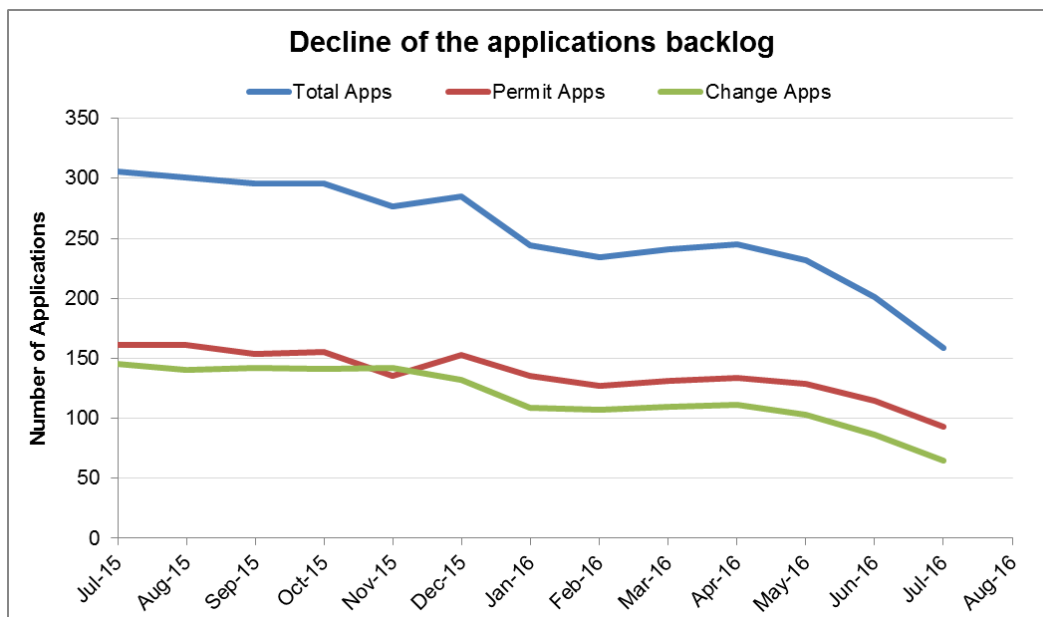


MINERALS APPROVAL PERFORMANCE – SECOND QUARTER 2016 (April – June 2016)

Welcome to our second quarterly Minerals Approval Performance Report. An efficient and timely approvals process for mining projects is important for the continued development of the resources sector. To ensure transparency we have committed to publishing our performance for processing permit applications against the target timeframes.

This quarter has shown considerable gains in our management of the historic backlog of unresolved applications which is a critical step in being able to meet these targets. This backlog of applications has nearly halved since this time last year, from a total of 306 applications in July 2015, to 158 in July 2016.

It's important to note that the application queue will never get to zero. We estimate the natural balance point is around 100-150 in queue at any one time. We aim to have 80% of applications within the target timelines in 2017.



Overall in this quarter a total of 150 permit and change applications were decided, significantly up from 61 in the first quarter of 2016. As was expected, due to resolution of a number of historic applications this quarter, the percentage of applications completed within our target timelines did not show improvement. We expect to see steady improvement in these figures over 2017. One notable difference this quarter was the number of applications rejected due to incompleteness. From 1 May 2016 we

ceased the practice of a five day grace period before rejecting incomplete applications. Deficient applications are a significant time sink and this change in approach has helped focus time and effort on high quality applications and tackling the historic backlog.

To assist applicants we have continued to give feedback on the reasons for incompleteness and what is required for future applications. We have developed a new guideline specifically for [Tier 2 alluvial gold permit applicants \[PDF 384KB\]](#) which is available on our website.

We are encouraged by the continued uptake of the Online Permitting System (OPS) with 32.4% of all permit and change applications being submitted online during the last quarter. This is up from an average of 24% during the first 12 months of the OPS.

NZP&M will continue to improve the transparency, certainty and timeliness of our approvals process. Feedback on the usefulness of this report is welcome.

The table below provides information on minerals applications received and processed in the first quarter of 2016. It also shows how permit processing measures against our timeline targets. The timeline targets apply to NZP&M's processing time and do not include the time taken where the assessment process is put on hold while additional information is sought from applicants.

Application statistics for Second Quarter (April-June) 2016

Application types	Applications carried over from previous quarter	New applications received this quarter	Applications rejected or withdrawn	Accepted applications approved or declined	Total resolved applications	Applications carried over to next quarter	Timeline target (business days)	% decision made on accepted applications within timeline target this quarter *
All hobby permit applications	8	5	0	7	7	6	60	43%
New Permit applications	125	34	18	54	72	87		31%
Prospecting Permits	18	6	5	1	6	18	80	0%
Tier 1 Exploration Permits	10	0	0	3	3	7	80	67%
Tier 2 Exploration Permits	60	8	6	30	36	32	80	20%
Tier 1 Mining Permits	1	1	0	0	0	2	120	N/A
Tier 2 Mining Permits	36	19	7	20	27	28	120	45%
Change applications	111	75	32	89	121	65		46%
Change of Conditions	18	7	2	8	10	15	60	38%
Transfers, Change of Operator & Consent to dealings	8	29	13	12	25	12	40	75%
Notification of Change of Control	4	3	1	3	4	3	40	33%
Extension of Duration to a Prospecting or Exploration Permit	11	1	2	3	5	7	60	0%

Change of Minerals to a Prospecting or Exploration Permit	0	0	0	0	0	0	60	N/A
Extension of Land to a Prospecting or Exploration Permit	3	1	0	3	3	1	60	0%
Extension of Duration for Appraisal to an Exploration Permit	3	0	0	1	1	2	120	0%
Extension of Duration to a Mining Permit	25	5	5	17	22	8	120	53%
Extension of Land to a Mining Permit	23	9	3	17	20	12	120	24%
Change of Minerals to a Mining Permit	3	1	0	2	2	2	120	100%
Partial Surrenders	6	10	5	9	14	2	20	44%
Full Surrenders	7	9	1	14	15	1	10	64%
Totals	244	114	50	150	200	158		41%

* "N/A" means no applications were finalised in the quarter; 0% means that none of the applications finalised met the timeline target.