



Further Information in Relation to Minute 57

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1. Background

In July 2020, Terra Firma Mining Ltd (Terra Firma) applied to New Zealand Petroleum and Minerals (NZP&M) for a mining permit to reopen Spring Creek Mine, an underground coal mine north of Greymouth. At the time of writing, NZP&M had yet to make a final decision on the permit. Once the permit is granted, Terra Firma will commence the consenting process.

Terra Firma supports the Mineral Extraction Zone (MINZ) shown on the proposed Te Tai Poutini Plan (TTPP) maps that applies to the Spring Creek mining permit application (MPA)¹. The bulk of the MPA is within the notified MINZ, with smaller areas in the proposed Open Space and Rural Zones. Figure 1 below shows Terra Firma's MPA boundary, which is based on the Coal Mining Licence (CML37175) held by the previous operator, including the inferred resource. CML 37175 (shown in Figure 2) had an expiry date of 2033 but was surrendered by Solid Energy in 2018.

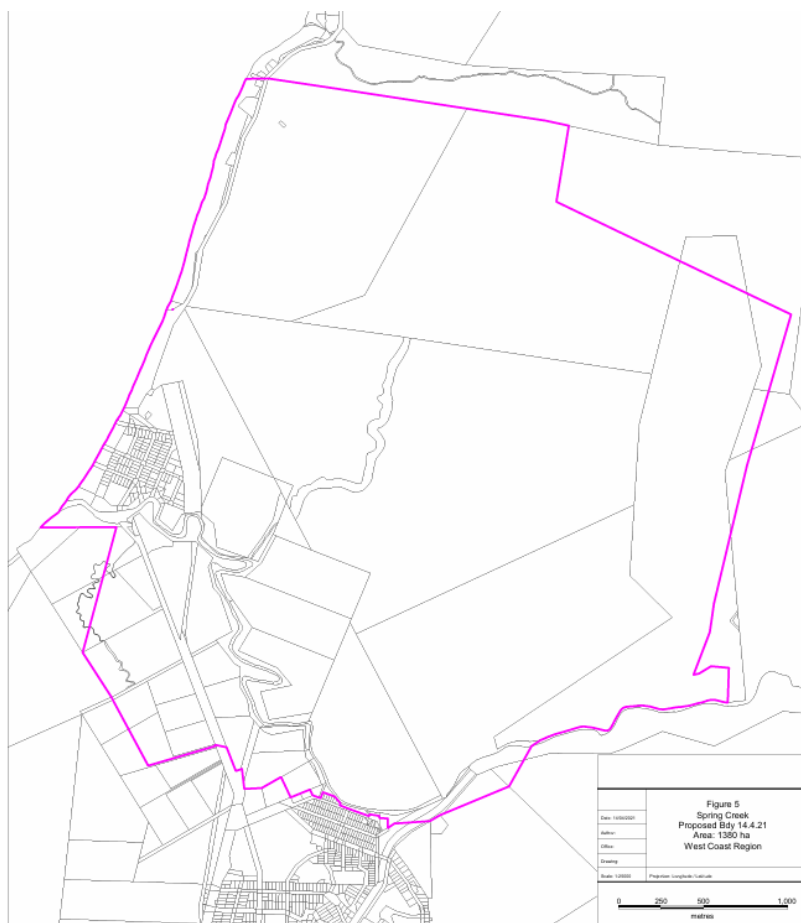


Figure 1: Mining Permit Area sought by Terra Firma (in pink)

¹ Submission point S537.035

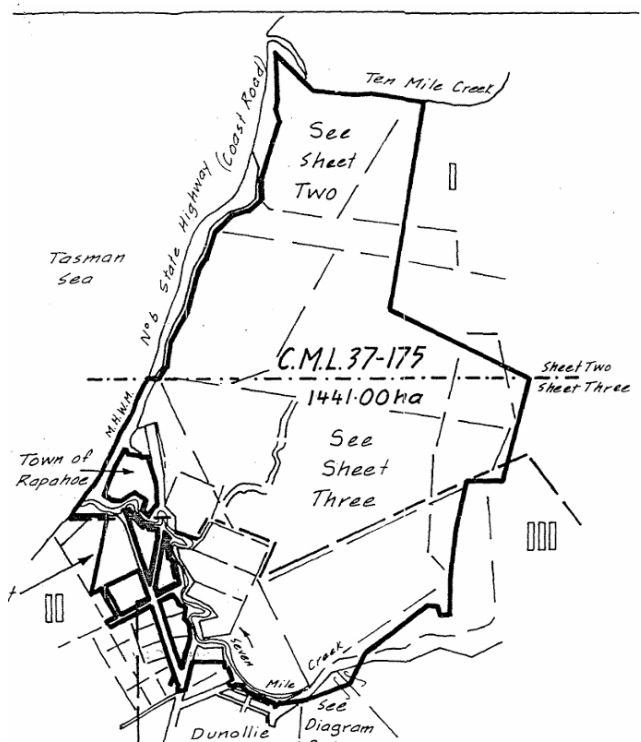


Figure 2: Coal Mining Licence CML 37175

In his Right of Reply dated 2 December 2025, Reporting Officer David Badham proposes a reduction in the notified MINZ within of the Paparoa Coal Field (Appendix 1h). The notified MINZ includes most of the area covered by CML 37175. As CML 37175 was surrendered and is not a current authorisation, Mr Badham proposes that it is excluded from the MINZ area. The notified MINZ (red) and proposed new MINZ areas (coloured shapes) in the vicinity of Spring Creek mine are shown in Figure 3.

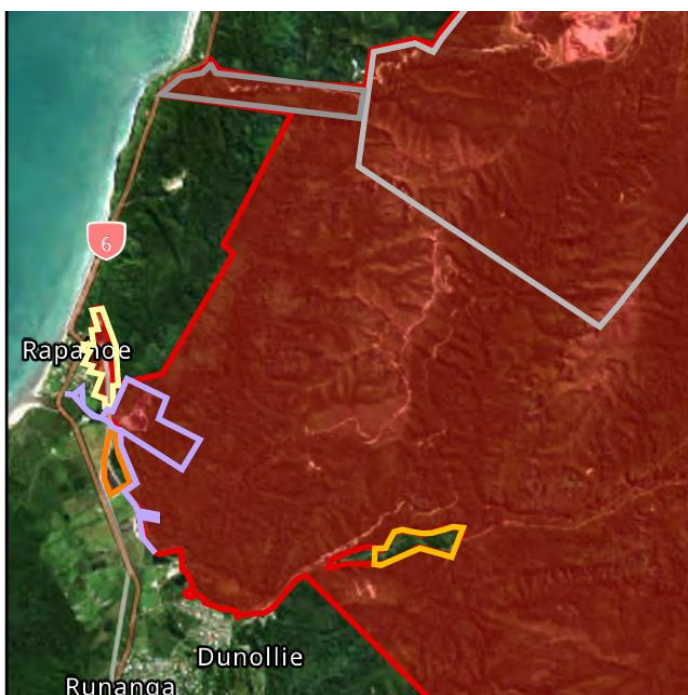


Figure 3: Notified and proposed MINZ areas

Terra Firma does not hold any current authorisations that fall within the Spring Creek MPA, nor does any other party that we are aware of. Notwithstanding the absence of live authorisations, Terra Firma believes there is a strong argument to treat Spring Creek mine as a unique case that should be supported by retaining the notified MINZ zoning, in anticipation that the mining permit will be granted.

Reasons include:

- Internationally rare coal
- Shovel-ready project
- Mining permit application status
- Known, large resource
- Identified on Critical Minerals List
- Strong West Coast support
- Strong Government drive for mining activities
- Small environmental footprint
- Implications of removing MINZ
- Overall uniqueness.

Terra Firma's submission and hearings have covered most of these reasons, which are discussed in turn below.

Internationally Rare Coal

Due to its particular qualities, Spring Creek coal meets specific requirements as a principal ingredient in the manufacturing of silicon metal. This type of coal is extremely scarce worldwide. There has been strong growth in this market due to global demand for its many uses in the electrical and solar cell industries, and demand continues to increase. Spring Creek coal will be targeted at specialist markets i.e. international silicon metal manufacturers. Terra Firma has been fielding market inquiries for some time about when Spring Creek coal will be available.

Shovel-ready Project

Spring Creek Mine was operated successfully by Solid Energy NZ Ltd (Solid Energy) from 2000 to 2013 as a large scale underground mine.

The mine was successfully operated until production ceased in 2014 when Solid Energy was liquidated (for reasons unrelated to the mine's performance). After liquidation, the mine was placed in care and maintenance at a considerable cost because Solid Energy was confident that a buyer would be found. They believed the mine had good long-term reserves of proven coal and was capable of being operated profitably. Although the mine is partially flooded, it was sealed in anticipation of reopening and much of the necessary surface infrastructure including screens, conveyors, mine fan and coal processing plant was left in place. When the mine is dewatered, it is expected that the underground roadways and the installed support systems will be substantially intact.

Ultimately Solid Energy did not find a buyer and surrendered the CML in 2018 (along with associated resource consents).

Spring Creek Mine's existing infrastructure (which was paid for by NZ taxpayers) allows the mine to be brought back into production relatively quickly, making it likely to be the most shovel-ready project on the West Coast.

Mining Permit Application Status

Since lodging the MP application in 2020, Terra Firma has provided NZP&M with material that comprehensively meets application requirements. In 2022 NZP&M issued an intention to decline the mining permit, however discussions continue in an effort to find some common ground. Terra Firma is frustrated at NZP&M's lack of progress, this is no reflection on the merits of the mine, which can be operated safely with a minimal environmental footprint for a specialist market, with investors ready to back the project. It is uncertain when NZP&M will make a decision on the MP, but removing the MINZ zone in the TTPP for a previously operating mine with existing infrastructure and clear potential to resume operations is not considered good resource management. If this MP is declined, there is still a possibility that Terra Firma or another party will make another MP application in future.

There is also opportunity for Terra Firma to apply for a MP and associated resource consents under the Fast Track Approvals Act although Spring Creek Mine is not scheduled in the Act. Regardless of the process to secure consents, a MINZ zoning is appropriate and justified.

Known, Large Resource

The Spring Creek Mine is part of a large reserve of some of NZ's best quality coal (15 million tonnes measured, 75 million tonnes inferred).

Solid Energy had a reputation for exhaustive analysis and modelling and this was certainly the case for Spring Creek, with the benefit that the major features of the model were confirmed during mine operation.

There is sufficient coal for a mining life of at least 120 years.

Small Environmental Footprint

Spring Creek Mine's surface footprint has already been established and is a small area compared to underground workings and future coal reserves. Terra Firma proposes to operate the mine at a reduced scale compared to its predecessor (approx 200,000 tonnes pa compared to Solid Energy's 1 million tonnes pa), and the environmental effects will be within the envelope of what was permitted by CML37175 and former resource consents issued by West Coast Regional Council.

The mine is remote from the township of Dunollie, with the nearest residential dwelling at least 850m away. Residents, while likely to be interested in the project, are unlikely to be affected by the proposed mining and ancillary activities.

Implications of Removing MINZ Zoning

If the Spring Creek MPA was not zoned MINZ, and was e.g. Open Space or Rural Zone, securing a land use consent would be a much greater hurdle which is inequitable given that the mine was established and successfully operational for many years. Establishing new mining operations is an arduous and expensive process. A more stringent zoning for Spring Creek Mine ignores its successful operational history and the fact that it will be relatively straightforward to reopen.

Retaining a MINZ over most the Spring Creek MPA reflects this history and significant future opportunities, but still allows other, non-underground activities to occur on surface.

West Coast Support

Terra Firma has consulted with key stakeholders throughout the MP application process and is clear that there is a high level of project support, which reinforces its strategic and economic importance.

The West Coast Mayors, Chairs and Iwi Forum comprises representatives of Grey District and West Coast Regional Councils, Ngati Waewae, Buller and Westland District Councils, Development West Coast and Te Rūnunga o Makaawhio. The Forum has made it clear in various statements (including the attached document)² that members strongly support the project given the significant positive benefits it would generate for the West Coast region. The document entitled Elevating New Zealand Through Development of the West Coast³ (15 December 2023) was prepared by the Forum to brief incoming Ministers. It identifies Spring Creek Mine as a key strategic project for the West Coast and seeks Government support to advance this and other mining initiatives.

Terra Firma has consulted with Grey District Council Mayor and staff on the MP application, and the resource consent process for the land use consent/s that will be required. Spring Creek Mine is recognised as an important and much-needed project for the district, as noted in the Mayor's comment in the May 2024 newsletter⁴.

Terra Firma has met with WCRC staff to discuss the likely consenting process following granting of the MP. There do not appear to be any particular impediments to Terra Firma securing similar consents to those granted to Solid Energy, albeit at a smaller scale of operations.

Te Runanga o Ngati Waewae has expressed strong support for the proposal to reopen Spring Creek mine since this was first discussed in 2020. Ngati Waewae is committed to improving the economic wellbeing of the West Coast and in particular creating employment for the people on the West Coast. As such, Ngati Waewae is interested in partnering with TFM in bringing the Spring Creek project to fruition.

Government Directives

The current Government and in particular Minister for Resources, the Rt Hon Shane Jones, has made it abundantly clear that mining is an essential industry in New Zealand and has been actively removing impediments to these activities, including coal mining.

The recently released Critical Minerals List⁵ includes metallurgical coal and silicon, which characterises the resource and market opportunities for Spring Creek. Also released recently is the Minerals Strategy for New Zealand⁶ which promotes growth of the sector, including metallurgical coal.

The TTPP's approach to only zone for MINZ once an activity has been authorised is out of step with this directive and does not promote mining. Retaining the MINZ zoning for Spring Creek would be a sensible exception and in line with the strong Government directives.

² Letter of support for Terra Firma's MPA, 24 June 2020

³ [Elevating New Zealand through development of the West Coast - Briefing to Ministers - Public Release Copy December 2023.pdf](#)

⁴ [May newsletter.pdf](#)

⁵ [A Critical Minerals List for New Zealand](#)

⁶ [A Minerals Strategy for New Zealand to 2040](#)

Overall Uniqueness

Terra Firma considers that reopening Spring Creek is a project of national significance and presents a unique mining opportunity for the West Coast. It would be irresponsible and short-sighted to remove the notified MINZ zoning from the Spring Creek MPA.