



crirSCO
COMMITTEE FOR MINERAL RESERVES
INTERNATIONAL REPORTING STANDARDS


**JORC its workings &
application of The JORC Code**

Peter Stoker Chairman JORC

MLR-CRIRSCO Seminar,
Beijing 23 October 2009







Outline

- The JORC Code & Competent Persons
- Companies Updates now incorporated in the downloadable version of The JORC Code
- Monitoring compliance
- Application of The JORC Code
- Update and Review of the 2004 JORC Code
- International Reporting Developments

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Why have a JORC Code?

- The Code applies to Public Reports of Exploration Results, Mineral Resources or Ore Reserves, prepared for the purpose of informing investors or potential investors and their advisers.
- So the JORC Code is a Code for Reporting for the **benefit** of investors


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JORC Code role and function

- Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code) prepared by the Joint Committee of The Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Minerals Council of Australia (JORC)
- Incorporated as Appendix 5A in the Australian Securities Exchange (ASX) Listing Rules.
- The only externally sourced information in the ASX Listing Rules
- In Australia, regulatory responsibility for disclosure of Exploration Results, Mineral Resources and Ore Reserves also arises in connection with the Corporations Law requirements for proper disclosure to be made to shareholders and investors in connection with fundraisings, takeovers and other corporate activities, and under the *Trade Practices Act 1974* (Further details available in Philips and also Livesley).

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The 2004 JORC Code




READ THE CODE!!!!

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Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves


~ The JORC Code ~

2004 Edition

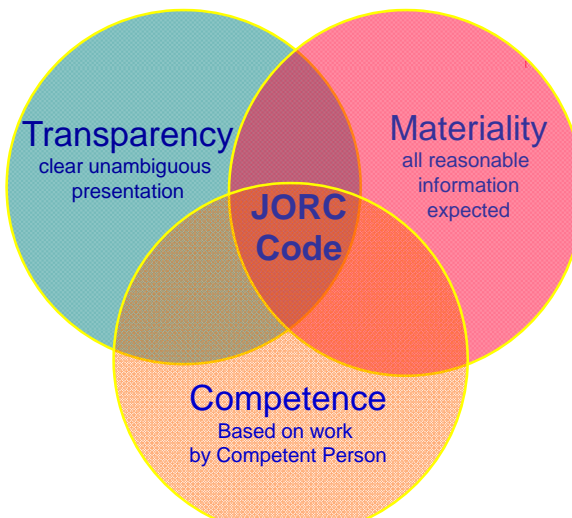
Effective December 2004


Prepared by:
The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC)




JORC Code - Principles based

JORC is a principles based Code – not a prescriptive Code.
The principles in Clause 4, 2004 JORC Code are:






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Competent Persons consent

The public report must be based on documentation prepared by a Competent Person and must:

- name the Competent Person(s) and the Competent Person's firm or employer;
- state that the public report is based on the documentation compiled by the Competent Person; **obtain the prior written consent of the Competent Person(s) to the "form and context" in which the public report refers to the information in the documentation prepared by the Competent Person, and**
- include a statement that this consent has been obtained.

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Australasian Joint Ore Reserves Committee (JORC)


JORC is a voluntary committee which has been in existence for over 30 years.

The "parents" are

- The Australasian Institute of Mining and Metallurgy
- Minerals Council of Australia
- Australian Institute of Geoscientists (1992)

Representation from

- Australian Securities Exchange (1981)
- Financial Services Institute of Australasia



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Current JORC Members


Chairman:	Mr Peter Stoker (AusIMM)
Deputy Chairs:	Mr Mark Adams (AusIMM)
	Ms Alice Clark (AusIMM)
Mr Rob Behets (AIG)	Mr Chris Cairns (AIG)
Mr Stephen Deady (MCA)	Mr Gerry Fahey (AIG)
Mr Peter Forrestal (MCA)	Mr Steve Hunt (MCA)
Mr Chris Roberts (AIG)	Mr James Rowe (ASX)
Mr Warren Staude (FinSIA)	Mr Gavin Yeates (MCA)
(co-opted)	Mr Tim Goldsmith (AusIMM)
	Mr Ian Goddard (AusIMM)
(ex-officio)	Dr Bill Shaw (AIG)
Secretariat:	Mr Michael Catchpole (AusIMM)
	The AusIMM.
Webmaster:	Tatiana Feldman The AusIMM.


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Monitoring compliance with The JORC Code

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Apparent breaches by Companies – ASX

- Earlier this year (14 May 2009) ASX released a “Review of Compliance with the JORC Code” which noted that 94% of announcements required no action by ASX
- Of the 6% that required action, the most common breach was a deficient or missing Competent Person statement. Other breaches included; insufficient information on Exploration Results - lack of drill hole information; exploration target statements reported incorrectly and combined or unspecified categories of Resources or Reserves, see:


http://www.asx.com.au/about/pdf/mr_140509_jorc_code_review.pdf


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Apparent breaches by Individuals – Professional Bodies

- AIG have run a complaints column in the AIG News for some time keeping people up to date with compliance.
- The AusIMM August [Bulletin](#) contained a series of articles on ethics, disciplinary procedures and cases and compliance.
- Note, examples of the Competent Persons not giving consent, and this being a defence in a subsequent ethics action
- Note the banning of one individual for committing fraud
- ROPOs have to report annually on any complaints lodged and actions taken.



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Update and Review of the 2004 JORC Code

A two stage process


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First Stage

- A “tidying up” of the 2004 JORC Code to incorporate recent ASX Companies Updates 05/04, 03/07 and 03/08, (but not 11/07 which deals with historical and foreign estimates, which is outside the operation of The JORC Code)
- Several other minor inconsistencies will be rectified
- Exposure draft to be issued for comment, expected in October this year, with a request comments be restricted to the matters amended. This version will be the “2004 JORC Code amended 2009”, which will probably be issued later in the year after approval by the parent bodies, ASX and ASIC.
- JORC does not envisage any material changes in this first stage.

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Second Stage

- Immediately following the finalisation of the first stage, JORC will call for public submissions on matters relating to the JORC Code.
- JORC would also expect to consider matters arising from recent revisions to other international Codes (SAMREC 2007, PERC 2009 and the SME Guide 2007), as well as matters resulting from the current review of Canadian NI 43-101.
- JORC has established a number of sub-committees to undertake the initial review, and is facilitating the reconvening of the Coal Guidelines committee.


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Minerals Council of Australia




Supporting Geoscientists



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