

Background

to the Press Release

The Protocol was agreed at a meeting in Moscow on 21-22 October 2008, between 4 representatives from CRIRSCO and 19 from GKZ, Russian research institutes, universities, and mining companies.

* **CRIRSCO** is the umbrella organisation founded in 1994 to coordinate the work of international minerals reporting code committees (including JORC, CIM, SAMREC, SME, and the IMM committee - now re-constituted as PERC). The current chairman of CRIRSCO is Niall Weatherstone. For further information including current membership of CRIRSCO, please refer to www.crirSCO.com

* **PERC** is the Pan-European Reserves and Resources Reporting Committee, founded in 2006 to replace the earlier IMM Reserves Committee. The founding chairman was Dr Gordon Riddler (until January 2007). Dr Stephen Henley served as chairman from January 2006 until June 2007, and the current chairman is Dr Wynand Kleingeld. In June 2008, PERC published a new draft reporting code and revisions are in progress following a 4-months consultation period, with publication of the final code intended shortly. For further information please refer to www.percreserves.com.

* **GKZ** is the Russian State Commission on Mineral Reserves, founded in 1927, which manages the Russian state reserves estimation and reporting system. Interestingly, an early decree, signed in 1927, already identifies a classification into proved, probable, and possible reserves and indicates that GKZ was one of the world leaders in developing minerals reporting concepts. The current chairman of GKZ is Yuri Podturkin. For further information please refer to www.gkz-rf.ru.

* A **CRIRSCO-GKZ Working Group** was convened on behalf of CRIRSCO in 2006 by Dr Stephen Henley, then secretary of PERC, with representatives from PERC, JORC, GKZ, and mining companies and universities in Russia and elsewhere. Dr Henley continues to act as secretary of the working group, and Dr Mike Armitage was invited to serve as chairman in recognition of his extensive contacts and experience across a broad cross-section of the mining industry in Russia. The purpose of this Working Group is alignment or 'harmonisation' of the Russian and western reporting systems for mineral resources and reserves. Information on the working group's activities is published on the PERC web site.

The Press Release is an agreed statement which has been released in both English and Russian languages.

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