



CROWN MINERALS ACT 1991
MINERALS PROGRAMME FOR MINERALS (EXCLUDING PETROLEUM) 2013
CROWN MINERALS (MINERALS OTHER THAN PETROLEUM) REGULATIONS 2007

Guidance on design of work programmes for minerals prospecting, exploration and mining permits

Permit work programmes set minimum requirements for a permit holder’s activities in return for rights to prospect, explore or mine the Crown’s mineral resources. The work programme is a set of legally enforceable obligations that form part of the permit certificate.

The general requirements for a work programme are set out in the Minerals Programme for Minerals (excluding Petroleum) 2013 (the “**Minerals Programme**”). These should not be considered in isolation from the other relevant parts of the legislation.

A work programme is initially proposed by the applicant, and may be modified in discussion with NZP&M. Applications can be declined if a proposed work programme is inadequate. Work programmes need to be relevant to the type of permit (prospecting, exploration or mining), the geology of the permit area, prior work and the existing knowledge of the application area.

PURPOSE

This guideline explains the principles of setting work programmes for minerals prospecting, exploration and mining permits in relation to the requirements of the Crown Minerals Act 1991 (the “**Act**”) and the Minerals Programme.

The guideline is primarily for First Acceptable Work Programme Offer applications (also known informally as priority in time), although the principles are generally applicable to Newly Available Acreage (“**NAA**”) or tender applications. NAA and tender applications are competitive, and the proposed work programme is a key determinant for the grant of a permit. Specific requirements for work programmes in competitive tenders are detailed in the Invitation for Bids for the specific tender and should be the main guide for applications in a competitive tender.

LEGISLATIVE CONTEXT

The legislation that governs requirements for work programmes involves principles set out in different sections of the Act and the Minerals Programme, as well as specific requirements set out in particular parts of the Minerals Programme that apply to different types of permits (Appendix 1).

NZP&M assesses proposed work programmes as part of an application. The scope of the considerations is a major reason processing of applications is time-consuming. Well thought-out proposals from applicants will expedite processing times.



APPLICABLE GUIDELINES

General

The cornerstone provisions of the Act concern:

- › maximising the economic recovery of Crown-owned minerals for the benefit of New Zealand
- › the efficient allocation of rights
- › good industry practice
- › effective management and regulation
- › a fair financial return to the Crown.

These provisions guide how NZP&M assesses work programme proposals against the detailed considerations set out in the Minerals Programme and Regulations.

Permit applicants must provide a work programme and explain the rationale for the work programme as prescribed by the regulations. Each type of application has specific work programme requirements (Appendix 1).

An agreed work programme becomes part of the permit document. This application → assessment → negotiation → permit work programme chain is the key to processing permit applications.

The most important return to the Crown from prospecting and exploration work programmes is the increase in knowledge of its resources towards the development of mining opportunities, and work programmes are expected to have that outcome. NZP&M lodges reports from previous work programmes in its technical data base for the benefit of subsequent explorers, and extending that knowledge base is an expectation of new prospecting and exploration work programmes.

The key considerations for work programmes in the Minerals Programme are:

- › A work programme should enable the permit holder to have sufficient knowledge of the resource to meet the requirements of being able to progress to the next stage of the permit life cycle: prospecting → exploration → mining.
- › The Crown's knowledge of a resource should be continually improved. New work programmes are expected to advance what is already known and not repeat work done at earlier stages or by a previous permit holder, although the iterative nature of exploration is recognised.
- › A work programme is a minimum work programme. All the activities an applicant wishes to carry out do not need to be incorporated, but applications should indicate the full scope of work intended to be carried out on the permit. The intention is to avoid excessively detailed work programmes that have high compliance risk for the permit holder but provide no work programme flexibility and therefore generate unproductive change of conditions applications.
- › Prospecting and exploration work programmes should be staged to focus on sequential outcomes. Mining permit work programmes are commonly not staged in the same way, but can be to reflect sequential development.
- › The major part of the work programme must, within reason, relate to the whole of the permit area, not just a part of it. An application will be declined if it appears that the objective of the work programme is to hold ground without adequate work or rationale.

PROSPECTING WORK PROGRAMMES

Minerals prospecting permits are intended for preliminary or reconnaissance investigations where the mineral potential of an area is not already well understood. Under the Act and Minerals Programme, the objective of a prospecting permit is to identify land likely to contain mineral deposits or occurrences.

Granting of prospecting permits is constrained by the wording of the Act (s 28) and the Minerals Programme. This is to prevent prospecting permits being used to hold ground without meaningful work programmes.

Prospecting work programmes must be based on activities considered to be prospecting under the Act. These include geological, geochemical, and geophysical surveying, aerial surveying, taking samples by hand or hand held methods, or taking small samples offshore by low-impact mechanical methods. NZP&M interprets this to exclude most drilling.

A number of other considerations apply to prospecting:

- › The work programme for a prospecting permit should not repeat work already carried out in the area by similar techniques to those previously used. If the land has already been identified as likely to contain mineral deposits or occurrences, or the objective of the work programme is broader than this, then an exploration permit is likely to be more appropriate for the area.
- › The proposed work programme should materially add to the existing knowledge of the mineral/s in all or part of the land to which the application relates [s 28 of the Act].
- › Applications for prospecting permits will ordinarily be declined unless the work programme includes new or improved sampling techniques. NZP&M has some discretion in applying this principle. New or improved sampling techniques can apply to geophysical methods, sampling and analytical methods or even mapping if, for example, there has been relevant revision to litho- or biostratigraphy. The Act also allows for special circumstances to apply. If applicants consider that special circumstances apply, reasons should be explained in the application.
- › Prospecting permits can cover large areas (up to 500 km² onshore and 5,000 km² offshore). The work programme should investigate the full extent of the land covered by the permit. If areas are not planned to be prospected these areas should be removed from the application or a more appropriate work programme proposed to cover these areas.
- › A prospecting permit for gold (except alluvial gold), silver, coal, ironsand, metallic minerals¹ and platinum group metals is a Tier 1 permit².
- › A prospecting permit for all other minerals and alluvial gold is a Tier 2 permit. Applications for Tier 2 prospecting permits will ordinarily be declined³.
- › Applications for coal prospecting permits over delineated coalfields will ordinarily be declined⁴.

1 *Metallic minerals for the purposes of the Act do not include gold, silver, ironsand, or platinum group metals [Schedule 5 of the Act].*

2 *See S 2 B(1) and Schedule 5, column 1 of the Act; also Part 1.7 2(b) of the Minerals Programme.*

3 *Part 8.1 (3)(b) of the Minerals Programme.*

4 *Part 8.1 (3)(a) of the Minerals Programme.*

- › Applications for all other minerals - gold (except alluvial gold), silver, coal, ironsand, or another metallic mineral – will be ordinarily declined if the mineral has previously been prospected for in all or part of the area applied for.

EXPLORATION WORK PROGRAMMES

Exploration work programmes should be sufficient to either identify at least an inferred mineral deposit or determine the feasibility of mining particular mineral resources [see Part 9.1(2) of the Minerals Programme] by the end of the duration of an exploration permit. This can only be extended by an appraisal extension.

As required by the Minerals Programme, the general matters that a work programme is assessed against include:

- › the geology of the area
- › past prospecting, exploration or mining activities
- › whether there are defined exploration targets, and their location
- › the objectives of the work programme and the technical approach to be taken
- › whether the proposed exploration is in accordance with good industry practice
- › whether the full area will be explored
- › the timing and scale of committed work, particularly drilling
- › the minimum exploration expenditure indicated for each stage
- › whether the work programme will allow a commercially justifiable decision to be made on the development of a particular mineral deposit before the permit expires.

Other considerations in the construction of good permit work programmes arise either directly from the Act, the Minerals Programme and the Regulations, or are the practice that NZP&M applies to its assessment of work programme proposals.

- › Exploration work programmes should normally consist of two stages: one three-year stage and one two-year stage, in no particular order. This staging will also generally apply to the second five years' duration if the permit is extended for the full ten years. This design is intended to group activities towards achieving milestones and to reduce compliance complexity.
- › This staging allows work programmes to be outcome-focused but there must still be commitment to specific activities that enable that outcome to be reached. Each stage of the work programme should have a clear outcome and activities that result in a set of deliverables. The resulting permit conditions should thus be neither too general nor overly prescriptive.
- › A detailed company exploration plan that covers all aspects of the project such as health and safety, environmental monitoring, methods, equipment, and logistics is not likely to be a good work programme under the Act. These are not relevant to the Act, so therefore will not be included in a NZP&M minimum work programme, but they are still encouraged to be detailed in an application so the Crown has an understanding on the technical approach the company intends to take and any potential issues the project may face. The minimum work programme for the permit itself should follow the guidance above.

- › Good drafting of a work programme includes anticipation of possible changes and minimising the need for change of condition applications. This can avoid administrative complications while still keeping the work programme technically meaningful.
- › The activities in the work programme should enable the permit holder to achieve the outcome, but should be sufficiently flexible to allow for changes in exploration focus. Obligations should not cause a permit holder to undertake work that is only done to remain compliant with permit conditions and will not assist in the outcome of a work programme being reached.
- › Applications for permits that contain vague work programmes are likely to be declined.
- › Work programme proposals can appear to be detailed but contain little substance. Conditions such as “commence a programme of drilling” or “drilling if appropriate” are meaningless: there is no deliverable, and no requirement on the timing or extent of the drilling.
- › In the case of a Tier 1 exploration permit application, a work programme must identify drilling targets within the first stage, and commit in the next stage to drilling and other exploration activities that will delineate the resource [Part 9.2(2) of the Minerals Programme]. Tier 2 permits do not have that mandatory requirement, but other considerations apply.
- › Work programme activities that substantially repeat work that has already been conducted and will not materially add to the knowledge of the area are not acceptable. For a new exploration permit, the first stage of a work programme that is solely prospecting in nature would not be appropriate for an exploration permit.
- › The work programme should include a requirement covering quality control quality assurance (“QAQC”) information that demonstrates the accuracy and precision of all data.
- › Work programmes should consider and anticipate the compliance process. There should be little ambiguity in a work programme condition. Conversely, excessive detail can cause unnecessary problems when NZP&M assesses compliance. Achieving the exploration objective is more important than detailed matching of activities with compliance⁵.
- › Work programmes need to anticipate application for subsequent permits or extensions of duration to the exploration permit. For example if an exploration work programme does not anticipate the requirements for a mining permit, the application for a subsequent mining permit could be declined as the criteria required for grant of a mining permit are unlikely to be met.

Appraisal extension work programmes

An exploration permit holder may apply for an appraisal extension to further explore a discovery if the permit has the potential to lead to the grant of a mining permit, there has been insufficient time to carry out the appraisal work, and the appraisal work programme is adequate [part 9.6 of the Minerals Programme].

⁵ There is a separate guideline on compliance that explains how this balance is viewed by NZP&M.

A work programme for an extension of duration to appraise a discovery has specific requirements:

- › The appraisal must advance knowledge of a resource to the point of determining whether it is economic, and lead to the completion of mine feasibility studies. [Part 9.6(3) of the Minerals Programme].
- › An appraisal extension is not granted for the purposes of allowing further general exploration, and the area of an appraisal extension must be restricted to the land in the permit to which the discovery relates.
- › An appraisal extension may have a duration of up to four years, which can be extended for a further four years if this is necessary to fully appraise the discovery and apply for a mining permit.
- › Work programmes for appraisal extensions may consist of two two-year stages, but single stage work programmes will also be considered.

MINING WORK PROGRAMMES

Mining work programmes are fundamentally different to prospecting or exploration work programmes because they centre on production rather than staged activities.

- › The work programme must be a firm mining proposition over adequately defined reserves. The key consideration is whether the work programme will economically deplete the mineable resource to the maximum extent practicable in accordance with good industry practice.
- › Mining work programmes may be staged to accommodate uncertainty in a development sequence or the results of additional feasibility studies. The permit work programme can include exploration of marginal resources and these may be expected to be staged.

- › Mining commencement dates are normally part of the work programme. Mining operations are expected to start as soon as possible. Delayed commencement dates can be considered by NZP&M as part of the assessment of the work programme [Clause 10.13 of the Minerals Programme]. NZP&M is aware of the delays that obtaining resource consents and land access can cause. The Act allows amendment of the commencement date of a permit if the permit holder has been prevented from commencing production by delays in obtaining consents under any other Act and those delays have not been caused by the permit holder.
- › Minimum production rates are a common requirement on mining permit work programmes. This is to ensure that a mining permit is continually being given effect to and to avoid holding ground without producing. These production rates will not be maximum target rates but sufficient to ensure the permit holder is giving effect to the permit while also allowing operational flexibility. The production rates will be assumed as being on a calendar year annual basis to align with annual summary reporting to NZP&M. Discretion to reduce production during adverse economic conditions is not specifically recognised in the legislation.
- › The work programme should include a requirement covering quality control quality assurance (“QAQC”) information that demonstrates ongoing accuracy and precision of all data.
- › Competing applications are assessed in accordance with Chapter 7 of the Minerals Programme, which places emphasis on the strength of the work programme.

APPENDIX 1: Applicable legislation

CROWN MINERALS ACT

Section 29A(2), in part, sets out the overarching principles that NZP&M must consider in respect of a proposed work programme before granting a permit.

- 29A** (2) Before granting a permit, the Minister must be satisfied—
- (a) that the proposed work programme provided by the applicant is consistent with—
 - (i) the purpose of this Act; and
 - (ii) the purpose of the proposed permit; and
 - (iii) good industry practice in respect of the proposed activities; and
 - (b) that the applicant is likely to comply with, and give proper effect to, the proposed work programme, taking into account—
 - (i) the applicant's technical capability; and
 - (ii) the applicant's financial capability; and
 - (iii) any relevant information on the applicant's failure to comply with permits or rights, or conditions in respect of those permits or rights, to prospect, explore, or mine in New Zealand or internationally;

Section 43 sets out the overarching principles that NZP&M must consider in respect of work programmes for subsequent permits.

- 43** (1) Where an application is made for a permit and the applicant has a right to receive the permit under section 32, the Minister must not grant the permit unless he or she has approved the work programme for the permit.
- (2) Where an application is made for a permit and the applicant has a right to receive that permit under section 32, the Minister, within 6 months after receiving the proposed work programme for the permit applied for, shall either—
- (a) approve the programme; or
 - (b) withhold approval of the programme if the Minister considers that—
 - (i) it is contrary to good industry practice; or
 - (ii) to approve the programme would be acting contrary to section 22,— and shall notify the applicant accordingly.
- (3) Where the Minister withholds approval of a proposed work programme under subsection (2), the applicant shall be entitled to submit a modified work programme to the Minister within a reasonable period, as specified by the Minister when withholding approval of the

proposed work programme, and the Minister shall then, within a further 6 months, either—

- (a) approve the modified work programme; or
- (b) withhold approval of the modified work programme if the Minister considers that—
 - (i) it is contrary to good industry practice; or
 - (ii) to approve the programme would be acting contrary to section 22,— and shall notify the applicant accordingly.

MINERALS PROGRAMME

Chapter 5.1 of the Minerals Programme reiterates section 29A of the Act.

Chapter 5.2 of the Minerals Programme explains how a proposed work programme is determined to be consistent with the purpose of the Act.

Chapters 8, 9 and 10 of the Minerals Programme explain the considerations NZP&M will apply to proposed work programmes in applications for prospecting, exploration and mining permits respectively.

Chapter 12.2 explains the considerations NZP&M will apply to proposed changes to work programmes.

General

5.2 Work programmes

- (1) All applications for permits must include a proposed work programme for the permit.
- (2) In determining whether the proposed work programme is consistent with the purpose of the Act, the Minister will consider the matters set out in clauses 1.2 and 1.3 as applicable.
- (3) In determining whether the proposed work programme is consistent with the purpose of the proposed permit, the Minister will consider (without limitation):
 - (a) for prospecting permits, the matters set out in chapter 8
 - (b) for exploration permits, the matters set out in chapter 9
 - (c) for mining permits, the matters set out in chapter 10.
- (4) In determining whether the proposed work programme is consistent with good industry practice, the Minister will consider the matters set out in clause 1.3(10) as applicable.

Prospecting work programmes

8.2 Assessment of work programmes

- (1) The Minister will ordinarily decline a prospecting permit application unless the proposed work programme:
- (a) has as its purpose to identify land likely to contain exploitable mineral deposits, and
 - (b) will add materially to the knowledge about the minerals within the area and is appropriate to the size and term of the permit sought.

8.3 General matters to be considered for assessment of work programmes

- (1) In assessing the proposed work programme, the Minister will ordinarily consider (but is not limited to) any or all of the following matters:
- (a) the geology of the land that will be covered by the work programme
 - (b) any prospecting, exploration or mining previously carried out over all or part of that land. In considering previous prospecting, exploration or mining, the Minister will ordinarily have regard to:
 - (i) how long ago the activities were undertaken
 - (ii) the type and appropriateness of investigations undertaken
 - (iii) the methods and analytical techniques that were used
 - (c) the existing knowledge of the mineral resources of the land
 - (d) the proposed prospecting activities, including the extent to which the programme proposes to use new or improved sampling, analytical or survey techniques
 - (e) the minimum level of expenditure indicated
 - (f) whether the proposed prospecting activities will investigate the full extent of the land to be covered by the permit
 - (g) the time the applicant estimates will be required:
 - (i) to carry out the proposed prospecting work, and
 - (ii) to process and analyse the results.

Exploration work programmes

9.2 Assessment of work programmes

- (1) A work programme for an exploration permit should consist of two distinct stages: ordinarily one three-year stage and one two-year stage. A work programme will not ordinarily have commitment deadlines at any time other than the end of each stage.
- (2) In the case of a Tier 1 exploration permit application, the Minister will ordinarily decline a proposed work programme for that application unless, in addition to

the requirements of clause 9.1 above, the proposed work programme includes all the following minimum work commitments (it may also include other work commitments):

- (a) exploration targets for drilling, which will be finalised within the first stage of the work programme
- (b) drilling and other exploration activities that are appropriate to assessing the scale and prospectivity of the identified exploration targets, or that are directed at increasing the level of geological confidence of a mineral resource or deposit.

9.3 General matters to be considered for assessment of work programmes

- (1) In assessing a proposed work programme, the Minister will ordinarily consider (but is not limited to) any or all of the following matters:
- (a) the geology of the land to which the permit application relates, including whether the land contains defined exploration targets or is contiguous to defined exploration targets
 - (b) past prospecting, exploration or mining activities that may be relevant to the land covered by the permit application
 - (c) the technical approach to be taken when exploring the land to which the permit application relates, and the stated objectives of the work programme
 - (d) whether the proposed exploration is in accordance with good industry practice and provides for exploration over the full extent of the land to which the permit application relates; and whether the proposed key exploration activities are contingent on activities that are considered to be prospecting in nature
 - (e) the timing and quantities of committed work, particularly drilling
 - (f) the time the applicant estimates is required to undertake both the committed and contingent exploration work proposed and to process and analyse the results
 - (g) the minimum exploration expenditure indicated for each stage, including the expectation of increased expenditure in line with more intensive exploration activities
 - (h) for a subsequent exploration permit, any extent to which the land to which the application relates is reduced to focus on specific identified exploration targets or a mineral deposit
 - (i) whether the proposed exploration work programme will enable a commercially justifiable decision to be made on the development of a particular mineral deposit before the permit expires.

9.6 Extension of duration to appraise a discovery

(3) In assessing the sufficiency of an appraisal work programme submitted with an application to extend the duration of an exploration permit, the Minister will ordinarily consider (but is not limited to) any or all of the following matters:

- (a) the nature of the proposed appraisal work
- (b) the extent and physical characteristics of the discovery, and the technical approach to better defining these characteristics
- (c) estimates of mineral resources, which:
 - (i) should include at least inferred resources, and
 - (ii) for Tier 1 permits, are made in accordance with a recognised resource classification code
- (d) whether the proposed appraisal work is necessary and sufficient to advance knowledge of a discovery or resource to allow determination of whether an economically mineable mineral resource or deposit is present
- (e) the proposed staging and timing of the appraisal work, including whether the work programme specifies decision points that will lead to the completion, within the period of the extension, of mine feasibility and technical studies for the development and mining of the discovery
- (f) whether the permit holder has complied with the conditions of the permit, the Regulations, and the Act.

(4) If the Minister is not satisfied that an appraisal work programme is necessary or sufficient to carry out any warranted appraisal work, the Minister will ordinarily:

- (a) notify the applicant in writing, giving reasons, and
- (b) give the applicant a reasonable opportunity to submit a modified appraisal work programme.

(5) The Minister will ordinarily extend the duration of the appraisal extension if the permit holder satisfies the Minister that the appraisal work programme cannot be completed within the original appraisal extension period

and that the permit holder is taking all practicable steps to advance appraisal of the discovery.

(6) An appraisal extension is not granted for the purposes of allowing further general exploration.

Mining work programmes

10.2 Matters that may be considered by Minister

(1) In considering whether a mineral deposit has been sufficiently delineated to support the granting of a mining permit, or in assessing any proposed work programme (or modified work programme), the Minister will ordinarily consider (but is not limited to) any or all of the following matters:

- (a) the geology and occurrences of minerals within the land to which the mining permit application (or application for extension of duration) relates
- (b) the applicant's knowledge of the geology and extent of the mineral resource that the applicant proposes to extract
- (c) estimates of mineable mineral resources, which may include indicated and measured resources, probable and proved reserves, and the accompanying documentation on input data, methodology, quality control and validation of the mineral resource estimates
- (d) inferred mineral resources
- (e) the applicant's mining feasibility studies, which include mine design, scheduling and production, resource recovery, and economic viability
- (f) project economics – in particular the financial viability and technical constraints, and the proposed level of expenditure in relation to the scale and extent of the proposed operations
- (g) whether the proposed mining operations are in accordance with good industry practice.

REGULATIONS

Regulations covering new work programme proposals are as follows:

REGULATION	APPLICATION	SCHEDULE
16	Application for prospecting permit	Part 1 Schedule 2
17	Application for exploration permit	Part 2 Schedule 2
18	Application for mining permit	Part 3 Schedule 2
24	Application to extend duration of prospecting permit	Part 5 Schedule 3
26	Application to extend duration of exploration permit (unless for purpose of discovery appraisal)	Part 7 Schedule 3
27	Application to extend duration of exploration permit for purpose of discovery appraisal	Part 8 Schedule 3

Information to accompany prospecting permit application under regulation 16

- 5 A statement of the proposed minimum work programme that—
- (a) states its objectives; and
 - (ab) identifies the area to which the work programme relates; and
 - (b) identifies the technical rationale, milestones, and deliverables of the programme; and
 - (c) identifies any ongoing work commitment options; and
 - (d) for each stage of the programme, states the minimum expenditure for the stage; and
 - (e) states the minimum expenditure for the proposed duration of the permit.

Information to accompany exploration permit application under regulation 17

- 5 A statement of the proposed minimum work programme that—
- (a) states its objectives; and
 - (b) identifies the technical rationale, milestones, and deliverables of the programme; and
 - (c) identifies any ongoing work commitment options; and
 - (d) for each stage of the programme (being not more than 36 months' duration), states the estimated minimum for the stage; and
 - (e) states the minimum expenditure for the proposed duration of the permit; and
 - (f) indicates any review or decision points in the programme that may lead to—
 - (i) exploration continuing; or
 - (ii) the permit holder applying for an extension of duration of the permit to appraise a discovery; or
 - (iii) the surrender of the permit; and
 - (g) if the programme depends on results from review or decision points, an outline of the likely course of exploration; and
 - (h) states whether the proposed exploration is in accordance with good industry practice.

Information to accompany mining permit application under regulation 18

- 5 A statement of the proposed work programme that provides an overview of how the permit area will be worked that includes—
- (a) the size, nature, extent, and siting of the proposed mining operations; and
 - (b) the proposed mining methods to be used; and

- (c) the proposed mining and production schedule; and
- (d) the expected production and long-term mining scheme for the mineable resource; and
- (e) the proposed start date for production; and
- (f) any proposed prospecting or exploration work in relation to the permit area; and
- (g) the proposed expenditure under the permit; and
- (h) if applicable, the point of valuation for royalty purposes.

Information to accompany application under regulation 24 to extend duration of prospecting permit

- 4 A statement of the proposed minimum work programme to be carried out during the proposed extension of duration.

Information to accompany application under regulation 26 to extend duration of exploration permit (unless for purpose of discovery appraisal)

- 6 A statement of the proposed minimum work programme to be carried out during the proposed extension of duration that contains sufficient information for the Minister to satisfy himself or herself that the programme will provide for the satisfactory exploration of the land for which the extension is sought and that includes,—
- (a) the objectives of the programme; and
 - (b) details of any proposed stages; and
 - (c) the proposed expenditure for each proposed stage; and
 - (d) the results of exploration activities undertaken by the permit holder in the permit area to date; and
 - (e) an explanation of the geology and potential mineralisation of the permit area.

Information to accompany application under regulation 27 to extend duration of exploration permit for purpose of discovery appraisal

- 7 A statement of the proposed appraisal work programme to be carried out during the extension of duration that—
- (a) gives details of any proposed stages of work; and
 - (b) states the proposed expenditure for each proposed stage.
- 8 A discussion of the objectives of the proposed appraisal work programme that contains sufficient information for the Minister to satisfy himself or herself that—
- (a) reasonable efforts are being made to carry out the appraisal work programme; and
 - (b) the proposed appraisal work programme is sufficient to carry out the proposed appraisal work; and
 - (c) the duration of the current permit is insufficient to carry out the appraisal work for the discovery.

Disclaimer

This document is a guideline only and is not intended to cover every possible situation. If this guideline is inconsistent with the Act, relevant Minerals Programme or relevant regulations, the Act, Programme and regulations prevail. This guideline has no binding legal effect and should not be used as a substitute for obtaining independent legal advice.

New Zealand Petroleum and Minerals (NZP&M) is not responsible for the results of any action taken on the basis of information in this guideline, or for any errors or omissions in this guideline. NZP&M may vary this guideline at any time without notice.

There may be factors taken into account in any application process, transaction or decision that are not covered by this or any other guideline. Adherence to this guideline does not guarantee a particular outcome. NZP&M retains the discretion to decline any application where the statutory requirements for that application are not met.



**NEW ZEALAND
PETROLEUM & MINERALS**

www.nzpam.govt.nz
nzpam@mbie.govt.nz

PO Box 1473, Wellington 6140,
New Zealand

FREEPHONE (WITHIN NEW ZEALAND): 0508 263 782
INTERNATIONAL CALLS: +64 3 962 6179 FAX: +64 4 471 0187

NZP&M is a division of the Ministry of Business, Innovation and Employment. We lead and actively manage New Zealand's petroleum and minerals portfolio ensuring the country's economic interests and assets are comprehensively protected. Our goal is to use our wider understanding of the energy and resources sector to increase national and regional prosperity via petroleum and minerals exploration and production.

As a government agency, we engage with Councils, iwi and communities about petroleum and minerals development and regulation of the industry. We manage compliance and revenue collection on behalf of the Crown and aim to maximise the return that these important industries deliver for the benefit of all New Zealanders.

We report to the New Zealand public through the Minister of Energy and Resources.