



The Australian Securities & Investments Commission



ASIC

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Investments Commission

ASIC Update and JORC Code

Bruce Dodd

Regional Commissioner

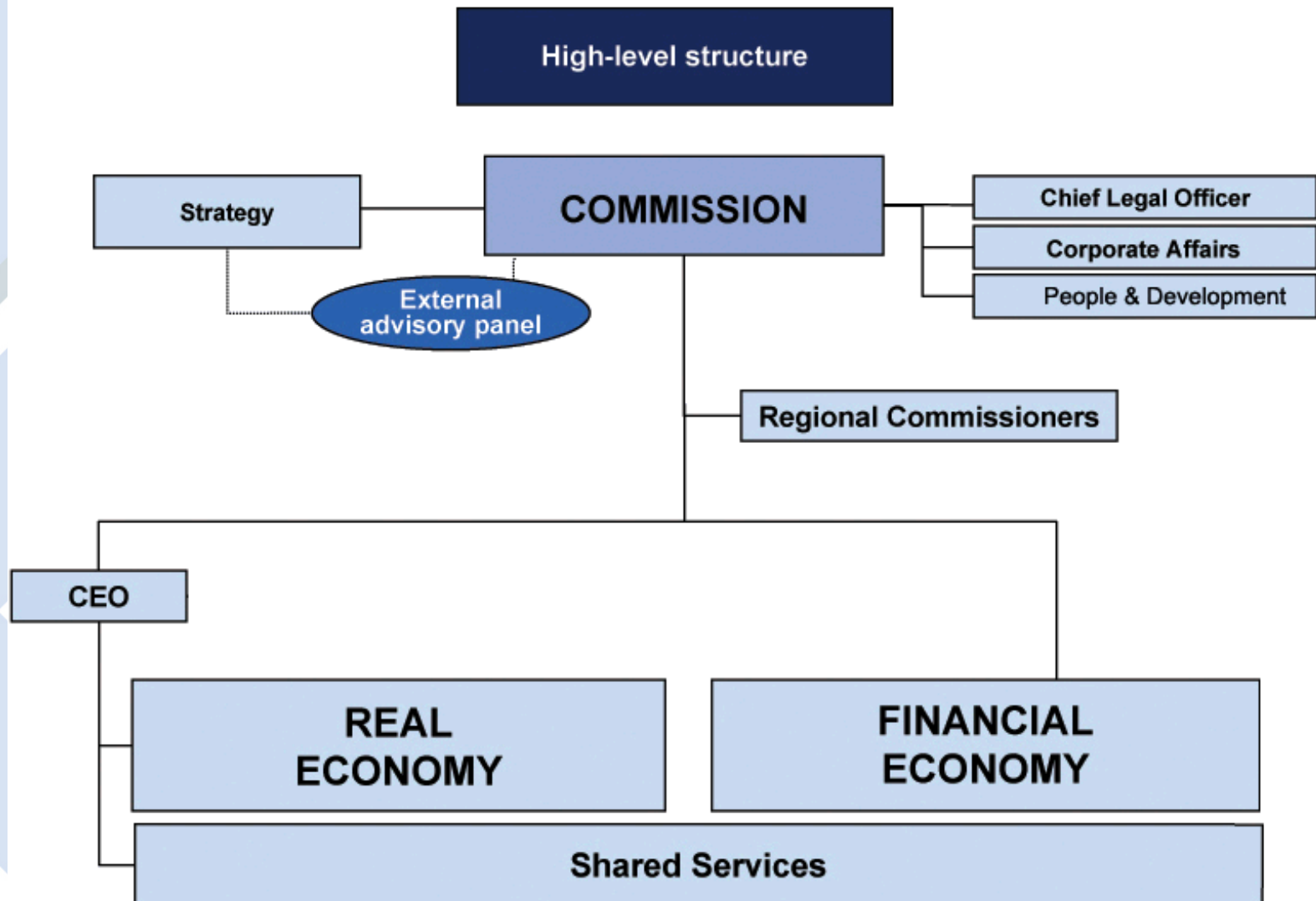
**WA & Senior Executive Leader, Emerging Mining and
Resources Team**

Introduction

Topics

1. ASIC restructure
2. Emerging Mining & Resources team (EMR)
3. Capital raising in the current market
4. JORC
5. Independent Expert Reports

ASIC Restructure



Emerging Mining & Resources

- **Stakeholder focussed team**
- **Business as Usual:**
 - fundraising, M&A document review
 - applications for relief/modification of the law
- **Projects**
- **EMR Specialists**
 - Senior Manager, Perth - John Derwent
 - Senior Manager, Brisbane - Frank Connelly
 - Senior Specialists, Perth
 - Stefan Pfeifle
 - Melissa Trees
 - Ivy Chen (Geologist)

Facilitating Equity Capital Raising

- **Limited availability of capital**
- Raising capital in the current market
- Consultation Paper 105 – Facilitating equity capital raising
 - adequate disclosure
 - investor protection

JORC

Australasian Code for Reporting of
Exploration Results, Mineral Resources
and Ore Reserves

The JORC Code 2004

History of JORC

Where have we come from?

- Poseidon Boom
- Rae Committee
- JORC Code

What problems were we seeking to fix?

- Rumours
- Assumptions
- Quality of geological reports

ASIC, disclosure and JORC

- JORC compliant information
 - information that is reasonably required by investors i.e. information required to be disclosed under s710 of the Corporations Act
- Applies equally to listed and unlisted entities
- Failure to provide information in a JORC or Valmin compliant way is likely to attract ASIC interest

Companies Update 11/07

- ASIC will consider disclosure issues on case by case basis for both listed (in consultation with ASX) and unlisted companies having regard to approach in **ASX Companies Update 11/07**
- Non-JORC material may be allowed for listed entities where
 - historical (pre JORC or competent person) OR
 - foreign report**AND** ASX has granted waiver of LR 5.6

Forecasts: reasonable grounds

Production targets

- Statements about future matters to be based on **reasonable grounds** - RG 170, Prospective Financial Information
- **Midwest Corporation Limited [2007] ATP 33**
 - Production targets are forward looking statements
 - Forward looking statements should not be used unless the aspirational nature of and reasonable basis for the statements are clearly set out

RG 111 - Content of expert reports

- RG 111 gives guidance to experts on how to draft an expert report that satisfies the requirements of the Act.
- Principles relevant to independent expert reports prepared for transactions under Chapters 5, 6 and 6A.
- Principles are also relevant to geologists reports for inclusion in Ch 6D disclosure documents and Ch 7 product disclosure statements.
- Key requirement is disclosure of methodologies and assumptions.

RG 112 - Independence of experts

- RG 112 gives guidance on the need for an expert to be independent.
- ASIC continues to monitor fundraising and takeovers disclosure for disclosure of relationships and interests.

The End



QUESTIONS

For further information visit our website at:

www.asic.gov.au