



Committee for Mineral Reserves International Reporting Standards

INTERNATIONAL REPORTING TEMPLATE

for the public reporting of

**EXPLORATION RESULTS, MINERAL
RESOURCES AND MINERAL RESERVES**

July 2006



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FOREWORD

1 The *International Template for Reporting of Exploration Results, Mineral Resources and Mineral Reserves* integrates the minimum standards being adopted in national reporting codes worldwide with recommendations and interpretive guidelines for the Public Reporting of Exploration Results, Mineral Resources and Mineral Reserves. The definitions in this edition of the International Reporting Template are either identical to, or not materially different from those definitions used in the countries represented on the CRIRSCO committee.

A committee of the Council of Mining and Metallurgical Institutions ('CMMI') was established in 1994 comprising representatives from mining and metallurgical institutions from the United States (SME), Australia (AusIMM), Canada (CIM), the United Kingdom (IMM, now the IMMM) and South Africa (SAIMM).

This committee worked towards the creation of a set of standard international definitions for the public reporting of Exploration Results, Mineral Resources and Mineral Reserves, modelled on the existing JORC Code (the Australasian Code for Reporting of Mineral Resources and Ore Reserves) and reached provisional agreement on standard reporting definitions in 1997 (the Denver Accord).

This was followed by an agreement on 9th November 1999, in Geneva to incorporate the CMMI definitions into the International Framework Classification for Reserves and Resources – Solid Fuels and Mineral Commodities ('UNFC'), developed by the United Nations Economic Commission for Europe ('UN-ECE') for those reserve/resource definitions the two Organisations shared in common.

The CMMI initiative made considerable progress towards widespread adoption of consistent reporting standards throughout the world. These standards are now embodied in the similar codes and guidelines published and adopted by the relevant professional bodies in Australia, Canada, South Africa, Chile, USA, UK, Ireland, and other European countries.

A further meeting in Cairns (2002) saw the establishment of what is now the Committee for Mineral Reserves International Reporting Standards ('CRIRSCO') comprising the same core group of representatives. Subsequently, at Reston VA In October 2003, CRIRSCO agreed to produce this International Reporting Template and to communicate with, and relate to other committees involved in standards concerning mineral reserves and mineral resources.

A trend towards tighter corporate governance and regulation demands the application of good practice in mineral reserve management as well as high standards of public reporting by responsible, experienced persons. The purpose of the International Reporting Template is to assist with the dissemination and promotion of effective, well-trying, good practice for public reporting of Exploration Results, Mineral Resources and Mineral Reserves already widely adopted through national reporting codes.

The International Template is advisory only and where national codes already exist, these will take precedence. The International Template is intended to assist those countries that either do not have a reporting code or whose code is outdated, to produce a new code consistent with international best practice. It also provides a consolidated version of national codes that reflects their compatible international components and may thus be used in comparisons with other international reporting systems. The word 'Template' is used advisedly to indicate that this document is a model for code development and does not in itself constitute a 'code' which implies that it has legal or other regulatory force.

From this point forward, the Template includes words that imply a mandatory action, such as "requires", "applies", "must" etc. This is to enable the Template to be easily adopted by countries and organisations wishing to do so, and does not imply that the Template itself is a mandatory reporting standard.

INTRODUCTION

2 In this edition of the International Reporting Template ("**The Template**"), important terms and their definitions are highlighted in **bold** text. The guidelines are placed after the respective Template clauses using *indented italics*. They are intended to provide assistance and guidance to readers for interpreting the application of the clauses in the Template.

Indented italics are also used for Appendix 1 – '*Generic Terms and Equivalents*', and Table 1 – '*Check List of Assessment and Reporting Criteria*' to make it clear that they are also part of the guidelines for the application of the Template.

Appendix 1 contains a table of generic terms and their equivalents, designed to avoid unnecessary duplication or ambiguity in the text

Appendix 2 provides Rules of Conduct for Mineral Resource and Mineral Reserve estimators that may be considered in addition to the Codes of Ethics or Practice normally applying to members of professional institutions.

SCOPE

3 The main principles governing the operation and application of the Template are transparency, materiality and competence. **Transparency** requires that the reader of a Public Report is provided with sufficient information, the presentation of which is clear and unambiguous, so as to understand the report and not to be misled. **Materiality** requires that a Public Report contains all the relevant information which investors and their professional advisers would reasonably require, and reasonably expect to find in a Public Report, for the purpose of making a reasoned and balanced judgement regarding the Exploration Results, Mineral Resources or Mineral Reserves being reported. **Competence** requires that the Public Report be based on work that is the responsibility of suitably qualified and experienced persons who are subject to an enforceable professional code of ethics and rules of conduct.

4 Reference in this Template to a Public Report or Public Reporting refers to any report on Exploration Results, Mineral Resources or Mineral Reserves, prepared for the purpose of informing investors or potential investors and their advisers, or to satisfy regulatory requirements.



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The Template indicates the required minimum standard for Public Reporting and is recommended as a minimum standard for other reporting. Companies are encouraged to provide information in their Public Reports, which is as comprehensive as possible.

Public Reports include but are not limited to: company annual reports, quarterly reports and other reports to regulatory authorities, or as required by law. The Template applies to other publicly released company information in the form of postings on company web sites, press releases and briefings for shareholders, stockbrokers and investment analysts. The Template also applies to the any reports that have been prepared for the purposes described in Clause 4, such as environmental statements; Information Memoranda; Expert Reports, and technical papers referring to Exploration Results, Mineral Resources or Mineral Reserves.

For companies issuing concise or similar annual reports, or other summary reports, inclusion of all material information relating to Exploration Results, Mineral Resources and Mineral Reserves is recommended. In cases where summary information is presented it should be clearly stated it is a summary, and a reference attached giving the source and location of the Template-compliant Public Reports or Public Reporting on which the summary is based.

It is recognised that companies can be required to issue reports into more than one regulatory jurisdiction, with compliance standards that may differ from this Template. It is recommended that such reports include a statement alerting the reader to this situation.

Reference in the Template to 'documentation' is to internal company documents prepared as a basis for, or to support, a Public Report.

It is recognised that situations may arise where documentation prepared by Competent Persons (refer to Clause 10) for internal company or similar non-public purposes does not comply with the Template. In such situations it is recommended that the document include a prominent statement to this effect. This will make it less likely that non-complying documentation will be used to compile Public Reports, since the Template requires Public Reports to fairly reflect Exploration Results, Mineral Resource and/or Mineral Reserve estimates, and supporting documentation, prepared by a Competent Person.

While every effort has been made within the Template to cover most situations likely to be encountered in Public Reporting, there may be occasions when doubt exists as to the appropriate form of disclosure. On such occasions, users of the Template and those compiling reports to comply with the Template should be guided by its intent, which is to provide a minimum standard for Public Reporting, and to ensure that such reporting contains all information which investors and their professional advisers would reasonably require, and reasonably expect to find in the report, for the purpose of making of a reasoned and balanced judgement regarding the Exploration Results, Mineral Resources or Mineral Reserves being reported.

Estimation of Mineral Resources and Mineral Reserves is inherently subject to some level of uncertainty and inaccuracy. Considerable skill and experience may be needed to interpret pieces of information, such as geological maps and analytical results based on samples that commonly only represent a small part of a mineral deposit. The uncertainty in the estimates should be discussed in documentation and,

where material, in Public Reports, and reflected in the appropriate choice of Mineral Reserve and Mineral Resource categories.

5 The Template is applicable to all solid minerals, including diamonds, other gemstones, industrial minerals, stone and aggregates, and coal, for which Public Reporting of Exploration Results, Mineral Resources and Mineral Reserves is required by the relevant regulatory authorities.

6 It is recognised that further review of the Template will be required from time to time

COMPETENCE AND RESPONSIBILITY

7 A Public Report concerning a company's Exploration Results, Mineral Resources and/or Mineral Reserves is the responsibility of the company acting through its Board of Directors. Any such report must be based on, and fairly reflect the information and supporting documentation prepared by a Competent Person or Persons.

8 Documentation detailing Exploration Results, Mineral Resource and Mineral Reserve estimates, on which a Public Report on Exploration Results, Mineral Resources and Mineral Reserves is based, must be prepared by, or under the direction of, and signed by, a Competent Person or Persons. The documentation must provide a fair representation of the Exploration Results, Mineral Resources or Mineral Reserves being reported.

9 A company issuing a Public Report shall disclose the name(s) of the Competent Person or Persons, their qualifications, professional and corporate affiliations and relevant experience. The report shall be issued with the written consent of the Competent Person or Persons as to the form and context in which it appears.

10 A 'Competent Person' is a person who is a Member or Fellow of a recognised professional body relevant to the activity being undertaken, and who is subject to enforceable Rules of Conduct.

A Competent Person must have a minimum of five years experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which that person is undertaking.

If the Competent Person is preparing a report on Exploration Results, the relevant experience must be in exploration. If the Competent Person is estimating, or supervising the estimation of Mineral Resources, the relevant experience must be in the estimation, assessment and evaluation of Mineral Resources. If the Competent Person is estimating, or supervising the estimation of Mineral Reserves, the relevant experience must be in the estimation, assessment, evaluation and economic extraction of Mineral Reserves.

The key qualifier in the definition of a Competent Person is the word 'relevant'. Determination of what constitutes relevant experience can be a difficult area and common sense has to be exercised. For example, in estimating Mineral Resources for vein gold mineralisation, experience in a high-nugget, vein-type mineralisation

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such as tin, uranium etc. will probably be relevant whereas experience in massive base metal deposits may not be. As a second example, to qualify as a Competent Person in the estimation of Mineral Reserves for alluvial gold deposits, considerable (probably at least five years) experience in the evaluation and economic extraction of this type of mineralisation would be needed. This is due to the characteristics of gold in alluvial systems, the particle sizing of the host sediment, and the low grades involved. Experience with placer deposits containing minerals other than gold may not necessarily provide appropriate relevant experience.

The key word 'relevant' also means that it is not always necessary for a person to have five years experience in each and every type of deposit in order to act as a Competent Person if that person has relevant experience in other deposit types. For example, a person with (say) 20 years experience in estimating Mineral Resources for a variety of metalliferous hard-rock deposit types may not require five years specific experience in (say) porphyry copper deposits in order to act as a Competent Person. Relevant experience in the other deposit types could count towards the required experience in relation to porphyry copper deposits.

In addition to experience in the style of mineralisation, a Competent Person taking responsibility for the compilation of Exploration Results or Mineral Resource estimates should have sufficient experience in the sampling and analytical techniques relevant to the deposit under consideration to be aware of problems which could affect the reliability of data. Some appreciation of extraction and processing techniques applicable to that deposit type is also important.

As a general guide, persons being called upon to act as Competent Persons should be clearly satisfied in their own minds that they could face their peers and demonstrate competence in the commodity, type of deposit and situation under consideration. If doubt exists, the person should either seek opinions from appropriately experienced colleagues or should decline to act as a Competent Person.

Estimation of Mineral Resources may be a team effort (for example, involving one person or team collecting the data and another person or team preparing the estimate). Estimation of Mineral Reserves is very commonly a team effort involving several technical disciplines. It is recommended that, where there is a clear division of responsibility within a team, each Competent Person and his or her contribution should be identified, and responsibility accepted for that particular contribution. If only one Competent Person signs the Mineral Resource or Mineral Reserve documentation, that person is responsible and accountable for the whole of the documentation under the Template. It is important in this situation that the Competent Person accepting overall responsibility for a Mineral Resource or Mineral Reserve estimate and supporting documentation prepared in whole or in part by others, is satisfied that the work of the other contributors is acceptable.

Complaints made in respect of the professional work of a Competent Person will be dealt with under the disciplinary procedures of the National professional organisation to which the Competent Person belongs. Such procedures may vary from country to country, but international agreements between National Reporting Organisations through the 'ROPO' (Recognised Overseas Professional Organisation) system are encouraged to standardise Competent Person practices where possible.

Reporting Terminology

11 Public Reports dealing with Exploration Results, Mineral Resources and/or Mineral Reserves must only use the terms set out in Figure 1.

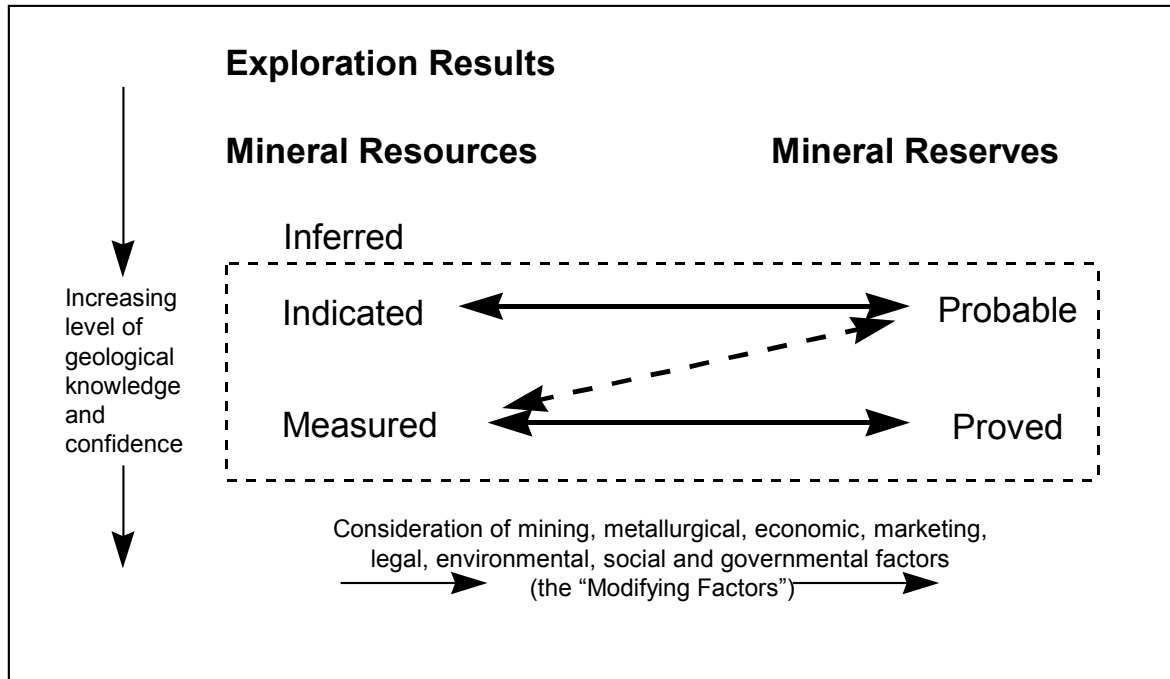
The term ‘Modifying Factors’ is defined to include mining, metallurgical, economic, marketing, legal, environmental, social and governmental considerations.

Figure 1 sets out the framework for classifying tonnage and grade estimates to reflect different levels of geological confidence and different degrees of technical and economic evaluation. Mineral Resources can be estimated mainly on the basis of geological information with some input from other disciplines. Mineral Reserves, which are a modified sub-set of the Indicated and Measured Mineral Resources (shown within the dashed outline in Figure 1), require consideration of the Modifying Factors affecting extraction, and should in most instances be estimated with input from a range of disciplines.

Measured Mineral Resources may convert to either Proved Mineral Reserves or Probable Mineral Reserves. The Competent Person may convert Measured Mineral Resources to Probable Mineral Reserves because of uncertainties associated with some or all of the Modifying Factors which are taken into account in the conversion from Mineral Resources to Mineral Reserves. This relationship is shown by the broken arrow in Figure 1. Although the trend of the broken arrow includes a vertical component, it does not, in this instance, imply a reduction in the level of geological knowledge or confidence. In such a situation these Modifying Factors should be fully explained.

Refer also to the guidelines to Clause 31

Figure 1 General relationship between Exploration Results, Mineral Resources and Mineral Reserves





Reporting General

12 Public Reports concerning a company's Exploration Results, Mineral Resources and/or Mineral Reserves must include a description of the style and nature of mineralisation.

13 A company must disclose any relevant information concerning a mineral deposit that could materially influence the economic value of that deposit to the company. A company must promptly report any material changes in its Mineral Resources or Mineral Reserves.

14 Companies must review and publicly report on their Exploration Results, Mineral Resources and/or Mineral Reserves at least annually.

15 Throughout the Template, certain words are used in a general sense when a more specific meaning might be attached to them by particular commodity groups within the industry. In order to avoid unnecessary duplication, the generic terms are listed in Appendix 1 together with other terms that may be regarded as synonymous for the purposes of this document.

The use of a particular term throughout this document does not signify that it is preferred or necessarily the ideal term in all circumstances. A typical example is where mining is referred to as quarrying when stone and aggregates are involved. Competent Persons would be expected to select and use the most appropriate terminology for the commodity or activity being reported.

Reporting of Exploration Results

16 **Exploration Results include data and information generated by exploration programmes that may be of use to investors but which may not be part of a formal declaration of Mineral Resources or Mineral Reserves.** This is common in the early stages of exploration when the quantity of data available is generally not sufficient to allow any reasonable estimates of tonnage and grade to be made. Examples include discovery outcrops, single drill hole intercepts or the results of geophysical surveys.

It should be made clear in public reports that contain Mineral Exploration Results that it is inappropriate to use such information to derive estimates of tonnage and grade. It is recommended that such reports carry a continuing statement along the following lines:

"The information provided in this report/statement/release constitutes Mineral Exploration Results as defined in the International Reporting Template, Clause 16. It is inappropriate to use such information for deriving estimates of tonnage and grade".

17 If a Company reports Exploration Results in relation to mineralisation not classified as a Mineral Resource or Mineral Reserve, then estimates of tonnage and associated average grade must not be reported.

Descriptions of exploration targets or exploration potential given in Public Reports, should be expressed so as not to misrepresent them as an estimate of Mineral Resources or Mineral Reserves

18 Public Reports of Exploration Results relating to mineralisation not classified as a Mineral Resource or Mineral Reserve must contain sufficient information to allow a considered and balanced judgement of the significance of the results. Public Reports of Exploration Results must not be presented so as to unreasonably imply that potentially economic mineralisation has been discovered.

Reporting of Mineral Resources

19 A 'Mineral Resource' is a concentration or occurrence of material of economic interest in or on the Earth's crust in such form, quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence, sampling and knowledge. Mineral Resources are subdivided, in order of increasing geological confidence into Inferred, Indicated and Measured categories.

Portions of a mineral deposit that do not have reasonable prospects for eventual economic extraction must not be included in a Mineral Resource.

The term 'Mineral Resource' covers mineralisation, including dumps and tailings, which has been identified and estimated through exploration and sampling and within which Mineral Reserves may be defined by the consideration and application of Modifying Factors.

The term 'reasonable prospects for eventual economic extraction' implies a judgement (albeit preliminary) by the Competent Person in respect of the technical and economic factors likely to influence the prospect of economic extraction, including the approximate mining parameters. In other words, a Mineral Resource is not an inventory of all mineralisation drilled or sampled, regardless of cut-off grade, likely mining dimensions, location or continuity. It is a realistic inventory of mineralisation which, under assumed and justifiable technical and economic conditions, might, in whole or in part, become economically extractable.

Any material assumptions made in determining the 'reasonable prospects for eventual economic extraction' should be clearly stated in the Public Report.

Interpretation of the word 'eventual' in this context may vary depending on the commodity or mineral involved. For example, for some coal, iron ore, bauxite and other bulk minerals or commodities, it may be reasonable to envisage 'eventual economic extraction' as covering time periods in excess of 50 years. However for many gold deposits, application of the concept would normally be restricted to perhaps 10 to 15 years, and frequently to much shorter periods of time.

Any adjustment made to the data for the purpose of making the Mineral Resource estimate, for example by cutting or factoring grades, should be clearly stated and described in the Public Report.

Certain reports (e.g. inventory reports, exploration reports to government and other similar reports not intended primarily for providing information for investment purposes) may require full disclosure of all mineralisation, including some material that does not have reasonable prospects for eventual economic extraction. Such

estimates of mineralisation would not qualify as Mineral Resources or Mineral Reserves under the Template.

20 An ‘Inferred Mineral Resource’ is that part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence, sampling and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which is limited or of uncertain quality and reliability.

An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource.

The Inferred category is intended to cover situations where a mineral concentration or occurrence has been identified and limited measurements and sampling completed, but where the data are insufficient to allow the geological and/or grade continuity to be confidently interpreted. Commonly, it would be reasonable to expect that the majority of Inferred Mineral Resources would upgrade to Indicated Mineral Resources with continued exploration. However, due to the uncertainty of Inferred Mineral resources, it should not be assumed that such upgrading will always occur.

Confidence in the estimate is usually not sufficient to allow the results of the application of technical and economic parameters to be used for detailed planning. For this reason, there is no direct link from an Inferred Resource to any category of Mineral Reserves (see Figure 1).

Caution should be exercised if this category is considered in technical and economic studies.

21 An ‘Indicated Mineral Resource’ is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed.

An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource, but has a higher level of confidence than that applying to an Inferred Mineral Resource.

Mineralisation may be classified as an Indicated Mineral Resource when the nature, quality, amount and distribution of data are such as to allow confident interpretation of the geological framework and to assume continuity of mineralisation.

Confidence in the estimate is sufficient to allow the application of technical and economic parameters, and to enable an evaluation of economic viability.

22 A ‘Measured Mineral Resource’ is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a high level of confidence. It is based on detailed and reliable exploration, sampling and testing information gathered

through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are spaced closely enough to confirm geological and grade continuity.

Mineralisation may be classified as a Measured Mineral Resource when the nature, quality, amount and distribution of data are such as to leave no reasonable doubt, in the opinion of the Competent Person determining the Mineral Resource, that the tonnage and grade of the mineralisation can be estimated to within close limits, and that any variation from the estimate would be unlikely to significantly affect potential economic viability.

This category requires a high level of confidence in, and understanding of, the geology and the controls of the mineral deposit.

Confidence in the estimate is sufficient to allow the application of technical and economic parameters and to enable an evaluation of economic viability with a high level of confidence.

23 The choice of the appropriate category of Mineral Resource depends upon the quantity, distribution and quality of data available and the level of confidence that attaches to those data. The appropriate Mineral Resource category must be determined by a Competent Person or Persons.

Mineral Resource classification is a matter for skilled judgement and Competent Persons should take into account those items in Table 1 which relate to confidence in Mineral Resource estimation.

In deciding between Measured Mineral Resources and Indicated Mineral Resources, Competent Persons may find it useful to consider, in addition to the phrases in the two definitions relating to geological and grade continuity in Clauses 21 and 22, the phrase in the guideline to the definition for Measured Mineral Resources: '...any variation from the estimate would be unlikely to significantly affect potential economic viability'.

In deciding between Indicated Mineral Resources and Inferred Mineral Resources, Competent Persons may wish to take into account, in addition to the phrases in the two definitions in Clauses 20 and 21 relating to geological and grade continuity, the guideline to the definition for Indicated Mineral Resources: 'Confidence in the estimate is sufficient to allow the application of technical and economic parameters and to enable an evaluation of economic viability.', which contrasts with the guideline to the definition for Inferred Mineral Resources: 'Confidence in the estimate of Inferred Mineral Resources is usually not sufficient to allow the results of the application of technical and economic parameters to be used for detailed planning' and 'Caution should be exercised if this category is considered in technical and economic studies'.

The Competent Person should take into consideration issues of the style of mineralisation, scale and cut-off grade when assessing geological and grade continuity.

24 Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. Reporting of tonnage and grade figures should reflect the relative uncertainty of the estimate by rounding off to

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appropriately significant figures and, in the case of Inferred Mineral Resources, by qualification with terms such as 'approximately'.

In most situations, rounding to the second significant figure should be sufficient. For example 10,863,000 tonnes at 8.23 per cent should be stated as 11 million tonnes at 8.2 per cent. There will be occasions, however, where rounding to the first significant figure may be necessary in order to convey properly the uncertainties in estimation. This would usually be the case with Inferred Mineral Resources.

To emphasise the imprecise nature of a Mineral Resource estimate, the final result should always be referred to as an estimate not a calculation.

Competent Persons are encouraged, where appropriate, to discuss the relative accuracy and/or confidence of the Mineral Resource estimates. The statement should specify whether it relates to global (whole of resource) or local estimates (a subset of the resource for which the accuracy and/or confidence might differ from the whole of the resource), and, if local, state the relevant tonnage or volume. Where a statement of the relative accuracy and/or confidence is not possible, a qualitative discussion of the uncertainties should be provided (refer to Table 1).

25 Public Reports of Mineral Resources must specify one or more of the categories of 'Inferred', 'Indicated' and 'Measured'. Categories must not be reported in a combined form unless details for the individual categories are also provided. Mineral Resources must not be reported in terms of contained metal or mineral content unless corresponding tonnages and grades are also presented. Mineral Resources must not be aggregated with Mineral Reserves.

Public Reporting of tonnage and grade outside the categories covered by the Template is not permitted.

26 Table 1 provides, in a summary form, a list of the main criteria which should be considered when preparing reports on Exploration Results, Mineral Resources and Mineral Reserves. These criteria need not be discussed in a Public Report unless they materially affect estimation or classification of the Mineral Resources.

It is not necessary, when publicly reporting, to comment on each item in Table 1, but it is essential to discuss any matters which might materially affect the reader's understanding or interpretation of the results or estimates being reported. This is particularly important where inadequate or uncertain data affect the reliability of, or confidence in, a statement of Exploration Results or an estimate of Mineral Resources and/or Mineral Reserves; for example, poor sample recovery, poor repeatability of assay or laboratory results, limited information on bulk densities etc.

If there is doubt about what should be reported, it is better to err on the side of providing too much information rather than too little.

Uncertainties in any of the criteria listed in Table 1 that could lead to under- or over-statement of resources should be disclosed.

27 The words 'ore' and 'reserves' must not be used in stating Mineral Resource estimates (except in the context of common usage such as "iron ore" etc) as the terms imply technical feasibility and economic viability and are only appropriate when all relevant modifying factors have been considered. Reports and statements should continue to refer to the appropriate category or categories of Mineral Resources until

technical feasibility and economic viability have been established. If re-evaluation indicates that any part of the Mineral Reserves is no longer viable, such Mineral Reserves must be re-classified as Mineral Resources or removed from the Mineral Resource/Mineral Reserve statements.

It is not intended that re-classification from Mineral Reserves to Mineral Resources or vice versa should be applied as a result of changes expected to be of a short term or temporary nature, or where company management has made a deliberate decision to operate on a non-economic basis. Examples of such situations might be commodity price fluctuations expected to be of short duration, mine emergency of a non-permanent nature, transport strike etc.

Reporting of Mineral Reserves

28 A 'Mineral Reserve' is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined. Appropriate assessments and studies have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified. Mineral Reserves are sub-divided in order of increasing confidence into Probable Mineral Reserves and Proved Mineral Reserves.

Mineral Reserves are those portions of Mineral Resources which, after the application of all mining factors, result in an estimated tonnage and grade which, in the opinion of the Competent Person making the estimates, can be the basis of a viable project, after taking account of all relevant Modifying Factors

In reporting Mineral Reserves, information on estimated mineral processing recovery factors is very important, and should always be included in Public Reports.

The term 'economically mineable' implies that extraction of the Mineral Reserve has been demonstrated to be viable under reasonable financial assumptions. What constitutes the term 'realistically assumed' will vary with the type of deposit, the level of study that has been carried out and the financial criteria of the individual company. For this reason, there can be no fixed definition for the term 'economically mineable'. However, it is expected that companies will attempt to achieve an acceptable return on capital invested, and that returns to investors in the project will be competitive with alternative investments of comparable risk.

In order to achieve the required level of confidence in the Mineral Resources and all of the modifying factors it is expected that studies to at least a Pre-Feasibility level will have been carried out prior to determination of the Mineral Reserves. The study will have determined a mine plan that is technically achievable and economically viable and from which the Mineral Reserves can be derived.

The term 'Mineral Reserves' need not necessarily signify that extraction facilities are in place or operative, or that all necessary approvals or sales contracts have been received. It does signify that there are reasonable expectations of such approvals or contracts. The Competent Person should consider the materiality of any unresolved matter that is dependent on a third party on which extraction is contingent.

Any adjustment made to the data for the purpose of making the Mineral Reserve estimate, for example by cutting or factoring grades, should be clearly stated and described in the Public Report.

It should be noted that the Template does not imply that an economic operation should have Proved Mineral Reserves. Situations may arise where Probable Mineral Reserves alone may be sufficient to justify extraction, as for example with some alluvial tin, diamond or gold deposits. This is a matter for judgement by the Competent Person.

29 A 'Probable Mineral Reserve' is the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Studies to at least Pre-Feasibility level will have been carried out, including consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. The results of the studies demonstrate at the time of reporting that extraction could reasonably be justified.

A Probable Mineral Reserve has a lower level of confidence than a Proved Mineral Reserve but is of sufficient quality to serve as the basis for a decision on the development of the deposit.

30 A 'Proved Mineral Reserve' is the economically mineable part of a Measured Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined. Studies to at least Pre-Feasibility level will have been carried out, including consideration of, and modification by, realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These studies demonstrate at the time of reporting that extraction is justified.

A Proved Mineral Reserve represents the highest confidence category of reserve estimate. The style of mineralisation or other factors could mean that Proved Mineral Reserves are not achievable in some deposits. Competent Persons should be aware of the consequences of declaring material of the highest confidence category before satisfying themselves that all of the relevant resource parameters and Modifying Factors have been established at a similarly high level of confidence.

31 The choice of the appropriate category of Mineral Reserve is determined primarily by the relevant level of confidence in the Mineral Resource and after considering any uncertainties in the modifying factors. Allocation of the appropriate category must be made by the Competent Person.

The Template provides for a direct relationship between Indicated Mineral Resources and Probable Mineral Reserves and between Measured Mineral Resources and Proved Mineral Reserves. In other words, the level of geological confidence for Probable Mineral Reserves is similar to that required for the determination of Indicated Mineral Resources. The level of geological confidence for Proved Mineral Reserves is similar to that required for the determination of Measured Mineral Resources. Inferred Mineral Resources are always additional to Mineral Reserves.

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The Template also provides for a two-way relationship between Measured Mineral Resources and Probable Mineral Reserves. This is to cover a situation where uncertainties associated with any of the Modifying Factors considered when converting Mineral Resources to Mineral Reserves may result in there being a lower degree of confidence in the Mineral Reserves than in the corresponding Mineral Resources. Such a conversion would not imply a reduction in the level of geological knowledge or confidence.

A Probable Mineral Reserve derived from a Measured Mineral Resource may be converted to a Proved Mineral Reserve if the uncertainties in the Modifying Factors are removed. No amount of confidence in the Modifying Factors for conversion of a Mineral Resource to a Mineral Reserve can override the upper level of confidence that exists in the Mineral Resource. Under no circumstances can an Indicated Mineral Resource be converted directly to a Proved Mineral Reserve (see Figure 1).

Application of the category of Proved Mineral Reserves implies the highest degree of confidence in the estimate, with consequent expectations in the minds of the readers of the report. These expectations should be borne in mind when categorising a Mineral Resource as Measured.

Refer also to the guidelines in Clause 23 regarding classification of Mineral Resources.

32 Mineral Reserve estimates are not precise calculations. Reporting of tonnage and grade figures should reflect the relative uncertainty of the estimate by rounding off to appropriately significant figures. Refer also to Clause 24

To emphasise the imprecise nature of a Mineral Reserve, the final result should always be referred to as an estimate not a calculation.

Competent Persons are encouraged, where appropriate, to discuss the relative accuracy and/or confidence of the Mineral Reserve estimates. The statement should specify whether it relates to global (whole of reserve) or local estimates (a subset of the reserve for which the accuracy and/or confidence might differ from the whole of the reserve), and, if local, state the relevant tonnage or volume. Where a statement of the relative accuracy and/or confidence is not possible, a qualitative discussion of the uncertainties should be provided (refer to Table 1 and to the Guidelines for Clause 24).

33 Public Reports of Mineral Reserves must specify one or both of the categories of 'Proved' and 'Probable'. Categories must not be reported in a combined Proved and Probable Mineral Reserve unless the relevant figures for each of the categories are also provided. Reports must not present metal or mineral content figures unless corresponding tonnage and grade figures are also given. Mineral Reserves must not be aggregated with Mineral Resources.

Public Reporting of tonnage and grade outside the categories covered by the Template is not permitted.

Mineral Reserves may incorporate material (dilution) which is not part of the original Mineral Resource. It is essential that this fundamental difference between Mineral Resources and Mineral Reserves is borne in mind and caution exercised if attempting to draw conclusions from a comparison of the two.

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When revised Mineral Reserve and Mineral Resource statements are publicly reported they should be accompanied by reconciliation with previous statements. A detailed account of differences between the figures is not essential, but sufficient comment should be made to enable significant changes to be understood by the reader.

34 In situations where figures for both Mineral Resources and Mineral Reserves are reported, a statement must be included in the report which clearly indicates whether the Mineral Resources are inclusive of, or additional to the Mineral Reserves.

Mineral Reserve estimates must not be added to Mineral Resource estimates to report a single combined figure.

In some situations there are reasons for reporting Mineral Resources inclusive of Mineral Reserves and in other situations for reporting Mineral Resources additional to Mineral Reserves. It must be made clear which form of reporting has been adopted. Appropriate forms of clarifying statements may be:

'The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Mineral Reserves.'

or

'The Measured and Indicated Mineral Resources are additional to the Mineral Reserves.'

In the former case, if any Measured and Indicated Mineral Resources have not been modified to produce Mineral Reserves for economic or other reasons, the relevant details of these unmodified Mineral Resources should be included in the report. This is to assist the reader of the report in making a judgement of the likelihood of the unmodified Measured and Indicated Mineral Resources eventually being converted to Mineral Reserves-

Inferred Mineral Resources are by definition always additional to Mineral Reserves.

For reasons stated in the guidelines to Clause 33 and in this paragraph, the reported Mineral Reserve figures must not be added to the reported Mineral Resource figures. The resulting total is misleading and is capable of being misunderstood or of being misused to give a false impression of a company's prospects.

35 Table 1 provides, in a summary form, a list of the criteria which should be considered when preparing reports on Exploration Results, Mineral Resources and Mineral Reserves. These criteria need not be discussed in a Public Report unless they materially affect estimation or classification of the Mineral Reserves. Changes in economic or political factors alone may be the basis for significant changes in Mineral Reserves and should be reported accordingly.

Reporting of Mineralised Fill, Pillars, Low Grade Mineralisation, Stockpiles, Dumps and Tailings

36 The Template applies to the reporting of all potentially economic mineralised material. This can include mineralised fill, remnants, pillars, low grade mineralisation,

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stockpiles, dumps and tailings (remnant materials) where there are reasonable prospects for eventual economic extraction in the case of Mineral Resources, and where extraction is reasonably justifiable in the case of Mineral Reserves. Unless otherwise stated, all other clauses of the Template (including Figure 1) apply.

Any mineralised material as described in this clause can be considered to be similar to in situ mineralisation for the purposes of reporting Mineral Resources and Mineral Reserves. Judgements about the mineability of such mineralised material should be made by professionals with relevant experience.

If there are no reasonable prospects for the eventual economic extraction of all or part of the mineralised material as described in this clause, then this material cannot be classified as either Mineral Resources or Mineral Reserves. If some portion of the mineralised material is currently sub-economic, but there is a reasonable expectation that it will become economic, then this material may be classified as a Mineral Resource. If technical and economic studies have demonstrated that economic extraction could reasonably be justified under realistically assumed conditions, then the material may be classified as a Mineral Reserve.

The above guidelines apply equally to low grade in situ mineralisation, sometimes referred to as 'mineralised waste' or 'marginal grade material', and often intended for stockpiling and treatment towards the end of mine life. For clarity of understanding, it is recommended that tonnage and grade estimates of such material be itemised separately in Public Reports, although they may also be aggregated with total Mineral Resource and Mineral Reserve figures.

Stockpiles are defined to include both surface and underground stockpiles, including broken ore in stopes, and can include ore currently in the ore storage system. Mineralised material in the course of being processed (including leaching), if reported, should be reported separately.

Reporting of Coal Exploration Results, Resources and Reserves

37 Clauses 37 to 39 of the Template address matters that relate specifically to the Public Reporting of Coal Exploration Results, Coal Resources and Coal Reserves. Unless otherwise stated, Clauses 1 to 36 of this Template (including Figure 1) apply. Table 1, as part of the guidelines, should be considered persuasive when reporting on Coal Resources and Reserves.

For purposes of Public Reporting, the requirements for coal are generally similar to those for other commodities with the replacement of terms such as 'mineral' by 'coal' and 'grade' by 'quality'.

38 The terms 'Mineral Resource(s)' and 'Mineral Reserve(s)', and the subdivisions of these as defined above, apply also to coal reporting, but if preferred by the reporting company, the terms 'Coal Resource(s)' and 'Coal Reserve(s)' and the appropriate subdivisions may be substituted.

39 'Marketable Coal Reserves', representing beneficiated or otherwise enhanced coal product where modifications due to processing have been considered in addition to mining factors such as dilution, may be publicly reported in conjunction with, but

not instead of, reports of Coal Reserves. The basis of the predicted yield to achieve Marketable Coal Reserves should be stated.

Reporting of Diamond and Other Gemstone Exploration Results, Mineral Resources and Mineral Reserves

40 Clauses 40 to 43 of the Template address matters that relate specifically to the Public Reporting of Exploration Results, Mineral Resources and Mineral Reserves for diamonds and other gemstones. Unless otherwise stated, Clauses 1 to 36 of this Template (including Figure 1) apply. Table 1, as part of the guidelines, should be considered persuasive when reporting Exploration Results, Mineral Resources and Mineral Reserves for diamonds and other gemstones.

For the purposes of Public Reporting, the requirements for diamonds and other gemstones are generally similar to those for other commodities with the replacement of terms such as 'mineral' by 'diamond' and 'grade' by 'grade and average diamond value'. The term 'quality' should not be substituted for 'grade,' since in diamond deposits these have distinctly separate meanings.

A number of characteristics of diamond deposits are different from those of, for example, typical metalliferous and coal deposits and require special consideration. These include the generally low mineral content and variability of primary and placer deposits, the particulate nature of diamonds, the specialised requirement for diamond valuation and the inherent difficulties and uncertainties in the estimation of diamond resources and reserves.

41 Reports of diamonds recovered from sampling programs must provide material information relating to the basis on which the sample is taken, the method of recovery and the recovery of the diamonds. The weight of diamonds recovered may only be omitted from the report when the diamonds are considered to be too small to be of commercial significance. This lower cut-off size should be stated.

The stone size distribution and price of diamonds and other gemstones are critical components of the resource and reserve estimates. At an early exploration stage, sampling and delineation drilling will not usually provide this information, which relies on large diameter drilling and, in particular, bulk sampling.

In order to demonstrate that a resource has reasonable prospects for economic extraction, some appreciation of the likely stone size distribution and price is necessary, however preliminary. To determine an Inferred Resource in simple, single-facies or single-phase deposits, such information may be obtainable by representative large diameter drilling. More often, some form of bulk sampling, such as pitting and trenching, would be employed to provide larger sample parcels.

In order to progress to an Indicated Resource, and from there to a Probable Reserve, it is likely that much more extensive bulk sampling would be needed to fully determine the stone size distribution and value. Commonly such bulk samples would be obtained by underground development designed to obtain sufficient diamonds to enable a confident estimate of price.

In complex deposits, it may be very difficult to ensure that the bulk samples taken are truly representative of the whole deposit. The lack of direct bulk sampling, and the



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uncertainty in demonstrating spatial continuity of size and price relationships should be persuasive in determining the appropriate resource category.

42 Where Diamond Resource or Diamond Reserve grades (carats per tonne) are based on correlations between the frequency of occurrence of micro-diamonds and of commercial size stones, this must be stated, the reliability of the procedure must be explained and the cut-off size sieve for micro-diamonds reported.

43 For Public Reports dealing with diamond or other gemstone mineralisation, it is a requirement that any reported valuation of a parcel of diamonds or gemstones be accompanied by a statement verifying the independence of the valuation. The valuation must be based on a report from a demonstrably reputable and qualified expert.

If a valuation of a parcel of diamonds is reported, the weight in carats and the lower cut-off size of the contained diamonds must be stated and the value of the diamonds must be given in US dollars per carat. Where the valuation is used in the estimation of Diamond Resources or Diamond Reserves, the valuation must be based on a parcel representative of the size, shape and colour distributions of the diamond population in the deposit.

Diamond valuations should not be reported for samples of diamonds processed using total liberation methods.

Table 1 provides in summary form, a list of the main criteria which should be considered when preparing reports on Exploration Results, Mineral Resources and Mineral Reserves for diamonds and other gemstones.

Reporting of Industrial Minerals Exploration Results, Mineral Resources and Mineral Reserves

44 Clauses 44 to 45 of this Template address matters which relate to the Public Reporting of Industrial Minerals, stone and aggregates of all forms and other bulk commodities such as borates, talc, kaolin etc. that are generally sold on the basis of their product specifications and market acceptance. Unless otherwise stated, clauses 1 to 36 of this Template (including Figure 1) apply. Table 1, as part of the guidelines, should also be considered persuasive when reporting on Industrial Minerals Exploration Results, Resources and Reserves.

When reporting information and estimates for industrial minerals, the key principles and purpose of the Template apply and should be borne in mind. Assays may not always be relevant, and other quality criteria may be more applicable. If criteria such as deleterious minerals or physical properties are of more relevance than the composition of the bulk mineral itself, then they should be reported accordingly.

The factors underpinning the estimation of Mineral Resources and Mineral Reserves for industrial minerals are the same as those for other deposit types covered by the Template. It may be necessary, prior to the reporting of a Mineral Resource or Mineral Reserve, to take particular account of certain key characteristics or qualities such as likely product specifications, proximity to markets and general product marketability.



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For some industrial minerals, it is common practice to report the saleable product rather than the “as-mined” product, which is traditionally regarded as the Mineral Reserve. The preferred approach in the Template is that, if the saleable product is reported, it should be in conjunction with, not instead of, reporting of the Mineral Reserve. However, it is recognised that commercial sensitivities may not always permit this preferred style of reporting. It is important that, in all situations where the saleable product is reported, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported.

Some industrial mineral deposits may be capable of yielding products suitable for more than one application and/or specification. If considered material by the reporting company, such multiple products should be quantified either separately or as a percentage of the bulk deposit.

45 With respect to Modifying Factors, the normal geological parameters may be less important in the case of industrial minerals, stone and aggregate. Such factors as quality and marketability are important and should be carefully considered before declaring Mineral Reserves.

TABLE 1

CHECK LIST OF ASSESSMENT AND REPORTING CRITERIA

Table 1 is a checklist and guideline that those preparing reports on Mineral Exploration Results Mineral Resources and Mineral Reserves should use as a reference. The checklist is not prescriptive and, as always, relevance and materiality are overriding principles that determine what information should be publicly reported. It is, however, important to report any matters that might materially affect a reader’s understanding or interpretation of the results or estimates being reported. This is particularly important where inadequate or uncertain data affect the reliability of, or confidence in, a statement of Exploration Results or an estimate of Mineral Resources and/or Mineral Reserves.

The order and grouping of criteria in Table 1 reflect the normal systematic approach to exploration and evaluation. Criteria in the first group ‘Sampling Techniques and Data’ apply to all succeeding groups. In the remainder of the checklist, criteria listed in preceding groups would often apply to succeeding groups and should be considered when estimating and reporting.

Criteria	Explanation
Sampling Techniques and Data <i>(criteria in this group apply to all succeeding groups)</i>	
<i>Sampling techniques</i>	– <i>Nature and quality of sampling (eg. cut channels, random chips etc.) and measures taken to ensure sample representivity.</i>
<i>Drilling techniques.</i>	– <i>Drill type (eg. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka etc.) and details (eg. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</i>
<i>Drill sample recovery.</i>	– <i>Whether core and chip sample recoveries have been properly recorded and results assessed.</i> – <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> – <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>
<i>Logging.</i>	– <i>Whether core and chip samples have been logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> – <i>Whether logging is qualitative or quantitative in nature. Core (or trench, channel etc.) photography.</i>

Criteria	Explanation
<i>Sub-sampling techniques and sample preparation.</i>	<ul style="list-style-type: none"> – <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> – <i>If non-core, whether riffled, tube sampled, rotary split etc. and whether sampled wet or dry.</i> – <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> – <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> – <i>Measures taken to ensure that the sampling is representative of the in situ material collected.</i> – <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> – <i>A statement as to the security measures taken to ensure sample integrity is recommended.</i>
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> – <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> – <i>Nature of quality control procedures adopted (eg. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie. lack of bias) and precision have been established.</i>
<i>Verification of sampling and assaying.</i>	<ul style="list-style-type: none"> – <i>The verification of significant intersections by either independent or alternative company personnel.</i> – <i>The use of twinned hole deflections or duplicate samples</i>
<i>Location of data points.</i>	<ul style="list-style-type: none"> – <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> – <i>Quality and adequacy of topographic control. Locality plans</i>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> – <i>Data spacing for reporting of Exploration Results.</i> – <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Mineral Reserve estimation procedure(s) and classifications applied.</i> – <i>Whether sample compositing has been applied.</i>
<i>Reporting Archives</i>	<ul style="list-style-type: none"> – <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) for preparing the report</i>
<i>Orientation of data in relation to geological structure.</i>	<ul style="list-style-type: none"> – <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> – <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>
<i>Audits or reviews.</i>	<i>The results of any audits or reviews of sampling techniques and data.</i>

Criteria	Explanation
Reporting of Exploration Results <i>(criteria listed in the preceding group apply also to this group)</i>	
<i>Mineral rights and land ownership.</i>	<ul style="list-style-type: none"> – <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> – <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> – <i>Location plans of mineral rights and titles. It is not expected that the description of mineral title in a technical report should be a legal opinion but should be a brief and clear description of such title as understood by the author.</i>
<i>Exploration done by other parties.</i>	<ul style="list-style-type: none"> – <i>Acknowledgment and appraisal of exploration by other parties.</i>
<i>Geology</i>	<ul style="list-style-type: none"> – <i>Deposit type, geological setting and style of mineralisation.</i> – <i>Reliable geological maps and cross sections should exist to support interpretations.</i>
<i>Data aggregation methods.</i>	<ul style="list-style-type: none"> – <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg. cutting of high grades) and cut-off grades are usually material and should be stated.</i> – <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> – <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> – <i>These relationships are particularly important in the reporting of Exploration Results.</i> – <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> – <i>If it is not known and only the down-hole lengths are reported, there should be a clear statement to this effect (eg. 'down-hole length, true width not known').</i>
<i>Diagrams</i>	<ul style="list-style-type: none"> – <i>Where possible, maps and sections (with scales) and tabulations of intercepts should be included for any material discovery being reported if such diagrams significantly clarify the report.</i>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> – <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>
<i>Other substantive exploration data.</i>	<ul style="list-style-type: none"> – <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples - size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>
<i>Further work</i>	<ul style="list-style-type: none"> – <i>The nature and scale of planned further work (eg. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>
Estimation and Reporting of Mineral Resources <i>(criteria listed in the first group, and where relevant in the second group, apply also to this group)</i>	
<i>Database integrity</i>	<ul style="list-style-type: none"> – <i>Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</i> – <i>Data verification and/or validation procedures used.</i>

Criteria	Explanation
<i>Geological interpretation</i>	<ul style="list-style-type: none"> – Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. – Nature of the data used and of any assumptions made. – The effect, if any, of alternative interpretations on Mineral Resource estimation. – The use of geology in guiding and controlling Mineral Resource estimation. – The factors affecting continuity both of grade and geology.
<i>Dimensions</i>	<ul style="list-style-type: none"> – The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.
<i>Estimation and modelling techniques</i>	<ul style="list-style-type: none"> – The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters, maximum distance of extrapolation from data points. – The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. – The assumptions made regarding recovery of by-products. – Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation). – In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. – Any assumptions behind modelling of selective mining units (e.g. non-linear kriging). – Any assumptions about correlation between variables. – The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available. – Detailed description of the method used and the assumptions made to estimate tonnages and grades (section, polygon, inverse distance, geostatistical, or other method). – Description of how the geological interpretation was used to control the resource estimates. – Discussion of basis for using or not using grade cutting or capping. If a computer method was chosen, description of programmes and parameters used. – Geostatistical methods are extremely varied and should be described in detail. The method chosen should be justified. The geostatistical parameters, including the variogram, and their compatibility with the geological interpretation should be discussed. Experience gained in applying geostatistics to similar deposits should be taken into account.
<i>Moisture.</i>	<ul style="list-style-type: none"> – Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.
<i>Cut-off parameters.</i>	<ul style="list-style-type: none"> – The basis of the adopted cut-off grade(s) or quality parameters applied, including the basis, if appropriate, of equivalent metal formulae.

Criteria	Explanation
<i>Mining factors or assumptions.</i>	<ul style="list-style-type: none"> – Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It may not always be possible to make assumptions regarding mining methods and parameters when estimating Mineral Resources. Where no assumptions have been made, this should be reported. – In order to demonstrate realistic prospects for eventual economic extraction, basic assumptions are necessary. Examples include access issues (shafts, declines etc.), geotechnical parameters (pit slopes, stope dimensions etc.), infrastructure requirements and estimated mining costs. All assumptions should be clearly stated.
<i>Metallurgical factors or assumptions.</i>	<ul style="list-style-type: none"> – The metallurgical process proposed and the appropriateness of that process to the type of mineralisation. It may not always be possible to make assumptions regarding metallurgical treatment processes and parameters when reporting Mineral Resources. Where no assumptions have been made, this should be reported. – In order to demonstrate realistic prospects for eventual economic extraction, basic assumptions are necessary. Examples include the extent of metallurgical test work, recovery factors, allowances for by-product credits or deleterious elements, infrastructure requirements and estimated processing costs. All assumptions should be clearly stated.
<i>Bulk density</i>	<ul style="list-style-type: none"> – Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.
<i>Classification.</i>	<ul style="list-style-type: none"> – The basis for the classification of the Mineral Resources into varying confidence categories. – Whether appropriate account has been taken of all relevant factors. i.e. relative confidence in tonnage/grade computations, confidence in continuity of geology and metal values, quality, quantity and distribution of the data. – Whether the result appropriately reflects the Competent Person(s)' view of the deposit.
<i>Audits or reviews.</i>	<ul style="list-style-type: none"> – The results of any audits or reviews of Mineral Resource estimates.
<i>Discussion of relative accuracy /confidence.</i>	<ul style="list-style-type: none"> – Where appropriate a statement of the relative accuracy and/or confidence in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate. – The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages or volumes, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. – These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.
<p>Estimation and Reporting of Mineral Reserves (criteria listed in the first group, and where relevant in other preceding groups, apply also to this group)</p>	
<i>Mineral Resource estimate for conversion to Mineral Reserves.</i>	<ul style="list-style-type: none"> – Description of the Mineral Resource estimate used as a basis for the conversion to a Mineral Reserve. – Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Mineral Reserves.

Criteria	Explanation
<i>Study status</i>	<ul style="list-style-type: none"> – <i>The type and level of study undertaken to enable Mineral Resources to be converted to Mineral Reserves.</i> – <i>The Template does not require that a final Feasibility study has been undertaken to convert Mineral Resources to Mineral Reserves, but it does require that studies to at least Pre-Feasibility level will have determined a mine plan that is technically achievable and economically viable, and that all Modifying Factors have been considered.</i>
<i>Cut-off parameters</i>	<ul style="list-style-type: none"> – <i>The basis of the cut-off grade(s) or quality parameters applied, including the basis, if appropriate, of equivalent metal formulae. The cut-off parameter may be economic value per block rather than grade.</i>
<i>Mining factors or assumptions</i>	<ul style="list-style-type: none"> – <i>The method and assumptions used to convert the Mineral Resource to a Mineral Reserve (ie either by application of appropriate factors by optimisation or by preliminary or detailed design).</i> – <i>The choice of, the nature and the appropriateness of the selected mining method(s), the size of the selected mining unit (length, width, height) and other mining parameters including associated design issues such as pre-strip, access, etc.</i> – <i>The assumptions made regarding geotechnical parameters (eg. pit slopes, stope sizes, etc.), grade control and pre-production drilling.</i> – <i>The major assumptions made and Mineral Resource model used for pit optimisation (if appropriate).</i> – <i>The mining dilution factors, mining recovery factors, and minimum mining widths used.</i> – <i>The infrastructure requirements of the selected mining methods. Where available, the historic reliability of the performance parameters.</i>
<i>Metallurgical factors or assumptions</i>	<ul style="list-style-type: none"> – <i>The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.</i> – <i>Whether the metallurgical process is well-tested technology or novel in nature.</i> – <i>The nature, amount and representativeness of metallurgical test work undertaken and the metallurgical recovery factors applied.</i> – <i>Any assumptions or allowances made for deleterious elements.</i> – <i>The existence of any bulk sample or pilot scale test work and the degree to which such samples are representative of the orebody as a whole.</i> – <i>The tonnages and grades reported for Mineral Reserves should state clearly whether these are in respect of material to the plant or after recovery. Comment on existing plant and equipment, including an indication of replacement and salvage value.</i>
<i>Cost and revenue factors</i>	<ul style="list-style-type: none"> – <i>The derivation of, or assumptions made, regarding projected capital and operating costs.</i> – <i>The assumptions made regarding revenue including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, etc.</i> – <i>The allowances made for royalties payable, both Government and private.</i> – <i>Basic cash flow inputs for a stated period.</i>
<i>Market assessment</i>	<ul style="list-style-type: none"> – <i>The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.</i> – <i>A customer and competitor analysis along with the identification of likely market windows for the product.</i> – <i>Price and volume forecasts and the basis for these forecasts.</i> – <i>For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.</i>



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Criteria	Explanation
<i>Other</i>	<ul style="list-style-type: none"> – The effect, if any, of natural risk, infrastructure, environmental, legal, marketing, social or governmental factors on the likely viability of a project and/or on the estimation and classification of the Mineral Reserves. – The status of titles and approvals critical to the viability of the project, such as mining leases, discharge permits, government and statutory approvals. – Environmental descriptions of anticipated liabilities. Location plans of mineral rights and titles.
<i>Classification</i>	<ul style="list-style-type: none"> – The basis for the classification of the Mineral Reserves into varying confidence categories. – Whether the result appropriately reflects the Competent Person(s)' view of the deposit. – The proportion of Probable Mineral Reserves which have been derived from Measured Mineral Resources (if any).
<i>Audits or reviews</i>	<ul style="list-style-type: none"> – The results of any audits or reviews of Mineral Reserve estimates.
<i>Discussion of relative accuracy/ confidence.</i>	<ul style="list-style-type: none"> – Where appropriate a statement of the relative accuracy and/or confidence in the Mineral Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate. – The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages or volumes, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. – These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.
<p>Estimation and Reporting of Diamonds and Other Gemstones (criteria listed in other relevant groups also apply to this group; additional guidelines are available in the 'Guidelines for the Reporting of Diamond Exploration Results' issued by the Diamond Exploration Best Practices Committee established by the Canadian Institute of Mining, Metallurgy and Petroleum.)</p>	
<i>Indicator minerals.</i>	<ul style="list-style-type: none"> – Reports of indicator minerals, such as chemically/physically distinctive garnet, ilmenite, chrome spinel and chrome diopside, should be prepared by a suitably qualified laboratory.
<i>Source of diamonds.</i>	<ul style="list-style-type: none"> – Details of the form, shape, size and colour of the diamonds and the nature of the source of diamonds (primary or secondary) including the rock type and geological environment.
<i>Sample collection.</i>	<ul style="list-style-type: none"> – Type of sample, whether outcrop, boulders, drill core, reverse circulation drill cuttings, gravel, stream sediment or soil, and purpose, e.g. large diameter drilling to establish stones per unit of volume or bulk samples to establish stone size distribution. – Sample size, distribution and representivity.
<i>Sample treatment.</i>	<ul style="list-style-type: none"> – Type of facility, treatment rate, and accreditation. – Sample size reduction. Bottom screen size, top screen size and re-crush. – Processes (dense media separation, grease, X-ray, hand-sorting etc.). – Process efficiency, tailings auditing and granulometry. – Laboratory used, type of process for micro diamonds and accreditation.
<i>Carat.</i>	<ul style="list-style-type: none"> – One fifth (0.2) of a gram (often defined as a metric carat or MC).

Criteria	Explanation
<i>Sample grade.</i>	<ul style="list-style-type: none"> – <i>Sample grade in this section of Table 1 is used in the context of carats per units of mass, area or volume.</i> – <i>The sample grade above the specified lower cut-off sieve size should be reported as carats per dry metric tonne and/or carats per 100 dry metric tonnes. For alluvial deposits, sample grades quoted in carats per square metre or carats per cubic metre are acceptable if accompanied by a volume to weight basis for calculation.</i> – <i>In addition to general requirements to assess volume and density there is a need to relate stone frequency (stones per cubic metre or tonne) to stone size (carats per stone) to derive sample grade (carats per tonne).</i>
<i>Reporting of Exploration Results.</i>	<ul style="list-style-type: none"> – <i>Complete set of sieve data using a standard progression of sieve sizes per facies. Bulk sampling results, global sample grade per facies. Spatial structure analysis and grade distribution. Stone size and number distribution. Sample head feed and tailings particle granulometry.</i> – <i>Sample density determination.</i> – <i>Percent concentrate and undersize per sample.</i> – <i>Sample grade with change in bottom cut-off screen size.</i> – <i>Adjustments made to size distribution for sample plant performance and performance on a commercial scale.</i> – <i>If appropriate or employed, geostatistical techniques applied to model stone size, distribution or frequency from size distribution of exploration diamond samples.</i> – <i>The weight of diamonds may only be omitted from the report when the diamonds are considered too small to be of commercial significance. This lower cut-off size should be stated.</i>
<i>Grade estimation for reporting Mineral Resources and Ore Reserves.</i>	<ul style="list-style-type: none"> – <i>Description of the sample type and the spatial arrangement of drilling or sampling designed for grade estimation.</i> – <i>The sample crush size and its relationship to that achievable in a commercial treatment plant.</i> – <i>Total number of diamonds greater than the specified and reported lower cut-off sieve size.</i> – <i>Total weight of diamonds greater than the specified and reported lower cut-off sieve size.</i> – <i>The sample grade above the specified lower cut-off sieve size.</i>
<i>Value estimation.</i>	<ul style="list-style-type: none"> – <i>Valuations should not be reported for samples of diamonds processed using total liberation method, which is commonly used for processing exploration samples.</i> – <i>To the extent that such information is not deemed commercially sensitive, Public Reports should include:</i> <ul style="list-style-type: none"> ▪ <i>Diamonds quantities by appropriate screen size per facies or depth.</i> ▪ <i>Details of parcel valued.</i> ▪ <i>Number of stones, carats, lower size cut-off per facies or depth.</i> ▪ <i>The average \$/carat and \$/tonne value at the selected bottom cut-off should be reported in US Dollars. The value per carat is of critical importance in demonstrating project value.</i> ▪ <i>The basis for the price (e.g. dealer buying price, dealer selling price etc.).</i> ▪ <i>An assessment of diamond breakage.</i> ▪ <i>Minimum parcel size for representative valuation.</i>

<i>Criteria</i>	<i>Explanation</i>
<i>Security and integrity.</i>	<ul style="list-style-type: none"> – <i>Accredited process audit.</i> – <i>Whether samples were sealed after excavation.</i> – <i>Valuer location, escort, delivery, cleaning losses, reconciliation with recorded sample carats and number of stones.</i> – <i>Core samples washed prior to treatment for micro diamonds.</i> – <i>Audit samples treated at alternative facility.</i> – <i>Results of tailings checks.</i> – <i>Recovery of tracer monitors used in sampling and treatment.</i> – <i>Geophysical (logged) density and particle density.</i> – <i>Cross validation of sample weights, wet and dry, with hole volume and density, moisture factor.</i>
<i>Classification.</i>	<ul style="list-style-type: none"> – <i>In addition to general requirements to assess volume and density there is a need to relate stone frequency (stones per cubic metre or tonne) to stone size (carats per stone) to derive grade (carats per tonne). The elements of uncertainty in these estimates should be considered, and classification developed accordingly.</i>

APPENDIX 1 GENERIC TERMS AND EQUIVALENTS

Throughout the Template, certain words are used in a general sense when a more specific meaning might be attached to them by particular commodity groups within the industry. In order to avoid unnecessary duplication, the generic terms are listed below together with other terms that may be regarded as synonymous for the purposes of this document.

Generic Term	Synonyms or similar terms	Intended generalised meaning
Mining	Quarrying	All activities related to extraction of metals, minerals and gemstones from the earth whether surface or underground, and by any method (e.g. quarries, open cast, open cut, solution mining, dredging etc.)
Tonnage	Quantity, Volume	An expression of the amount of material of interest irrespective of the units of measurement (which should be stated when figures are reported)
Grade	Quality, Assay, Analysis (Value)	Any physical or chemical measurement of the characteristics of the material of interest in samples or product. Note that the term quality has special meaning for diamonds and other gemstones.
Metallurgy	Processing, Beneficiation, Preparation Concentration	Physical and/or chemical separation of constituents of interest from a larger mass of material. Methods employed to prepare a final marketable product from material as mined. Examples include screening, flotation, magnetic separation, leaching, washing, roasting etc.
Recovery	Yield	The percentage of material of initial interest that is extracted during mining and/or processing. A measure of mining or processing efficiency.
Mineralisation	Type of deposit, orebody, style of mineralisation.	Any single mineral or combination of minerals occurring in a mass, or deposit, of economic interest. The term is intended to cover all forms in which mineralisation might occur, whether by class of deposit, mode of occurrence, genesis or composition.
Mineral Reserves	Ore Reserves	'Mineral' is preferred under the Template but 'ore' is in common use and is generally acceptable. Other descriptors can be used to clarify the meaning e.g. coal reserves, diamond reserves etc.

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Cut off grade	Product specifications	The lowest grade, or quality, of mineralised material that qualifies as economically mineable and available in a given deposit. May be defined on the basis of economic evaluation, or on physical or chemical attributes that define an acceptable product specification.
Diamond	Gemstones	Diamonds and other gemstones with the same characteristics.
Competent Person	Qualified Person (Canada), Qualified Competent Person (Chile)	Refer to Template clause 10 for the definition of a Competent Person
Pre-Feasibility Study	Preliminary Feasibility Study	A Pre-Feasibility Study is a comprehensive study of the viability of a mineral project that has advanced to a stage where the mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, has been established, where an effective method of mineral processing has been determined, and includes a financial analysis based on reasonable assumptions of technical, engineering, legal, operating and economic factors and evaluation of other relevant factors which are sufficient for a Competent Person, acting reasonable, to determine if all or part of the Mineral resource may be classified as a Mineral Reserve.
Feasibility Study		A Feasibility Study is a comprehensive study of a mineral deposit in which all geological, engineering, legal, operating, economic, social, environmental and other relevant factors are considered in sufficient detail that it could reasonably serve as the basis for a final decision by a financial institution to finance the development of the deposit for mineral production.

APPENDIX 2 RECOMMENDED RULES OF CONDUCT and GUIDELINES

The following recommended Rules of Conduct apply to Competent Persons engaged in the practice of preparing or contributing to public reports that include statements of Mineral Exploration Results, Mineral Resources or Mineral Reserves. These Rules are in addition to the Professional Codes of Ethics that may apply due to the Competent Person's membership of a recognised professional body. In the event of a conflict, the rules of the Competent Person's recognised professional body will prevail. The Rules of Conduct are listed under various areas of responsibility, highlighted in bold text.

The Public and Society

Competent Persons must discharge their duties with fidelity to the public, and at all times in their professional or employed capacities carry out their work with integrity and professional responsibility. In particular:

- Recognise at all times, that the responsibility of Competent Persons towards the Public overrides all other specific responsibilities including responsibility to professional, sectional, or private interests or to other Competent Persons.
- Ensure that public comments on geological, engineering and metallurgical and related matters are made with care and accuracy, without unsubstantiated, exaggerated, or premature statements; they should be made clearly and concisely.
- Base documentation underpinning Public Reports on Mineral Resources and Mineral Reserves on sound and relevant estimation techniques, adequately validated data and unbiased judgement.
- Note that when required to do so, Competent Persons should give evidence, express opinions or make statements in an objective and truthful manner on the basis of adequate knowledge and understanding.
- Recognise that where required to do so, Competent Persons should be prepared to disclose details of qualifications, professional affiliations and relevant experience in all public reports.

The Profession, Employers and Clients

Competent Persons must uphold the honour, integrity, reputation and dignity of their profession and maintain the highest level of conduct in all professional matters. In particular they should:

- Act with due skill, care and diligence at all times in conducting their activities.
- Perform work only in their area of competence.
- Never knowingly mislead or deceive others, falsify or fabricate data.

Committee for Mineral Reserves International Reporting Standards

- Respect and safeguard confidential information.
- Acknowledge and avoid wherever possible both real and perceived conflicts of interest.
- Distinguish between fact and opinion so that it is clearly evident what is interpretation of fact and what is professional judgement. Competent Persons may give a considered professional opinion based on facts, experience, interpretation, extrapolation or a combination of these.
- Ensure the scientific and technological contributions are thorough, accurate and unbiased in design, implementation and presentation.
- Ensure that sound and relevant estimation techniques, adequately validated data and unbiased judgement are applied to the documentation upon which public reports on Mineral Resources and Reserves are based.
- Comply with all laws and regulations relating to the mineral industries and rules, regulations and practices as established and promulgated by the relevant regulatory authorities.
- Use their best endeavours to ensure that their employer or client complies with the rules and regulations and practices of the relevant regulatory authorities.

Professional Bodies, Colleagues and Associates

Competent Persons must at all times conform to the rules of the professional bodies to which they belong and respect and acknowledge the contributions of colleagues and other experts in enabling them to conduct their work. They should:

- Accept responsibility for their own errors.
- Demonstrate a willingness to be judged by their professional peers.
- Agree to be bound by the disciplinary code of the professional body to which they are affiliated.
- Encourage others to accept the same responsibilities, to join a recognised professional body and to be bound by these Recommended Rules of Conduct.

The Environment, Health and Safety

In performing their work, Competent Persons should strive to protect the natural environment and ensure that the consequences of their work do not adversely affect the safety, health and welfare of themselves, colleagues and members of the Public.

- Ensure that consideration of the modifying factors used to determine Mineral Reserves fully recognises the need to provide a safe working environment.
- Ensure that Mineral Reserve estimates acknowledge the likely environmental impact of development and ensure that appropriate allowances are made for mitigation and remediation.