

SveMin, FinnMin and Norsk Bergindustri

have decided on these

## Statutes for the Fennoscandian Review Board (FRB), hereafter called the FRB

### 1. Background

Member companies of SveMin, FinnMin and Norsk Bergindustri (the parent associations) are obliged to comply with and to follow the specific standards of conduct regarding public reporting by a company on disclosure of mineral resources, mineral reserves, feasibility studies and project evaluations, called the FRB standard, which has been adopted by the parent associations.

Quality assurance and transparency of reporting on mineral projects to the public and the financial markets demand persons competent to oversee and confirm such reporting. In order to meet these requirements the FRB standard contains rules regarding "Qualified Persons" (QP).

The primary purpose of the parent associations in relation to FRB is to establish an organ for evaluation and appointment of persons with the necessary competence and experience to be a competent person (QP) according to the FRB standard.

In order to fulfil this purpose the parent associations have agreed on these statutes for the FRB. After notification to the other parent associations, a parent association can leave the FRB.

*(Regarding companies that disclose information, SveMin, FinnMin and NB have the responsibility to check compliance with the FRB standard by their member companies according to their own decisions. It is not the responsibility of the FRB to have any opinion on other standards or codes.)*

### 2. Management board of the FRB

The FRB has a management board of three persons appointed by SveMin, FinnMin and Norsk Bergindustri, one person each. These persons act on delegation of responsibility by their respective associations. A chairman and a secretary are appointed within the management board. Minutes of the meetings shall be kept and signed by all three members. The minutes shall be archived by SveMin.

The management board forms a quorum when all its members are present. The management board takes decisions on a majority vote.

The management board has the responsibility to select and appoint individual members to the FRB and to appoint the chairman of the FRB. The management board is the body for appeal in relation to decisions made by the FRB, as stated in section 11.

On the basis of unanimous decisions the management board also decides on other matters regarding FRB, such as statutes, rules and reporting standards for the FRB.

Members of the management board shall keep their respective parent associations informed of the on-going work in the FRB and the management board.

The contact point for the management board of the FRB is announced on the web site of SveMin.

### 3. Constitution of the FRB

The FRB shall consist of 6-8 members, of which at least one is not engaged in a mining or minerals exploration company and at least one is from academia. There should be a balance between the Swedish, Norwegian and Finnish representation.

The period of office for each member is 5 years. A member can, however, be relieved of his/her duty earlier by the management board. Re-election of members is permitted. The FRB shall appoint a secretary.

### 4. Procedures for the FRB

The FRB forms a quorum when at least 4 members are present.

The FRB decides through voting and by simple majority. The chairman has, where necessary, a casting vote.

Information from FRB meetings is confidential.

The FRB is recommended to meet at least three (3) times per year or when appropriate. Meetings may be held by telephone and video-conference or other appropriate technology.

Minutes from the FRB meetings shall be signed by the secretary, chairman and one member, elected at each meeting, to certify the minutes. The minutes shall be recorded and registered. The minutes shall contain detailed information of the applicants, supported by a CV. Decisions must be documented. Originals of the minutes shall be kept and filed at SveMin.

The FRB shall report to the management board at six-month intervals.

The contact points for the FRB are announced on the web site of SveMin.

### 5. The concept of Qualified Person (QP)

According to the FRB standard, the QP has the task to check the quality (quality assurance) of, and comment on the technical and scientific work and results that are the basis for the public reporting of a company on disclosure according to the FRB standard.

The QP shall give a written and signed comment that a check has been conducted and that the qualifications of the QP are relevant for the actual information and case. The comment shall be available in direct connection with the checked information on the web site of the informing company.

The technical and scientific work shall be conducted according to the FRB standard.

In fulfilling his/her task the QP shall do so in compliance with the FRB standard.

The QP is encouraged to consult the FRB to discuss proper disclosure.

*(The check by the QP does not in any way relieve the company from responsibility for the information disclosed.)*

### 6. Appointment of the QP

Upon application, the FRB appoints and issues certificates to persons that are eligible to act as a QP, according to section 7-8.

Approval of a QP application is valid for five years.

SveMin, FinnMin and Norsk Bergindustri notify in public the QP and his/her approved period on the parent associations' web sites.

## **7. Application for a QP certificate and renewal of such a certificate**

Individuals seeking qualification as a QP shall apply by filling in the application form provided by SveMin on its web site.

A CV must accompany the application, as well as information on e-mail and postal addresses through which the applicant/QP can be notified of decisions.

The applicant has the right to present his/her case in person to the FRB.

On approval, the QP must confirm his/her commitment to comply with best industry practice as set out in the FRB standard and its guide of implementation.

An application for renewal of a certificate shall be sent to the FRB six months before its expiry date. A QP, who wants to retain QP status, must prove that he/she has been professionally active in relevant areas.

A fee, as decided by SveMin, will be charged for every application if the applicant is not employed by a member company of SveMin, FinnMin or Norsk Bergindustri.

## **8. Requirements for application**

Applicants, who are seeking registration to be eligible to acting as a QP, must:

- Have at least 5 years of relevant experience and be able to face their peers and demonstrate competence relevant to the activities for which that person will undertake assignments.
- Have detailed knowledge of the FRB standard and, if so required, participate in a course to learn these regulations and to pass a test after the course.
- Seek continuous improvement as a QP.
- Uphold a reasonable acceptable standard of ethics and conduct which can be demanded due to the specific commission of trust a QP-assignment involves.
- Agree to follow the corrections and disciplinary actions taken by FRB, as stated in section 9.

## **9. Correction and disciplinary actions**

When brought to the attention of FRB that there might be reason to question a QP's fulfilment of his/her assignment the FRB shall react and take the matter into consideration in a timely manner.

The FRB can also take actions due to other circumstances which raise questions on the suitability or adequacy of a QP-certificate, regarding the specific commission of trust a QP-assignment involves.

Before considering disciplinary actions the FRB shall primarily consider solution of the matter in order to make adequate corrections and to secure future compliance with the FRB standard, through a dialogue with the QP or other supportive actions. The FRB concludes and specifies in writing to the QP the criticisms regarding the action of the QP with specific reference to that part of the report which is not in compliance with the FRB standard.

If an understanding cannot be reached through dialog or supportive actions, or if such actions are not adequate, the FRB can decide to issue a written warning to the QP that his/her certification may be revoked. If the warning does not lead to correction and/or is not respected by the QP, the FRB can, ultimately, decide to revoke the certification.

A decision to issue a warning or to revoke a QP-certificate must be preceded by an investigation of the case, in which the QP shall be given the opportunity to present his/her case in a time frame decided by the FRB.

In flagrant cases of violations against the FRB standard or its implementation, or in other extraordinary cases, a QP-certificate can be revoked without a preceding written warning.

## **10. Notifications of decisions**

An applicant/QP is regarded as notified of decisions made by the FRB and the management board one week after the decision is e-mailed or posted to the e-mail address or postal address provided to FRB by the applicant/QP.

## **11. Procedures for appeal**

Decisions by FRB regarding applications for/renewals of a QP certificate and revocations of a QP certificate can be appealed by the applicant/QP, concerned by the decision, to the management board of FRB within thirty days from notification of a decision made by the FRB.

Decisions by the FRB that may be appealed are not valid until the time of appeal has expired. If an appeal is made, a decision is not valid until it has been tried by the management board.

Decisions by the management board may not be appealed.