

# INCREASING DISCLOSURE, DECREASING COSTS

**By Neil Mc Kenna**

The theme of the recent Investment Analysts Society (IAS) awards dinner was on increasing the level of disclosure for public companies. In stressed times, such as these, it is increasingly important for investors to get both good and bad news, and to keep investors informed of developments, progress and strategy. The IAS aims to reward companies that place such communication with the investment community high on their corporate agenda.

At Venmyn, we fully appreciate that companies are focusing on cash preservation, and that public reporting on a regular basis, while necessary, can be a costly exercise (both in terms of time and cash). A client recently explained to us that they need to assess the cost-benefit of compliant reporting before a decision is made to engage independent services. We argue that the value of independent reporting and disclosure far outweighs the associated costs. We also believe that the time for short-form reporting has come and we have pioneered this short form of reporting in our Technical Statements (see some examples on our web site).

Our Technical Statements are highly graphic, client-branded, investor friendly, technical reports, reviewed by a Competent Person and which consider all material aspects of reporting, but present these in a highly summarized form. These Technical Statements easily lift out the most significant aspects of any project, clearly identifying upside potential, highlighting recommendations and/or identifying fatal flaws. These documents are simple and 'honest' leaving little room for ambiguity or hiding certain unwanted truths in pages and pages of words. These are easily readable to both technical and non-technical investors. The standard template which we have developed also allows different projects to be more easily compared and assessed on a like-vs-like basis.

We have found that these Technical Statements are becoming increasingly popular in the market and are used as fact sheets, material change statements, investor brochures, executive summaries, etc, etc.... We have developed various spin-off products such as Valuation Statements, Metallurgical Statements and Environmental Statements etc, all of which are fulfilling our clients reporting requirements but reducing the associated costs.

While there is still a place and need for long form reports, Venmyn feel that these short form reports get more bang for your buck, and are often more appropriate given many circumstances. We don't believe in charging for our reports by the kilogram!

We fully support the IAS's sentiments, that more than ever investor relations must be brought to the fore and that disclosure should be a public company's priority.....we also believe we have a cost effective alternative to the back-breaking documents many frustrated investors have become used to.

For more information on Technical Statements, please contact Neil Mc Kenna.