

# CRIRSCO meeting, Bogota

## PERC STANDARD 2013

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# PERC Reporting Standard 2013

- First draft completed q4 2011. Consultations during 2012.
- Final draft published and circulated Dec. 2012
- Addition of Chilean Comision Minera as RPO but no other requests for changes
- Approved 15 March 2013, published 16 March
- Revision 1, published 23 May, adding SME as an RPO
- Current developments (in progress): Dimension Stone section

# PERC Reporting Standard 2013

- Main points:
  - Includes agreed standard CRIRSCO definitions
  - Re-written section on Competent Persons
  - Re-written section on industrial and construction minerals
  - New section on oil shales and oil sands
  - New section on minerals extracted by solution mining
  - New guideline on materiality for consistency with ESMA rules (especially relevant for construction minerals companies)
  - New Table 1 checklist item on site visits and verification of data
  - New Appendix 5 for definition of Recognised Professional Organisations
  - Other minor improvements

# Competence

- Section re-written to incorporate new wording from JORC 2012
- CP definition. Identification of RPOs changed from ‘principles’-based to ‘list’-based but Appendix 5 retains the ‘principles’ section for guidance of candidate RPOs.

# Industrial and Construction Minerals

- Complete re-write, to include detailed guidance for cement feed materials, including:
  - *For industrial minerals, cement feed materials and construction raw materials, it is common practice to report the saleable (or useable) product rather than the 'as mined' product as it is recognised that commercial sensitivities may not permit the publication of Mineral Resources and Reserves in the latter format which is the preferred style of reporting within the Standard. It is important that, in all situations where the saleable or usable product is reported, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported.*
- Important to note that for many cement companies in particular, the value of their mineral asset base is only a small proportion of the company's total value

# Oil Shales and Oil Sands

- Specific guidance as for industrial minerals:
  - *For hydrocarbon products, it is common practice to report the saleable product after extraction from the host rock matrix, rather than the 'as mined' product, as it is recognised that commercial sensitivities may not permit the publication of Mineral Resources and Reserves in the latter format which is the preferred style of reporting within the Code. It is important that, in all situations where the saleable product is reported, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported.*

# Oil Shales and Oil Sands

- Choice of standards to be used:
  - In some jurisdictions, it may be required, or it may be normal practice, to report Exploration Results, Mineral Resources and Mineral Reserves for Oil Shales, Tar Sands, and other similar energy minerals using other reporting standards and under different market regulations from those which apply to solid minerals. In such circumstances, the other reporting standards will generally take precedence and the choice of appropriate reporting standard to be used will in general not be a matter for decision by the Competent Person.

# Solution Mining

- Key guideline:
  - *The 'as mined' product for solution-mined minerals will normally be the solid material remaining after crystallisation, and removal, or recycling of the solvent. The quantities of solvent itself should not be reported as part of the Resources or Reserves, but are relevant only insofar as the related costs must be taken into consideration along with all other Modifying Factors. It is important that, in all situations where the saleable product is reported, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported and what processing steps have been required to obtain this saleable product.*

# Guideline on Materiality

- This has been added for consistency with ESMA disclosure regulations affecting mainly cement companies
- Allows flexibility to the Competent Person in deciding the appropriate level of aggregation where a company has a large number of similar sites. But:
  - *Individual mineral assets that have a disproportionate contribution to the overall Mineral Resource or Reserve available to the company may be 'material' and should be considered for separate reporting by the Competent Person.*

# Guideline on Materiality

- *Aggregation in reporting may be on the basis of geographical region or business unit. For example, a multinational company may have operations on several continents and may therefore wish to report Mineral Resources and Reserves based primarily on geographical region reflecting the regional structure of the company. A company with multiple business lines (cement, aggregates, clay building products) may prefer to report relevant Mineral Resources and Reserves by reference to commodities relevant to those business lines, subdivided by geographical regions.*
- *Where Mineral Resources and Reserves are reported on an aggregated basis, a statement to the effect that the estimation and reporting criteria for each individual site included in the aggregation is PERC compliant should be provided. Confirmation that the determination of materiality and establishment of the appropriate level of aggregation has been made by a Competent Person should also be provided.*

# Table 1 – Verification and site visits

- ***Personal introduction into projects and verification of the data***
  - *(i) Date of visit(s)*
  - *(ii) Meetings with key persons responsible for the project which is being reported upon, defining their responsible fields and experience relevant to the project.*
  - *(iii) Visit to project area resulting in a report itemising significant observations*
  - *(iv) What parts of the project were available for personal verification*
  - *(v) List of data used or cited in preparation of the Public Report*

# Current developments

- Initiated discussions on the inclusion of a commodity-specific set of guidelines on Dimension Stone. Of particular importance to a number of European companies, particularly marble producers in Italy.