

Taharoa Ironsands Limited
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Fast Track Approvals Bill Schedule 2A Application:

Taharoa Ironsands Ltd – Northern Block Mining Project

1 Adverse effects

Part 2, subpart 2, section 14(3)(e) of the Fast Track Approvals Bill requires that a description of the anticipated and known adverse effects of the project on the environment should be provided in an application to use the fast-track approval process for an eligible project.

A high-level indicative summary of the potential adverse effects of the Northern Block Mining Project is set out below. This assessment is partly based in part on independent expert assessments that have been undertaken for TIL in respect of its application to mine Pit 1 of the Northern Block, to the extent they are relevant to the remainder of the Northern Block, and also on the knowledge of effects of mining activity on the Central and Southern Blocks that have been gained through expert assessments undertaken for the current consenting process.

The potential effects of the Project are subject to further assessment and confirmation by TIL's expert consenting team, which will be carried out as part of preparing a fulsome resource consent application for the project.

1.1 Ecological effects

1.1.1 Effects on terrestrial ecological (including bats, avifauna, herpetofauna and katipo)

Disturbance from mining activities has the potential to have adverse effects on bird species while the loss of existing grassland due to the mining activity may result in potential injury or death of native skinks if they are present in the grassland. It is expected that the overall level of effect on terrestrial ecology can be managed to low levels with the provision of an over-arching Environmental Management Plan (EMP), including a Bat Management Plan which will consider the bat populations near the Mitiwai Stream and in the pine trees scattered in the Northern Block, Avifauna Management Plan and a Lizard Management Plan, and imposition of appropriate conditions such as a requirement for there to be a 30 m planting buffer around all natural water bodies. Subject to the imposition of conditions, the overall level of effects on terrestrial ecology can be expected to be minor.

1.1.2 Effects on freshwater ecology

Mining on the Northern Block will not require water take from the Mitiwai Stream or any other freshwater body. Mining will not occur within 30m of any perennial water body or any natural

inland wetlands identified on the Northern Block. In this regard, adverse effects on freshwater ecology will be avoided.

However, the proposed activities include the potential for wet-mining which involves the removal of clay and underlying earth layer to access the underlying sand. At a certain RL the relevant area or pit fills with water naturally occurring in the ground to form a pond. A suction dredge then entrains the sand and water as a slurry and pumps it away for processing.

If mining occurs below the level of the groundwater there may be a hydraulic connection with surface freshwater bodies (i.e. water can be diverted from the freshwater body into the dredge pit) resulting in partial or complete dewatering and saline intrusion. Any adverse effects of wet mining on the Mitiwai Stream or any natural inland wetlands identified on the Northern Block can likely be avoided and mitigated to minor levels through consent conditions including for example, requirements to maintain a minimum stream flow.

1.1.3 Land Disturbance Effects

The Northern Block Mining Project will rely on the processing infrastructure located on the Central and Southern Block. Earthworks will be required to establish pipelines from the Northern Block to the processing site.

Mining on the Northern Block will be located in a high-risk erosion area. An independent assessment of the risk of slope instability undertaken for mining and tailings disposal works on the Central and Southern Blocks has found that the potential for adverse effects resulting from instability can be considered negligible. Given that the characteristics of the material to be mined on the Northern Block and the general topography is the same or similar to that in the Central and Southern Blocks, it can be expected that the potential for adverse effects resulting from instability will also likely be considered negligible on the Northern Block. A progressive rehabilitation process and revegetation plan will also be followed for disturbed areas, and, in conjunction with the perennial waterbody mining setbacks set out above, any adverse effects from land disturbance can be expected to be less than minor.

1.1.4 Archaeological Effects

The pre-European settlement history of the Taharoa area means that there is elevated potential for accidental discovery of koi iwi and other taonga in the dune environment on the Northern Block.

Ngāti Mahuta derived tikanga and protocols apply when discoveries of koiwi and taonga occur in the Taharoa dune environment as a result of mining activity, and that tikanga/protocol is reflected in existing and proposed consent conditions. These are considered appropriate to apply to mining activity on the Northern Block and are considered to mitigate the potential adverse effects in relation to archaeology to less than minor levels.

Defined urupā are located within the dune system where accidentally discovered koiwi are interred with appropriate tikanga being observed. One of these urupā is located within the Northern Block and a buffer in which no mining occurs will be observed around it.

1.1.5 Cultural Effects

In considering cultural effects, it is important to note the significant cultural benefits that mining on the Northern Block will have for Ngati Mahuta as tangata whenua.

These benefits include employment benefits, royalties, and support for the local community. Ngati Mahuta, through the Taharoa C Block Incorporation, own the land on which the mine operates and is paid significant royalties from the mine. The Mine also supports the employment and growth of

Ngati Mahuta - of the permanent employees, 79% of these are Ngati Mahuta. The local employment opportunity generated by the mine has allowed the local community to retain members of the community who would have otherwise moved away to seek employment elsewhere and lost their connection to the land.

The existing ownership of land and shareholding of the mine is a unique arrangement which means that Ngati Mahuta members will have significant input into the management of the mining on the Northern Block.

In terms of cultural effects, the Tasman Sea and the waterways within Taharoa are an important food source. Ngati Mahuta are the kaitiaki of Lake Taharoa and its smaller lakes, Lake Nukumiti and Lake Rotoroa, and the Wainui and Mitiwai Streams. Ngāti Mahuta have sustainably managed the eels and fish in these lakes and streams for many generations to meet their customary requirements.

Mining activity on the Northern Block will avoid adverse effects on all of these waterbodies, will not obstruct access to the coast or to the Te Kooraha Marae and tailings placed on completion of mining will result in the site being rehabilitated to a similar land form as at present. As explained above, an accidental discovery protocol will be implemented during Northern Block mining works at all times and the urupā will be avoided.

TIL propose to consult with the respective Taharoa marae, particularly Te Kooraha Marae in the preparation of the various management plans that will govern the management of effects of mining on the Northern Block. Such consultation will benefit both parties – TIL will gain the benefit of access to the skills and expertise that reside within the marae and hapu whanau, while marae and hapu whanau will have the opportunity to influence the content of management plans that will play an important part in managing the ongoing effects of the mining activity.

Overall, the potential adverse cultural effects of mining on the Northern Block can be appropriately mitigated to minor levels.

1.1.6 Acoustic Effects

The mining activities have the potential to have adverse noise effects on key sensitive receptors on sites adjoining the Northern Block (1891 Taharoa Road, 1891A Taharoa Road, Te Kōraha Marae and 25 Rotopuhoe Road). However, these receptors are located several hundred metres from where mining will occur on the Northern Block and given this separation distance, it is expected that the works will be able to be managed to comply with the Waitomo District Plan daytime and nighttime noise limits. As a result, any potential adverse effects from noise from mining on the Northern Block on sensitive receivers is expected to be no more than minor.

1.1.7 Air Quality Effects

Dust generation and transportation from the mining activities on the Northern Block has the potential to have adverse effects on air quality on sensitive receptors located on properties adjoining and adjacent to the Northern Block (Te Kura o Taharoa School, Te Kōraha Marae and three residential dwellings). It is noted that significant separation distances (ie in the 100's of metres) exist from the majority of proposed mining locations on the Northern Block to these receptors.

TIL will install dust monitors between the Northern Block mining areas and the sensitive receptors that will monitor dust particulate levels in real time. Trigger levels will be identified for when enhanced dust mitigation measures are required. The trigger levels and mitigation measures will be codified in a Dust Management Plan and will include speed limits for vehicles, dust suppression through watering of haul roads, and in extreme wind events the ceasing of mining activities. With

these mitigation measures in place, potential adverse effects on sensitive receivers from the discharge of dust can be expected to be less than minor.

There are not expected to be any cumulative dust effects from mining on the Northern Block and mining on the Central and Southern Blocks because mining will occur in stages on the Northern Block area for a short duration and will then be rehabilitated.

2 Consistency with National Direction

Part 2, subpart 2, section 14(3)(f) of the Fast Track Approvals Bill requires that a general assessment of the project in relation to national policy statements and national environmental standards (as those terms are defined in the Resource Management Act 1991) should be provided in an application to use the fast-track approval process for an eligible project.

A high level assessment of the project against the relevant national direction is provided below.

2.1 New Zealand Coastal Policy Statement 2010

Although the Northern Block mining activity itself will take place landward of Mean High Water Springs, because of its location adjacent to the coast and the characteristics of the site the Northern Block is considered to be within the Coastal Environment. The proposed mining activity is expected to be consistent with the relevant provisions (objectives 1, 2, 3 and 6 and policies 2, 4, 6, 11, 13, 14 and 15) of the New Zealand Coastal Policy Statement 2010 (NZCPS).

2.2 National Policy Statement for Freshwater Management 2020

The NPS-FM relates to freshwater management, including quality and quantity matters as well as provisions relating to tangata whenua involvement, integrated management, the setting of objectives and monitoring.

The mining on the Northern Block will have very little, if any, interaction with freshwater and is expected to be able to be carried out in a manner consistent with the Te Mana o te Wai hierarchy of obligations, and the associated NPS-FM objective and policy provisions.

TIL will not seek to adversely affect any natural inland wetlands that might be identified on the Northern Block and will contribute to the maintenance and enhancement of any identified wetlands through maintaining a 30m setback and the fencing and/or riparian planting proposed around their margins as part of an overall Wetland Management Plan for the Northern Block. This is consistent with the "avoidance" preference that permeates the NPS-FM.

2.3 National Policy Statement for Indigenous Biodiversity

The proposed mining on the Northern Block is expected to be consistent with the relevant provisions of the National Policy Statement for Indigenous Biodiversity (NPS-IB).

The focus of the NPS-IB is on establishing a consistent process for identifying and managing Significant Natural Areas (SNA's) through plans and through partnership with tangata whenua. T

A SNA has been identified in the Proposed Waitomo District Plan on the coastal foredune that runs along the beach for the length of the Northern Block. In like manner to the mining setback applicable on the Central and Southern Blocks, TIL will maintain a 100m mining setback the mean high water springs and avoid this SNA. This is consistent with the "avoidance" preference that permeates the NPS-IB.

For completeness it is further noted that a consenting pathway for mineral extraction is provided in the NPS-IB by way of Clause 3.11. Taharoa C Block is also defined in the NPS-IB as “specified Māori land”. As a result, clause 3.18(c) and clause 3.18(g) of the NPS-IB are relevant, which set out that biodiversity outcomes on such land may be outweighed by Māori economic development opportunities on the land. Granting consent to mine on the Northern Block would be consistent with these provisions.

2.4 National Environmental Standards for Freshwater Management 2020

Earthworks or land disturbance, and the taking, use, damming, diversion, or discharge of water outside a 10m setback from, but within a 100m setback from a natural wetland that results, or is likely to result, in the complete or partial drainage of all or part of that wetland is a discretionary activity under Regulation 45D of the NES-F.

Sand extraction activity will be undertaken within 100m of the edge of any natural inland wetlands identified on the Northern Block. Hydrological investigations will be undertaken to determine whether or not mining activities will result in the partial or complete drainage of any of these natural wetland. If there is a hydrological linkage, conditions will be proposed to ensure that any effects as a result of this activity are minor.

3 Local and Regional Planning Documents

Part 2, subpart 2, section 17(3)(j) of the Fast Track Approvals Bill requires that an assessment is provided with an application to use the fast-track approval process for an eligible project on whether the project is consistent with local or regional planning documents, including spatial strategies. A high-level assessment has been provided of each of these documents below. It is noted that there is no relevant spatial strategy for the region.

3.1 Waikato Regional Policy Statement

The WRPS objectives and policies are concerned with managing effects, but also with supporting and enabling regionally significant infrastructure to operate efficiently to support the population of the Waikato Region. The regional issues of significance to this proposal include the state of resources (I1.1), managing the built environment (I1.4), and the relationship of tangata whenua with the environment (I1.5). The proposal has been assessed against the associated objective and policies and are not inconsistent with the WRPS.

3.2 Waikato Regional Plan

The Operative Waikato Regional Plan is relevant. Mining of ironsand on the Northern Block will involve activities that require a range of resource consents under the WRP. These are likely to include consents for the following:

- Land Disturbance
- Mine Overburden Disposal to land
- Discharge of stormwater to ground
- Surface water take and diversion
- Ground water take and diversion

The activities involved with mining on the Northern Block can be carried out in a manner that is consistent with the relevant objectives and policies of WRP through the implementation of an overarching Ecological Management and Monitoring Plan, an Accidental Discovery Protocol, and a Site Rehabilitation Plan. Furthermore, the works will result in positive social and economic effects through the expansion of the mine into the Northern Block.

3.3 Operative and Proposed Waikato Regional Coastal Plans

Given that the mining activity itself will take place at least 100m landward of Mean High Water Springs, neither the Operative nor the Proposed Waikato Regional Coastal Plan are relevant. It is noted that the processing and export of mined ironsand from the Northern Block will utilise mine infrastructure that is located on the Central Block and in the CMA adjacent to the Central Block. The infrastructure in the CMA is lawfully established and new/replacement consents are currently being sought for it by TIL.

3.4 Waitomo District Plan

The site is zoned Industrial in the Operative Waitomo District Plan. It is zoned Rural Production in the Proposed Waitomo District Plan (hearings to begin in July 2024). The mining of ironsand is a Permitted Activity in both zones subject to compliance with various standards such as mining setbacks from boundaries and waterways/wetlands, noise emission levels, lighting emissions and the like. It is envisaged that mining in the Northern Block will readily be able to comply with these various permitted activity standards.

Both the Operative and Proposed Waitomo District Plan contain archaeological site/sites of significance to maori overlays that affect the site. If mining is proposed in an area containing an identified archaeological site/area of significance then the status of the mining activity would become Discretionary.

If the application to mine ironsand on the Northern Block is lodged while the Operative Waitomo District Plan is still in force (ie before the Proposed Waitomo District Plan provision become operative) then it is likely that a discretionary activity resource consent application will be need to be lodged with Waitomo District Council. This is because of the wide extent of the archaeological site overlay on the site under the Operative Waitomo District Plan. The equivalent overlay in the Proposed Waitomo District Plan is much less extensive and there is the potential for mining to avoid all of the sites identified in the Proposed Waitomo District Plan and thus retain permitted activity status.

Given that the base status of ironsand mining on the Northern Block is Permitted (ie the activity is envisaged as appropriate for the zone), it follows that the ironsand mining project on the Northern Block is fundamentally consistent with both the Operative and Proposed Waitomo District Plan.

3.5 Waikato-Tainui Environmental Plan

As the mine at Taharoa is within the rohe of Waikato-Tainui, it is appropriate to consider the relationship of the proposal to mine on the Northern Block to the Waikato-Tainui Environmental Plan (WTEP). The proposed works are considered to be consistent with the relevant sections of the WTEP for the following reasons:

- i. Mitigation measures will be in place throughout the duration of the mining works including the ESCP and the accidental discovery protocol (Section 8.2 of the WTEP).
- ii. The proposed mining activities will not limit access to surrounding water bodies including the coast and does not inhibit customary activities to be undertaken by mana whenua (Section 14.7 of the WTEP).
- iii. The current accidental discovery protocol for the mine will continue to be applied during mining of the Pit 1 area. The protocol reflects the tikanga of Ngāti Mahuta (Section 16 of the WTEP).

3.6 Maniapoto Environmental Management Plan

A relevant statutory acknowledgement in Schedule 11 of the RMA has been made in favour of Ngāti Maniapoto¹ arising from the Maniapoto Claims Settlement Act 2022. The statutory acknowledgement area is large and includes the Mitiwai Stream and the land contained within the Northern Block.

An assessment of the proposed mining activity on the Northern Block against the provisions of the Maniapoto Iwi Environmental Management ("MIEM") has identified no inconsistencies with the relevant provisions in that plan because:

- i. The access to Te Koraha Marae will not be adversely affected by the proposed mining works (MIEM Part 9.3)
- ii. The current accidental discovery protocol employed at the mine will be applied to the mining activity on the Northern Block (MIEM Part 10)
- iii. The proposed mining on the Northern Block will not result in any adverse effects on the mauri of freshwater systems on the site (MIEM Part 14)
- iv. The areas that are mined on the Northern Block will be appropriately remediated upon completion of the works to ensure the landscape is rehabilitated (MIEM Part 19.3)

¹ The post-settlement governance entity on behalf of Maniapoto is called Te Nehenehenui

4 Applicability

This report has been prepared for the exclusive use of our client Taharoa Ironsands Limited, with respect to the particular brief given to us and it may not be relied upon in other contexts or for any other purpose, or by any person other than our client, without our prior written agreement.

We understand and agree that Taharoa Ironsands Ltd will submit this report as part of an application to the Fast Track Approvals Bill and the regulatory authority will use this report for the purpose of assessing that application.

Tonkin & Taylor Ltd

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3-May-24

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