

~ The NACRI CHARTER ~

(National Committee for Reporting Mineral Resources and Reserves in India)

Prepared by

~ The NACRI ~

(National Reporting Organisation)

Approved by



August 1, 2019

Founder Members (as on November 19, 2015)

National Committee for Reporting Mineral Resources and Reserves in India (NACRI)



Dr Harry M Parker
Chairperson - CRIRSCO
& Mentor - NACRI



A Bagchhi,
Former President (2013-15) –
MEAI & Originator NACRI



T Victor,
President – MEAI
& Co-Chair NACRI



Dr Abani Samal,
CRIRSCO Rep in India
& Co-Chair NACRI



Dr PV Rao,
CRIRSCO Rep in India
& Co-Chair NACRI



Arun Kumar Kothari
Vice President - I MEAI
& Team Leader IMIC



Dr A. Srikant
President - Master Geotech
Services LLC & Team Leader IMIC



KS Solanki
Director (Exploration) - HZL
& Team Leader IMIC



Dr AK Sarangi
Executive Director - UCIL
& Team Leader IMIC



Deepak Rathod
VP (Tech Services) - Trimex
Group & Team Leader IMIC



S. Chattopadhyay
Director - SRK Consulting
& Team Leader IMIC



Sanjay K Pattnaik
Vice President - II MEAI



RK Sharma
Secretary General - FIMI



Ramakrishna Sawkar
Secretary - Geological Society



PN Sharma
CCOM (Incharge) – IBM



K Madhusudhana
Vice President - III MEAI



PR Tripathi
Former CMD – NMDC Ltd



AW Pradhan
Former Chief Geologist - Tata Steel



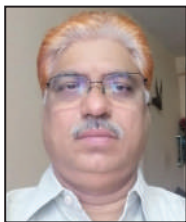
TN Gunaseelan,
Director – DMT



S Kumaraswamy
Former Executive Director - NLC



TR Rajasekar
Independent Domain Expert



Dr Ch. Sravan Kumar
DGM (Geology) - NMDC Ltd



Pankaj Saran
DGM (CMR) - Ambuja Cements



Dr Sanjeev K Sinha
DGM (Mining) - NMDC Ltd



N Rajendran
Former Director – GSI



Dr Indranil Saha
Chief Mine Planning - Tata Steel

Appendix-I of MEAI Bylaws



COMMITTEE FOR MINERAL RESERVES INTERNATIONAL REPORTING STANDARDS

01 August 2019

The National Committee for Reporting Mineral Resources and Reserves in India (NACRI)
Flat-608 & 609, Raghava Ratna Towers, A-Block, VI Floor,
Chirag Ali Lane, Abids, Hyderabad – 500001,
India

Co-Chairs of NACRI

Mr T Victor

Dr Abani Samal

DR PV Rao

MEAI President

Mr Sanjay Pattnaik

MEAI Past President

Mr Arun Kothari

Dear Sirs

Further to your application to join the Committee for Mineral Reserves International Reporting Standards (CRIRSCO), and based on the documentation provided in support of your application, I confirm that the CRIRSCO membership voted unanimously to admit NACRI as a Member representing India.

CRIRSCO recognises and congratulates India on the excellent team work in preparing for membership under your leadership, and CRIRSCO looks forward to the successful implementation of the Indian Mineral Industry Code (IMIC) in India.

As a member of CRIRSCO, India will continue to develop further the principles of transparency, materiality and competence essential for the reliable public reporting of exploration results, mineral reserves and mineral resources.

I have great pleasure in welcoming NACRI to CRIRSCO and to receiving your continuing support and contribution in enhancing reporting standards worldwide.

Yours sincerely

Neil WELLS

CRIRSCO Chairperson, 2019

CRIRSCO provides an international forum that enables countries to ensure consistency of their minerals reporting standards in an international setting and to contribute to the development of best practice international reporting. CRIRSCO is a Strategic Partner of ICMM the International Council on Mining & Metals.

ICMM
International Council
on Mining & Metals

BACKGROUND

Encouraged by committed mineral industry professionals of India, the Mining Engineers' Association of India (MEAI) laid the foundation to this initiative by organizing a roundtable conference on 18th Dec 2014 at Hyderabad with the participation of several stakeholders including Securities and Exchange Board of India (SEBI), Indian Bureau of Mines (IBM), Geological Survey of India (GSI), Society of Geoscientists and Allied Technologists (SGAT), Geological Society of India (GS), and leading private and public sector mining companies. The National Committee for Reporting Mineral Resources and Reserves in India (NACRI) was formed as an independent body on 19th November 2015 under the guidance of MEAI.

The leading mine owners' body in India representing the mineral industry viz. Federation of Indian Mineral Industries (FIMI), Mining Geological and Metallurgical Institute of India (MGMI), SGAT, GS and later The Associated Chambers of Commerce and Industry of India (ASSOCHAM) came forward in support of this initiative. Professionals from leading public and private sector mining companies, prominent consulting companies and premier academic institutions came on board and endorsed this national mission.

With the national interest in general, and the mineral industry of India in particular, the MEAI had been leading an important initiative in India, in association with the CRIRSCO (Committee for Mineral Reserves International Reporting Standards) to develop an internationally acceptable Reporting Code for Exploration Results, Mineral Resources and Mineral Reserves for India, namely 'the Indian Mineral Industry Code for Reporting Exploration Results, Minerals Resources and Mineral Reserves' (The IMIC). The IMIC will be compliant with the CRIRSCO International Reporting Template and can be adopted by the Indian mineral industry, regulatory bodies like SEBI and the Government of India.

A Memorandum of Understanding (MoU) was reached between the MEAI and CRIRSCO in Phoenix, USA on 24th February 2016 and signed by MEAI President Mr. T. Victor, CRIRSCO Honorary representatives in India Dr Abani Samal and Dr P.V. Rao; and CRIRSCO Chairperson Dr Harry M. Parker, in the presence of the members of the Resources and Reserves Committee of the Society for Mining, Metallurgy and Exploration Inc (SME), USA. It was resolved to develop the IMIC by November 2017. Upon satisfactory compliance with the criteria laid down by CRIRSCO, NACRI shall represent India on the CRIRSCO body as its National Reporting Organization (NRO).-

To prepare and review specific aspects of the proposed IMIC, six committees were constituted in November 2015, as given in Table 1. The term of these six committees is valid until the recognition of NACRI as the NRO by CRIRSCO.

Table 1: Committees formed to prepare IMIC

| | |
|-------------|---|
| Committee 1 | Land, accessibility, infrastructure, social license to operate etc. |
| Committee 2 | Sampling techniques & data review |
| Committee 3 | Reporting of Exploration Results (Minerals, Coal, Industrial Minerals, Atomic minerals, Diamonds & other Gem stones) |
| Committee 4 | Reporting of Mineral Resources Minerals, Coal, Industrial Minerals, Atomic minerals, Diamonds & other Gem stones) |
| Committee 5 | Reporting of Mineral Reserves Minerals, Coal, Industrial Minerals, Atomic minerals, Diamonds & other Gem stones) |
| Committee 6 | Competent Person and Ethics review committee consisting of two to three National Council members of MEAI, and led by a MEAI [or MGMI] National Council member |

- The members of each committee shall be chosen from amongst the NACRI members depending on their specific experience and expertise in a given activity. The leader of each committee was chosen by consensus by its members. The committee leader's tenure in general shall be for one year but the leader may be re-appointed/ automatically renewed by the NACRI for subsequent periods also.
- Committees shall coordinate consultative efforts from the initial stages of developing the draft IMIC until its final approval by the CRIRSCO.
- Committees shall also seek suggestions and advice from the other commodity experts, who may not be members of NACRI.
- Committees' leaders shall maintain regular communication with their committee members and the NACRI Managing Committee (NMC, as defined on Article 4.i) through e-mail or conference calls. NACRI may regularly meet physically or virtually to discuss its strategies and plans for future.

ARTICLE 1: NAME

The Committee is named as “**N**ational Committee for **R**eporting Mineral **R**esources and **R**eserves in India” (NACRI). The abbreviation “**NACRI**” shall imply the full name of this committee for all purposes related to Indian Mineral Industry Code (IMIC) for Reporting Exploration Results, Mineral Resources and Mineral Reserves / “Bharatiya Khanij Udyam Disha Nirdesh”. The name or acronym shall never be used with another acronym of any other body or professional organization.

A logo will be designed for the NACRI and will be included as a part of this document through an amendment. A website will also be designed and maintained for the NACRI. The purpose of the website is to disseminate the information to the mining community worldwide.

ARTICLE 2: ROLE

The primary role of the NACRI is to develop and maintain an internationally recognized Code for public reporting of Exploration Results, Mineral Resources and Mineral Reserves in India compliant with the CRIRSCO International Reporting Template and to have India admitted as a member of CRIRSCO.

Once the admission process is concluded, NACRI shall represent the Indian mineral industry as the NRO in CRIRSCO, on behalf of the MEAI (Refer to the MOU signed with CRIRSCO dated 24th February, 2016, Phoenix, USA).

This unique initiative will allow the Indian mining industry to attract much-needed private investment for intensification of mineral exploration, expansion of the existing mines, and opening up of new mines in India, in line with the National Mineral Policy of the Government of India.

2. i. Promoting professional competency in the Indian mineral industry

The NACRI shall be responsible for promoting professional development in the mineral industry through contribution of technical articles in professional journals, making presentations in seminars and workshops, and conducting training programs to create awareness in the mineral industry professionals.

2. ii. Registration of Registered Competent Person (RCP)

The NACRI shall facilitate eligible mineral industry related professional bodies in India to become a Professional Organization (PO) of NACRI and other related professional and non-professional bodies as Supporting Organizations (SO) of NACRI.

The POs are those active organizations of mining industry professionals in India that meet the requirements of CRIRSCO with a code of ethics, or similar governing documents, as required by CRIRSCO, thereby allowing registration of the Competent Persons in the country.

The supporting organizations are the industry bodies such as FIMI, ASSOCHAM and scientific organizations such as Geological Society of India who do not intend to become a PO, but rather are concerned about various mineral industry related issues and support the activities of CRIRSCO and NACRI in India.

The NACRI developed the Indian Mineral Industry Code (The IMIC), a Public Reporting Standard for Exploration Results, Mineral Resources and Mineral Reserves of India, compliant to CRIRSCO International Reporting Template. Clause 9 of IMIC details the qualification and experience requirements of a RCP.

The minimum professional experience required by PO members for registration as a Registered Competent Person (RCP) shall be 10 years, which includes 5 years relevant experience in the style of mineralisation or type of deposit under consideration and in the activity, which that person is undertaking. The RCP shall obtain at least 40 hours of professional development credits per year through participation in seminars, conferences, workshops, training programs or webinars, recognized by NACRI. The NACRI will develop a system to allocate credits to professional development activities.

The Register of the Competent Persons shall be maintained by the PO. The Registration committee shall be constituted by each PO, by including at least two NACRI members, to oversee the impartial enforcement and efficient management.

The registration and renewal fee collected from the RCPs shall be shared equally between the PO and the NACRI.

2. iii. Code of Ethics and related

The NACRI shall be responsible to develop a Code of Ethics document for the POs and to oversee its implementation by the POs by proposing suitable amendments to their Association by-laws. The PO shall follow its stipulated process for amending its by-laws to include the new RCP membership category, and enforcement of the Code of Ethics including being subject to discipline that may include withdrawal from the RCP membership category or other membership category maintained by the PO.

Each PO shall constitute a Complaints committee and an Ethics committee to handle the complaints received against breach of Code of Ethics and professional codes, including the IMIC, by the RCPs. Both these committees in each PO shall be constituted by including at least two NACRI members, to oversee the impartial enforcement and efficient management.

Separate documents shall detail the procedures related to Registration of RCP, the complaints procedure and the Code of Ethics.

ARTICLE 3: MEMBERS

Admission, retention and removal of NACRI members and appointment of Committees

3. i. Members of the NACRI

NACRI is composed of members appointed by leading professional bodies of Indian mineral industry viz. MEAI, Geological Society of India, industry representatives like FIMI, ASSOCHAM etc., and independent, Govt. & mineral industry nominated domain experts.

The stock markets regulator SEBI, and government agencies viz. Indian Bureau of Mines, Geological Survey of India, Atomic Minerals Directorate (AMD), State Departments of Geology and Mines, and exploration and mining companies in India will also be part of NACRI when they adopt the IMIC.

The NACRI members shall be domain (subject matter) experts drawn from geosciences, mining, mineral processing, engineering, computer science and automation, environmental, legal and social

science disciplines associated with the mineral industry; and specialized in exploration, estimation, classification and reporting of Exploration Results, Mineral Resources and Mineral Reserves, covering all solid minerals including atomic minerals, industrial minerals, gemstones and coal.

The NACRI members should possess the desired qualifications and experience to become RCP. At least two-thirds of the NACRI Members must be affiliated to POs and recognized by the PO as an RCP. The remaining members may constitute representatives from the supporting organizations (SO), leading mining companies, relevant Government entities and independent domain experts.

Domain experts of repute from the Indian mineral industry, academics or self-employed shall be identified, by consensus, by the NACRI.

The Co-Chairs of NACRI (as defined on Article 4.ii) shall formally invite domain experts to join NACRI to fill the vacancies that arise from time to time, while limiting the total number of NACRI members to a maximum of 30.

3.ii. Appointment of NACRI Members

- Each PO may nominate a maximum of 4 professionals as members of the NACRI;
- Each recognized SO may nominate a maximum of 2 professionals as members of NACRI;
- The government bodies (SEBI, IBM, GSI etc.) may nominate one member each under the independent, Govt. and mineral industry nominated domain experts category in NACRI;
- Each of the leading mining and exploration companies in India who support the cause of NACRI may nominate one domain expert, provided that the total number of NACRI Members does not exceed 30 professionals;

The NACRI composition is illustrated in Figure 1 (not exhaustive) and the number of members shown is illustrative of the proportionate membership of NACRI (maximum 30 members):

The NACRI members, while performing their responsibilities, shall not succumb to influence of their employers or the POs and SOs they represent. They shall always act in the interest of the Nation, completely independent of any undue external pressures. No PO, agency, or government department shall or can exercise its authority on NACRI members, and the NACRI members shall perform their duties without any fear or, expectation of favor from any source.

The NACRI members agree to perform duties and responsibilities, voluntarily without anticipating any financial or other benefits. Safeguarding the voluntary services by NACRI members is vital for the development and sustenance of progression of mineral industry professionals, mineral industry and the Nation.

The members of NACRI fulfilling the requirements of RCP and present at the time of approval of the NACRI Charter, shall be named as the Founding Registered Competent Persons (FRCP) and they shall be governed by the same Code of Ethics and disciplinary action rules as set out for the RCPs. The FRCPs

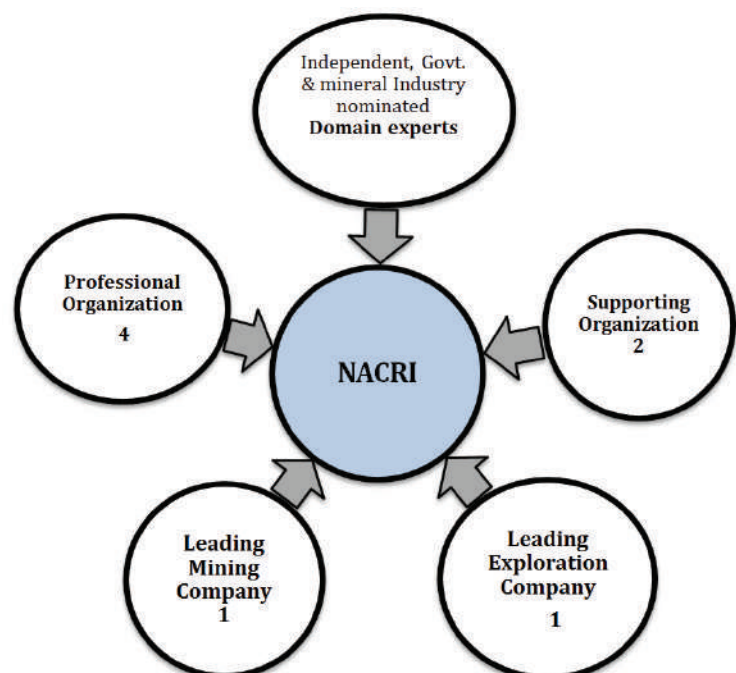


Figure 1: The composition of NACRI

will continue on NACRI for another one-year term from the date of admitting NACRI as the NRO for India, in order to stabilize the system.

Thereafter, the term of NACRI members shall be for two years. On completion of a two-year term by NACRI members, the POs, other supporting bodies of NACRI, and industry nominated Domain experts, at their discretion, may be re-nominated or be replaced by a new member.

3.iii. NACRI Members resignation

When any NACRI member decides to leave the NACRI for any reason, the outgoing member shall send notification at least 30 (thirty) days in advance to the NACRI Co-Chairs and the Organization the member represents, about such intention, so that a new member can be nominated to the vacancy in a timely manner. The outgoing member takes the responsibility of handing over duties and transfer of all documents in possession to the incoming member. In any unforeseen circumstances if the outgoing member failed to do so, the Management Committee shall induct the new member and take the responsibility of providing all information required for efficient discharge of duties. Any such outgoing NACRI Member shall not use any information/ matters of NACRI in any other form or purpose.

ARTICLE 4: ORGANIZATION AND STRUCTURE

4. i. The NACRI Managing Committee (NMC)

For successful management of NACRI, it is essential to encourage involvement of reputed leaders in the maintenance of IMIC, management of funds, strategic planning, streamlining communications and path setting. To realize these key necessities, a NACRI Managing Committee (NMC) shall be constituted. -

The NMC shall consist of two members from each PO and two from domain experts. When another PO joins NACRI, they may nominate two representatives to the NMC; however, the number of members of the NMC will be limited to ten.

4. ii. NACRI Co-Chairs

The Co-Chairs of the NACRI shall be the President of each PO or his/her nominee and one NMC representative from independent and industry nominated domain expert group. The term of office of the Co-Chairs shall be for 4 (four) years, which may be reviewed by the NMC before the expiry of their term.

The Co-Chairs shall convene and conduct the NMC meetings and other meetings of NACRI. Until the NACRI representatives are nominated to CRIRSCO, the Co-Chairs shall continue corresponding and communicating with CRIRSCO on all matters related to NACRI and CRIRSCO. After the NACRI nominates its representatives to CRIRSCO, these representatives shall take over the responsibility of communicating with CRIRSCO.

At least 10 members including the chairperson for NACRI meetings and 4 members including the chairperson for NMC meetings shall form the quorum. The meeting notice shall be sent to all concerned at least 15 days ahead of the meeting date, by both email and post.

The NMC and Co-Chairs shall interact through teleconference, internet-based communication and courier systems to ensure smooth management of the NACRI affairs.

4. iii. Appointment of NACRI committees

NACRI shall be empowered to constitute committees from amongst NACRI members or co-opt from outside NACRI to deal with specific issues/ requirements arising from time to time.

4. iv. Relationship with POs

The NACRI shall maintain its independence and never report to the Managing Councils or Boards of any of the POs. The representatives of MEAI and other professional bodies nominated to the NMC shall be responsible to liaise between the NACRI and management of their respective professional bodies.

The NMC shall be responsible to coordinate with the POs on all matters of the application of the IMIC, management of the RCPs and the enforcement of the Code of Ethics.

4. v. NACRI representatives to CRIRSCO

The NACRI Management Committee shall nominate two of its members, with the desired technical knowledge and expertise, as representatives of CRIRSCO

The tenure of these representatives shall be for two years. The NACRI Managing Committee may re-nominate them on expiry of their term or propose alternate names.

CRIRSCO representatives must fulfill all requirements to become a Registered Competent Person with NACRI, including their affiliation to one of the POs and their submission to a professional code of ethics and to a disciplinary system.

4. vi. Resignation of NMC members

When a member of the NMC wishes to resign, the incumbent member shall notify the same to NACRI Co-Chairs as well as respective professional organizations at least 30 (thirty) days in advance to facilitate timely replacement. The outgoing member shall take the responsibility of handing over his duties and transfer all documents in his possession to the incoming member. In any unforeseen circumstances if the outgoing member fail to do so, the NMC shall take the responsibility of providing all information required for efficient discharge of duties by the new member.

4. vii. Fund management

NACRI shall raise funds primarily through contributions from POs and other professional bodies, industry sponsorship, member donations, conducting training programs, Webinars and other fundraising activities. The POs shall contribute annually at least USD 2000 (two thousand American Dollars) each to NACRI to meet the NRO expenses.

The Bank Account of NACRI Fund has been opened and currently maintained in the name of 'MEAI-NCC Fund' in UCO Bank, at MEAI Headquarters, Hyderabad. The signatories of the MEAI-NCC Fund savings bank account are Dr PV Rao (one of the two CRIRSCO representative in India and Co-Chair, NACRI), Mr. T Victor (President MEAI, 2015-17 and Co-Chair, NACRI) and the Secretary General of MEAI as ex-officio. Dr PV Rao and either of the other two MEAI signatories shall jointly operate the account. In future, the NMC will be responsible for the NACRI bank account.

The NACRI funds shall be deployed for the following purposes:

- i. To meet partial expenses incurred in arranging non-NACRI events
- ii. To provide travel assistance to deserving retired but active NACRI members to attend NACRI meetings and special events
- iii. To meet expenses of the NMC incurred in attending high level meetings with government officials and CRIRSCO
- iv. When NACRI is admitted as the NRO of CRIRSCO, an annual fee of around USD 2000 (two thousand) is expected to be paid to CRIRSCO by the NRO. NACRI fund shall be used for this purpose.

The Co-Chairs of NACRI shall decide the extent of NACRI funding for the above-mentioned items on a case-to-case basis.

The NACRI funds shall not be deployed for the following purposes:

- Personal benefit of any NACRI member
- Sponsoring events where NACRI is not directly benefitted

At present the bank account of the MEAI-NCC Fund is maintained at MEAI HQ, Hyderabad, and the Secretary General of MEAI shall be informed by the NACRI Co-Chairs either by email or any other convenient media regarding decisions taken by the NACRI Managing Committee on finance matters and also share all such required information for smooth conduct of financial transactions.

ARTICLE 5: AMENDMENTS TO NACRI CHARTER

The NACRI Charter is the guiding document to all supporting professional bodies and industry representatives in India, including POs and their members.

A draft copy of the NACRI Charter, prepared and approved by NACRI, shall be submitted by the Co-Chairs to the CRIRSCO executive for comments and suggestions, before its finalization.

The NACRI Charter shall come into force upon completing the above process and the final review and approval by the NMC.

The NMC shall make amendments by consensus to the NACRI Charter, after discussion in the NACRI body, and such amendments shall come into force only after consultation with CRIRSCO. Amendments made to the originally approved NACRI Charter shall be appended chronologically at the end of the document, while giving appropriate reference to respective clauses. The amendments made to NACRI Charter shall be notified to all members through publication and other suitable channels of communication.

ARTICLE 6 MEMBERSHIP OF CRIRSCO

NACRI will abide by all of the criteria for membership of CRIRSCO, including active involvement in CRIRSCO activities and the payment of annual membership fees.

ARTICLE 7: AMENDMENTS TO THE IMIC

The NACRI shall strictly follow all the rules and guidelines of the CRIRSCO contained in the CRIRSCO Terms of Reference while making any changes to the IMIC

ARTICLE 8: DISSOLUTION OF NACRI

The NACRI shall continue to exist in the form and structure as outlined in the NACRI Charter until a situation arises when it became necessary to dissolve it. Any decision to dissolve NACRI must be supported by at least 2/3rd of the NACRI total members.

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