5 mm/s in magnitude
- An initial, one-off enrolment payment of \$500 is made to qualifying residents who join the programme, with

additional payments made each six months for the life of the mine if the property continues to qualify.

- The payment is calculated based on measured effects as monitored and recorded by OceanaGold Waihi during the preceding six months.
- While the payments will vary depending on the mine-related effects experienced, a minimum payment of \$250 has been established that will apply to all qualifying residents in any six-month period.

EX GRATIA

Ex gratia is a one-off lump sum payment to property owners whose property is situated directly above the Interconnecting Transport Tunnel.

At least three months prior to works beginning immediately beneath any part of the legal title to a property overlying the Interconnecting Transport Tunnel, OceanaGold Waihi will offer to provide the property owner an ex gratia payment equal to 5% of the property’s agreed market value at the time.

Market value would be determined by a registered valuer at the time of making the valuation, ignoring the announcement, and existence of, the Waihi North Project. Two independent registered valuers would conduct market value assessments, one selected by OceanaGold Waihi and the other selected by the property owner. OceanaGold Waihi will cover all costs arising from both valuations, with the higher of the two valuations adopted to determine the sum of the ex gratia payment.

PROPERTY DAMAGE

We are proposing consent conditions for vibration that will ensure vibration levels are well below the level where property damage could occur.

We know from the community, that there can be concern around what we would do if mine-related activity caused property damage. In recognition of this, we have a procedure in place to assist owners if they believe their property may have been damaged. If it is determined that property damage is attributable to OceanaGold Waihi activities the Company will remedy the damage at our cost.

WE BREAK, WE PAY

We do not believe that the proposed operations will cause any property damage; however, we do not intend that property owners should feel that they might suffer loss if mining operations did cause damage. For this reason, OceanaGold Waihi will accept responsibility for any damage to their home or contents proven to have been caused by our mining operations.

We have a specific process to be followed if a property owner thinks there may have been damage to their property. This was included in our previous consent conditions for other projects, and we are proposing the same for the new projects.

The process is:

- Details of the complaint are logged by OceanaGold Waihi and must be investigated within five business days, or as soon as practicable thereafter unless the matter is considered urgent.

- If the resident does not agree with the findings of our initial investigation, we may engage a third party to investigate the complaint for both the homeowner and the company and report back within 30 days. Alternatively, the resident may contact Hauraki District Council and if the Council determines that a third- party investigation is warranted then we will commission and meet the reasonable costs of the investigation.

- If it is determined that the property damage is attributable to our mining activities the Company will remedy the damage as soon as practicable in accordance with any recommendations made by the third-party.
- If any dispute arises, we will offer the resident the opportunity to enter into arbitration through Hauraki District Council.

