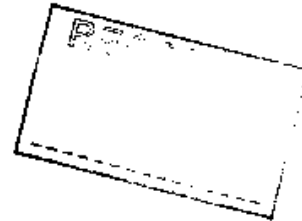




OFFICE OF HON. MAX BRADFORD

## Minister of Energy



Hon Richard Prebble CBE  
Leader, ACT New Zealand  
MP, Wellington Central  
Parliament House  
WELLINGTON

*Dear Richard*

Thank you for your letter dated 15 September 1997 in which you request my response to the points raised by Mr Landaus in his letter to you concerning the Ngai Tahu (Pounamu Vesting) Bill. I apologise for the delay in responding, some research was required in order to respond fully to the issues raised. You will be aware that the Ngai Tahu (Pounamu Vesting) Bill was passed on Thursday 25 September and came into force 28 days after it received the Royal assent. Mr Landaus is opposed to this legislation.

Mr Landaus has a current mining licence 32 3021. This licence is unaffected by the passing of the Ngai Tahu (Pounamu Vesting) Act. When this licence expires Mr Landaus will need to apply to the new owner of the pounamu, Te Runanga o Ngai Tahu, if he wishes to undertake new mining activities for pounamu.

Mr Landaus also has two outstanding applications, one is a prospecting licence application 31 2583 and the other is a mining permit application 41 452. Before the Ngai Tahu (Pounamu Vesting) Act was passed anyone who wished to extract or mine Crown-owned pounamu was required to obtain a permit from the Minister of Energy in accordance with the Crown Minerals Act 1991. However as a result of the Waitangi Tribunal hearings and 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 permits have been granted by the Crown.

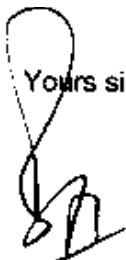
The Ngai Tahu (Pounamu Vesting) Act amends the Crown Minerals Act and transfers ownership of Crown-owned pounamu in the takiwa of Ngai Tahu and the territorial sea adjacent to Te Runanga o Ngai Tahu. The Act prohibits the Crown from granting any further licences or permits for pounamu. This is because the Crown no longer owns the resource. Existing applications for licences and permits therefore cannot proceed. Mr Landaus must apply instead to the new owner of the pounamu, Te Runanga o Ngai Tahu, to obtain the right to extract the resource. Even if the pounamu had remained in Crown ownership there was no guarantee that a mining licence or permit would be granted.

As a holder of an existing mining licence Mr Landaus enjoyed the right to apply for a new permit ahead of other people pursuant to section 77 of the Crown Minerals Act. However, this does not guarantee that such applicants will be granted a new mining permit, only that they can apply for one. Section 77 is unaffected by the Ngai Tahu (Pounamu Vesting) Act.

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

In his letter Mr Landaus mentions that he discovered previously unknown reserves of greenstone between 1976 and 1996 and subsequently applied for a mining licence. If Mr Landaus made these discoveries without a prospecting or exploration licence then it is likely that he did so illegally and therefore has no discovery rights. Even if he discovered reserves of greenstone pursuant to a licence, Ministry of Commerce records do not show that Mr Landaus provided any information on these discoveries or provided returns that would indicate he was extracting the resource. Furthermore there is no right to intellectual property based on simply finding where a resource is located. All information from a licence or permit becomes publicly available after five years or when the licence or permit expires if this is sooner.

Yours sincerely



Hon Max Bradford  
Minister of Energy