

How does the permit system work?

In New Zealand Crown Minerals issue permits under the Crown Minerals Act 1991 for people to prospect, explore or mine Crown owned minerals.

The following table shows the differences between the permit types. For information on applying for permits see our [guide](#).

	Prospecting permit	Exploration permit	Mining permit
Purpose	To identify land likely to contain exploitable deposits	To identify deposits and evaluate the feasibility of mining	Economic recovery of an identified resource
Which permit?	Previous work has not located a possible deposit	Often applied for first, rather than a prospecting permit, when higher impact work intended	The nature and extent of the mineable mineral resource or exploitable mineral deposit are known accurately
Activities	Very low impact, e.g. literature search, geological mapping, hand sampling or aerial surveys	May include literature review, drilling, bulk sampling and mine feasibility studies	Mineral extraction
Allocation	<ul style="list-style-type: none"> Acceptable work programme offer 	<ul style="list-style-type: none"> Acceptable work programme offer As a subsequent exploration permit following a prospecting permit Newly available acreage (NAA) – competitive permit allocation process over available land following permit expiry, surrender, revocation or relinquishment 	<ul style="list-style-type: none"> Acceptable work programme offer As a subsequent mining permit following an exploration permit Newly available acreage (NAA) – competitive permit allocation process over available land following permit expiry, surrender, revocation or relinquishment
Exclusive right	Yes, unless non-exclusive permit sought	Yes	Yes
Duration	<ul style="list-style-type: none"> 2 years Renewal up to another 2 years 	<ul style="list-style-type: none"> 5 years Renewal up to another 5 years over half of area Appraisal extension possible 	<ul style="list-style-type: none"> Up to 40 years but commonly under 20 years (related to extent of reserves and resources and work programme)
Size	No upper limit - relates to work programme	No upper limit - relates to work programme	Related to extent of discovery and work programme

Royalties	Not applicable	Not applicable unless annual production is greater than \$200,000 in value	<p>For permits under the 1996 minerals programmes, 1% ad valorem royalty (AVR) for net sales revenues up to \$1 million per annum. Where net sales revenues over \$1 million pa, higher of either 1% AVR or 5% accounting profits royalty</p> <p>For permits under the 2008 minerals programme: specific rate royalty (SRR) for low value to volume minerals and tiered AVR for precious metals and platinum group elements</p> <p>Guide to Completing the Annual Royalty Return [106 kB PDF]</p>
Legislation	<ul style="list-style-type: none"> • Crown Minerals Act 1991 • Crown Minerals (Minerals and Coal) Regulations 2007 • Crown Minerals (Minerals Fees) Regulations 2006 • Minerals Programme for Minerals (other than coal & petroleum) 1996 [456 kB PDF] • Minerals Programme for Coal 1996 [456 kB PDF] • Minerals Programme for Minerals (Excluding Petroleum) 2008 [2.4 MB PDF] <p>To view or print these PDF files you will require PDF viewing software: Adobe Acrobat Reader.</p>		
Land access rights	<ul style="list-style-type: none"> • For minimum impact activity, 10 days notice except over special classes of land, e.g. urban conservation land • For other exploration and mining, land access arrangement with landowner and occupier 		