



THE SOUTH AFRICAN MINERAL REPORTING CODES



THE SOUTH AFRICAN CODE FOR THE REPORTING OF
EXPLORATION RESULTS, MINERAL RESOURCES AND MINERAL RESERVES

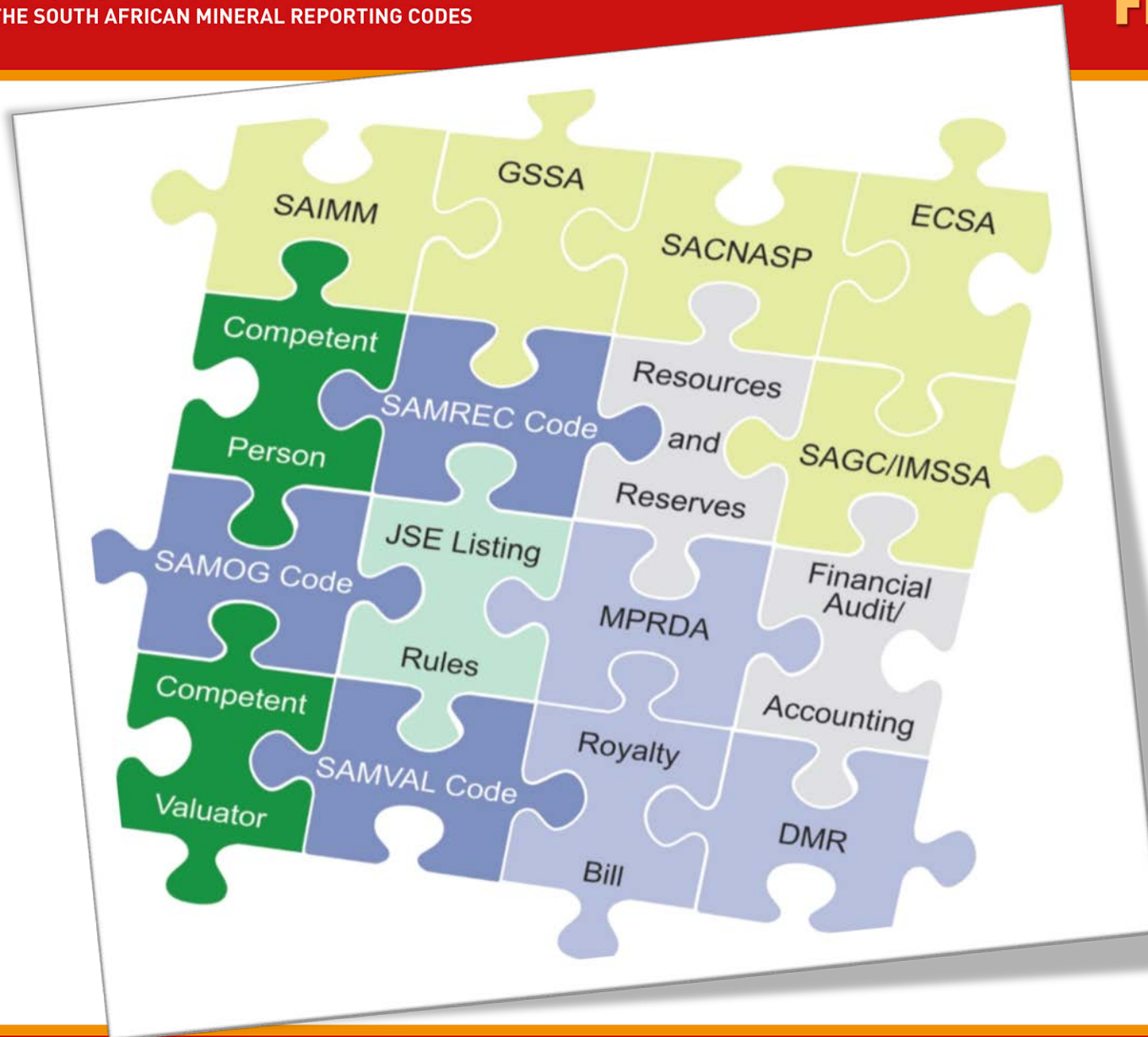


THE SOUTH AFRICAN CODE FOR THE REPORTING OF
MINERAL ASSET VALUATIONS



THE SOUTH AFRICAN CODE FOR THE REPORTING OF
OIL AND GAS RESOURCES

*SAMCODES Companion Volume Conference,
Emperor's Palace, May 2016*



- The purpose of the SAMCODES Standards Committee (SSC) is to develop, maintain, administer and promote the South African Mineral Codes collectively known as SAMCODES
 - Monitor the effectiveness and relevance of the SAMCODES on an ongoing basis
 - Undertake such periodic reviews of the SAMCODES as may be necessary
 - Responsible for promoting the awareness of SAMCODES so as to encourage the use of the SAMCODES
 - Responsible for training



- SSC is represented on the CRIRSCO committee by two members to ensure international alignment
- RPO Status for Competent Persons compiling reports for other jurisdictions

The SSC operates under the joint auspices and funding of ;

The Geological Society of South Africa

±3,000 members; <http://www.gssa.org.za> ;

The GSSA was established in 1895, and is one of the oldest and largest societies of its kind in Africa. The GSSA promotes the study of the earth sciences, facilitates the professional development of its members, and advances the use of geoscience in the academic, professional, and public sectors.



The Southern African Institute of Mining and Metallurgy

±3,500 members; <http://www.saimm.co.za> ;

This learned society started in 1894, a few years after the invention of the cyanide process had saved the gold mining industry in South Africa. The SAIMM is a professional institute with local and international links aimed at assisting members source news and views about technological developments in the mining, metallurgical and related sectors as well as embracing a professional code of ethics.



Association of Law Societies
Chamber of Mines of South Africa (COM)
Council for Geoscience (COG)
Department of Mineral Resources (DMR), including the Minerals Bureau
Engineering Council of South Africa (ECSA)
Geological Society of South Africa (GSSA)
Geostatistical Society of South Africa (GASA)
General Council of the Bar of South Africa
Investment Analysts Society
Institute of Mine Surveyors of South Africa (IMSSA)
JSE Limited (including the Chairs of the relevant Readers Panels)
South African Geomatics Council (SAGC)
South African Council for Natural Scientific Professions (SACNASP)
South African Institute of Chartered Accountants (SAICA)
Southern African Institute of Mining and Metallurgy (SAIMM)
Chairpersons of all Committees

SAMCODES Standards Committee (SSC)

Committees

SAMREC

SAMVAL

SAMOG

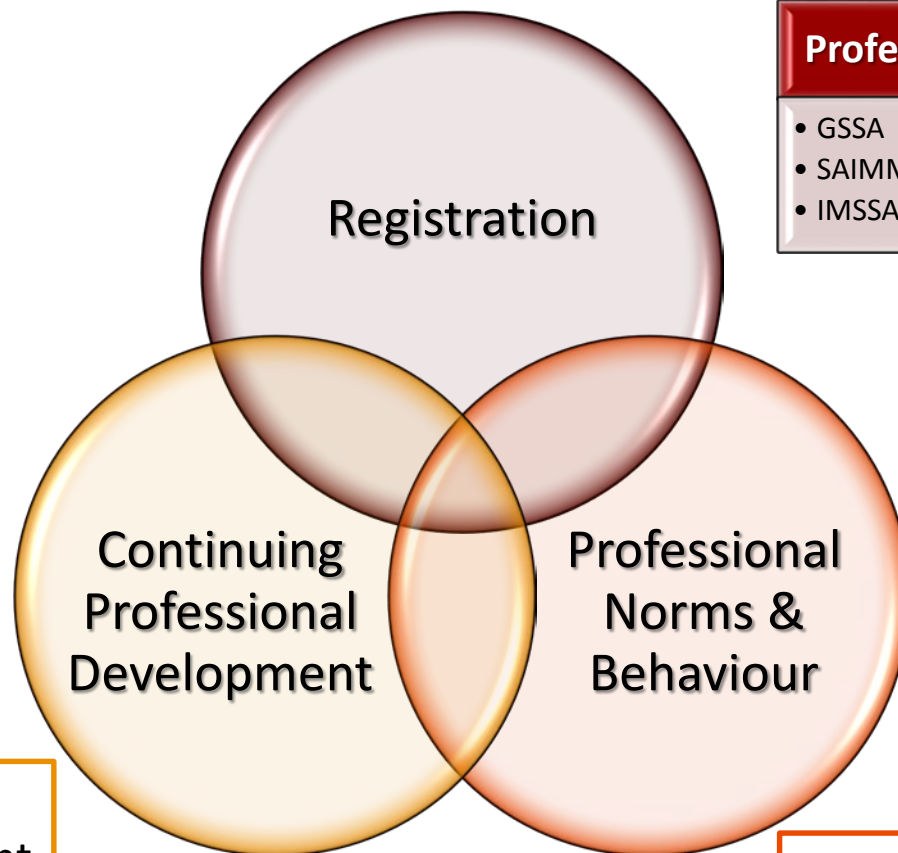
SAMESG

SAMREC, SAMVAL, SAMOG, SAMESG

- Review and revise the codes/guidelines when required
- Issue guidance notes when deemed necessary
- Responsible for training and ongoing maintenance of standards



- Committee members are drawn from professionals in the minerals industry.
- Anyone may attend the meetings of the Committees (typically meet monthly), minimum twice per year.
- All volunteers who do not get paid for their considerable efforts
- Contact: Raymond@saimm.co.za



Professional

- GSSA
- SAIMM
- IMSSA

Statutory

- SACNASP
- ECSA
- SAGC

Professional and
career development
programmes

Codes of Ethics,
Complaints/disciplinary
procedures

- SSC does not have a specific Code of Ethics because it is composed of many diverse member organisations, each with their own industry-specific Code of Ethics
- SSC is not a professional/statutory body and does not have its own Disciplinary Process – has a Complaints Procedure
- Scope of Work of member organisations
 - Specific disciplines have distinct areas of expertise
 - Significant areas of overlap
 - Apply the principle where:

*AN INDIVIDUAL WOULD ONLY DO THE WORK FOR WHICH HE/SHE IS
SUITABLY QUALIFIED*



■ Regulatory

- Listing Requirements at the JSE (since 2000)
- All CPR's and Annual Reports must be Code compliant
- Enforced through the Readers Panel



■ Professional

- Each member of the GSSA shall be bound by the terms and conditions contained in SAMREC and SAMVAL [Codes]
- Code of Ethics – all members preparing public reports shall meet the requirements of a Competent Person (*which terms are defined in SAMCODES*)
- Members of GSSA/SAIMM (who are not registered with a statutory body) who wish to sign-off on CPR must submit to a peer review process



- The SSC maintains a Reader's Panel(s) on behalf of the JSE:
- Members of the Reader's Panels are recognised experts in the commodity and deposit under consideration.
- Does not ensure competency
 - Will confirm the registrations claimed by the CP with SACNASP, ECSA, SAGC or other relevant professional body or RPO.
- ***The CP still remains responsible for the report***
- Review for compliance with Sections 12.8 and 12.9 of the JSE Listing Requirements.
- Review for compliance with the applicable SAMCODES, including Tables 1 and 2
- Ensure that reports:
 - Honour the SAMCODES founding principles of transparency and materiality.
 - Are accurate and true.
- Free from major errors and mistakes.
 - Include, but not limited to, grammar, spelling, mislabelling of maps/diagrams, arithmetical errors, wrong definitions in the Glossary, Financial Models/LoM models with incorrect inputs, etc.



- If Exploration Results, Mineral Resources and/or Mineral Reserves are reported publically (as defined in the 2016 SAMREC Code), and
- If said report is claimed to have been compiled in accordance with any of the SAMREC, SAMVAL or SAMOG Codes,
- Then the report and the author are subject to the minimum standards and requirements of the relevant Code, as well as the complaints procedure of the SAMCODE Standards Committee (SSC).



- In respect of complaints *received* regarding CP/CV/QRE's
- Anyone can put in a complaint
 - Need not be a member of a related Professional Body
 - General public
- Complaints must be:
 - In writing;
 - By an identifiable person;
 - Be specific with respect to the complaint
- Sub-Committee considers the complaint:
 - If no real complaint, then SSC to write a letter to the complainant;
 - If a real complaint and may be readily and easily rectified, then subject of complaint offered opportunity to make public correction;
 - If material, then complainant is directed to the relevant Professional/Statutory body
 - GSSA, SAIMM, IMSSA
 - SACNASP, ECSA, SAGC
 - RPO

- We live in a dynamic society – what is important today may no longer be essential tomorrow (or vice-versa).
 - The Minerals Industry, as a vital contributor to national, regional and international economies continually advances and changes focus with the prevailing economic and political circumstances;
 - The manner in which projects and mines are funded, developed, and operated, is continually changing;
 - There are shifting requirements by the investment community, government and society (current emphasis on social licence to operate);

- Because many companies are listed in more than one jurisdiction, there is a need to improve/harmonise international reporting practices



- Introduced the SAMOG Code (2014) to provide regulations for the reporting of liquid and gaseous hydrocarbons
- Included the SAMESG Guidelines (2015) which provides a sustainable reporting structure for environmental, social and governance issues throughout the extractive industries;
- Introduced a diamond/gemstone specific Guideline Document (2016) to assist with the compilation of reports on primary and secondary deposits – particular application to marine and alluvial deposits.
- Through our involvement in CRIRSCO, keep abreast of the advances made by other international reporting codes and eliminate possible contradictory reporting practices.



- There is no scenario in which bad or misleading reporting practices are acceptable:
 - Modified and expanded the definition of “Public Report” – not restricted to the listed environment, but references all documents in the public domain, including press releases, website postings and even pronouncements on social media
 - Making it known that the wider investment community deserves the same protection as the JSE with respect to CPR’s and the like.
 - Even if you are dealing with private companies or individuals, you have the right to request a SAMCODE compliant document;
 - Operational Complaints Procedure





www.samcodes.co.za