



Australasian Joint Ore Reserves Committee

Chairman: Mr Peter Stoker

Secretariat: The AusIMM

Postal Address:

JORC web site: www.jorc.org



AusIMM
AUSTRALASIAN INSTITUTE OF MINING & METALLURGY



Phone (03) 9658 6100 Fax (03) 9662 3662

PO Box 660 Carlton South VIC 3053

email jorc@ausimm.com.au

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Dear stakeholder,

RELEASE OF JORC CODE, 2012 EDITION

JORC has today released the 2012 Edition of The JORC Code. It is available on the JORC website at www.jorc.org.

JORC's parent bodies the Minerals Council of Australia, the Australian Institute of Geoscientists and the Australasian Institute of Mining and Metallurgy have approved the release of the 2012 JORC Code, as have Australian Securities Exchange (ASX) and the Australian Securities and Investment Commission (ASIC).

The JORC Code, 2012 Edition and the revised ASX listing rules are subject to a transition period until 30 November 2013. During this period, the minimum requirement is compliance with the JORC Code, 2004 Edition and the current version of the ASX listing rules.

Voluntary additional disclosure in keeping with the requirements of the JORC Code, 2012 Edition and the revised ASX listing rules is encouraged in the period up to full implementation of the new versions from 1 December 2013 when compliance with both the new JORC Code and listing rules becomes mandatory.

Both JORC and ASX agree that if a Competent Person or a company wants to take advantage of any of the provisions of the 2012 JORC Code, it must comply with all the provisions of the 2012 JORC Code and the new ASX listing rules. More detail about the transition to full implementation of the revised Code and ASX listing rules will be available on the respective websites and during the education programs to be conducted in 2013.

Background and discussion:

JORC and ASX commenced updating the 2004 JORC Code in 2004 with the issue of a number of jointly prepared ASX Companies Updates issued between 2004 and 2008. The formal review process commenced in 2011. In October 2011 the JORC Committee released a 55 page Issues Paper to stimulate discussion and comment on how the JORC Code could be improved. The Issues Paper attracted significant input, with 114 written submissions received as well as significant further feedback received through public forums and meetings.

The extensive comments on the Issues Paper confirmed that there is strong support for the JORC Code to remain a principles-based professional Code. Comments also highlighted

the need for improved disclosure standards and a greater balance between the application of the principles of Transparency, Materiality and Competence in public reporting.

There were, of course, diverse views on many issues, but there was a clear majority consensus about the overall direction of the Code and the need to improve the level and transparency of disclosure in reporting of Exploration Results, Mineral Resources and Ore Reserves.

The clear messages about the future direction of the Code enabled the JORC Committee to prepare an Exposure Draft of the JORC Code which was released for public comment in September 2012. In addition to many comments made in consultation forums and meetings, JORC received 82 written submissions in response to the Exposure Draft.

The comments received were overwhelmingly supportive of the direction of the changes to the JORC Code as proposed in the Exposure Draft. Comments also provided many valuable suggestions that enabled the JORC Committee to further refine the final text of the JORC Code 2012 Edition to remove ambiguity and reduce the potential for misinterpretation of the Code, ensuring that its intent and requirements are as clear as possible.

Our international counterparts through CRIRSCO (the Committee for Mineral Reserves International Reporting Standards) also provided a number of very valuable comments that assisted in ensuring the best possible alignment of the JORC Code 2012 Edition with its international counterparts particularly in the adoption in the 2012 JORC Code of the current CRIRSCO standard definitions (for Mineral Resources and Ore Reserves and their classifications, Public Report, Competent Person, Modifying Factors, Exploration Target and Scoping, Pre-Feasibility and Feasibility Studies).

The JORC Committee is very grateful to everyone who took the time to attend consultation sessions and provide comments throughout the review process.

During the JORC Code review process, JORC has been working in collaboration with ASX and the ASIC. Companies that are listed on ASX are required to comply with the relevant listing rules which include the JORC Code when reporting Exploration Results, Mineral Resources and Ore Reserves. ASX released parallel discussion paper and exposure draft documents alongside the JORC consultation documents in 2011 and 2012. ASX published updated listing rules and an associated guidance note on 8 November 2012. The publication of the ASX listing rules was possible because approval had been received from the federal minister for Finance of a series of amendments to the listing rules including an expanded chapter 5 which deals with mining and oil and gas company reporting. The new chapter 5 rules specifically include the 2012 JORC Code as appendix 5A, although at that stage the 2012 JORC Code had not been finalised.

During early December, the JORC 2012 edits reached completion with the assimilation of comments and clarifications received in the final consultation round. Allowing for final discussions and reviews with ASIC, and ASX, the final draft of the 2012 code was submitted to the JORC parents and approved for release on Wednesday 19 December.

JORC is extremely grateful for the additional assistance and active support which has been provided to it by the parent bodies throughout the revision process.

JORC is very appreciative of the strong support and collaborative approach from the ASX and ASIC staff, and believes that the JORC Code and ASX listing rules reinforce each other more strongly than in the past.

JORC notes that the ASX listing rules also contain information reporting of foreign and historical estimates, production targets and the inclusion of annual Mineral Resources and Ore Reserves statements in company annual reports. JORC and ASX have discussed some minor differences in the application of the 'if not, why not' reporting requirements against Table 1 between the listing rules which have priority in Australia and the JORC Code which is applicable in many other jurisdictions. JORC has undertaken to include prominent reference to these differences in the education programmes to be organised in 2013.

The JORC Committee in collaboration with its parent bodies, ASX and ASIC is planning an extensive program of seminars and workshops to build minerals professionals' understanding of the 2012 JORC Code. These important professional development sessions will support the effective implementation of the revised JORC Code and provide an excellent platform for improved reporting of Exploration Results, Mineral Resources and Ore Reserves. More information will be available in the near future.

Kind regards,

A handwritten signature in black ink, appearing to read 'Peter Stoker', written in a cursive style.

Peter Stoker
Chairman JORC