NOTES OF THE SAMVAL COMMITTEE MEETING

HELD ON 29 AUGUST 2019 AT 08:00

CSIR MININGTEK, CARLOW/RUSTENBURG ROADS, AUCKLAND PARK JOHANNESBURG

Present:	**Mr A van Zyl**	**(Chairperson)**
	Mr H Bornman	
	Mr A Kinghorn	
	Mr R Croll	
	Mr V Duke	
	Dr T Marshall	
	Mr M Turnbull	
	Ms A De Bruyn	
	Ms K Redman	
	Mr R Dixon	
	Mr M Stewardson	
Dialling in:	**Dr G Njowa**	
Apologies:		
In Attendance:	**Ms C Jardine (SAIMM)**	**G Charlie (SAIMM)**

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1. WELCOME

The Chairperson welcomed everyone to the meeting and apologies were noted.

2. ACCEPTANCE OF PREVIOUS MINUTES

Dr Marshall requested that the minutes be circulated as soon as possible after the meeting in order to ensure that members were reminded of action items timeously.

ACTION: Camielah Jardine

A comment was made that a very skilled typist should be able to sit in on the meeting and take down the minutes live. These minutes could then be posted to participants straight after the meeting. It would also save on paper.

The minutes of the meeting held on 30 May 2019 were accepted as being a true reflection of proceedings, subject to the following amendments:

Page 2, Under Item 5 – IMVAL, the minutes should read “IVSC” instead of “IBSC”.

Page 2, under Item 5 – IMVAL, the minutes should read “competent persons” instead of “component persons”

3. MATTERS ARISING

3.1 Regarding the drafting of an appropriate quarterly statement, Mr Bornman requested clarity on exactly what was required. Dr Marshall suggested that it could be related to outstanding or parked issues. Mr Bornman agreed to follow up in this regard.

ACTION: Hannes Bornman

3.2 Mr Duke advised that he had not received any additional questions as the presentation had not been received timeously. It was confirmed that this had now been circulated. It was suggested that there should be a SAMVAL group for such matters. The Chairperson believed that there were important issues that should be communicated in order to keep participants in the loop. Ms De Bruyn suggested that this was already being done via the SAIMM and GSSA websites. Dr Marshall advised that this was the easiest and safest way to circulate information. Going forward, it would be possible to use the SAMVAL App to communicate notifications. This would avoid any possible POPI issues. Mr Duke was asked to give a presentation on this at the upcoming SAMCODES Conference.

ACTION: Hannes Bornman

3.3 Regarding circulation of the Australian and Hong Kong guideline notes, Mr van Zyl advised that he had not received anything from the Australian side. Mr Duke was asked to follow up on this and it was suggested that Mr Lomberg also be contacted in this regard. A question was raised as to whether anybody would be looking at managing risks and giving feedback, as this was only covered briefly in SAMVAL. It was suggested that there was not one solution for all. Mr Bornman agreed that there were different methodologies; but while SAMVAL could not be prescriptive, people could at least be made aware of the different methodologies.

ACTION: Vaughn Duke

4. APPOINTMENT OF VICE-CHAIRPERSON

Mr van Zyl confirmed that Mr Duke had been appointed as Vice-Chairperson at the previous meeting.

5. IMVAL

It was confirmed that there had not been a meeting with IMVAL since the previous SAMVAL Committee meeting. IMVAL was hoping to have a website designed and were looking for contributions from various members. It was confirmed that SAMVAL did have its own budget and could decide whether or not to contribute. Dr Marshall advised that such a request from SAMVAL would first have to be presented to the SSC and thereafter to the patrons, who would make the final decision.

It was pointed out that a missing step in the process was that SAMVAL first had to decide whether it should be a member of IMVAL. IMVAL itself was not clear whether it could join IVSC and the Chairperson could not confirm this or elaborate on what steps would be required to join. The initial step would be the willingness to join and how this would be decided. The issue of the price, and the benefit for that price would have to be taken back to the patrons.

A question was raised as to the difference between IMVAL and IVSC. The previous minutes recorded that the Chairperson was to get some understanding from Ms Redman and provide feedback at this meeting.

Ms Redman joined the meeting and confirmed that the amount in question was US$2000/annum. In addition, there would also be travelling costs to attend meetings. The Chairperson asked whether there was merit in joining either IMVAL or IVSC. Ms Redman advised that, with IMVAL, they had approached IVSC with a view of becoming a parent body for IMVAL. After looking at other options, it was felt that IMVAL should be independent rather than being part of some other organisation. IVSC did not want IMVAL to be part of GN14. It had been a very circuitous route to get to IMVAL, but the idea was that IMVAL would become a CRIRSCO equivalent. Ms Redman believed there was merit in that, and although it would take a while to get traction, she supported going that route. The benefit would be to start getting standardised valuation standards and guidelines and it was much more difficult than reserves and resources, as there were many issues between different countries, with different rules in terms of Companies' Acts and Stock Exchange requirements, etc. Mr Bornman believed it made sense if there was an international body similar to CRIRSCO for the valuation side. Ms Redman responded that SAMVAL gave the option of using another prescriptive relevant code. Mr Bornman said that there was already be credibility in the industry if something was done according to SAMREC, as SAMREC was one of the main recognised codes internationally. He was not sure that the clients would understand IMVAL. Ms Redman countered that this might take time, but that the same could be said for CRIRSCO.

Some discussion followed on what benefit would be gained from joining IMVAL. Dr Marshall suggested asking whether SAMVAL would be doing itself a disservice by not becoming part of IMVAL. Ms Redman responded that SAMVAL was already part of IMVAL, but the question was whether SAMVAL wished to formalise the arrangement.

Mr Croll advised that one of the intentions of CRIRSCO was to ensure that there was a common set of definitions internationally, so that when one spoke about SAMREC in South Africa, a counterpart in another region could make a direct link to an international code.

Ms Redman confirmed that the SAMVAL Code aligned with the IMVAL Code.

The Chairperson requested that the motivation and reasons for SAMVAL wanting to align with IMVAL would have to be clearly documented. The recommendation would come from the SAMVAL Committee to the SSC Committee and thereafter to the two patrons. Before this Committee could propose based on its understanding, there should be a position paper. It was suggested that Ms Redman put together and circulate this position paper to Committee members before the next meeting. The costs could be discussed once the merits had been identified.

ACTION: Kelly Redman

Mr Dixon believed that the question as to whether CRIRSCO should be covering evaluation standards as well had been raised about three years ago and the response then had been a definite 'no'. He stressed that something like CRIRSCO required dedicated people who were willing to give their time on a voluntary basis. Mr Dixon provided some history on the start up of CRIRSCO and explained that CRIRSCO membership fees were not used for the annual meeting. The annual meeting was covered by the represented organisations. The membership fees were used for members travelling to other areas to develop the Code. It was agreed to park this issue until the next meeting.

6. CRIRSCO NEWS

Mr Dixon advised that the Terms of Reference for the organisation were on the CRIRSCO website. He systematically explained these terms to the meeting. The 16 standard definitions were sacrosanct throughout the world. CRIRSCO had no physical office or legal authority over the standards; it relied on its members and nominated representatives to carry out the work without remuneration. The Committee was drawn from the participating organisations who also participated in the funding of the operation. CRIRSCO had a strategic relationship with the ICMM. Mr Tom Butler led the ICMM. Both CRIRSCO and ICMM promoted the activities of one another where appropriate.

The annual fee from CRIRSCO was used to support the work of the organisation. This was currently US$2 000/annum, split equally between SAIMM and GSSA.

Regarding principles and objectives, CRIRSCO supported best practice in the international business reports. It was an advisory body and not all mining companies were agreed that there had to be a valuation certificate.

Mr Dixon advised that some of these principles could benefit SAMVAL.

Mr Dixon also highlighted that the current requirement that the Codes be in English could prove a challenge, as some of the words did not translate easily into other languages. It was hoped that this would be resolved through advancing technology.

Mr Duke believed that if IMVAL was a success in South Africa, it could be sold internationally. He asked whether this could be taken up again with CRIRSCO. It was agreed that Ms Redman would put together and circulate the Terms of Reference.

ACTION: Kelly Redman

Mr Dixon asked whether the concept had been shared with some of the big mining companies. Some discussion followed on the relevancy of the SAMVAL and IMVAL Codes. Mr Njowa believed it was important to get the attention of the mining industry.

7. CLOSING

The Chairperson thanked all participants for their input and closed the meeting. The next meeting was scheduled to take place on 28 November 2019.

KEY ACTION ITEMS

1. HANNES BORNMAN

Follow up on drafting an appropriate quarterly statement related to outstanding/parked issues.

2. VAUGHN DUKE

Prepare presentation for SAMCODES Conference

3. KELLY REDMAN

Prepare and circulate IMVAL position paper to members for next meeting

4. KELLY REDMAN

Prepare and circulate IMVAL Terms of Reference to members for next meeting