SAMOG Committee Meeting Minutes

Date of Meeting	02 February 2023	**Time**	15:30
Chaired by:	Peter Dekker	**Location**	Zoom
Minutes prepared by:	Camielah Jardine		

Present:

Peter Dekker
Chair

Jeff Aldrich
Annalie de Bruyn
Andy Clay
Sean Davids
Mike Tosdevin

By invitation:
Bernadine
Zakaria
Shane Hattingh

SAIMM Secretariat:
Camielah Jardine

Apologies:

Topic	Discussion
1. Welcome	Mr Dekker welcomed everybody to the meeting. Ms de Bruyn was asked to introduced her two JSE colleagues who had been invited to attend. Ms de Bruyn advised that her two colleagues, Bernadine and Zakaria, each headed up an equity team in her division, which was split into two teams. Both teams had a set of equity issuers that they looked after and regulated. Both colleagues had exposure to regular mining companies and eventually they would have exposure to oil and gas companies. They had been asked to join so that they could gain knowledge and expertise on the Codes and how to apply them. Ms de Bruyn was still trying to understand the Oil and Gas world and she wanted her colleagues to get involved to also get an understanding of this environment so that they could take over from her and have a basic understanding of how things worked. Mr Dekker extended a welcome to the two new members and asked Ms de Bruyn to share his e-mail address with them, so that they could be put on the distribution list. **Action**: Annalie de Bruyn Mr Aldrich also extended a welcome and urged the new members to ask questions. He provided some of his own background, as well as that of Mr Tosdevin.
2. Minutes of previous meeting	The minutes of 01 December 2022 as previously circulated were accepted as a true reflection of the meeting proceedings, subject to the following amendments: – Ms de Bruyn advised that her name had been spelt incorrectly and that it should be Annalie de Bruyn. – Under the Action Items from previous meetings (Page 1, Item 3), the second paragraph should read: 'regarding feedback from the JSE **listing requirements**.

	– Under Point 5 – Overview of water resource management system, the second paragraph should read 'AAPG'. Ms Jardine agreed to make the corrections and send the amended minutes to all members. **Action**: Camielah Jardine Minutes proposed by Andy Clay Minutes seconded by Annalie de Bruyn
3. Action items from previous meeting	**Actions and outstanding items:** Ms de Bruyn had been asked to give feedback on the JSE listing requirements. She advised that she had done some homework and had looked at Australia specifically, as they did have ongoing requirements for oil & gas companies. They had quarterly requirements and annual requirements. From a JSE perspective, they did not have quarterly requirements for listed entities, although they knew that a lot of the mining companies reported quarterly. To a large degree, it was the resources and reserves that they had to publish and the comparison between the two on a quarterly basis and annual basis. It was more or less aligned with what the JSE had on the solid minerals side. It was interesting to her that they specifically stated in their requirements that, when reporting in terms of the SEC requirements, then one did not have to report in terms of the Australian requirements. She knew that it was very onerous for companies to comply with both SEC and other countries. There was a basis to use when drafting new requirements, but it would have to be aligned with whatever was put in the Code. Mr Dekker advised that currently the Code was written only for initial listings and if there was a change to use this for continuous reporting, this should be kept in mind when drafting the Code, i.e. that it was not only for listing; it was for listing and for continuous reporting. Ms de Bruyn advised that the continuing obligations would be a subset of what was put into the Code. Mr Clay commented that once the update of the Code was completed, the ongoing requirements could be considered more seriously. Andy reported that a copy of the WRMS document had been sent through for general circulation some time ago. Regarding setting up of meetings for the SAMOG Code update discussions, this had been done for February, March and April. It was confirmed that Mr Dekker had sent out an e-mail on items already put forward for discussion with the ASC. No other questions had been received. A meeting had not been set up with the ASC as yet and Mr Dekker suggested that this be done sometime soon. There were only two questions to date. Mr Aldrich asked whether Mr Dekker could resend that e-mail. **Action**: Peter Dekker Mr Clay advised that there were two things with regard to the ASX. They had given two comprehensive webinars. One was on the corporate finance reporting issues, where material changes and forecasts were highlighted. The other thing was on 43.101 reporting. He assumed that they would also do a webinar on the 51.101 shortly, although he had not seen that. Mr Aldrich reported that one was in

	the works, but he had not seen it as yet. Mr Clay believed that both webinars were very insightful and informative. Regarding sending a copy of the presentation on WRMS to Ms de Bruyn, this had been done It was confirmed that it was not necessary to drop off a memory stick of the proposal with Ms de Bruyn.
4. GSSA NEW MEMBERSHIP CLASS: CHARTERED MEMBER/FELLOW	Mr Dekker advised that at an ordinary meeting of the GSSA Council was held on 26 November 2022, it was unanimously agreed to create a new class of membership, i.e. the Chartered Member/Fellow. This would be applicable to any members wishing to use their GSSA membership to sign off as a Competent Person on public reports. This category of membership required significantly more of the member, especially with regard to CPD, professionalism and ethics. It also required the Chartered Member to be named and make public a whole listis of information on the GSSA website. The GSSA requested the various SAMCODES committees, as well as the SSC, to consider their request to have this category of membership considered for RPO status. This category would replace the current GSSA Member/Fellow on the SAMCODES list of RPOs and would be the only category applicable to geoscientists wishing to use their GSSA membership to sign off on public reports. A further implication of this category of membership was that there would no longer be any need for peer review for GSSA members; as peer review would be part of the accreditation process. It was planned to go live with this membership category in February/March 2023. Mr Dekker invited comments from the committee. Mr Clay advised that he had sent a note to Dr Marshall, who had requested that this not be shared outside of the meeting, as she did not want to be overloaded with questions before the matter was implemented. He questioned the democratic process of this. Traditionally, in South Africa, it was a legal requirement to be registered with a statutory body. His point was the extent to which the GSSA and the proposed Chartered Member route either added to or detracted from the legal requirement to be registered with a statutory body. Asking other professional bodies in the industry to provide reciprocal recognition, he was not sure what it was and how one was supposed to maintain credibility. It was already implicit in AAPG/SGE that peer review was a necessary part of the process. It did not make sense to him that a heavy hand comes in; the committee makes a decision for and on behalf of members; without first canvassing those members. He did not like the idea. Ms de Bruyn asked whether this really impacted SAMOG; as, in terms of its competency and responsibility, GSSA was not recognised anyway as a body. Mr Dekker pointed out that that was the request; to recognise them as an RPO. Mr Clay added that they were asking SAMOG to seek a

	common reciprocity with other professional bodies and SAMOG knew who those were in terms of oil and gas. He asked which counted more: professional registration or a statutory registration. He believed it was a legal issue. Mr Aldrich advised that there was another issue: did being a Chartered Member of the GSSA (and most of the Chartered Members of GSSA would be hard rock mineral geologists) mean that they would be competent to sign off on oil and gas reports? Part of the problem was that the GSSA was a geological organisation and, while he had great respect for the GSSA, how they came to this decision was an internal matter to themselves. The GSSA was a body that looked after more than oil and gas. When one looked at SPEEE, APEGA, AEPG, etc. – they were focussed on oil and gas and on oil and gas professionals. So, when they were deemed certified in these and their certification was in geoscience, geophysics, geology, etc.; then that was what their certification was in. A GSSA Chartered Member, for the most part, was going to be more of a hard rock miner, and therefore possibly not qualified to look after gas, for example. Unless they got a peer review by somebody who was qualified, he had some concerns over this. Mr Clay agreed and did not understand why SAMOG had not been canvassed in more detail on this proposal. Mr Tosdevin had nothing more to add, except that there was a bit of confusion between an RPO and the QRE, because the QRE was the grade and the RPO was the organisation. He asked whether the GSSA Member no longer existed; or it did exist but it was not of a suitable statute to be considered a QRE or QRA? Mr Aldrich believed that was an excellent point, but as he read it, they were asking that their Chartered Members/Fellows were then automatically QRAs as the GSSA met RPO status. That was of concern to him. Other members also voiced concern about people with no knowledge trying to be QRAs and signing off on oil and gas reports. It was felt that the GSSA did not have the experience in oil and gas to recognise it as an RPO. He asked that that should be the reply back to the GSSA on the matter. SAMREC and SAMVAL would have a separate meeting about this, as they also had many questions. Regarding the request for SAMOG to recognise the GSSA as an RPO, Mr Dekker did not believe SAMOG could do this. The oil and gas assessor should come from a professional organisation and not from a general geological organisation, i.e. something like AAPG or SEC, SPE. Mr Aldrich added that if GSSA would create a sub-class or a speciality class of their Chartered Member/Fellow in oil and gas that separate requirements to meet from minerals, then that could be reviewed like AAPG, etc. to be accepted as a reciprocal membership. The onus was on putting it on another professional society to see that SAMOG accept their qualification as a reciprocal membership. Mr Clay made two points. The first was that this was not being done in the same way as had been experienced with the implementation of the Codes. Normally there was a broad consultative meeting, where people could discuss the proposals presented to the members in a very active way. The second point was that in order to check reciprocity, SAMOG needed to ensure that the principle of being a Chartered

	Member was the same or similar in terms of the GSSA to that that was done elsewhere, before asking for reciprocity. Mr Dekker would draft a response and send to members for input. Mr Hattingh suggested sending an e-mail to Dr Marshall, asking how the GSSA saw this going forward. **Action**: Peter Dekker
5. SAMOG CODE UPDATE	At the previous meeting, the committee got as far as Point 5.3 Reserves and Resources Classification. The discussion started at Point 5.4 Oil & Gas Resources and Sales. A discussion was held on products/by-products and point of sales, and it was decided to change 5.4 (i) to read: 'Disclosure of resources or of sales of product types and associated by-products should be made with regard to the first point of sale'. **5.7 Consent of Qualified Reserves Evaluator** Some discussion was held and it was agreed to leave this as is. **5.8 Disclosure of less than all reserves** Mr Aldrich agreed to have a further look at this point and revert to the committee. **Action**: Jeff Aldrich **5.9 Disclosure of Resources** Mr Aldrich took the meeting through some of the differences between COGI and PRMS with regard to economics. One of the biggest points was whether to consider disclosure of economics for contingent or prospective resources. Mr Clay believed this was critical. Mr Dekker suggested that this should be done internally and not publicly. This had to be done on reserves but not for contingent resources, as there would be a whole series of negative economics. A lengthy discussion took place on reporting negative numbers and contingencies. The title was changed to 'Disclosure of Resources other than Reserves'. It was confirmed that in Fig. 1, an unproved property fitted into under 'Prospective Resources' at the bottom of the table. Ms de Bruyn advised that ESG disclosures were going full steam ahead and she was keeping a close eye on this. It was proposed to make this a Code and not a Guidance. This was a big concern for the JSE around making it more onerous for companies. The JSE would rather have this at a national level rather than at a JSE-company level. A close eye would be kept on what was happening at SAMREC. Ms de Bruyn undertook to raise this at the next meeting, to find out what the intention was. Mr Clay believed that there was a general inadequate consultation with SAMOG members, but AAPG, SGE, SPEE were far more important as professional bodies and what they were doing should guide any response from SAMOG. Mr Dekker excused himself from the meeting.

6. ANY OTHER BUSINESS	Mr Aldrich gave an update on what other organisations were doing to embrace ESG. SPEE was basically saying that they were not worried about this too much. It would probably impact them in the evaluation of carbon sequestration reserves and how to evaluate these. Mr Clay gave his perspective from an accounting side. A common concern was where it became compulsory reporting, as this would become a nightmare. There were many rating systems and none of them were the same. There were so many rating systems that as professional organisations, they were not going to pick one or the other. He shared with the meeting what Petroskills had been doing in terms of restructuring their training system. Mr Clay believed that the Committee was to ensure that good progress could be made at the next meeting. Once the changes had been made, a policy decision could be made as quickly as possible. He wanted to know why this was not going into a broad consultative process as had been done with all the other codes. Ms de Bruyn advised that the ESG Working Group was still in the early days of doing the correct work and it would go through the whole consultative process.
7. MEETING CLOSURE	Mr Clay thanked everyone for their attendance and contribution.
8. NEXT MEETING	Date of the next meeting is 2 March 2023

Matters arising/Action Items

Meeting Date	Action	Responsible	Due	Status	Comments
02/02/23	Share P Dekker e-mail address with Bernadine and Zakaria (JSE)	A de Bruyn	March 2023		
02/02/23	Correct minutes & redistribute to all members	C Jardine	March 2023		
02/02/23	Resend e-mail to members to advise him of items to be discussed with ASC	P Dekker	March 2023		
02/02/23	Draft response re GSSA membership & send to members for input	P Dekker	March 2023		