

**BEFORE THE QUEENSTOWN LAKES
DISTRICT COUNCIL**

IN THE MATTER of the Resource Management Act 1991 (the "Act")

AND

IN THE MATTER of the Queenstown Lakes District Proposed District Plan

**SUMMARY OF EVIDENCE OF GARY GRAY
23 May 2016**

New Zealand Tungsten Mining (#519/#1287)

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1. Introduction

1.1 My name is Gary Roger Gray and I am a Director of New Zealand Tungsten Mining Ltd (NZTM). I hold the degrees of Bachelor of Mineral Technology (Mining) (with Honours) and a Master of Mineral Technology, from the Otago School of Mines, University of Otago.

2. Executive Summary

2.1 Since the 1800's mining has contributed significantly to the growth and development of the Queenstown Lakes District. Old mining sites now provide the district with a wealth of heritage.

2.2 The use of modern mining methods, equipment and technology is safer, cleaner and more efficient than in the past. Good planning can remove, avoid and minimise environmental effects of mining.

2.3 With modern mine management and rehabilitation methods, restoration of the ecosystem after mining to a state that is as good or better than prior to mining is not only achievable, it is the standard required these days, and is the threshold that needs to be met to obtain approvals.

2.4 Mining provides the building blocks for our modern civilisation, and the proposed mining of tungsten by NZTM will provide a valued and needed raw material, and financial benefits to the local and national economy.

2.5 Mining is a site specific activity that can only occur where the minerals are found and similarly it can only happen when the cycles of economics and demand for the mineral being mined are acceptable.

2.6 Just as farming and tourism operate in seasonal and economic cycles, mining cycles in response to changing demands for raw materials. These cycles are measured in years - sometimes 5 years, sometimes 50 years. This is important to realise so that the ability to undertake mining in the future is not blocked by shorter term views and plans.

2.7 The number of activities undertaken as part of the mining cycle are considerable. Exploration and feasibility assessment occur before mining is undertaken and require significant investment of time and money. It is not unusual for 20 years or more to elapse prior to opening a mine to begin physical mining.

- 2.8 These cycles of mining have appeared as the periodic resurgence of mining and exploration at Glenorchy. After the discovery of scheelite in the late 1800's significant mining occurred during and between the World Wars, and during the Korean War. Small scale mining then continued until the early 1980's when the market collapsed.
- 2.9 Exploration, drilling and assessment was undertaken by different companies between the late 1960's until the late 1980's and NZTM has been exploring and evaluating since 2001.
- 2.10 As evidence of the long life cycle of mining there are currently a number of tungsten mines re-opening world-wide due to the increasing demand for tungsten. An example is the Hemerdon tungsten mine in Britain that has reopened to become Britain's first metal mine in over 40 years providing, employment for about 200 people.
- 2.11 Just like the Glenorchy Scheelite mines, the Hemerdon mine was discovered in the later part of the 1800's and mining of tungsten occurred periodically during the World Wars and the Korean War when the mine closed. From 1960 to 2006 exploration was undertaken, between 2007 and 2011 feasibility studies were undertaken and the mine re-opened in 2014 - 57 years after mining had previously occurred.
- 2.12 Mining within the QLD has historically contributed to the area providing employment and flow on revenues into the many other industries that mining operations depend on. Future exploration and mining will be the same. The Glenorchy scheelite deposits have the potential to be internationally and nationally significant as the proposed mining of tungsten will provide financial benefits to the local and national economy, additional tourism and visitor experiences, additional mining heritage sites and continue the District's rich history of mining.
- 2.13 To enable future generations to benefit from the mineral resource assets contained within the district, the district plan needs to recognise the importance of mining to the district and accommodate the long term cycles involved for mining projects.
- 2.14 It is important that the PDP ensures mining and mining related activities such as exploration are treated in the same manner as other activities, and assessed and treated according to the facts and their actual effects, not according to a lack of understanding or incorrect beliefs.