



## **APPENDIX Y**

Consultation Material

OceanaGold will shortly apply for resource consent for a new project which we have called Project Martha.



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The project has two parts:

- A layback of the Martha north wall, removal of the slip material and construction of a new haul road.
- An underground mine mainly below the Martha open pit which will be accessed from the existing Favona portal. A small orebody called Rex is located below residential properties around Mueller Street and Gilmour Streets north of Kenny Street.

At this time, we estimate the project life will be 11 years. Mining of the Rex orebody will occur during approximately three of those years.

A wide range of consents will be required to construct and operate the various parts of Project Martha. OceanaGold will apply for these consents within the next few months. Members of the public will have the opportunity to make submissions during this consent process.

The company will be proposing that consent conditions similar to those which apply to the Correnso underground mine and our previous operations in the Martha open pit could apply.

Prior to the consent application being lodged, OceanaGold will provide a range of technical information in hard copy and on our website for members of the public. We will also run information sessions and provide regular updates. As always, we can be contacted on our Community Engagement Line 0800 WAIHIGOLD (0800 92 44 44)



*Project Martha is made up of two parts; the Martha Underground (including Rex), and the North Wall. Various parts will be mined at the same time, although Rex will finish much sooner than the other two areas.*

## Rex

### **Which properties will this project mine under?**

The Rex ore body lies beneath a number of residential properties, the Baptist Church, part of the Waihi Rugby Club grounds and a section of Gilmour Street and Mueller Streets north of Kenny Street.

### **How long will the project be in operation?**

This project is planned to last about three years.

### **How deep will the workings be?**

Rex is a shallow ore body which lies between 100m and 300m below the surface.

### **How will you access the workings?**

The mine will be accessed from the Favona portal at Baxter Road in the same way that we currently access Correnso.

### **Will I see anything on the surface?**

There will be nothing to see on the surface in the immediate area. The vent shaft on Union Hill will continue to be used and there will also be one or more vent shafts in the Martha open pit.

### **How often will you be blasting?**

We would expect to be blasting three times a day as we currently do at Correnso. This would take place on week days and Saturday mornings. There would be no blasting on Sundays or public holidays. Blasting at reduced levels of vibration will be carried out at other times for maintenance/safety purposes.

### **Is the mining process the same as that currently used at Correnso in Waihi East?**

Apart from some small variations, we will be using the same mining process as that which we currently use at Correnso.

### **Will blast vibration damage my property?**

No. Blast vibration levels are set by consent at a level well below that which can cause damage to property. If it was determined that our activities damaged your property, we would repair or replace it under our 'We Break – We Pay' policy.

### **Will I feel the vibration from blasting?**

You may feel vibration from blasting. The Correnso consent conditions set a maximum allowable blast vibration level of 5mm/s for 95% of the time to protect amenity values. We would anticipate the same conditions being applied to Rex.

**Will AEP be payable?**

Yes. We expect that the Amenity Effect Programme which is a consent condition for Correnso to also operate at Rex.

**Is there a risk of sinkholes from Rex?**

All of the stopes will be backfilled, just as we have at Correnso. There is no risk of sinkholes from modern mining.

**Will this project affect the value of my property?**

The experience with Correnso was that there was a short term dip in prices, but they then returned to pre-announcement levels. We would expect the same to happen with this project.

**If you are mining under my property will you offer to purchase it or pay me?**

Yes. We expect consent conditions similar to those in effect at Correnso to apply. This means we would offer to purchase your property at market valuation (valued as if there had been no announcement) plus pay legal fees, removal fees and an inconvenience payment. Alternatively, we would offer to pay a one-off 5% ex gratia payment based on the market valuation of your residential property. On a \$300,000 property that would be \$15,000.

## Martha Underground

**Where is this project located?**

Most of the workings are contained within the current footprint of the Martha open pit. One section of the workings will extend outside the current open pit boundary to an area on the west of Kenny Street from Brickfield Road to the conveyor.

**How long will the project be in operation?**

We expect this project to last at least 10 years.

**How deep will the workings be?**

The workings will extend about 300 metres below the current pit floor. This is about the same depth that early miners reached with shafts and tunnels before the mine closed in 1952.

**Will the new stopes be backfilled?**

All of the new stopes will be backfilled. In addition, a number of pre-1952 unfilled stopes will also be backfilled. We anticipate this will significantly reduce the potential for future sinkholes caused by old unfilled workings.

**Will I see anything on the surface?**

There will be one or more vent shafts in the Martha open pit similar to the one which currently exists on Union Hill.

## Martha North Wall

**Which areas will be mined?**

The North Wall of the open pit will be laid back to create a stable and safe pit wall. The crest of the pit will reach to where Bulltown Road is currently. The haul road inside the open pit will be re-established.

**Will Bulltown Road be affected?**

We will need to move one small section of Bulltown Road. This will affect one resident who we have been working with. Cambridge Road and Bulltown Road will remain open.

**How long will the project be in operation?**

We expect this work to last around ten years, however it will not be continuous over that time. There will be periods of time when no work will be undertaken.

**Will AEP be payable?**

Yes. We expect that the Amenity Effect Programme will continue to operate.

**Will there be effects from the operation?**

Previous operations in the Martha open pit created noise, dust and vibration. All of these effects are subject to strict consent condition limits.

**What will happen to the Pit Rim Walkway?**

The Pit Rim Walkway will be restored as soon as practicable.

## General

**When will you lodge a consent application?**

We expect to lodge a consent application with Hauraki District Council and Waikato Regional Council in May.

**What is the consenting timeline?**

We expect that consent applications will be lodged in May 2018, with 'Public Notification' in August. This will be followed by a hearing and consultation process that, including any appeals to the Environment Court, will take until late 2019.

**How can I make my views known?**

You can talk with us, or you may wish to make a submission during the hearing process. Your submission needs to be written, and in addition you can also ask to speak at the hearing.

**Where else in Waihi are you planning to mine?**

We are continuing to explore in and around Waihi. We are continuing to explore and study other mining opportunities and plan to significantly progress these. We anticipate making further announcements later in 2018.

**Where can I get more information?**

Members of our External Affairs team are available to answer your questions and provide additional information. Contact us on 0800 WAIHIGOLD (0800 92 44 44).

**What does this project mean for Waihi?**

Most recent mining projects have been short duration. Knowing that we will have a mine life of 10 years or more will provide certainty for businesses and the community. The mine is responsible for around 40% of the town's economy. While not all of our staff live in Waihi, they all spend money here. A long-term project also ensures the continuation of our sponsorships, donations, and community partnerships.

**Will this project create more employment?**

This project will not create additional employment, but it will ensure the continuation of employment for the approximately 350 people who currently work at OceanaGold Waihi.

## Property package

During Correnso consultation and subsequent mediation, a number of proposals relating to property above the planned underground mine were put forward, amended, and finally agreed on. These initiatives formed what became known as the Property Package. We are proposing the same suite of initiatives for Project Martha properties directly above underground workings.

### Top Up

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If your property is above the Rex area and you put your house on the market while we are mining in Rex and you are offered less than the market valuation we will 'Top Up' the offer to ensure the sale. This payment would be made to the potential purchaser who would then make full payment to you as the vendor.

### Ex gratia payment above drives

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If we construct a drive (tunnel) underneath your property we will offer a one-off ex gratia payment of 5% of the market valuation of your property.

### Purchase or ex gratia payment above stopes

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If we mine under your property we will offer to purchase it from you at market valuation, or you may choose to accept the one off 5% ex gratia payment instead.

### Amenity Effect Programme

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Residents in defined areas above and adjacent to Project Martha would be eligible for six monthly payments under the Amenity Effect Programme. Payments would vary depending where we were working in the mine and the effect on amenity.

### BRANZ reports

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We will offer a report produced by the Building and Research Institute of New Zealand (BRANZ). This report will provide baseline data on the current condition of your property.

## A possible timeline of events

Members of the community will have opportunities to make their views known. This can take several forms. It could be to the company before the consent application is lodged, at the hearings later in the year, or in the legal setting of the Environment Court in 2019 if required. Each has a different function and different requirements.

MARCH 2018	Project Martha announced, consultation begins.
MAY 2018	Consents lodged.
AUGUST 2018	Public notification.
SEPTEMBER 2018	HDC planner's report available. OceanaGold evidence.
OCTOBER 2018	Council hearing.
NOVEMBER 2018	Council's decision. Appeal period (three weeks).
MAY 2019	Environment Court hearing (if required).
OCTOBER 2019	Environment Court decision (if required).