

# MEDIA RELEASE



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## UPGRADED REPORTING CODE GIVES GREATER CERTAINTY FOR INVESTORS

Investor confidence in the Australian minerals sector will be enhanced by improvements to the industry's code for public reporting of exploration results, mineral resources and ore reserves, the Minerals Council of Australia said today.

The upgraded public reporting standards are contained in the 2004 edition of the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves* (the JORC Code) which were incorporated in the Australian Stock Exchange (ASX) and New Zealand Stock Exchange (NZX) Listing Rules on Friday, 17 December 2004.

The JORC Code provides minimum standards for public reporting to ensure that investors and their advisers have all the information they would reasonably require for making a balanced judgement regarding the results and estimates being reported.

MCA Chief Executive, Mr Mitchell H. Hooke, said: "The 2004 JORC Code sets a benchmark and further enhances the industry's commitment to high quality reporting standards in Australasia.

"With increasing activity generated by increased global demand for resources and minerals products, the release of the 2004 Code gives the industry a clearer platform for demonstrating its commitment to credible reporting of exploration results, mineral resources and ore reserves. This will provide greater certainty in investment markets," Mr Hooke said.

Australia has long been at the forefront of leading international practice in Public Reporting of Exploration Results, Mineral Resources and Ore Reserves. Other countries have modelled their updated or new codes on the Australian Code. This includes South Africa, the United Kingdom, Ireland and Canada as well as the United Nations Economic Commission for Europe.

The 2004 JORC Code better aligns Australia's standards with evolving regulatory and professional practices, and trends in other countries.

This year the JORC Code celebrates its 15<sup>th</sup> anniversary as part of the ASX Listing Rules and the minerals industry's general reporting standards in Australia.

The MCA has been involved in the Code's development since its inception in co-operation with the Australasian Institute of Mining and Metallurgy (AusIMM) and the Australian Institute of Geoscientists (AIG).

A copy of the 2004 JORC Code is available at the MCA website, at [www.minerals.org.au/corporate/whats\\_new](http://www.minerals.org.au/corporate/whats_new) or at the JORC website, at [www.jorc.org](http://www.jorc.org)

**A summary of the major changes between the 1999 edition of the JORC Code and the 2004 edition is attached.**

**Ends**

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## SUMMARY OF THE MAJOR CHANGES IN THE 2004 JORC CODE

- *Competent Person Exploration Results:* previously, Public Reports on “exploration results” did not require a Competent Person. This requirement has now been introduced for Reporting Exploration Results (as defined in 2004 JORC Code). This reflects common practice and international trends, for example, Canadian National Instrument NI 43-101. The Competent Person definition has been suitably amended;
- *Recognised Overseas Professional Organisations (ROPO's):* the ASX promulgated a list of ROPO's (currently 18) to which overseas Competent Persons may belong for the purpose of submitting reports to the ASX. These are referenced in the JORC Code.

The current published list is available on the ASX website [www.asx.com.au](http://www.asx.com.au) Canada (Canadian Securities Administrators) has done the same and South Africa (Johannesburg Stock Exchange) is currently implementing a ROPO-like system. ROPO's are required to have similar standards to AusIMM and AIG, including ability to enforce Rules of Conduct or Codes Of Ethics. The ROPO system facilitates international reciprocity of Competent Persons in line with international trends, which in turn promotes high quality reporting across national boundaries;

- *Naming of Competent Person:* previously, the requirement for Competent Person to be identified was in ASX Listing Rules, not the JORC Code. This has been transferred to the JORC Code. This requirement has been a strong deterrent to public reporting using “non-Competent Persons”;
- *Consolidation of reporting of Exploration Results:* previously, ASX Listing Rules included the requirement for reporting of exploration results additional to those in the JORC Code. These have been transferred to the JORC Code and the requirements for reporting of Exploration Results has been consolidated;
- *Reporting of exploration targets:* a clause and guidelines on the discussion of exploration targets has been clarified and separated from the clause on reporting of Exploration Results;
- *Level of study required to convert Resources to Reserves:* a guideline on the level of technical/economic study expected to have been carried out to convert Mineral Resources to Ore Reserves has been added to the Code;
- *Resource/Reserve risk and uncertainty:* Competent Persons are encouraged to quantify risk/uncertainty attaching to Resource/Reserve estimates. This is a guideline, and not a mandatory requirement. This reflects mining project evaluation and increasingly common professional practice; and
- *Diamonds, Coal:* the diamond and other gemstone reporting requirements have been consolidated and revised. The requirement to name a diamond valuer has been removed. In addition, there has been minor modification of the coal clauses and recognition of the new Coal Guidelines.