The ‘competent person’ in mine-site evaluation and responsibilities for study design, management and findings
Materiality

- All relevant information
- Affect value
- Affect public perception
- Judgement
Competence

- Qualified
- Experienced
- Membership
- Code of ethics and conduct

The Competent Person

Can be more than 1 and usually is

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13 to 17 October 2014, Goa India
Competent Person

Must consider

Transparency

Materiality

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Who is a Competent Person?

A Competent Person is a minerals industry professional...
... with a recognized Professional Organisation and appropriate membership class...
… with enforceable disciplinary processes including the powers to suspend or expel a member.
A Competent Person must have

- A minimum of 5 years relevant experience
- In style of mineralisation or type of deposit
- And activity which the person is undertaking

- Appropriate membership and class of a Professional Organisation
- Appropriate qualification (Geology, Mining Engineering, Metallurgy..)
Are you a Competent Person?

... for estimating or supervising the estimation of Mineral Resources

It is up to you to determine if you are

Industry peers will keep you honest

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A Competent Person needs to visit the project site

... not much to see here
Look for evidence
Observe sampling

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Verify data

… check 5-10% of the data

### Database

<table>
<thead>
<tr>
<th>Rec</th>
<th>Ni</th>
<th>Cu</th>
<th>Abundance</th>
</tr>
</thead>
<tbody>
<tr>
<td>34</td>
<td>1.21</td>
<td>1.04</td>
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</tr>
<tr>
<td>233</td>
<td>1.16</td>
<td>0.98</td>
<td>12.5</td>
</tr>
</tbody>
</table>

### Assay certificates

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</tbody>
</table>
A Competent Person must assess suitability of data

... include statement in public report
... include description of methods/procedures
remember transparency
A Competent Person must adhere to the Code and Government regulations
A Competent Person estimates or supervises the estimation of Mineral Resources and Ore Reserves.
A Competent Person Classifies Mineral Resources and Ore Reserves

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Is it a Mineral Resource?

A Mineral Resource is a concentration or occurrence of solid material of economic interest in or on the Earth’s crust…

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CP must determine reasonable prospects

Must state in public report

...in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction.
… The location, quantity, grade or quality, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling.
Modelling techniques

Data

Geology

Modifying factors

Securities QAQC

Dimensions Domains Continuity

Geology

Data

Mining Processing Metallurgical Infrastructure Economic Marketing Legal Environmental Social Government Modifying factors

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A Competent Person compiles the technical report

Must Consider

Statements

Table 1 of the Code

Transparency

Materiality

“if not why not”

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The sign-off

Competent Persons Name
Membership
Date

Sign Here

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Competent Persons Statement in Public Reports

An example

This Mineral Resource estimate is based upon and accurately reflects data compiled or supervised by Mr Matthew Nimmo, Principal Geologist, who is a Member of the Australian Institute of Geoscientists and a full time employee of Golder Associates Pty Ltd. Mr Nimmo has sufficient experience that is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2004 edition of the ‘Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves’ and as a Qualified Person under NI43-101.

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Competent Persons Consent

An example


I also consent to any extracts from or a summary of the Technical Report in the press release of Nautilus, dated September 2012, entitled “Nautilus Minerals Defines 410 million tonne Inferred Mineral Resource” (the “Press Release”). I certify that I have read the Press Release filed by Nautilus and that it fairly and accurately represents the information in the sections of the Technical Report for which I am responsible.

Dated this September 2012.

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Role of Competent Person

- Follow the Code
- Transparency
- Materiality
- Observe
- Consider risks
- Gap analysis
- Compile Technical report
- Suitability of data
- Consider modifying factors

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Responsibilities of Competent Person

- Resource/Reserve estimate
- Technical report
- Public statements
- Membership of Professional Organisation
- Content of Technical report
“If not why not”
Trust

- Third party
- Competent Person
- Independence
- Estimate to best practice
Thank you for listening

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