

7 October 1997

Mr K J Landaus
PO Box 56
COLLINGWOOD

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Received via S. Yorke
11/11/97
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Dear Mr Landaus

**MINING LICENCE 32 3021, PROSPECTING LICENCE APPLICATION 31 2583,
MINING PERMIT APPLICATION 41 452**

Thank you for your letter which I received on 15 August 1997. I have addressed your concerns with respect to your mining licence and your applications for a prospecting licence and a mining permit below in light of the fact that the Ngai Tahu (Pounamu Vesting) Bill was passed on Thursday 25 September 1997 and will come into force 28 days after it receives the Royal assent.

Mining Licence 32 3021 (K J Landaus and S McKay)

I note that you consider that section 77 of the Mining Act 1971 and section 107 of the Crown Minerals Act 1991 give you a right of priority to apply for a further mining licence for nephrite. Section 77 only gives holders of existing mining licences the right to apply for a new licence ahead of other people, it does not guarantee that such applicants will be granted a new mining licence. It is incorrect to assume that a right of priority to apply for a further mining licence gives you a right to have such a licence granted to you. The effect of section 77 is unchanged by the Ngai Tahu (Pounamu Vesting) Act except that ~~the definition of pounamu~~ licences with ~~the definition of pounamu~~ (the definition of pounamu includes nephrite) in the takiwa of Ngai Tahu ~~will apply to the renewal of your existing licence rather than to the Crown~~ if you wish to apply for a renewal of your existing licence then you need to apply to Te Runanga o Ngai Tahu.

Prospecting Licence Application 31 2583 (K J Landaus) and Mining Permit Application 41 452 (K J Landaus and B J Radomski)

Before the Ngai Tahu (Pounamu Vesting) Bill was passed anyone who wished to extract or mine a Crown mineral such as pounamu was required to obtain a permit from the Minister of Energy in accordance with the Crown Minerals Act 1991. As a result of the Waitangi Tribunal report on the Ngai Tahu claim the Crown placed a moratorium on granting licences or permits for the extraction of pounamu. Since the moratorium was introduced no further licences or permits have been granted by the Crown.

The Ngai Tahu (Pounamu Vesting) Act amends the Crown Minerals Act and transfers ownership of Crown-owned pounamu in the takiwa of Ngai Tahu and the territorial sea

2

adjacent to Te Runanga o Ngai Tahu. The Act prohibits the Crown from granting any further licences or permits for pounamu. Therefore existing applications for licences and permits cannot be granted by the Crown, you must apply instead to the new owner of the pounamu, Te Runanga o Ngai Tahu.

The Crown has offered to reimburse applicants like yourself whose licence and permit applications will not be granted, for the costs you have incurred in meeting statutory requirements provided you supply the appropriate receipts. Applicants were given the choice of applying for reimbursement immediately or waiting until the Ngai Tahu (Pounamu Vesting) Bill was passed. This offer still stands in respect to prospecting licence application 31 2583 and mining permit application 41 452.

Yours sincerely

Paul Stigley
UNIT MANAGER, PERMITTING

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