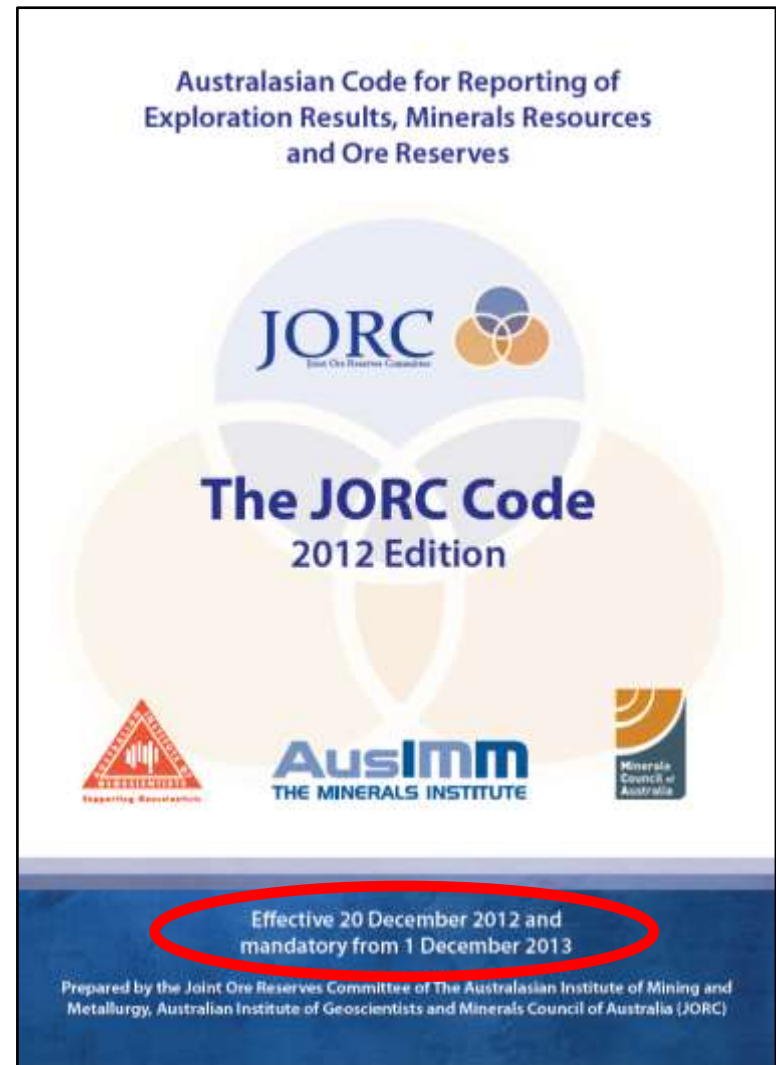
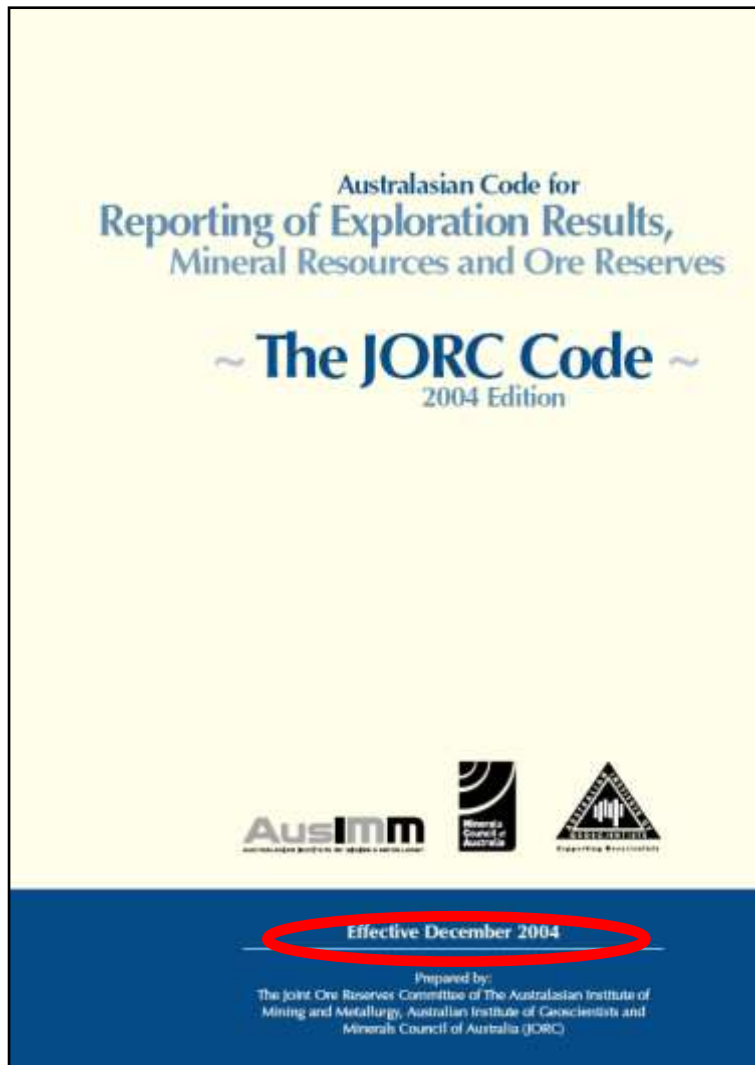




THE JORC CODE 2012

There Are Two Current JORC Codes, The 2004 and 2012 Editions



Introduction

Why was there a need to revise the 2004 Code? A little background:

- A number of ASX Companies Updates had been issued between 2005 and 2008 related to JORC Code matters.
- In October 2011, the JORC Committee released an Issues Paper to stimulate discussion and comment on how the JORC Code could be improved.
- The Issues Paper attracted 114 written submissions, as well as significant additional feedback received through public forums and meetings.
- Comments on the Issues Paper confirmed strong support for the JORC Code to remain a principles-based professional Code. Comments also highlighted there was a need for improved disclosure standards, and a greater balance between the core principles of Transparency, Materiality, and Competence in Public Reporting.
- Evaluation of the responses enabled JORC to prepare an Exposure Draft of the 2012 JORC Code which was released for public comment in September 2012.
- In addition to many comments made in consultation forums and meetings, JORC received 82 written submissions in response to the Exposure Draft.



2004 JORC Code—Distortions of Principles

Overemphasis on the principle of Competence to the potential exclusion of Materiality and Transparency has been common.

The feedback from the consultation to both JORC and ASX was, overwhelmingly, that greater transparency in the reporting of the required material information was necessary to better inform investors.

Comments on the exposure draft of the JORC Code issued in September 2011 and draft Chapter 5 of the new ASX Listing Rules also reinforced this response.

Clause 2 2004 Code

“2. In this edition of the JORC Code, important terms and their definitions are highlighted in **bold** text. The guidelines are placed after the respective Code clauses using *indented italics*. They are intended to provide assistance and guidance to readers. They do not form part of the Code, but should be considered persuasive when interpreting the Code. Indented italics are also used for Appendix 1 – ‘Generic Terms and Equivalents’ and Table 1 – ‘Check List of Assessment and Reporting Criteria’ to make it clear that they are also **part of the guidelines, and that the latter is not mandatory for reporting purposes.**”

This statement (in red above), together with all of the examples being negative, was taken by many Competent Persons as an opportunity not to report all material information.

Clause 2 2012 Code

“2. In this edition of the JORC Code, important terms and their definitions are highlighted in bold text. The guidelines are placed after the respective Code Clauses using indented italics. Guidelines are not part of the Code, but are intended to provide assistance and guidance to readers and should be considered persuasive when interpreting the Code.”
~~Indented italics are also used for Appendix 1 ‘Generic Terms and Equivalents’ and Table 1 ‘Check List of Assessment and Reporting Criteria’ to make it clear that they are also part of the guidelines, and that the latter is not mandatory for reporting purposes.~~

Further guidance on the importance of material information is now included in Clauses 5, 19, 27, 35, and the introduction to Table 1.

2012 Code—Introduction of Some New Terms

Significant project:

- “An exploration or mineral development project that has or could have a significant influence on the market value or operations of the listed company, and/or has specific prominence in Public Reports and announcements.” (Appendix 1).

Also the definition of a Material project in ASX Listing Rules

Material change:

- “A material change could be a change in the estimated tonnage or grade or in the classification of the Mineral Resources or Ore Reserves. Whether there has been a material change in relation to a significant project must be considered by taking into account all of the relevant circumstances, including the style of mineralisation. This includes considering whether the change in estimates is likely to have a material effect on the price or value of the company’s securities.” (Guideline to Clause 5).

‘if not, why not’:

- “means that each item listed in the relevant section of Table 1 must be discussed and if it is not discussed then the Competent Person must explain why it has been omitted from the documentation.” (Guideline to Clause 5).



Public Reports

To comply with both the 2012 JORC Code and the revised ASX Listing Rules **for significant** (material in ASX Listing Rules) **projects when reporting initial results or estimates or reporting results or estimates which have materially changed from when they were last reported**, the following information needs to be prepared:

- Competent Person's internal documentation.
- Public report addressing all those points identified as requiring prominent reporting in ASX Listing Rules 5.7, 5.8, and 5.9, in the body of the public report.
- As an appendix to the public report, a completed Table 1 for the relevant sections of the table as identified in the ASX Listing Rules, on an "if not, why not" basis.

The key changes in the 2012 Code

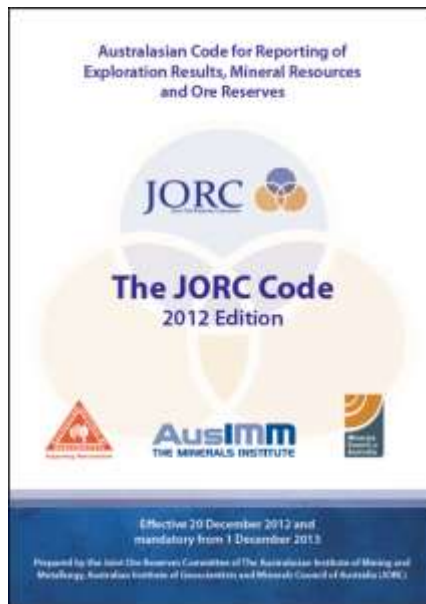
- The requirement to report against Table 1 on an ‘if not, why not’ basis for initial or materially changed reports of Exploration Results or estimates of Mineral Resources or Ore Reserves for significant projects — Clauses 2, 5, 19, 27, 35, and the introduction to Table 1.

The key changes in the 2012 Code (2)

- Competent Person attributions — Clause 9.
- Exploration Target — now defined in the revised Clause 17.
- At least a Pre-Feasibility Study required for an Ore Reserve declaration — Clause 29.
- Technical studies definitions — Clauses 37, 38, 39, and 40.
- Metal equivalents — Clause 50.
- *In situ* or ‘in ground’ values — Clause 51.
- Additional guidance on reporting requirements for Competent Persons — Table 1 body of table.

Stock exchange listing rules

- Public reports made via the ASX or other stock exchange need to consider the rules of the exchange as well as the JORC Code



+ Listing Rules (For example, in Australia refer to ASX Listing Rules & Guidance note 31)

= Public Reporting that meets all requirements



Reporting Environment and Compliance

Australian reporting environment and other jurisdictions:

- Australian Securities Exchange (ASX) Listing Rules and relevance to minerals reporting
- Australian Securities and Investment Commission (ASIC)

The amended Listing Rules contain:

- Requirements parallel with the 2012 JORC Code, for the reporting of initial or materially changed Exploration Results, Mineral Resources, or Ore Reserves.
- Requirements additional to the 2012 JORC Code including:
 - Reporting of historical estimates and foreign estimates of mineralisation for material mining projects.
 - Reporting of production targets.
 - The requirements for Annual Reporting of Mineral Resources and Ores Reserves.
 - Competent Person Requirements.
- Terms of a mining joint venture agreement.



Chapter 5

Additional reporting on mining and oil and gas production and exploration activities

Table of contents

The main headings in this chapter	Rules
Quarterly reporting	5.1 - 5.5
Reporting on mining activities	5.6 - 5.24
Reporting on oil and gas activities	5.25 - 5.44
Terms of a +mining tenement and a +petroleum tenement joint venture	5.45
Australasian Code for Reporting of Mineral Resources and Ore Reserves (the JORC Code)	Appendix 5A
+Mining exploration entity and +oil and gas exploration entity quarterly report	Appendix 5B

Explanatory note

This chapter sets out additional reporting and disclosure requirements for +mining entities and +oil and gas entities, and other +entities reporting on mining and oil and gas activities.

Information to be given to ASX for release to the market must be given to ASX's +company announcements office.

Reference to the JORC Code (Appendix 5A) in the Amended ASX Listing Rule 5.6

Reporting on mining activities

Requirements applicable to all public reporting

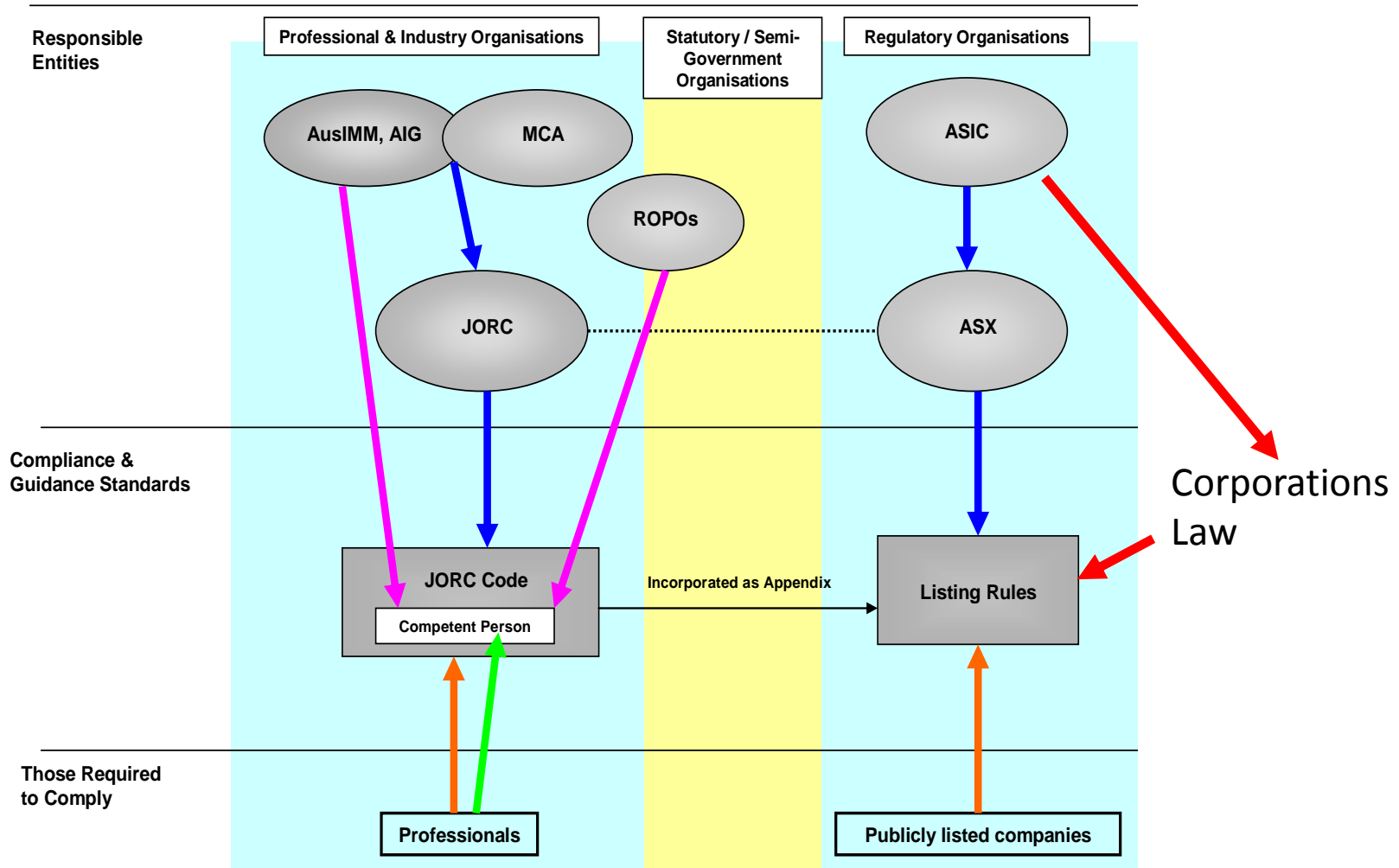
5.6 Subject to rule 5.10, a public report prepared by an +entity must be prepared in accordance with rules 5.7 to 5.24 if applicable and Appendix 5A (JORC Code) if applicable if the report includes a statement relating to any of the following.

- +Exploration targets.
- +Exploration results.
- +Mineral resources or +ore reserves.
- +Production targets. *Note production targets are not included in the JORC Code*

Note: the rules in this chapter relate to the reporting of exploration results, mineral resources, ore reserves, historical and foreign estimates and production targets. Appendix 5A (JORC Code) relates to the reporting of exploration targets, exploration results, mineral resources and ore reserves. This rule is not confined to reports under this chapter. It also applies to all public reports, including prospectuses, product disclosure statements, information memoranda, bidder's and target's statements, annual reports, financial statements, technical papers, presentations, website content and information given to ASX for release to the market under other chapters of these rules.

Australian Reporting Environment

Australia





EDUCATION EFFORT

Roll out of new Code and Listing Rules

Joint ASX ASIC JORC road shows:

In all mainland state capitals, over 1100 attendees in Perth and more than 2000 country wide.

Workshops and seminars:

In all mainland state capitals, mining centres, New Zealand and several overseas venues

Web based seminars available shortly



Frequently asked questions

Joint ASX ASIC JORC initiative:

FAGs issued in two tranches and downloadable from ASX and JORC websites.

AusIMM Monograph 23 being revised and reissued as Monograph 30 in early 2014

Covering new development and reporting under the enhanced reporting standards JORC 2012 and Revised ASX Listing Rules.



JORC the committee

State of renewal after the revision

New Chair Steve Hunt to take over in December

Several new representatives from the MCA, AusIMM and AIG reviewing representation.

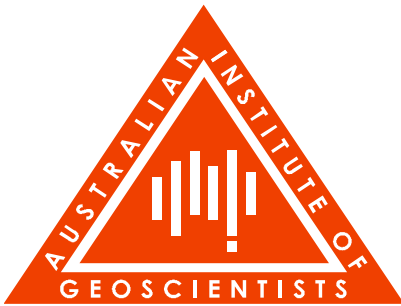
Attempting to maintain continuity but reinvigorate for the next review.

Ian Goddard and Peter Stoker to remain as CRIRSCO representatives for the time being.



Acknowledgements

To my JORC colleagues for preparation of some of the material included in this presentation and to JORC and its parent bodies for their support



Supporting Geoscientists



And my CRIRSCO colleagues:



A strategic partner of

