

20 August 2013

Russian Society of Subsoil Use Experts  
57/2 Business Center "Brent City"  
Office 2.204  
Dubininskaya St.  
Moscow, Russia, 115054

Attn: Vice-Chairman Alexandr Ezhov  
Grigoriy Malukhin

**Re: Application for Inclusion of the Expert Class of the Russian Society of Subsoil Use Experts (OERN) as a Recognized Professional Organization in The SME Guide for Reporting Exploration Results, Mineral Resources, and Mineral Reserves (SME Guide); Application for SME Registered Members as a Recognized Professional Organization according to the Russian Code for the Public Reporting of Exploration Results, Mineral Resources and Mineral Reserves (NAEN Code).**

Dear Alexandr:

The SME thanks you for your letter of January 28, 2013. Our Registered Members Committee and our Resources and Reserves Committee have considered your application for Expert class Competent Persons to be recognized as Competent Persons under the provisos of the 2007 SME Guide for Reporting Exploration Results, Mineral Resources and Mineral Reserves. We acknowledge that Competent Persons under NAEN:

- Competent Persons must have professional education (university degree) in the fields of expertise
- Competent Persons must have at least five years of professional experience
- Competent Persons must have completed at least 10 examinations
- Competent Persons must practice in their areas of competency and according to ethical standards set forth in the NAEN Code of Professional Ethics

Therefore the SME hereby grants the Competent Persons of the NAEN status as Competent Persons under the terms set forth in the 2007 SME Guide.

The SME would like to request reciprocal recognition of its Registered Members as a Recognized Overseas Professional Organization. Our standards for admission of registered members are very similar to those of the NAEN:

- Registered Members must have a university degree
- Registered members must have at least five years of professional experience, with a minimum of three years in a position of responsibility. Professional experience is experience that is gained after graduation; responsible experience means the individual is capable of executing his duties with minimal supervision and directing the work of subordinates with the capability of scoping and checking their work to ensure it meets industry standards
- Registered Members must agree to practice according to a code of ethics which includes a requirement Members shall perform work only in their areas of competence; they must annually reaffirm that they are not subject to findings of improper practice by government agencies.

The Registered Members Committee consists of five Registered Members that review applications. The Reserve Committee consists of fifteen SME Members that review issues related to public reporting of Reserves and Resources, including periodic updating of the SME Guide. These Committees contain representatives of metals, coal and industrial minerals mining; Committee representatives have qualifications in the areas of geology, mining engineering and processing.

Attached are copies of our application form and code of ethics. We hope you will act favorably on our request. If you have questions, please address them to Tara.Davis ([davis@smenet.org](mailto:davis@smenet.org))

Yours truly,



Jessica Kogel  
President, Society for Mining, Metallurgy and Exploration



David L. Kanagy  
Executive Director, Society for Mining, Metallurgy and Exploration