



Chair's Report
AusIMM NZ Branch
2019 – 2020

Michael Gazley, MAusIMM

Chair AusIMM NZ Branch

53rd Annual General Meeting of the AusIMM NZ Branch, 23 September 2019

Held online, New Zealand

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Foreword

In an unprecedented world with global pandemic and record gold prices, the New Zealand (NZ) minerals industry continues to see strong growth. There has been an influx of permit activity by multiple new entrants to the country in Otago, and significant announcements of expansions at the Waihi and Macraes operations announced by Oceana Gold. This shows the industry and investors have confidence in NZ as a destination to explore and mine.

I am excited by the request for proposals process that is currently underway with respect to the NZ Branch Committee's efforts to engage with university students through our Future Workforce initiative. The NZ Branch Committee believes that mining and the minerals industry in NZ is of essential social value. We recognise that we can play an important role in supporting the pathway to social value by supporting education initiatives that create a pipeline of professionals from our universities to join the mining industry – our future workforce.

This Annual General Meeting (AGM) marks the end of my first year on the committee and as Chair. It has been a steep learning curve, and one that I have greatly enjoyed; however, it has been disappointing that we have not been able to meet in person more. It has been a year like no other with significant challenges due to COVID-19, and this has stymied a significant visiting lecturer programme that the committee had planned. However, unless there are any late COVID-related setbacks, the Minerals Forum is set to go ahead in person (13–14 October, Hamilton). The NZ Branch Committee is also advanced in its planning for a Placer Deposit Forum to run on 26 November immediately following the Geoscience Society of New Zealand Conference in Christchurch; in turn, this will be followed by a two-day field trip to the West Coast to visit a variety of placer deposits.

I am grateful to the NZ Branch committee for their efforts and input over the past year and extend my thanks to the AusIMM Management Team who have provided some guidance and support.

Finally, I apologise for the late circulation of reports for this AGM. Unfortunately, there were some COVID-related delays in compiling the various inputs.

A handwritten signature in black ink, appearing to read "Michael Gazley".

Michael Gazley, MAusIMM
Chairperson AusIMM NZ Branch

15 September 2019

2019-20 NZ Branch Committee

The 2019–2020 committee comprised the following people either elected or appointed:

- Michael Gazley (Chair)
- Dean Fergusson (Immediate-Past Chair)
- Kristy Christensen (Secretary)
- René Sterk (AusIMM Board Member/Treasurer)
- Michael Stewart
- Paul Weber
- Harry Davies (Non-Corporate)

New Zealand Branch Rules

AusIMM NZ Branch ceased to operate as at 31st December 2017 and a new entity AusIMM NZ Ltd was formed and commenced operation from 1st January 2018. For practical reasons, it is still referred to informally as the “NZ Branch”. On 26th July 2019, a copy of replacement “New Zealand Branch Rules” was provided to the past committee by the AusIMM Management Team. These are draft rules and reflect advice was taken from PWC New Zealand as appropriate for the new entity. After significant discussion over the course of the intervening year, the committee are not yet satisfied with the rules as they stand. This is a matter of priority for the NZ Branch Committee to resolve in the 2020–2021 year.

Membership

Table 1 summarises the membership movement statistics since 2015. Membership declined by ~23% since 2015. Contrary to the trend over the last four years where the branch membership has stayed at similar levels and composition with a small year-on-year membership growth, 2020 saw a significant decrease in student and associate members; the reason for this is not fully understood at time of writing this report. But we expect the Future Workforce initiative will revitalise student membership and interest in our industry.

Table 1: NZ Branch membership composition 2015-2020. Note: 1 – Now in Associate category

	2015	2016	2017	2018	2019	2020
Student	48	14	23	54	24	16
Graduate¹	37	24	18			
Member	192	183	185	168	169	163
Fellow	37	34	32	31	31	32
Associate	6	5	5	15	53	34
Total	320	260	263	268	277	245

2019 New Zealand Branch Conference

No branch conference was run in 2019.

AusIMM Congress 2020

New Zealand was to be the host branch for Congress 2020 in July in Queenstown. However, due to COVID-19 this was relocated to Sydney later in the year and has since been further postponed.

Conferences

Minerals Forum 2020:

The AusIMM New Zealand Branch has entered into an agreement for a one-year trial partnership with Titanium Events (Straterra and Freeman Media) for Minerals Forum 2020. This will see the Minerals Forum presented in association with the AusIMM, with the Branch to receive a financial benefit proportionate to the success of the conference. The AusIMM has responsibility for the technical content and the student programme, and the right to generate proceedings of the technical content. The AusIMM content entails approximately 20 technical talks, and a poster and student session.

The Forum was originally scheduled to take place in May but was postponed to 13–14 October by COVID-19. Unless there are any further setbacks, the Minerals Forum is set to go ahead in person at this later time. The NZ Branch Committee have been working alongside Titanium Events during this difficult time to deliver the best conference possible in what are very trying circumstances. The NZ Branch must temper its expectations for financial gain in light of the effect of the pandemic.

Geoscience Society of New Zealand Conference

The NZ Branch were invited to run a session, broadly on the minerals industry, at the Geoscience Society of New Zealand (GSNZ) Conference to be held in Christchurch from 23–25 November 2020. We have accepted this request and I encourage submission of abstracts on any minerals-related research. AusIMM members can attend the conference at GSNZ member rates, and an interesting range of field trips through the Canterbury region are on offer.

The GSNZ conference will also be the location for the launch of our Future Workforce initiative. Given the large delegate base of 300 this event is an ideal opportunity to engage with university students, faculty, and geoscientists in attendance at the conference.

Placer Deposit Forum

This event is the fourth such forum to be held by the NZ Branch following on from the Reefton Explorers Forum last year. It will be held on 26th November 2020, the day after the GSNZ conference. New Zealand's placer mineral resources include garnet, ironsand and gold. The forum will explore some of the fundamental processes associated with the formation of these deposits with reference to New Zealand case studies. The technical challenges with discovery, definition, and extraction will also be covered. The forum will be chaired by Tony Christie.

Following the forum, a field trip to the West Coast to examine placer deposits will be led by John Taylor with assistance from Nick Whetter, John Barry, and John Youngson. Details of this event are being finalised at present.

Local Events

Promoting and supporting local AusIMM events and meetings remains a priority for the Committee. It is encouraging to see the continued strong interest and attendance at local meetings organised by regional coordinators. These meetings remain a key forum for the exchange of ideas and information between industry professionals. As aforementioned, the NZ Branch Committee had planned a strong visiting lecturer programme for 2020, but with social distancing restrictions and border closures, this has been put on hold. The committee welcomes suggestions of locally based speakers who could make a tour of the regions to local events when COVID-related restrictions allow.

Submission on Draft Minerals and Petroleum Resource Strategy

The vision that was outlined in the NZ Branch's submission is consistent with that outlined in the strategy document, namely that New Zealand needs "A world-leading minerals and petroleum sector that delivers value for New Zealanders, both now and in the future, in an environmentally and socially responsible way." However, to be world-leading, the New Zealand minerals sector needs to have a framework of greater certainty and transparency of minerals access and development within which to operate. This would allow operators to make investments in their projects to continually modernise equipment, operations, systems, and management tools.

The "no new mines on conservation land" objective is overtly stated in the strategy document in that it "aims to make sure that mining is done in the right place". The NZ Branch contended that mining can only occur where the underlying geology is suitable (allied, of course, to appropriate environmental controls). Excessive limitations on available land on which to prospect or explore for minerals significantly inhibits our ability to deliver on the proposed vision.

Submission on Government's ban on new mining on DOC land

Some members may remember Minister Megan Woods' announcement at the inaugural Minerals Forum back in May 2018 that there will be no new mining projects on conservation land. The Minister advised that a discussion document would be released during August – September 2018 and that a period for submissions would follow.

In reaction to this announcement, members were advised that the NZ Branch would be making a submission given the matter is of great significance to the minerals industry. In preparation for its submission, the NZ Branch commissioned work on the mapping the mineral permits on conservation land, produced photo-pictorial mining life cycles using aerial photography and a piece of writing. This work cost around \$16,500.

As at the time of writing of this report, there has been no follow up on Minister Woods' statement, and as such the impetus for our submission has abated. The work completed to date has been retained until such time as it may inform the NZ Branch's submission on this matter.

Professional Development

Professional development activities for 2019–2020 year have been provided through regionally hosted technical discussions, until COVID-19 prevented such activities from occurring. However, it is pleasing to see events planned for Nelson and Waihi in September 2020.

The AusIMM has recorded a significant number of branch talks from Australia that are available free to members via the AusIMM website (<https://ausimm.com/online-professional-development/>).

Branch Financials

The audited annual financial report for AusIMM NZ Limited for 2019 is attached (Attachment 1). The deficit for the year ending 31st December 2019 is (\$18,550) and net assets at the end of the year total \$115,855. A summary of changes in equity is summarised below:

Notes	Paid up Capital	Accumulated Surplus/(Deficit)	AusIMM NZ Ltd Total Funds
Balance at 1 January 2018	123,044	0	123,044
Surplus/(Deficit) attributable to Members of the Branch	0	11,361	11,361
Other comprehensive income/(loss)	0	0	0
Total comprehensive income for the year	0	11,361	11,361
Balance at 31 December 2018	123,044	11,361	134,405
Balance at 1 January 2019	123,044	11,361	134,405
Surplus/(Deficit) attributable to Members of the Branch	0	(18,550)	(18,550)
Other comprehensive income/(loss)	0	0	0
Total comprehensive income for the year	0	(18,550)	(18,550)
Balance at 31 December 2019	123,044	(7,189)	115,855

The deficit for the financial year is the net result of revenue and expenses for the following main activities delivered during the second half of 2019 and first half of 2020:

PACRIM Conference

In the 2019 financial year, the PACRIM conference (20% profit share) provided revenue of \$5,259.22 to the branch.

Monograph 33 Roadshow

The previous chair's report indicated that this was likely to cost \$6,000, the actual cost was \$6,371.57 (inc. GST).

Reefton Explorers Forum Sept 2019

Revenue \$18,325.00; Expenses \$15,831.16; Profit \$2,493.84. Expenses for education-related costs associated with the forum were recovered further adding to the event profit, as follows (ex. GST):

- EET fund of \$3,110.87 for student attendance
- Branch Closure Fund of \$2,640.68 for some presenters to attend

Consulting for AusIMM submission on "No New Mines on Conservation land"

This entailed researching and preparing inputs. Unfortunately, the submission process did not eventuate, and this expenditure was in vain, as follows (ex. GST):

- CRL: \$14,480.00
- V Bull Tenements: \$1,062.50

The balance (deficit) is associated with delivery of regional talks, travel for face to face committee meetings and sundry costs administering AusIMM NZ Limited over the 2019 calendar year.

Education Endowment Trust report

Chair of Trustees, Tony Haworth, is attending the AGM. I refer you to his report (Attachment 2) for an overview of the EET activity during, and financial position for 2019 (Attachment 3).

University engagement: Future Workforce

The NZ Branch Committee believes that mining and the minerals industry in NZ is of essential social value. Social value is comprised of many facets such as responsible and demonstrable mining practices, education and engagement, effective communications, political lobbying, etc which must be realised and maintained by exploration and mining companies. The NZ Branch Committee recognises that the AusIMM can play an important role in supporting the pathway to social value by supporting educational initiatives that create a pipeline of professionals from our universities to join the future mining industry (our Future Workforce).

Future Workforce considers the ability of current and future industry employees and representatives to have a rewarding sustained career in the mining and minerals industry. Such careers should provide an opportunity for professional advancement and career diversification. This requires a healthy, growing, and sustainable mining industry that is acceptable to and respected by the communities in which mining operates and by society more generally, including tangata whenua. To support Future Workforce the NZ Branch Committee wants to revitalise mining (and associated supporting industries) as a career path of choice for the new emerging talent across a range of professional disciplines from our educational institutions.

The NZ Branch Committee believes an appropriate vehicle for this promotion is a Roadshow that engages with faculty and students from tertiary educational institutions throughout New Zealand. The inaugural Roadshow will be aimed initially at New Zealand's universities. To some degree this will be a rekindling of relationships between AusIMM and the universities that have been somewhat neglected or overlooked in recent years. The Roadshow is to be delivered in two phases:

- Phase 1 is an introductory event to be held at the Geological Society annual conference in Christchurch (23–26 November 2020); and
- Phase 2 being a Roadshow around New Zealand universities in early 2021.

A number of submitters have been asked to submit proposals which are due by 5 pm on 25 September 2020. A decision on the successful proposal will be made shortly thereafter by the NZ Branch Committee along with an advisory panel. The successful applicant will have a little under two months to prepare their content for delivery in Phase 1 of the roadshow.

I am excited by this initiative and welcome suggestions from all members on content for the presentations, and opportunities to successfully engage with university students. Any offers of support, logistical, in-kind, or financial would be greatly appreciated.

Awards and scholarships

Lloyd Jones award

The Lloyd Jones Award recognises exemplary and sustained service to the NZ Branch and was first awarded in 2011. The award for was not made in 2019.

EET Scholarships

The EET awarded six student scholarships in 2019. Refer to Attachment 2 for details.