

Link reinforced between oil and gas and mineral resources and reserves

By Deborah Spicer

The Australian Stock Exchange (ASX) Listing Rules Review Issues Paper: Reserves and Resources Disclosure, issued in October 2011, emphasises the similarities between mineral and oil and gas resources and reserves and suggests support of global initiatives to develop a common reporting framework for minerals and oil and gas.

The discussions about mineral resource and mineral reserve disclosure lie alongside oil and gas resources and reserves disclosure in the Issues Paper, says Venmyn MD Andy Clay.

Part A of the Issues Paper discusses Mining Company Mineral Resources and Ore Reserves Reporting while Part B discusses Oil and Gas Company Petroleum Reserves and Resources Reporting.

However, the issues reported under each part are thematically linked and invite comparison between oil and gas resource and reserve reporting conventions and mineral resource and mineral reserve reporting conventions, says Clay.

“This allows those professionals who are familiar with both sectors to readily identify contradictions and similarities in the process,” he states.

The resources sector has long been attempting to develop a common reporting framework for the reporting of resources and reserves within the sectors and some believe that they are broadly similar.

However, Clay argues that the ASX Issues Paper could have gone further in stressing the similarities between the sectors and could have proposed that mining and oil and gas companies complete the NI51-101 form, which has traditionally been associated with only the oil and gas sector.

This form is compact and clear and could be a useful instrument for both sectors, he argues.

Clay intends to include this suggestion, along with a detailed response to the consultation questions contained in the Issues Paper, in his submission to the ASX.

To read the ASX’s Issues Paper, go to:

http://www.asxgroup.com.au/media/PDFs/ASX_LRs_Review_Issues_Paper_mining_and_oil_gas_reserve_and_resource_reporting_20111005.pdf

Go to [http://www.venmyn.com/files/attachments/oil_and_gas_reporting_form_template\(1\).pdf](http://www.venmyn.com/files/attachments/oil_and_gas_reporting_form_template(1).pdf) to view a sample NI51-101 form.

For further debate, contact [Andy Clay](#).