



ENGINEERS &  
GEOSCIENTISTS  
BRITISH COLUMBIA

**IN THE MATTER OF THE *PROFESSIONAL GOVERNANCE ACT*  
S.B.C. 2018, CHAPTER 47**

and

**IN THE MATTER OF VALERY ZHURAVLEV, P.ENG. (Resigned)**

**ENGINEERS AND GEOSCIENTISTS BC FILE NO. T21-046**

**CONSENT ORDER**

**Background**

1. On July 19, 2023, pursuant to section 66(1) of the *Professional Governance Act*, S.B.C. 2018, c. 47 (the “PGA”), the appointed Investigation Subcommittee of the Association of Professional Engineers and Geoscientists of the Province of British Columbia, doing business as Engineers and Geoscientists BC, issued an investigation report regarding Dr. Valery Zhuravlev. The investigation report was provided to the Investigation Committee pursuant to section 9.7.6(1) of the *Bylaws* of Engineers and Geoscientists BC.
2. The investigation report summarized the investigation into the conduct of Dr. Zhuravlev who was retained by a mineral development company (the “Company”) to prepare a technical report regarding ten contiguous placer claims in the Yukon. Dr. Zhuravlev, who is not a geologist, prepared a technical report which was in part titled “*Technical Report Form 43-101F1 of National Instrument 43-101*” (“NI43-101F1”) for a proposed gold mining project in the Yukon (the “Technical Report”).
3. On July 27, 2023, the Investigation Committee appointed a Resolution Subcommittee to attempt to resolve this matter by means of a Consent Order.
4. Dr. Zhuravlev became a Non-Practising (Resigned) registrant with Engineers and Geoscientists BC on September 15, 2022.

5. The Investigation Committee and Dr. Zhuravlev wish to resolve this matter by consent pursuant to section 73(2) of the *PGA* to avoid the need for a disciplinary hearing.
6. Dr. Zhuravlev consents to the disposition set out below.

### **Legislation**

7. On February 5, 2021, the *Engineers and Geoscientists Act*, R.S.B.C. 1996, c. 116 (the “*EGA*”) was repealed and replaced by the *PGA*.
8. The conduct of Dr. Zhuravlev took place at a time when the *EGA* was in force. As a result, the conduct in question is considered pursuant to sections 30(9)(b) and 30(9)(c) of the *EGA*, and the *Bylaws* and *Code of Ethics* under the *EGA*.
9. Pursuant to sections 35(2) and 36(1)(c) of the *Interpretation Act*, R.S.B.C. 1996, c. 238, investigations commenced under the *EGA* carry on procedurally under the *PGA*.

### **Admissions**

10. Dr. Zhuravlev admits that he demonstrated unprofessional conduct, in relation to his preparation and authorship of the Technical Report. In particular, Dr. Zhuravlev admits that he:
  - a. knew or ought to have known that it was misleading or inaccurate, when he referenced National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (“NI43-101”) and NI43-101F1 in the Technical Report, in circumstances where the Technical Report was not intended to be relied on, or disclosed in accordance with the requirements of NI43-101;
  - b. took responsibility for the Technical Report in circumstances where he did not have the education or experience required to prepare the Technical Report, and was not competent to act as a Qualified Person as defined in NI43-101;
  - c. failed to restrict the use and distribution of the Technical Report, or in any way indicate that the Technical Report could not be used, relied on, or distributed in any manner by the Company for any purpose related to disclosing information about the Company’s mineral assets;
  - d. failed to address or improperly document information required in a NI43-101F1, despite indicating in the Technical Report that it was prepared in compliance with NI43-101 and NI43-101F1, including:
    - i. document preparation methods and quality control measures employed before dispatching samples to an analytical or testing laboratory;

- ii. summarize the nature, extent, and results of a quality control procedures employed to provide adequate confidence in the data collection and processing;
  - iii. document the data verification procedures applied by the Qualified Person and any limitations on or failure to conduct such verification, and the reasons for any such limitations or failures;
  - iv. the education, experience, and qualifications of the Qualified Person;
  - v. ignored or improperly documented information required in several sections of an NI43-101F1 report including Items 16-23;
  - vi. use terms compliant with the Canadian Institute of Mining and Metallurgy as required when disclosing mineral resources and reserves; and
  - vii. include a financial analysis based on reasonable assumptions on mining, processing, metallurgical, economic, marketing, legal environmental, social and governmental consideration and the evaluation of other relevant factors.
- e. failed to undertake adequate quality assurance practices by failing to create or maintain adequate documentation in his preparation and authorship of the Technical Report.
11. The conduct set out above at paragraphs 10(b) and (d) is contrary to Principle 2 of the Engineers and Geoscientists BC Code of Ethics, as it stood at the time (the "Code of Ethics") which required that members and licensees undertake and accept responsibility for professional assignments only when qualified by training or experience.
  12. The conduct set out above at paragraphs 10(a) - (d) is contrary to Principle 3 of the Code of Ethics, which required that members and licensees provide an opinion on a professional subject only when it is founded upon adequate knowledge and honest conviction.
  13. The conduct set out above at paragraphs 10(b) and (d) is contrary to Principle 4 of the Code of Ethics, which required that members and licensees keep themselves informed in order to maintain their competence strive to advance the body of knowledge within which they practice and provide and opportunities for the professional development of their associates.
  14. The conduct set out above at paragraph 10(e) is contrary to section 14(b) of the Engineers and Geoscientists BC Bylaws, as it stood at the time, which required that members and licensees shall establish and maintain documented quality management processes for their practices, including retention of complete project documentation which may include, but is not limited to, correspondence,

investigations, survey, reports, data, background information, assessments, designs, specifications, field reviews, testing information, quality assurance documentation, and other engineering and geoscience documents for a minimum period of 10 years.

## **Disposition**

15. By consent, this Consent Order is made pursuant to section 73 of the *PGA*.
16. Dr. Zhuravlev is a Non-Practising (Resigned) registrant with Engineers and Geoscientists BC and is prohibited from practising engineering in British Columbia.
17. If Dr. Zhuravlev wishes to reinstate his status as a practising Professional Registrant, as defined in the Bylaws pursuant to the *PGA*, he must:
  - a. as a condition of such application provide written notice to Engineers and Geoscientists BC that he has at his own expense:
    - i. completed and passed the Engineers and Geoscientists BC Professional Practice Examination; and
    - ii. completed the Professional Engineering and Geoscientists in BC Online Seminar; and
  - b. comply with all other requirements of the Credentials Committee of Engineers and Geoscientists BC and all Bylaws, policies, and guidelines respecting registration and competency.
18. If, at any time in the future, Dr. Zhuravlev successfully reinstates his status as a practising Professional Registrant with Engineers and Geoscientists BC, Dr. Zhuravlev's registration with Engineers and Geoscientists BC will be suspended for a period of four months (the "Suspension Period").
19. If, at any time in the future, Dr. Zhuravlev successfully reinstates his status as a practising Professional Registrant with Engineers and Geoscientists BC, Dr. Zhuravlev agrees that he will not perform mineral resource or mineral reserve estimations or disclosure or act as a Qualified Person, as those terms are defined in NI 43-101 (the "Practice Restriction").
20. If Dr. Zhuravlev wishes to lift the Practice Restriction set out in paragraph 19, he must:
  - a. Successfully complete the course titled *Mineral Project Reporting under NI43-101* offered by Edumine, at his own expense, or an equivalent course approved in advance and in writing and provide proof of successful completion to Engineers and Geoscientists BC.

- b. After successfully completing the educational course set out in paragraph 20(a), all mineral resource or mineral reserve estimations or disclosure, as defined in NI 43-101 (the “Mineral Estimations”) must be subject to direct supervision by a professional engineer or professional geoscientist who is a Qualified Person as defined in NI 43-101 and a registrant of Engineers and Geoscientists BC (the “Supervising Professional”). The Supervising Professional must be approved in advance and in writing by the Registrar of Engineers and Geoscientists BC. The Supervising Professional must provide direct supervision as that term is defined in the *Quality Management Guidelines—Guide to the Standard for Direct Supervision*, as amended from time-to-time, in respect of all Mineral Estimations (the “Direct Supervision”), subject to the following conditions:
  - i. The Direct Supervision must continue until the Supervising Professional has directly supervised three projects;
  - ii. At the conclusion of the period of Direct Supervision set out in paragraph 20(b)(i), the Supervising Professional must provide an opinion in writing to Engineers and Geoscientists BC that Dr. Zhuravlev has completed the Direct Supervision and that, in the opinion of the Supervising Professional, Dr. Zhuravlev has demonstrated competency or requires a further period of direct supervision. If the Supervising Professional is of the opinion that Dr. Zhuravlev requires further direct supervision, the Direct Supervision must continue for an additional three projects, whichever comes later (the “Extended Direct Supervision”); and
  - iii. The costs of the Supervising Professional providing the Direct Supervision and the Extended Direct Supervision will be borne by Dr. Zhuravlev.
21. If at any time in the future, Dr. Zhuravlev successfully reinstates his status as a practising Professional Registrant with Engineers and Geoscientists BC and fails to comply with any of the terms set out in this Consent Order, his registration with Engineers and Geoscientists BC will be suspended until every default has been remedied in accordance with the terms of this Consent Order.
22. Dr. Zhuravlev will pay \$3,900 to Engineers and Geoscientists BC contemporaneous with the execution of this Consent Order as a contribution towards the legal and investigative costs incurred in this matter.

### **Consequences of the Consent Order**

23. The full text of this Consent Order will be published on the website of Engineers and Geoscientists BC, and a summary will be published in print and electronic publications, including in public communications.

24. This Consent Order has the same force and effect as an Order made under section 75 of the *PGA*.
25. Dr. Zhuravlev agrees that Engineers and Geoscientists BC has recommended that he receive independent legal advice regarding this Consent Order and that Engineers and Geoscientists BC has given him the opportunity to obtain independent legal advice.
26. Dr. Zhuravlev and Engineers and Geoscientists BC agree that this Consent Order may be executed in counterparts and delivered as an electronic document

This Consent Order is approved and accepted by Dr. Zhuravlev and the Investigation Committee this 28<sup>th</sup> day of March, 2024.

<original signed by>

\_\_\_\_\_  
Valery Zhuravlev, P.Eng.(Resigned)

Tamara Zhuravlev

\_\_\_\_\_  
Name of Witness

<original signed by>

\_\_\_\_\_  
Signature of Witness

The Investigation Committee of the Association  
of Professional Engineers and Geoscientists  
of the Province of British Columbia

<original signed by>

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Per: Peter Helland, P.Eng.  
Chair, Investigation Committee