COMISSÃO BRASILEIRA DE RECURSOS E RESERVAS – CBRR
ARTICLES OF INCORPORATION

CHAPTER I
THE NATURE, HEAD OFFICE, JURISDICTION AND DURATION

Art. 1 - The *Comissão Brasileira de Recursos e Reservas*, hereinafter CBRR, is a non-profit private association, created upon the common appointment of *Associação Brasileira das Empresas de Pesquisa Mineral* – ABPM, *Agência para o Desenvolvimento Tecnológico da Indústria Mineral Brasileira* – ADIMB and *Instituto Brasileiro de Mineração* – IBRAM, hereinafter Founder Institutions, with the purpose of promoting the best practices and guidance for reporting of Mineral Exploration results, Mineral Resources and Mineral Reserves and to establish the requirements for Geologists and Engineers to become a Registered Professional before the CBRR. CBRR is focused on establishing, promoting and managing efforts to promote and develop the Brazilian mineral sector. Its initiatives include best global engineering and geology practices, exploration, mineral resources and reserves reporting guidelines according to CRIRSCO standards, management of the certification process and a database for Registered Professionals in Brazil, among others. The CBRR have its head offices and jurisdiction at Brasília-DF, SCN Quadra 02 - Bloco D - Centro Empresarial Liberty Mall - Tower A - Rooms 501/503/505, Postal Code 70712-903.

Art. 2 – CBRR is constituted for an unlimited duration.

CHAPTER II
THE PURPOSE

Art. 3 – CBRR has as purposes:

a) Work as the Brazilian member (Brazilian National Reporting Organization – NRO) on the *Committee for Mineral Reserves International Reporting Standards* – CRIRSCO;
b) Provide standards, recommendations and guidelines in the reporting of mineral exploration results, and the estimation and reporting of Mineral Resources and Mineral Reserves in Brazil;

c) Establish criteria and register geologists, geoscientists and engineers working in the mining sector as Registered Professionals;
d) Promote the improvement and reliability in national standards for reporting of mineral Exploration Results, Mineral Resources and Mineral Reserves, through national and worldwide cooperation and advice;
e) Maintain, improve and promote CBRR's standards for reporting of mineral Exploration Results, Mineral Resources and Mineral Reserves, recognizing and contributing to the improvement of CRIRSCO's or other affiliate's standards;
f) Maintain Recognized Professional Organization (RPO) international reciprocity through internationally recognized NROs;
g) Promote personal training and upgrading to develop the reporting of mineral exploration results, mineral resources and mineral reserves;
h) Collaborate with other CRIRSCO members to maintain the CRIRSCO Reporting Template and to maintain the Brazilian Guide that is compatible with the Template, particularly its core definitions.

CHAPTER III
THE ASSETS, ALLOCATION, INCOME AND CONTRIBUTIONS

Art. 4 - CBRR's assets consist of:
a) Goods, revenue and rights acquired by CBRR; and
b) Donations from the public and private sector.

Art. 5 – CBRR may receive donations to constitute special funds and to the payment of specific services.
Sole paragraph: All donations will be documented and registered in CBRR's books in a transparent manner.

Art. 6 – The disposal of CBRR's goods and rights and their use to obtain a better income, always with the purpose of reaching CBRR's objectives, is subject to prior approval of the Board of Directors.

Art. 7 –CBRR's revenues can include but are not limited to, always in a non-profit fashion:
a) Associates' contributions defined by the Board of Directors;

b) Donations, rents, legacies, bequest, financial aids and grant-in-aid of any kind;
c) Credit operations and financial investments;
d) Payment due to services related to CBRR's activities;
e) Payment due to any agreement;
f) Annual fees from Registered Professionals.

CHAPTER IV
THE ASSOCIATES

Art. 8 – The associates, ABPM, ADIMB and IBRAM, will indicate representatives at the moment CBRR is incorporated.
Sole paragraph: New associates will be approved upon simple majority of the Board of Directors, in specific meeting held for this purpose.

SECTION I
ASSOCIATES' RIGHTS AND DUTIES

Art. 9 – Associates and its representatives have the following rights:
a) Receive CBRR's publications;
b) The Associates' representatives have the right to use CBRR's offices and premises, according to the rules set forth by the Board of Directors and only to develop activities related to CBRR; and
c) Participate CBRR's events and courses.

Art. 10 – Associates and its representatives have the following duties and obligations:
a) Read CBRR's Code of Ethics and affix their signature in a specific book, by the Associates' representatives; and
b) Comply with and enforce these Articles of Incorporation, the Code of Ethics, internal regulations of CBRR and the Brazilian Guide for Reporting of Mineral Exploration Results, Mineral Resources and Mineral Reserves.
c) Do not disclose confidential information, documents or records that the Associates or their representatives have access to due to their duties at CBRR, except when so required by public authority with such prerogatives or Courts of Justice;

d) Do not use information obtained in the performance of CBRR’s duties, either directly or indirectly, for own benefit or of third parties;

Sole paragraph: The Associate shall dismiss its representative that does not follows CBRR’s rules, prescriptions, principles and guidelines, when acting on behalf of CBRR or when performing its duties, upon the procedure set forth on Section III of this Chapter.

SECTION II
THE PENALTIES

Art. 11 – The non-compliance with the provisions in this chapter may culminate in the following penalties to the Associate or its representatives:

a) Admonition;
b) Suspension for up to one year; and
c) Exclusion of the Associate from CBRR.

First paragraph: The penalty will be applied by CBRR, at its sole discretion, after the due disciplinary process set forth on Section III of this Chapter. These penalties are not progressive and will be applied according to the gravity of the violation and the consequences of potential damages.

Second paragraph: The Associate and its representatives that cause any harm to CBRR’s reputation are subject to be expelled from CBRR’s registry, at CBRR’s sole discretion. For instance, the harm may be caused by participating in frauds in mining sector, in public sector or in the financial market; the participation in criminal activities, or any activity incompatible with CBRR’s purposes; among others. In such cases, the Associates or its representatives are subject to compensate for the damages additionally to the civil, criminal and administrative consequences of its actions.

SECTION III
THE DISCIPLINARY ADMINISTRATIVE PROCESS

Art. 12 – The penalties shall be applied upon the following procedure:

a) The Disciplinary Administrative Process (DAP) will be initiated once a violation of the Articles of Incorporation or the Code of Ethics is communicated to CBRR's Ethics Committee. The DAP proceeding will be confidential and only the interested parties, the Ethics Committee and the Board of Directors will have access to its records, which will be available to the Associate or its representatives' examination anytime.
b) Every violation notice will generate a DAP. Anonymous violation complaints, however, only generate a DAP when the complaints are accompanied by proofs of the violation or when there are strong reasons to believe the violation actually occurred. The DAP can also be generated upon notorious facts of a violation, for example: newspaper reports, stock exchange reports, publications in the Official Gazette, among others.
c) When a DAP is generated, the proceeding will be distributed to one of the Ethics Committee's member (Reporter), in a rotation fashion. The Reporter will immediately notify the Associate or its representatives under investigation, describing the alleged violation and indicating that the Associate or its representatives will have 30 days to file written justifications and pertinent documents.
d) After the Associate or its representatives files his justifications and documents, or in the end of the time previously mentioned, the Reporter may request, within 60 days, the hearing of the Associate, its representatives or witnesses, examine the proofs and adopt any additional measure he understands necessary to confirm the facts described in the complaint. This term may be extended for 60 more days upon reasonable justification.
e) Once the Reporter adopts the measures he understands necessary, he will report his conclusions and discuss them within the Ethics Committee within 15 days. The Ethics Committee, in a specific meeting in which the Associate or its representatives may participate, will analyze whether there was a violation or not.
f) After deliberating about the occurrence or not of the alleged violation to the Articles of Incorporation or to the Code of Ethics, the Ethics Committee will issue an opinion deciding upon: (i) the enforcement of one of the penalties set forth in these Articles of Incorporation, according to the gravity of the violation and the consequences of potential

damages, explaining the reasons for the suggestion; or (ii) the dismissal of the DAP due to unfounded complaint.

g) The Associate or its representatives will be immediately notified of CBRR's Ethics Committee decision. He may appeal to the Board of Directors within 10 days from the notification.
h) In the lack of an appeal, CBRR's Ethics Committee decision will be immediately enforceable. On the other hand, if the Associate or its representatives appeals, CBRR's Board of Directors will reunite within 15 days to deliberate about the revision of the penalty to be applied.
i) After the revision, the Associate or its representatives will be immediately notified of CBRR's Board of Directors decision. Upon the notification, the decision will be immediately enforceable.

First paragraph: All rights and prerogatives of an Associate or its representatives are immediately extinguished upon his expulsion from CBRR.

Second paragraph: The existence and contents of an ethics complaint and disciplinary proceedings before the Ethics Committee shall be kept strictly confidential by the Ethics Committee and the Board of Directors, provided, however, that the Board of Directors shall respond fully to any court order or other legal process and may, in its discretion, respond to requests for information concerning any member from any court, governmental body or agency, including stock exchanges and other similar quasi-governmental or self-regulatory organizations, including but not limited to information concerning the status or outcome of an ethics complaint or disciplinary proceeding against any member, if and to the extent known at the time of the request for information.

Third paragraph: The DAP may be used to file a lawsuit or to defend existing lawsuits, whenever necessary.

CHAPTER V
THE ORGANIZATION

Art. 13. CBRR is divided into:

a) Board of Directors;

b) Advisory Council – to be created by the Board of Directors;
c) Executive Secretariat;
d) Technical Report Committee;
e) Registration Committee; and
f) Ethics Committee.

Sole paragraph: The Board of Directors may establish other committees in order to assist CBRR to reach its purposes.

SECTION I
THE BOARD OF DIRECTORS

Art. 14 – The Board of Directors is CBRR's highest administrative organ and is composed of 6 members. Each one of the Founder Institutions mentioned on the first article will nominate two representatives.

First paragraph: The Board of Directors will have a president and a vice-president, which will be voted among themselves in their first meeting.

Second paragraph: The president and the vice-president will serve a two-year term, their re-election for the next 2 years not being allowed.

Third paragraph: The presidency of the Board of Directors will be elected in a rotation fashion between the representatives indicated by the Founder Institutions, so that at each 2 years the president is the representative of a different Founder Institution.

Fourth paragraph: The members indicated to compose the Board of Directors will serve a two-year term, but are eligible for a new election for a second consecutive term.

Art. 15 – The Board of Directors will be responsible for:
a) Establishing general guidelines and CBRR's action rules;
b) Indicating the external members and entities of the Advisory Council;
c) Discussing the recommendations of the Advisory Council;

d) Deliberating, in appeal level, about any issue of the CBRR’s internal Committees;
e) Approving these Articles of Incorporation and CBRR’s Internal Regulations;
f) Approving changes to these Articles of Incorporation and to CBRR’s Internal Regulations;
g) Approving the CBRR’s Code of Ethics;
h) Approving, in appeal level, the penalties provided in these Articles of Incorporation and in the Registered Professional’s Term of Commitment, after Ethics Committee decision;
i) Approving the criteria for registering geologists, geoscientists and engineers working in the mining sector as Registered Professionals;
j) Countersigning the certification of new Registered Professionals made by the Registration Committee;
k) Approving the standards for reporting of mineral exploration results, mineral resources and mineral reserves;
l) Indicating the members of all CBRR’s committees;
m) Deliberating about CBRR’s annual budget for its operation;
n) Approving CBRR’s budget;
o) Discussing and establish the Advisory Council;
p) Coordinating and performing the necessary actions related to CBRR’s cooperation with CRIRSCO and other international NRO’s.

Art. 16 – The Board of Directors will meet and deliberate:

a) In one annual general meeting, called with a minimum of 30 days advance notice, by letter to its members indicating the agenda;
b) In special general meeting, called anytime by the president of the Board of Directors or upon written notification of, at least, 3 of its members, indicating the agenda.

Art. 17 – The Board of Directors meeting shall initiate, in a first call, with a quorum of a minimum 2/3 of its members. After 30 minutes, in the second and last call, the meeting shall initiate with a quorum of half of its members.

Art. 18 – The Board of Directors president will chair and initiate the meeting.

Sole paragraph: If the president is absent, the vice-president will chair and initiate the meeting. Also in their absence, the member within the Board of Directors who joined CBRR first will chair and initiate the meeting.

Art. 19 – The quorum for approval of the resolutions will be the simple majority of those members present. The president is responsible for the casting vote.

Art. 20 – The meeting that decides to extinguish CBRR will also establish the destination of its assets, after the payment of CBRR's pending debts.

Art. 21 – The president of the Board of Directors will be responsible for:

a) Act on behalf of CBRR in courts or before third parties;
b) Sign contracts, agreements and documents approved by the Board of Directors;
c) Call and chair the Board of Directors meetings;
d) Submit to the Board of Directors' approval the name of the Executive Secretary.

SECTION II
THE ADVISORY COUNCIL

Art. 22 – The Advisory Council, once created by the Board of Directors, will be CBRR's advisory organ comprised of the members of the Board of Directors, one member of the Ethics Committee, one member of the Technical Report Committee, one member of the Registration Committee and one member of each entity invited to be part of CBRR's Advisory Council.

Sole paragraph: The presidency and the vice-presidency of the Advisory Council will be occupied, respectively, by the president and the vice-president of the Board of Directors.

Art. 23 – The Advisors members of invited entities will serve two-year terms, and are eligible for re-election for one consecutive term.

Art. 24 - The Advisory Council will be responsible for:

a) Advising the Board of Directors when developing their activities;
b) Suggesting actions to improve the standards and codes for the reporting of Mineral Exploration Results, Mineral Resources and Mineral Reserves;
c) Suggesting criteria and proceedings regarding the registration of Registered Professionals;
d) Suggesting actions to better promote CBRR in the international mining industry;
e) Suggesting professional practices that fulfil the guidelines of CBRR's Code of Ethics.

Art. 25 – The Advisory Council will meet upon notification of its president or vice-president or, yet, upon notification of at least half of its members, to discuss the matters under their competence.

Art. 26 – The quorum for approval of the resolutions shall be of simple majority of those present. The president is responsible for the casting vote.

SECTION III
THE EXECUTIVE SECRETARIAT

Art. 27 – The Executive Secretariat will be headed by two Executive Secretaries, advised by technicians and employees, according to its needs and CBRR's budget.

Sole Paragraph: The payment of the Executive Secretariat's expenses will be detailed by the Board of Directors and may be based on financial aid from the Founder Institutions.

Art. 28 - The Executive Secretaries will be responsible for:
a) Acting on behalf of CBRR in courts or before third parties;
b) Organizing and controlling CBRR's administration;
c) Preparing and submitting CBRR's plans of work to the Board of Directors;
d) Coordinating the plans of work approved by the Board of Directors;
e) Hiring and dismissing CBRR's technical and administrative personnel, after discussions with the Board of Directors;

f) Receiving incomes, paying bills and taxes, signing invoices, settling payments and being informed of settled payments;
g) Operating CBRR's bank accounts, in financial institutions indicated by the Board of Directors, together with the president of the Board of Directors or to an agent with specific power of attorney for these situations;
h) Acting on behalf of CBRR before administrative authorities, such as federal, estate and municipal departments, autarchies, professional associations, public companies, transportation companies and the mail delivery company;
i) Assisting the Board of Directors in its meetings;
j) Performing other activities according to the Board of Directors discretion;
k) Administrating CBRR with the management powers delegated by the Board of Directors;
l) Submitting the previous year's budget, the activities report and the balance sheet to the Board of Directors up to the end of March of each year;
m) Submitting to the Board of Directors, up to the end of October of each year, the budget estimation for the next year;
n) Submitting to the Board of Directors proposals for transfer, acquisition or charges over real estate assets.

SECTION IV
THE TECHNICAL REPORT COMMITTEE

Art. 29 – The Technical Report Committee reports to the Board of Directors, and its purpose is to coordinate and perform the activities related to the establishment of standards and guidelines for the reporting of Mineral Exploration Results, Mineral Resources and Mineral Reserves with CBRR.

First paragraph: The Technical Report Committee will be formed by 6 Registered Professionals of CBRR or Qualified Professionals of RPOs.

Second paragraph: The members of the Technical Report Committee will be selected by the Board of Directors from a list of Registered Professionals sent by the Founder Institutions.

Third paragraph: In its first meeting, the members will choose a president and a vice-president among themselves.

Fourth paragraph: The president and the vice-president will serve a two-year term, allowed their re-election once.

Art. 30 - The Technical Report Committee will be responsible for:

a) Drafting and sending to Board of Directors approval the of standards and guidelines for the reporting of Mineral Exploration Results, Mineral Resources and Mineral Reserves;
b) Assisting the Board of Directors in all the aspects related to the reporting of Mineral Exploration Results, Mineral Resources and Mineral Reserves;
c) Developing proceedings to keep up to date the standards and guidelines for the reporting of Mineral Exploration Results, Mineral Resources and Mineral Reserves;
d) Assist the Board of Directors in other matters regarding technical reports issues.

SECTION V
THE REGISTRATION COMMITTEE

Art. 31 – The Registration Committee reports to the Board of Directors and its purpose is to coordinate and perform the activities related to the establishment of criteria and guidelines for the analysis of applications for Registered Professionals before CBRR.

First Paragraph: The Registration Committee will be composed of 6 Registered Professionals before CBRR. The appointments of the Registration Committee members will require prior approval by the CBRR’s Board of Directors.

Second Paragraph: The initial 6 members of the Registration Committee will be defined as indicated below:

a) Each Associate (ADIMB, ABPM and IBRAM) has the right to appoint 2 members to the Registration Committee. Appointed members must be approved by the Board of Directors.

b) The Associates can indicate a new candidate to the Registration Committee in case of non-approval of an appointed candidate.
c) If the Associate decides not to present a new candidate, it should transfer such right to another Associate.
d) In case of not fulfillment of item c) of this Paragraph by one or more Associates, according to the deadlines set forth in the Third Paragraph, CBRR's Board will select the new members.
e) At least 2/3 of Registration Committee should be composed by professionals with Registered Professional status from other RPOs.
f) The Registration Committee members will have a mandate of 2 years starting on January 1st of the following year after their nomination.

Third paragraph: The call for the new members' nomination should be opened by the CBRR's Board of Directors:

a) Immediately after the removal of one or more members. In this case, the new member will complete the term of the previous member;
b) Up to October 1st of the year when the term is completed. The nominations should be accepted (or not) until the first day of following month. .

Fourth paragraph: The nomination of new members should be completed before the end of the current mandates.

Fifth paragraph: Registration Committee's current members may be nominated and appointed by the Board of Directors for another term, after which they must leave the Registration Committee.

Sixth paragraph: The Registration Committee will renew 50% of its members every 2 years compulsorily.

Seventh paragraph: Members who leave the Registration Committee may be re-appointed after a period of 2 years.

Eighth paragraph: The Registration Committee board members shall elect a president and vice president, and each will be elected for a period of 2 years and will be eligible for re-election.

Ninth paragraph: The Registration Committee shall meet in person at least once a year. The process of verification, approvals and register issues should be made once a month.

Tenth paragraph: In order to approve new professional registration, the approval of at least 5 of the Registration Committee's members is required.

Eleventh paragraph: The Registration Committee is fully empowered to take any administrative actions to meet its obligations that are in accordance with CBRR's Articles of Incorporation, the Code of Ethics and its Regulation.

Twelfth paragraph: The Registration Committee members and all people that may have access to confidential information on the performance of their duties, must maintain confidentiality of information, documents and records that come to his knowledge, except in those cases where they are required by any public authority with legal rights to request it or Courts of Justice.

Thirteenth paragraph: In the same way as described above, it is prohibited for members to use, either directly or indirectly, for their own benefit or third parties, information that was obtained in the performance of their duties.

Art. 32 - The Registration Committee shall be responsible for:

a) Elaborating and submitting for the Board of Directors' approval the criteria and proceedings regarding the registration of Registered Professionals;
b) Assisting the Board of Directors in matters related to registration of Registered Professionals;
c) Providing assistance to the Board of Directors to comply with requirements from Courts and other administrative agencies related to the mining industry, including stock exchange agencies, whenever required;
d) Analyzing the Registered Professional applications;

e) Performing the investigation of the applicant's history and record in order to identify any situation that may incapacitate him to become a Registered Professional, such as: (i) involvement in frauds regarding the mining sector; (ii) involvement in frauds regarding the public administration; (iii) involvement in frauds regarding the market; (iv) involvement in criminal activities; (v) involvement in any activity incompatible with CBRR's objectives; among others.
f) Submitting for Board of Directors' approval the Registered Professional applications with the respective recommendations;
g) Submitting for Board of Directors' approval the Registered Professional fee;
h) Analyzing and submitting for Board of Directors' approval the criteria and proceedings regarding the registration of Qualified Professionals of other NRO's;
i) Registering the Geology, Engineering and other University Degree professionals of the mining industry, in accordance with the Registration Committee Regulation;
j) Administering the CBRR's Registration Program;
k) Attending other requests from the Board of Directors related to its activities;
l) Issuing the Registration Certificates to Registered Professionals of the CBRR;
m) Producing an annual report to the Board of Directors and the Registered Professionals, indicating number of Registered Professionals, new Registered Professionals during the year.

SECTION VI
THE ETHICS COMMITTEE

Art. 33 – The Ethics Committee reports to the Board of Directors, and its purpose is to coordinate and perform the activities related to the establishment of the CBRR's Codes of Ethics for Associates, its representatives and Registered Professionals.

First paragraph: The Ethics Committee will be composed by 6 members indicated by the Board of Directors.

Second paragraph: The members of the Ethics Committee will be indicated by the Board of Directors upon a list of people with unblemished reputation submitted by the Founder Institutions.

Third paragraph: In its first meeting, the members will choose, among themselves, a president and a vice-president.

Fourth paragraph: The president and the vice-president will serve two-year terms, and are eligible for re-election for one consecutive term.

Art. 34 - The Ethics Committee will be responsible for:

a) Supporting the Board of Directors in elaborating CBRR's Code of Ethics for Associates and for Registered Professionals;
b) Advising the Board of Directors in matters related to the compliance of the CBRR's Code of Ethics and the Registered Professional Code of Ethics;
c) Analyzing the complaints regarding violations to the Codes of Ethics;
d) Approving the penalties provided in these Articles of Incorporation and in the Registered Professional's Term of Commitment, in the first instance;
e) Submitting for the Board of Directors' approval the Ethics Committee's opinion regarding the complaints of violation to the Codes of Ethics, indicating, if appropriate, the suggested disciplinary action;
f) Proposing changes and updates of the Codes of Ethics to the Board of Directors;
g) Addressing to other matters indicated by the Board of Directors regarding its objective.

CHAPTER VI
THE GENERAL ASSEMBLY AND DISSOLUTION

Art. 35 – The general assembly is entitled to:

a) Dismiss the administrators;
b) Change these Articles of Incorporation; and
c) Dissolve the CBRR.

First paragraph: For the deliberations defined in this chapter, the meeting will be called specifically for such discussions. The meeting will initiate, in a first call, with a quorum of all of its Associates, with a minimum of one representative for each one of the Founder Institutions. After 30 minutes, in the second and last call, the meeting will initiate with a quorum of 2/3 of its Associates.

Second paragraph: The quorum for approval of a proposal is the absolute majority of the Associates.

Third paragraph: In case of dissolution, the Board of Directors will establish the destination of CBRR's assets. The assets must be donated to non-profit scientific, technological and educational institutions and entities in Brazil, that contribute to the development of Brazilian mining industry.

CHAPTER VII
MISCELLANEOUS

Art. 36 – CBRR's financial year matches the calendar year.

Art. 37 – CBRR's balance sheets should be remitted to external audit before the Executive Secretariat submits them to the Board of Directors.

Art. 38 – The activities of CBRR's advisors and committee members are unpaid.

Art. 39 – These Articles of Incorporation are enforceable upon its approval by the Founder Institutions.

Art. 40 – Omissions in these Articles of Incorporation will be submitted to the Board of Directors.