



COMMITTEE FOR MINERAL RESERVES INTERNATIONAL REPORTING STANDARDS

PRESS RELEASE

Russia's minerals industry took another step towards better access to global capital markets last month when it signed a protocol to bring its resource reporting systems in line with the CRIRSCO template recognised in most established capital markets.

Working in collaboration with the Committee for Mineral Reserves International Reporting Standards (CRIRSCO) – an industry group that promotes best practice in mineral reporting standards – Russia's State Commission on Mineral Reserves (GKZ) plans to make it easier for prospective investors and financiers to evaluate mining projects in that country.

Signing the Guidelines on alignment of Russian mineral reporting standards and the CRIRSCO template on 28 September with GKZ director-general Yuri Podturkin, CRIRSCO chairman Roger Dixon said this was a milestone for the global minerals sector, given the significance of Russia as a mining power. "This process will help open doors to project financing from across the world's stock exchanges, and will give a well-deserved boost to Russian minerals exploration and mining," said Dixon.

"One of the main differences that has separated the CRIRSCO standards and those used by GKZ is the requirement in most mining countries that a resource definition includes a reasonable expectation of economic extraction, with the emphasis on economic – which is to say, economically viable," said Dixon. "This is one of the issues that the working group had to deal with when drawing up the guidelines."

The new guidelines include indicative matching of Russian and CRIRSCO resource categories, and procedures for obtaining CRIRSCO reserves estimates, as well as underlining the definition of the role of the 'competent person' in the reporting process.

This set of guidelines is an important first step in simplifying the process of listing Russian projects in international investment markets; the next step will lead to the development of a new Russian reporting standard aligned with the CRIRSCO template - and full independent Russian membership of CRIRSCO.

Currently, many Russian geologists report their results under international standards through the membership of the Russian Society of Subsoil Use Experts (OERN) which in turn is a member of the European Federation of Geologists, which is



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recognised as a professional association by all CRIRSCO member organisations and stock exchange authorities in those countries.

Dixon said the signing of a new protocol of intentions in Moscow will pave the way for a joint CRIRSCO/GKZ/OERN working group to develop a parallel code fully aligned with the CRIRSCO template.

The intention is that this new standard will operate in parallel with the current Russian national minerals reporting system and will be used for reporting by Russian companies on stock markets in Russia and worldwide.

The CRIRSCO template for international reporting of mineral resources and reserves has evolved from many years of consultation between most of the world's mineral producing countries. "It can provide the template as guidance for any country wishing to adopt its own CRIRSCO-style reporting standard as a stepping stone to accessing global capital markets," said Dixon.

CRIRSCO is a strategic partner of the International Council on Mining and Metals (ICMM), an industry body committed to sustainable development in the minerals industry.

The guideline document and the protocol of intentions are now published and available on the websites of CRIRSCO (www.crirSCO.com), PERC (www.perc.co) and GKZ (www.gkz-rf.ru).



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Caption

Roger Dixon, CRIRSCO chairman and Yuri Podturkin, director general of Russia's State Commission on Mineral Reserves (GKZ)

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