



## VALMIN 2015 – GUIDANCE NOTE 1 (30 JUNE 2017)

There have been three queries addressed to the VALMIN Committee in relation to:

- (1) When is a VALMIN report to be included for the Public Reporting of a Feasibility Study?
- (2) Whether a consultant who has signed off on a Public Report prepared under the guidelines of the JORC Code can also sign off on it as a VALMIN report?
- (3) Is a report prepared under the guidelines of the VALMIN Code required for an IPO in Australia?

The following guidance applies in general terms, however there may be circumstances where judgement is required by the individual Practitioner and/or Competent Person, in order to comply with the Australian Corporations Act 2001 or specific securities/stock exchange listing rules:

- (1) Where the purpose of a Public Report relates to the disclosure of Ore Reserves, and in doing so an NPV is calculated (as part of a Feasibility Study), consistent with the purpose in Table 1 Section 4, then the Public Report is validly prepared solely under the auspices of the JORC Code (2012) for which a JORC Compliance Statement is required.

Where a Technical Assessment and/or a Valuation is prepared for the purpose of a commercial transaction regarding a Mineral Asset or for the purpose of marketing the value of a Mineral Asset, then the associated Public Report requires a VALMIN Code (2015) compliance statement.

In circumstances where a Public Report about Ore Reserves subsequently forms the basis for fundraising, or any other form of transaction requiring the consideration of the value of the Ore Reserve and/or its impact on a company's value, it will be necessary to ensure that both VALMIN and JORC Compliance Statements are provided.

- (2) A Competent Person who has signed off on a report prepared under the JORC Code guidelines can also sign off on a report that meets the VALMIN Code guidelines providing they have the relevant experience and competence to do so, as defined in Clauses 2 and 3 of the VALMIN Code (2015); this of course is subject to those circumstances where Independence is required, as defined in Clause 4 of the VALMIN Code (2015).
- (3) There is no requirement for a valuation report in an IPO in Australia. The content of the relevant Information Memorandum is for the company to decide.