

28th May 2020

Otago Regional Council
Waitaki District Council
Attn: Consents Managers

**DIRECTOR-GENERAL OF CONSERVATION SUBMISSION:
OCEANIA GOLD DEEPDELL NORTH III**

I refer to the application by Oceania Gold (New Zealand) Ltd (OGL) for a range of resource consents to operate a hard rock gold mine by developing a new pit and waste rock stack at Deepdell North III at Macraes, North Otago.

Please find enclosed a submission by the Director-General of Conservation (Director-General) in respect of this application. The submission opposes the application as notified as the Director-General considers that it does not adequately avoid, remedy, or mitigate the adverse effects of the proposed activity. The Department notes the innovative use by OGL of biodiversity offsetting and proposals for “no net loss” as part of this application.

However, with further information and more discussion with the applicant, the Director-General’s concerns may be able to be addressed by the imposition of appropriate conditions and associated management plan details on any resource consents which may be granted. Please note that DOC staff have been and will continue to liaise with Oceania Gold staff on the details of the proposed conditions and proposed Ecological Enhancement Area Management plans (EEAMPs).

The general concerns of the proposal for the Director-General include:

- The details of the proposed protection mechanisms and future management of the proposed offset areas, including objective and management thresholds.
- The need for more specific details in the EEAMPs to refine matters such as objectives, performance standards, intervention thresholds, monitoring, adaptive management conditions and the need to comply with the EEAMPs at all times.
- The loss of lizard populations and measures to enhance populations and habitat carrying capacities.
- The loss of indigenous vegetation on the project impact area, with subsequent loss of ecosystem types and loss of threatened plants with no ability for recovery or restoration.
- The lack of assessment of the effects of the proposal on invertebrates, particularly beetles, butterflies, and moths and the need for an invertebrate index.
- The loss of habitat and the effects on the hydrology on freshwater species, particularly Kōura and Taieri Flathead Galaxias present, and ensuring best practice is applied to avoid contamination issues for freshwater values.

To progress this matter and ensure the efficient process of the Councils' hearing, the Director-General seeks a pre-hearing meeting be held with the applicant and other submitters to discuss the Director-General's concerns and how these could be addressed should resource consents be granted. A specific agenda item should include the proposed EEAMPs (as they were not part of the notified bundle of material in the consent application and AEE).

Additionally, the Director-General seeks that the regional and district resource consents required for this application are heard together to ensure there is a comprehensive and integrated decision on this proposal. I understand the applicant would support such an approach, although this will need to be confirmed by OGL.

Please contact Herb Familton in the first instance at hfamilton@doc.govt.nz or (027) 5367 037 if you wish to discuss any of the matters raised in this letter.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Herb Familton', with a long horizontal flourish extending to the right.

Herb Familton
RMA Planner
For Director-General

cc

Oceania Gold (NZ) Limited
PO Box 5442
DUNEDIN 9058
Attn: Duncan Ross

Encl: Director-General's Submission: Oceana Gold Coronation North Extension Mine

Resource Management Act 1991

To:

Otago Regional Council (ORC) and
Waitaki District Council (WDC)

Name of submitter: Lewis Vernon Sanson

Submission by the Director-General of Conservation *Tumuaki Ahurei*

Pursuant to section 96(1) of the Resource Management Act 1991, (RMA) I, Michael Tubbs, Operations Manager *Pou Matarautaki*, Central Otago *Kā Moana Haehae* District, acting upon a delegation from the Director-General of Conservation (D-G), make this submission.

This is a submission on an application from: Oceana Gold (New Zealand) Ltd (OGL) application to the Otago Regional Council (ORC application number RM20.024 1-11 series) and Waitaki District Council (WDC number series 201.2019.1454), for resource consents to take groundwater, take, divert, and dam water, discharge to water and land, discharge to air, and land use consents to disturb and deposit onto and into land and to riverbeds to undertake various activities associated with the Deepdell North Stage III Project.

The purpose of the application is to enable the proposed Deepdell North Stage III hard rock gold mining operation at Macraes gold mine, Macraes Flat, North Otago (“the Deepdell North Stage III Project”). OGL proposes to carry out open-cast gold mining adjoining Horse Flat Road approximately 3.6km from Macraes Flat township.

The elements of the Deepdell North Stage III Project are described in OGL’s Assessment of Environmental Effects (AEE) outlined in the application dated 29/01/2020. The activities include:

- Extracting minerals and overburden to create a 38ha pit
- Depositing waste rock extracted from the pit to create a 70.6ha waste rock stack and to backfill the existing Deepdell South pit that overlooks the Golden Point Reserve
- Creating a pit lake following completion of the mining activity
- Hauling ore from the pit to the gold processing plant using the existing haul road along the old Golden Point Road alignment
- Realigning an approximately 900m section of Horse Flat Road

My submission relates to the whole application.

My submission is: I oppose the application as notified.

The reasons for my submission are that:

The application as notified does not sustain the life supporting capacity of water and ecosystems under section 5(2) of the Resource Management Act 1991 (RMA); and

The application as notified does not recognise and provide for RMA matters of national importance, including section 6(a) and (c); and

The application as notified does not have particular regard to RMA matters, including section 7 (c), (d), (f) and (g); and

The application as notified does not have regard to National Policy Statement for Freshwater Management 2014 as amended 2017 (NPSFM), including Objectives A1, A2, B1 and B4, and Policies B1, B7, C1, and CA3; and

The project as currently configured is inconsistent with the Otago Regional Policy Statement (RPS) (1998); including Policies 5.4.6 and 5.4.6(a), 5.4.8, 5.3.5 and the partially Operative Otago RPS (partially operative as at January 2019) including Objectives 2.1, 2.2, 6.4.3, 6.4.4, 6.4.5 10.4.1, 10.4.2, 10.4.3 and Policies 2.1.1, 2.1.2, 2.1.6, 2.2.1, 2.2.2, 2.2.12, 2.2.13, 4.4.3, 4.5.2, 4.5.5, 4.5.7, 4.5.8, 5.4.1, 5.4.2, 5.4.5, 5.5.6, 6.5.5, 6.5.6, 6.5.7, 6.5.8, 6.5.9, 10.5.2, and 10.5.4; and

The project as notified is inconsistent with the Regional Plan: Water for Otago (RPW); including Objectives 8.3.2 (Beds and Margins), 10.3.1 (Wetlands), 5.3.6 (Natural and Human Use Values of Lakes and Rivers) and Policies 8.4.2, 8.5.1, 8.6.1, 8.6.2, 8.7.1 (Beds and Margins), 10.4.6 (Wetlands), and 5.4.8 (Natural and Human Use values of Lakes and Rivers); and

The project as notified is inconsistent with the Mining, Landscape, and Nature Conservation Objectives and Policies of the operative Waitaki District Plan, including Objectives 16.7.1, 16.8.2, and 16.9.2 and Policies 16.7.2 (2-5), 16.8.3 (3 and 6), and 16.9.3 (1,2,3,4, and 6-11).

The general effects and their spatial distribution of the application identified in the Assessment of Environmental Effects (AEE) of concern to the D-G include, but are not limited to the following:

1. Effects on native fish and aquatic life: Land use and discharge consents

Taieri flathead galaxias (*Galaxias depressiceps*: Threatened: Nationally Vulnerable) and kōura *Paranephrops zealandicus* (At Risk Declining) are present in the project area, in Highlay Creek.

- a) The effects of the proposal on aquatic life are unclear and further information and monitoring by OGL is required in order to assess the hydrological impacts (including culverting). The proposal will still result in the loss of naturalness, natural character and aquatic habitat in the catchment, and effects on freshwater community structure. These effects need to be avoided, remedied, mitigated, or offset, or compensated for where appropriate; and

- b) Ongoing aquatic monitoring needs to be undertaken to verify the predictions of the AEE, and establish appropriate trigger contamination levels, and management responses; and
- c) All practicable measures need be taken in order to reduce sediment and contaminant discharges, particularly turbidity, sulphates, iron, and arsenates. These measures need to avoid the effects of such contaminants on freshwater fauna from entering the waterbodies in the vicinity of the Deepdell North III Project. To avoid adverse effects on aquatic ecosystems, appropriate water quality conditions need to be established to ensure they are above acceptable ANZECC water quality levels, particularly in low flow periods; and
- d) More details are required on the proposed rehabilitation/revegetation of the pit pond; including the use of native plants and improving it for wildlife habitat; and
- e) Overall, more detail on freshwater conditions is required (to a similar level to the terrestrial mitigation measures) to allow an assessment of the adverse effects of this project on freshwater ecosystems and species.

2. Effects on indigenous vegetation: Land use consents

The ecological descriptions of the plant communities present in the AEE and their assessment of importance are generally supported by the D-G's botanical technical assessment, however:

- a) Approximately 55 hectares of indigenous vegetation on the impact area will be destroyed with no ability for recovery or restoration; and
- b) Appropriate conditions are required so that the replanting and rehabilitation works are undertaken in a manner which improves the post-mining environment to enhance the habitat value for a range of species, including at the waste rock stack, the pit, and the pit lake. Such steps may include additional management for native fish, birds, indigenous plants, wetlands, invertebrates, and lizards and their habitat; and
- c) There is a need for further consideration of mitigation, offsetting and compensation for the loss of indigenous vegetation associated with the proposal. The detail of this needs to be addressed in the conditions of consent, including appropriate management and monitoring plans.
- d) Any offsetting should include conservation covenanting to permanently protect areas of similar or higher natural value and should include enhancement of alternative areas of similar or greater value indigenous vegetation and management to maintain and/or enhance it.

3. Effects on wetlands and threatened plants: Land use consents

The Macraes Ecological District contains the highest diversity of threatened plants in New Zealand.

- a) The development of a rock stack, the reclamation of the creek beds and development of the haul road will affect threatened plants (several Threatened, At

Risk, and notable plant species are present in the impact area) and significant ephemeral wetlands. Ephemeral wetlands are a nationally rare ecosystem with a Critically Endangered status; and

- b) Where Nationally Critical ephemeral wetland vegetation is affected, and cannot be avoided, remedied, or mitigated, or offset, then consideration of compensation with a greater area of habitat with a higher degree of naturalness within the Macraes Ecological District could be considered.

4. Effects on lizards, invertebrates, and indigenous fauna: Land use consents

- a) The effects of the proposal on lizards, including populations of McCanns and southern grass skinks, and Otago large geckos is concerning. The potential presence of rarer lizard species, including *Oligosoma chloronoton* and *O. inconspicuum*, (Cryptic skink) has not been quantified nor mapped.
- b) The AEE identifies that lizard species are likely to be present, however does not quantify what is required to address the loss of lizard populations and habitats.
- c) Conditions are required to avoid, remedy, mitigate, offset or compensate for losses of lizard populations and their habitat as a result of the project. Conditions need to include improvement of the habitat quantity and quality.
- d) The AEE does not adequately describe or quantify the effects on invertebrates, particularly butterflies, moths and beetles. Since invertebrates are difficult to sample (they are seasonal and live in many habitats), we need to use species relative abundance indices to reflect their importance in the ecological community. Specifically, the D-G would like to OGL apply a measure or index of indigenous invertebrate relative to exotic invertebrate species in all areas proposed for mining and / or compensation to help assess the effects of the proposal on invertebrates. The D-G seeks that more assessment of these values is undertaken and appropriate measures and conditions applied to avoid, remedy, mitigate, off set or compensate for the adverse effects on native invertebrate species.
- e) Perimeter drains around the waste rock stack may exclude lizards from an area that otherwise potentially may have longer term value as lizard habitat, so the drains should be designed to facilitate lizard access.

I seek the following decisions from the consent authorities:

The Director-General seeks that the application is declined unless the above matters are adequately addressed as follows:

- a) That the Regional Council consent applications are heard jointly with the District Council land use consent applications required for this project so that a complete overview of the effects can be considered and addressed in a comprehensive and integrated manner in any decision; and
- b) That a joint Councils' prehearing meeting is held to address matters of concern with submitters and the applicant, with an agenda item including management plans; and

- c) Further information is provided by OGL on the effects of this proposal on indigenous species and ecosystems, their distributions, and management effects as outlined in this submission; and that information is comprehensive, scientifically robust, and directly pertinent to the concerns raised in this submission; and
- d) If resource consents are granted appropriate conditions (including duration of management and monitoring) are imposed to avoid, remedy or mitigate the adverse effects of this proposal, and where this is not possible, adverse effects are appropriately offset or compensated so that there is a 'net gain', or as an absolute minimum 'no net loss' in freshwater and terrestrial biodiversity; and
- e) That specific (legally protected) areas are established to offset or compensate for the natural values lost as a result of this application to ensure a 'net gain' or as an absolute minimum 'no net loss' of values is established under the consent conditions; and
- f) That the current lack of quantification of the effects on lizard populations and their habitats in the project impact area be addressed in conditions. If these effects are not possible to be avoided, remedied, or mitigated, or then offset, then they will need to be compensated for; and
- g) That management plans (specifically Lizard, Ephemeral Wetland, and Redbank Ecological Enhancement Area and Monitoring Plans) are prepared under this application containing the following:
- Clear objectives, and
 - Performance standards, and
 - Intervention thresholds, and
 - Monitoring methodology, frequency, and reporting, and
 - Adaptive management conditions where required, and
 - That a condition is imposed to ensure that OGL is required to comply with these management plans, and
 - That all submitters who wish to comment on these plans are able to do so prior to the hearing; and
- h) More details are provided on the proposed rehabilitation/revegetation conditions of the pit pond to enhance its value as wildlife habitat; and
- i) If resource consents are granted, appropriate conditions are imposed to require OGL to take opportunities to avoid or reduce adverse effects by amending locations of stockpiles, dams, roads, office sites, or any other land use disturbance or stockpiling where feasible, to protect high value habitat features (particularly for lizards) and reduce adverse effects; and
- j) Details are provided on the proposed management fund and the term of the management provisions.

That the consent authorities note additional authorisations are required from the Director-General under the Wildlife Act 1953 and under the Freshwater Fisheries Regulations 1983.

I am not a trade competitor for the purposes of section 308B of the Resource Management Act 1991.

I do wish to be heard in support of this submission.

Dated at Alexandra this 29th day of May 2020.



Michael Tubbs
Operations Manager *Pou Matarautaki*
Central Otago District *Kā Moana Haehae*,
Alexandra
Acting pursuant to a delegation from the Director-General of Conservation¹

Address for service:

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Operations Group
Department of Conservation
Private Bag 4715
Christchurch Mail Centre 8140
Attn: Herb Familton (hfamilton@doc.govt.nz) (027 536 7037)

¹ A copy of the Instrument of Delegation may be inspected at the Director-General's office at Conservation House / *Whare Kaupapa Atawhai*, 18/32 Manners Street, Wellington 6011)
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