



COMMITTEE FOR MINERAL RESERVES
INTERNATIONAL REPORTING STANDARDS





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Update from SME

More light at the end of the tunnel...



Ian Douglas

USA / SME Representative on CRIRSCO

May 20, 2013

Activities since 2012 Meeting

- SME Guide Update
- SEC progress
- Other items

2013 SME Guide Update

- Re-alignment with CRIRSCO Template and Standard Definitions. Some minor changes proposed to standard definitions.
- Final draft for comment out to CRIRSCO and SME Membership by end of November

2013 Progress

- The newly appointed Chairperson of the U.S. SEC gave a speech on Oct. 15, 2013, at the National Association of Corporate Directors. Industry Guide 7 was specifically discussed:
 - First time the SEC has publicly raised the issue about IG7
 - Clearly, Ms. White has read and is aware of the merits of the Petition for Rule Change filed by the SME
 - The speech acknowledges that SEC recognizes Mining has changed radically since IG7 was issued
 - Singled out the Mining Industry as needing updated guidance similar to Oil and Gas in 2008.
 - She acknowledges the international nature of mining and need for alignment with comprehensive International Standards for reporting Reserves and Resources (CRIRSCO), and openly asks if the SEC should take a similar approach in updating IG7.

2013 Progress

- The SEC's Mining Engineer and his immediate supervisors continue to support the efforts to update IG7, however until it is put on the SEC's work agenda, no concrete progress will be made.
- Strong support for changing IG7 with many in US Congress, Mining Association, and other stakeholders that will be used to keep the Petition as an active issue in front of the SEC. This includes SME actively lobbying Congresspersons to write letters of support for the Petition filed by the SME.

- Deep seabed mining discussions have taken place by H. Parker.
- Communication opportunity as first exploration contracts from International Seabed Authority (ISA) move into development phase and guidance for Information Issues needed
- Parker has corresponded with contract representative from International Seabed Authority and will meet with her next week
- ISA could likely reach out to CRIRSCO for help.