

Minerals permits and regulation through the lifecycle

The regulations affecting a minerals permit differ according to the different phases of a permit.

NZP&M permits convey the right to search for or extract Crown-owned mineral resources only. Permits for minerals are classified in a two-tier system [<http://mbie17.cwp.govt.nz/permits/minerals/types/#tiers>].

Multiple government agencies, together with regional and district councils, share the responsibility for regulating minerals activities in New Zealand.

The agencies involved and their roles differ in the onshore and offshore space and according to the different phases of the minerals permit.

Assessment

Prospecting permits

An operator wanting to prospect for a mineral needs to obtain a prospecting permit from NZP&M before undertaking activities such as surveying and taking soil samples.

Prospecting permits give the permit holder the right to prospect for specified minerals. Allowed activities are very low-impact, such as literature searches, geological mapping, hand sampling, offshore sampling (by low-impact mechanical methods), or aerial surveys.

Generally onshore permits are no larger than 500 square kilometres, and offshore permits have a maximum area of 5,000 square kilometres. Permits are typically granted for two years. An extension covering no more than half of the original permit area can be granted for two years and this can be extended up to a total of four years from the permit commencement date.

Permits are granted to the first applicant with an acceptable work programme. They are normally exclusive (unless a non-exclusive permit is requested).

Prospecting permits are not granted over public conservation land listed in section four of the Crown Minerals Act [<http://www.legislation.govt.nz/act/public/1991/0070/latest/DLM247378.html>]. This includes high value conservation land such as National Parks and marine reserves. In addition permits are generally not granted over World Heritage Areas (WHA).

Land access

Permit holders must provide ten days' notice of planned minimum impact activities to land owners and occupiers on private land.

For minimum impact activities on public conservation land, permission is required from the Department of Conservation (DoC) [<http://www.doc.govt.nz/>].

Environmental protection

Surveys and sampling may be a permitted activity (subject to compliance with specific criteria) or they may require a resource consent, depending on the rules in the relevant council's Regional or District Plans.

Prospecting for minerals beyond 12 nautical miles (nm) is a 'permitted activity' under the Exclusive Economic Zone (EEZ) Act [<http://mbie17.cwp.govt.nz/our-industry/rules-regulations/>]. Activities within a Marine Mammal Sanctuary [<http://www.doc.govt.nz/nature/habitats/marine/other-marine-protection/>] must comply with the regulations for each sanctuary. For example, Marine Mammal Sanctuaries can prohibit seabed mining within a certain distance

Exploration

Exploration permits

The first step of gaining permission to explore for minerals is a Minerals Exploration Permit (MEP) from NZP&M. Minerals exploration permits give permit holders the exclusive right to explore for specified minerals in an area.

It is not necessary to have a prospecting permit before applying for an exploration permit. It is common for operators to 'skip' a prospecting permit and apply for an exploration permit where 'higher impact' work is planned. Permitted activities may include literature reviews, drilling, bulk sampling and mine feasibility studies.

Mineral exploration permit areas are a minimum of 150 hectares.

Permits may be allocated through an acceptable work programme offer, subsequent to a prospecting permit, as part of a competitive process for newly available acreage (NAA), or as part of a Minerals Tender.

Ordinarily granted for five years, exploration permits may be extended up to 10 years from commencement, for either half of the area or 150 hectares, whichever is greater. Appraisal extensions are possible for up to four years, with a second four year extension also possible.

To promote investment in exploration, between 2012 and 2014, three Minerals Tenders were launched for exploration permits including Northland 2012, Epithermal Gold 2013 and Platinum 2013. There are no tenders currently active. Please contact us [<http://mbie17.cwp.govt.nz/about/contact-us/>] if you'd like further information about these past tenders.

Schedule 4 land [<http://www.legislation.govt.nz/act/public/1991/0070/latest/DLM247378.html>] and World Heritage Areas (WHA) are excluded from permitting.

Land access

Exploration permits do not give the permit holder automatic rights to access an onshore permit area. Permit holders must notify landowners and occupiers of planned minimum impact activities, or enter into a contract with the land owner/occupier – known as an access arrangement – for more invasive activity, like mechanical drilling/core sampling.

On Government-owned land an access arrangement is required from the relevant government department – Department of Conservation (DoC) in the case of conservation land [<http://www.doc.govt.nz/>].

For more information see our Land Access factsheet [<http://mbie17.cwp.govt.nz/our-industry/factsheets/>].

Environmental protections

Surveying, which can also occur at the exploration phase, may be a permitted activity, depending on the council's regional or district plan. Drill or core sampling may be a permitted activity or require a resource consent.

As a general rule, the earlier stages of exploration onshore and within 12nm of the coast are more likely to be permitted activities (depending on the council's plan), but as exploration becomes more invasive, a resource consent is more likely to be required. Bulk sampling, for example, is likely to require a resource consent. Conditions may be attached to a resource consent to avoid, remedy or mitigate any adverse effects associated with the activity.

Prospecting for minerals beyond 12nm is a 'permitted activity' under the Exclusive Economic Zone (EEZ) Act [<http://mbie17.cwp.govt.nz/our-industry/rules-regulations/>].

Health and Safety

Operators are required to maintain a safe working environment and implement sound practices. They must have a Safety Case approved by WorkSafe's High Hazards Unit [<http://www.worksafe.govt.nz/worksafe/about/what-we-do/high-hazards>] and comply with the relevant health and safety requirements.

See the Health and Safety factsheet [<http://mbie17.cwp.govt.nz/our-industry/factsheets/>] for an overview of health and safety in extractives industries.

Production

Mining permits

If an operator discovers commercially viable quantities of a mineral in its exploration permit, commencing commercial extraction requires a Minerals Mining Permit from NZP&M. Granting the permit includes agreeing on a development programme that ensures maximum responsible recovery of the resource.

Minerals mining permits grant the permit holder the exclusive right to mine for specified minerals. Permits are granted where the exact nature and extent of the mineable mineral resource or exploitable mineral deposit is known.

Permits may be allocated for an acceptable work programme offer, subsequent to an exploration permit or as part of a newly available acreage (NAA) allocation process.

The size of a Tier 1 permit will reflect the extent of the discovery and the proposed work programme. Tier 2 permits are ordinarily:

- no larger than 50 hectares for hobby/recreational operations, and
- no larger than 200 hectares for other purposes.
- The size and duration of permits reflect the discovery.

Land access

An access arrangement is required with the owner or occupier.

For more information see our [Land Access factsheet](http://mbie17.cwp.govt.nz/our-industry/factsheets/) [http://mbie17.cwp.govt.nz/our-industry/factsheets/].

Environmental protection

Before mining can begin onshore or within 12nm of the coast, a resource consent is likely required from the relevant council. Conditions may be attached to a resource consent to avoid, remedy or mitigate any adverse effects associated with the activity.

If the activity is to occur in the EEZ or Continental Shelf, an operator will require a marine consent from the [Environmental Protection Authority \(EPA\)](http://www.epa.govt.nz/Pages/default.aspx) [http://www.epa.govt.nz/Pages/default.aspx]. Submissions from the public are sought as part of the marine consents process for production activities.

Chemicals or hazardous substances used in mining operations need to be approved for use by the EPA.

Health and Safety

Operators must have a Safety Case approved by [WorkSafe's High Hazards Unit](http://www.worksafe.govt.nz/worksafe/about/what-we-do/high-hazards) [http://www.worksafe.govt.nz/worksafe/about/what-we-do/high-hazards] and comply with the relevant health and safety regulations. The HHU undertakes onsite inspections.

Decommission & restoration

WorkSafe has requirements regarding the closure of mining operations – including the submission of a revised Safety Case. HHU must be satisfied that risks are identified and precautions are being implemented.

The site must be remediated to the specifications outlined in the resource or marine consent. Remediation could include removal of infrastructure and regular ongoing monitoring of the surrounding area.

Local authorities may hold a financial bond to ensure that the site is remediated appropriately.

For more information about the onshore and offshore regulatory regimes [read our factsheets](http://mbie17.cwp.govt.nz/our-industry/factsheets/) [http://mbie17.cwp.govt.nz/our-industry/factsheets/].

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