

Thursday 9 December 2020

## **MEDIA RELEASE**

### **SUCCESSFUL COMPLETION OF 2019/2020 RESPONSIBLE METALS AUDIT AND CORRECTIVE ACTION PLAN**

**Perth, Western Australia.** The Perth Mint has successfully completed its audit in accordance with the requirements of the London Bullion Market Association's (LBMA) Responsible Gold Guidance for 2019/2020, reinforcing The Perth Mint's ongoing status as a 'Good Delivery Refiner' under the LBMA's terms of membership. The audit was conducted by an independent third party.

The LBMA's Responsible Gold Guidance (RGG) and Responsible Silver Guidance (RSG) for Good Delivery Refiners was established to provide assurance that its members adopt the highest standards of due diligence to combat systematic or widespread abuses of human rights, to avoid contributing to conflict and environmental degradation, and to comply with high standards of anti-money laundering and combating terrorist financing practices. The LBMA requires that members report annually on their compliance with the RGG/RSG, audited by an independent third party.

In a separate but related process, the LBMA also confirmed that The Perth Mint has fully complied with the requirements of a 90-day Corrective Action Plan (CAP) focused on enhanced gold supplier due diligence and overall gold supply risk management.

In June 2020, the LBMA invoked its Incident Review Process (IRP) following media allegations relating to The Perth Mint's sourcing of gold from an aggregator in Papua New Guinea (PNG), who itself sourced gold from artisanal small scale miners.

The LBMA's IRP confirmed that The Perth Mint had suitable systems and controls in place which had been duly applied to all its clients. However, the LBMA considered that "*there was a lack of clarity*" in the application of The Perth Mint's policies and procedures to the particular gold aggregator in PNG, and required The Perth Mint to establish and implement a 90-day Corrective Action Plan, to be audited by an independent third party.

The CAP was completed in October 2020 and this has been confirmed by the LBMA. The CAP and the auditors' confirmation of completion have been published on The Perth Mint's website.

The Perth Mint CEO, Mr Richard Hayes, said: "*We recognise and take very seriously the risk and impact of artisanal sourced precious metals. We welcomed the LBMA's IRP as it resulted in The Perth Mint revisiting its procedures and practices. Acknowledging that there were aspects of our assessment regime that we could do better, we have embraced this improvement opportunity to enhance our risk assessment and mitigation practices.*"

*"Not only have we ceased sourcing gold from ASM operations in PNG, we have implemented a range of improved and more transparent practice mechanisms to minimise the human rights risk in our gold supply chain."*

**ENDS**



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