

**MINUTES OF THE
SAMREC/SAMVAL WORKING GROUP**
MEETING HELD ON 12 May 2011 AT 10h00
THE CHAMBER OF MINES BUILDING, 6^H FLOOR, Room 600

PRESENT: A Moyes (Chair)

A Clay	A de Bruyn
T van Zyl	M McWha
R Croll	K Redman
K Johnstone	J Visser
V Deonarain	T Marshall
J Witley	B Mills
D Dingemans	T Pegram

APOLOGIES/ABSENT:	C Dohm	R Minnit
	F Camisani	F Harper
	G Norton	G Njowa
	M Mokitimi	P Grabe
	P White	R Davel
	R Davies	S Rupprecht
	X Prevost	A Macdonald

IN ATTENDANCE: Julie Dixon
J Carpenter

1. Welcome

The chairman welcomed all to the meeting.

2. Ratification of the minutes of the meeting of 31 March 2011

The apologies of R Croll for last meeting are noted.

3. Matters arising from the minutes of 31 March 2011

Page 2 – Modifying Factors: these are still to be considered after the circulation of CIM National Instrument 43101 modifying factors on reserves by the Secretariat. **Action: The Secretariat – circulate.**

Defining “reasonable prospects for eventual economic extraction” with reference to resources.

Extensive debate took place around the definition of “reasonable prospects for eventual economic extraction” (resources) at the levels of “inferred” and “indicated”. It is noted that Canada is now insisting on a preliminary economic study at the “inferred” level.

Clause 21 of the SAMREC Code is the basis of the contention for the definition of “reasonable prospects.”

This will be referred for debate at CRIRSCO.

4. Discussion on Inferred Mineral Resources

In abeyance until the next meeting scheduled for two weeks hence.

5. Sign off on end result of paper: reporting and formal of mineral resources and mineral reserves:

Table 2 –

- To be removed. **Action: The Secretariat**
- Once Table 2 is removed, the discussion document can be published on the website for comment and forwarded to the SSC.
- Table 2 – change “proven” to “proved”.
- Pre-reserve resource – change to “resources considered for inclusion in the life of mine plan.”

6. Discussion on the JSE letter tabled at the SSC meeting of 30 March 2011

AC stated that the letter is a rendering of the difference of opinion between a member of the Readers’ Panel and a CP (refer to Clause 13 of the SAMREC Code – the two distinctions on defining exploration results).

The Chairman stated that in his opinion the definition of “Exploration Results” in the SAMREC Code, needs clarification, particularly in respect of the distinction between data generated through primary exploration programmes (exploration results, sensu stricto) and other relevant data (exploration target).

Discussion took place around the definition of exploration targets –

RC opined that Clauses 20 and 21 second para of the SAMREC Code must be reworded to minimize the differences between “exploration target” and “exploration results.”

MMW stated that page 46 of the Code, Exploration Results (A) - in view of the above discussion; this statement is incorrect and must be changed to be in closer alignment with the CRIRSCO Code.

The meeting agreed that greater clarity in the definitions between “exploration target” and “exploration result” must be made (refer clauses 18, 19 and 20 of the Code). A sub-committee was established to address the changes: M McWha (Chair) A Clay, D Dingemans, R Croll, F Harper, T van Zyl and T Pegram. This sub-committee will address clauses 18, 19, 20 and 21 (definitions etc.) with a view to reaching consensus on exploration results and making recommendations on the other clauses, particularly the definition of “reasonable prospects.”

Page 12 Clause 21: “A deposit is a.....” must be changed to read “ – “A Mineral Deposit” and must be defined and have a separate clause number. **Action: The SAMREC Working Group (and for particular note for the rewrite of the Code)**

Clause 21 should be tied to “eventual economic extraction” under Exploration Results as the term deposit is the transitional state between exploration results and inferred resources.

7. General

AC asked that the WG goes through National Instrument 43101 as it has canvassed widely within the industry and the document contains much information which could be used to address contentious issues within SAMREC.

AdB advised that the LSE recognises SAMREC, JORC, PERC and NI 43-101 as well as PRMS for oil and gas.

8. Date of next meeting

To be confirmed but tentatively set for two weeks from 12 May 2011. The next meeting will address Inferred Mineral Resources which was not dealt with today.

The meeting concluded at 11h40.