



AUSTRALASIAN JOINT ORE RESERVES COMMITTEE

Draft JORC Code Consultation Q&A

Document: Draft JORC Code– Consultation Q&A

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Contents

General.....	1
Q: It is mentioned in the documentation that the Code has to be signed off by the Finance Minister? How does this work for NZ and PNG?.....	1
Q: What is the impact on the current listing rules?.....	1
Q: When will the final code be released/when do we have to report under it?	1
Q: Will JORC actually use the feedback given to make changes to the draft Code?.....	1
Q: There is the alignment with CRIRSCO template, but what about standardisation with codes in other jurisdictions?	1
Q: Have ASX and ASIC reviewed the draft Code?.....	2
Q: With the wider requirement to assess modifying factors, are we going beyond the realm of mining engineer & geologists acting as single competent persons?	2
Structure and Format	3
Q: Why were the code and guidance documents separated?	3
Q: Why is Table 1 so complicated?.....	3
Competency and Responsibility	4
Q: Will the parents be charging Competent Persons to upload their CV onto a register?	4
Q: Will I have to pay to do the induction?	4
Q: The draft Code states I will have to upload my CV of Record in a template. When will the template be released and how big is the template (1-page/10-page format)?	4
Q: The CV of Record database – will it be ready in time for release? Who has access?.....	4
Q: Is JORC set up to deal with CVs and who owns the JORC website?	5
Q: Is the CV of Record easily downloadable on the JORC website a cyber security risk? A suggestion - those who access the CV of record must also be registered with ID.....	5
Q: Will the CV of Record register become a shopping list of CVs for recruiting?.....	5
Q: Is the induction a training course or replacing the training course available in the market?	5
Q: How does a public CV fix the issues of self-authentication of competence? What stops someone from creating a misleading public CV?.....	6
Q: Will the online induction change the JORC course offerings already available from both AusIMM/AIG and other market providers?	6
Q: The new changes may increase the number of complaints received by AusIMM/AIG and ASX. Are AusIMM and AIG set up to handle more complaints, and will any enforcement be taken if complaints are lodged?.....	6
Q: Was accreditation for Competent Persons considered and will it be coming in the future?	7
Q: Has the requirement for a minimum of 5 years’ experience been reviewed during this process?7	
Q: Is there discussion of the distinction between board of directors accountabilities and competent person accountabilities in the draft code? This can be an area of confusion.....	7

Draft JORC Code – Consultation Q&A

Q: What happens if the “Specialists” are not members of a recognised professional organisation? Will they not be able to sign off in specialist capacity? E.g. financial or social specialists would not be AusIMM or AIG members. 8

Q: What if “Specialist’s” contributions are used out of context by the Competent Person or by the Company? What control do they have over the use of their contributions? 8

Q: In the event there is an issue (or complaint) against a 'Specialist', how does one raise a concern or complaint with their professional organisation? 8

Reasonable Prospects Assessment..... 9

Q: What is the reasonable prospects assessment? 9

Q: Why was ‘eventual’ removed from RPEEE?..... 9

Q: "Eventual" has been removed from RPEE, do Competent Persons now have to provide their material context and timescale for the RPEE? "Reasonable" can be subjective, will the Guidelines provide some parameters to apply? 9

Q: Do reasonable prospects apply to exploration?..... 10

Q: Will there be a template or form to guide the reasonable prospects assessment' 10

Q: Are the draft RPEE 'assessment documentation' requirements to support MRE declaration likely to be in reality a Scoping Study? If not why not? 10

Modifying Factors 11

Q: Why has Figure 1 changed?..... 11

Q: Why is ESG a Modifying Factor? 11

Q: How can I report on ESG if this is not my background as a Competent Person? 11

Q: Are there going to be some worked examples of ESG made available to assist practitioners? ... 11

Risks 12

Q: How are Opportunities to be limited to the more realistic and not let it be taken over by marketing statements? 12

Q: Exploration Risks – purely technical or includes political, environmental etc?..... 12

General

Q: It is mentioned in the documentation that the Code has to be signed off by the Finance Minister? How does this work for NZ and PNG?

A: The JORC code has always required ministerial approval reflecting its inclusion in the listing rules. Adoption of the JORC code in other jurisdictions will require other national and market processes but this has always been the case.

Q: What is the impact on the current listing rules?

A: The new draft has aligned with inclusions in the current listing rules that were not in JORC 2012. While there may be some required changes to the listing rules, this cannot be formalised until the commentary and review period has concluded.

Q: When will the final code be released/when do we have to report under it?

A: The current target for release of the Final Code is 2025. Similar to the 2012 release, there will be a period of transition before mandatory reporting kicks in, likely around 1 year. This is still being worked through.

Q: Will JORC actually use the feedback given to make changes to the draft Code?

A: The JORC Committee are actively looking for feedback from all stakeholders. Significant time has been spent in designing a survey to allow specific feedback to be given on areas of interest from the public. All feedback will be analysed and reviewed, and the Committee are open to any areas which may require refinement in the Code.

Changes to the draft Code will only occur once the public feedback period has closed and all comments have been reviewed. This will not occur whilst the consultation period is in progress.

Q: There is the alignment with CRIRSCO template, but what about standardisation with codes in other jurisdictions?

A: The draft JORC Code is aligned to the CRIRSCO standard definitions as was the previous version in 2012. Where there have been changes this reflects the evolution of the CRIRSCO definitions since 2012. As the latest update there are areas which are now ahead of older individual CRIRSCO codes. This is the normal progression of updates through time.

Q: Have ASX and ASIC reviewed the draft Code?

A: As the draft has evolved, it has been shared with both ASX and ASIC on a number of occasions, most recently in July 2024. Comments received earlier in 2024 have been included in the drafting. Discussions will continue post-feedback period around identified priority areas from the public comment.

Q: With the wider requirement to assess modifying factors, are we going beyond the realm of mining engineer & geologists acting as single competent persons?

A: Progressing minerals projects has become more complex in the necessary review of a wider range of Modifying Factors in recent decades. In this draft, the Code now allows Specialists to assist Competent Persons around these areas reducing the requirement for people to be the sole nominated expert in areas outside of the technical or experience background.

This is intended to be beneficial to Competent Persons in providing a formal mechanism to bring the required expertise into the Mineral Resource or Ore Reserve assessment.

Structure and Format

Q: Why were the code and guidance documents separated?

A: The separation of the guidance and option for extended guidance allows additional materials to be generated during the currency of the new code. Guidance material can be updated or clarified as required. It also declutters the code improving interpretation.

Q: Why is Table 1 so complicated?

A: The Table 1 checklist contains all prompts for all study stages in a single view and is intended to act as a template for compiling and referencing documentation materials.

Table 1 has been split by reporting stage. Exploration stage reporting only requires reporting to the exploration stage prompts, though more advanced material data can be added. In a similar way, the Mineral Resource reporting Table 1 adds additional criteria based on project maturity. The Ore Reserves Table 1 covers the more significant Modifying Factor criteria available for reporting at this stage.

Competency and Responsibility

Q: Will the parents be charging Competent Persons to upload their CV onto a register?

A: No, there will not be a charge to upload your CV of Record to the online register.

Q: Will I have to pay to do the induction?

A: No, there will be no charge to complete the induction into the latest version of the JORC Code.

Q: The draft Code states I will have to upload my CV of Record in a template. When will the template be released and how big is the template (1-page/10-page format)?

A: The template will be released after the Code has been finalised. The minimum/maximum size of the template will be drafted in the next phase of the review process, pending feedback from the public during this consultation period.

Q: Will there be a vetting process of the CV of Records?

A: There will be identity vetting which matches the name to the professional organisation membership and member grade. This is to ensure that people nominating as competent persons are on the professional body register.

The CVs must be drawn up and submitted by the competent person in the knowledge that it will be a public document.

If there is overreach or inaccuracy the competent person will need to be aware that the cv of record is a public document and that it will be available for other people to review and put in a complaint if they felt it was misleading. The accountability is always with the competent person to ensure that their CV is appropriate and fit for purpose.

Q: The CV of Record database – will it be ready in time for release? Who has access?

A: The CV of Record register will be available in time for reporting under the new Code. There will be a period of transition before mandatory reporting under the new Code kicks in, this is still being worked through.

Each CV of record will be available for the public to find within the register to be hosted on the JORC website.

Q: Is JORC set up to deal with CVs and who owns the JORC website?

A: The JORC website will be the entry point for CV of record register. The JORC website will be upgraded to provide a secure portal. The current JORC website is managed by The AusIMM.

Competent persons will need to register their own login, upload their CV and complete the online induction before acting as a Competent Person under the new code.

Q: Is the CV of Record easily downloadable on the JORC website a cyber security risk? A suggestion - those who access the CV of record must also be registered with ID

A: The public CV of record must be written and uploaded by the Competent Person. This would link to their Professional Member ID and they would have a secure password for upload/ future management.

The outward version of the CV would be read only, and separated from the member details.

Q: Will the CV of Record register become a shopping list of CVs for recruiting?

A: Recruiters currently extensively use other online platforms (such as LinkedIn) to identify talent. The benefit of increased transparency for those acting as Competent Persons is viewed as advantageous given that the broad experience of many people is already online.

Q: Is the induction a training course or replacing the training course available in the market?

A: The online induction is not a training course and will not replace other JORC training courses on offer in the market.

Q: How does a public CV fix the issues of self-authentication of competence? What stops someone from creating a misleading public CV?

A: The public CV of Record must be written and uploaded by the Competent Person. This includes their divulging on setup their Membership ID and number for the AusIMM, AIG or any other RPO.

False or misleading details are public and will be able to be challenged by other members or any members of the public. Currently, there is zero transparency of experience claimed, only self-identification. Posting false qualifications as a professional member is a serious ethics issue.

The Competent Persons Taskforce evaluated the option for a modified RPGE0 / Chartered Professional system and determined it would be difficult to manage the number of Competent Persons for immediate transition, and would not translate to RPO Competent Persons. Pre-qualifying for a pre-defined area of competency may also not relate to a specific reporting situation, for example a resource geologist with 30 years gold deposit experience in West Australian and Pacific islands deposit types may have no competencies for Witwatersrand deposits. In a similar way there would always be exceptions for competency by category rather than assessing each individual reporting case.

Q: Will the online induction change the JORC course offerings already available from both AusIMM/AIG and other market providers?

A: The online induction is different from the JORC training courses, as the induction will simply induct and ensure understanding of the new code rather than a training course which would offer in-depth guidance on how to administer the code and/or act in a Competent Person role.

The free online induction will not replace other JORC training courses on offer in the market.

Q: The new changes may increase the number of complaints received by AusIMM/AIG and ASX. Are AusIMM and AIG set up to handle more complaints, and will any enforcement be taken if complaints are lodged?

A: The AusIMM and AIG have existing complaints procedures for voluntary reporting of relevant Code of Ethics breaches including JORC Code reporting. These processes are expected to continue in current or revised forms.

A view is often put that voluntary reporting of significant Code breaches is a flawed process and an independent and more consistent and perhaps educated review process is required to be instigated by JORC 'parents' and the ASX. This is beyond the scope of the current Code review but is being considered for future improvements in the assurity of Public Reporting under the Code.

Q: Was accreditation for Competent Persons considered and will it be coming in the future?

A: The Competent Person Taskforce did consider accreditation and determined it was not appropriate for this revision of the draft Code due to the complexity of introducing accreditation at this stage. It is noted that registration and accreditation already occur in a number of professional classes in Australia as discussed in the Competent Person Baseline Study published as part of this review;

<https://www.ausimm.com/globalassets/downloads/jorc-competent-person---a-baseline-review-in-a-global-context-june-2022-final.pdf>

Consideration will be ongoing regarding the future of Public Reporting under the Code and Competent Person accreditation may well be considered in future reviews when and as they occur.

Q: Has the requirement for a minimum of 5 years' experience been reviewed during this process?

A: Yes, the 5-year requirement was reviewed and benchmarked against other global models as part of a baseline study. It was determined that for now, the 5-year experience model is adequate.

Q: Is there discussion of the distinction between board of directors accountabilities and competent person accountabilities in the draft code? This can be an area of confusion.

A: In the draft Code, there is a new section called company responsibility and consent for public reporting. Clause 3.12 to 3.25 outlines the responsibilities of the board to be accountable for all Public Reports, and provides further clauses on sign off, conflict of interest and written consent.

In summary, the board remains responsible for all Public Reports. The Competent Person is responsible for their Exploration, Mineral Resources or Ore Reserve sign offs and technical reporting summaries.

The board is always responsible not to withhold material information from a Competent Person. This includes a second release of information that may have material changes without involvement of a Competent Person or information withheld from the Competent Person. If this was found to be misleading, then the board is accountable and that would create an issue for them with their disclosure.

Competent Persons must also respond to the available technical data. If they do not include available and material data, then that becomes an issue for the Competent Person if a complaint is raised.

In the draft Code, effort has been made in that area to make it clear that there are accountabilities in both directions.

Q: What happens if the “Specialists” are not members of a recognised professional organisation? Will they not be able to sign off in specialist capacity? E.g. financial or social specialists would not be AusIMM or AIG members.

A: The draft Code requires Specialists to be members of a professional organisation with an ethics and complaints process in a similar manner to RPOs. JORC expects that a number of potential organisations will seek approval to provide Specialist sign off for their members to act in this capacity.

Q: What if “Specialist’s” contributions are used out of context by the Competent Person or by the Company? What control do they have over the use of their contributions?

A: Competent person is required not use specialist information out of context or in a way that could be misleading.

The company is required that the work performed by a specialist (scope) is not limited in a manner that makes it unreliable for its purpose.

Q: In the event there is an issue (or complaint) against a 'Specialist', how does one raise a concern or complaint with their professional organisation?

A: A complaint about a Specialist's professional conduct must be raised with their professional organisation. The specialist will need to identify their membership organisation and currency. This is the current situation for all RPOs as well.

A Specialist member of a professional organisation that does not have appropriate professional, ethics and complaints procedures will not be able to be used under the code. Under the code, this is the case also for RPOs.

As in the case of RPOs, specialist organisations would have to submit an annual report to JORC outlining any ethics cases etc. An organisation not complying can be dropped from the list.

We accept some specialties don't have the organisational structures in place, and this would have to be established in order for them to provide JORC specialists.

Reasonable Prospects Assessment

Q: What is the reasonable prospects assessment?

A: This process formalises the competent person reviewing available project data including modifying factor data to assess the reasonable prospects of the project at the time it is reported. This does not presume complete or detailed information is available across all elements but does require available and material data be taken into account.

Q: Why was 'eventual' removed from RPEEE?

A: Stakeholder and working group feedback indicated that there has been high variability in assumed timeframes and reasonableness assumptions, paired with low levels of disclosure of those assumptions.

The changes include better disclosure of the assumption base, including potential timeframes.

The meaning behind "eventual" is already inherent in "prospects" so "eventual" is redundant

Q: "Eventual" has been removed from RPEE, do Competent Persons now have to provide their material context and timescale for the RPEE? "Reasonable" can be subjective, will the Guidelines provide some parameters to apply?

A: The key here is reasonableness and the basis for the resource reasonable prospects needs to be established and appropriately disclosed. It is important that the available modifying factor data at the resource reporting period is included in the process. It is not appropriate to exclude available and material knowledge on the basis of the project still being at the resource stage.

At times under the current code, over-emphasis on eventual paired with limited disclosure of the eventual timing basis, has at times overshadowed the reasonableness basis. As required for Mineral Resource reporting and in Table 1, there basis for the mineral resource and its likely progression must be discussed.

The guidelines for reasonable prospects include discussion of reasonable prospects test.

In the guidance there's an expansion on the application of reasonable, this can be added to based on public feedback.

Q: Do reasonable prospects apply to exploration?

A: The reasonable prospects concept establishes that reasonableness and transparency are the critical factors.

Available and material Modifying Factor applies at any stage. An example would be refractory metallurgy knowledge which always applies to Exploration Reporting.

Specifically reasonable prospects assessment formally applies from mineral resources forward.

For Exploration Targets, available and appropriate Modifying Factor assumptions should be reasonably applied. This requirement aligns to the reasonable prospects test more formally applied to in resources.

Q: Will there be a template or form to guide the reasonable prospects assessment?

A: The expanded Table 1 provides additional prompts around modifying factors at the mineral resource stage that should align to the reasonable prospects assessment.

The assessment must apply in principle to all Mineral Resource reports, as JORC must cover every type of mineralisation at every project stage in every setting. As such, there is no such perfect template that we could generate.

The assessment must come back to the key principles of the code.

Q: Are the draft RPEE 'assessment documentation' requirements to support MRE declaration likely to be in reality a Scoping Study? If not why not?

A: The reasonable prospects assessment is likely to pre-date a scoping study. So while there may be some considerations similar, it will rely on available Modifying Factor data information at the time of resource reporting. This would vary considerably between an initial inferred resource report and a more mature resource at indicated and/or measured categories.

In a mature resource statement, there would likely be strong overlap with key data that may be subsequently used in the scoping study.

Modifying Factors

Q: Why has Figure 1 changed?

A: Figure 1 has been modified to reflect increasing maturity of both modifying factor knowledge and technical study completions to be key considerations in the generation of Ore Reserves.

The modification also addressed a missing element, the need for a study to convert resources to reserves.

Q: Why is ESG a Modifying Factor?

A: ESG elements were included within JORC 2012 but were not clearly included with equal prominence to other considerations. This change reflects evolving societal and regulatory expectations with respect to progression of new projects through to development.

ESG elements can only be included based on the maturity and materiality of the *available* data. There is not an expectation that ESG is progressed to final levels ahead of other key criteria.

Q: How can I report on ESG if this is not my background as a Competent Person?

A: The draft has been written to allow for specialists across any discipline to provide inputs to be included in the Competent Persons Assessment, and referenced to ensure that appropriate technical knowledge is applied to the Public Report.

Q: Are there going to be some worked examples of ESG made available to assist practitioners?

A: During the working group phase, the potential for worked examples was evaluated and supported.

The ESG guidance matrix was also produced at this time and is included as Appendix 1 of the guidance notes.

The matrix provides prompts on a wide range of issues that can be applied across all reporting stages to assist in study design while useful, this remains guidance given the very wide range of circumstances to which it can be applied.

Additional examples will be evaluated once the Code and core guidance are finalised.

Risks

Q: How are Opportunities to be limited to the more realistic and not let it be taken over by marketing statements?

A: The risk and opportunity section and the supporting guidelines emphasize the need for balanced reporting and discussion by the competent person including responses to the criteria in Table 1 section 9.

Both risks and opportunities as presented in the Public Report must be signed off by the competent person in the form and context in which it appears.

Q: Exploration Risks – purely technical or includes political, environmental etc?

A: An environmental risk may be clear from day one of an exploration project. An example would be, if the northern one third of your lease is a prescribed wetland then you have to manage and disclose that from the very beginning.

What it isn't about is about theoretical risks for which there is no information at this point in time. The risk assessment needs to respond to the information you have and is available at that point in time within the context of the project stage being reported. For the exploration phase, baseline knowledge that could impact your ability to continue the exploration would be an input to the risk assessment.