

Mr Clay suggested that the group discuss the biggest issues first. His concern was with Table 1, as this was so specific.

The Chairman agreed, and the two biggest issues identified were:

- "If not/why not" and the possible knock-on effects in terms of reporting required
- Table 1

4. DISCUSSION OF FINAL VERSION OF SAMREC CODE

From the group discussion on the Code, the following suggestions were made:

- *Item 3*: this was a supporting document and should be in Table 1. As it was not clear what was required, the word "report" should be changed to "supporting document"
- The Chairman reiterated that issues should only be highlighted if a solution and recommendations for change could be offered. This would best be done via a Word comparison document, fed through either Mr van der Berg or himself. Ms de Bruyn cautioned that the team approach would be lost this way and that it would be preferable to go through each clause individually. The Chairman responded that as there were over 60 clauses, it could not be covered in this meeting. It was recommended that members read the draft and add any necessary comments. Such comments would be circulated prior to the next meeting, with the main issues highlighted. Cosmetic changes should be made first.

Action: K Lomborg and all working group members

- "If not/why not" was identified as a key issue of concern, particularly around "exploration results" and what should be included. The difference between "exploration results" and "target" was identified by CRIRSCO and it was important not to work at a tangent to other Codes.
- The Code was the minimum standard for public reporting of material assets and was there to assist the Competent Person to complete reports that meet the necessary requirements. By following the Code, the Competent Person would be able to defend himself to his/her peers and give credibility to what is reported. It would be risky to make a public report without completing the Competent Person's Report.
- The JSE required Table 1 to be completed for new resource/reserve declarations (maiden declarations); for projects that were significant to the company; and where there was significant change to resources/reserves from previous declarations.
- Ms de Bruyn suggested that this should be in the public domain as part of that announcement. Although it was onerous, it should be available if required, as the investor or potential investor might want to interrogate it.
- JSE had provided a definition for "material". It was suggested that the wording be changed slightly to avoid confusion. SAMREC wanted to be in a situation where private (non-listed) companies followed the same guidelines. A line item change of 10% was considered a material change. Ms Flitton commented that it was not about the secrecy; it was about the volume and believed that information should not be available publically via the website, but should be available "on request".

- Ms de Bruyn questioned what had changed since the original guidelines on company reporting requirements were put out eight years ago. Currently, on an annual basis, companies had to include 15 important items around their material assets; Table 1 required 250 items.
- Table 1 was there to protect the Competent Person, the company and the investor.
- There was concern about the extent of disclosure and a suggestion to flag the minimum that was required when there was a change. The Chairman stated that it should be debated whether Table 1 was necessary and if not, why not? Table 1 had been amalgamated with what was previously in place. Ms de Bruyn replied that when preparing financial statements, companies go through a lot of "stuff". The 250 items form part of that "stuff" and companies should publically publish a summary of that. The Table is all the "stuff" together at that point.
- Mr Lomborg reminded the meeting that it had already been agreed that information could be available on request and not necessarily published. Table 1 and "If not/why not" needed to be done in order for the company to be SAMREC compliant in terms of minimum reporting on declared resources. It was not compulsory to publish the results, but the reporting had to be done.
- The comment was raised that to do a Competent Person's Report and also append Table 1 would be a duplication of effort. The Chairman responded that this would be addressed in the Companion Volume. Section 17 would take bulk sampling which would be less onerous.
- Once Table 1 was in place, there would not be much change year-on-year. The Chairman advised that it would not be an annual requirement if there was no material change. The Competent Person would decide what is material and their approach would just be one way to record the information. If a public report declaration was being made, it would be necessary to complete Table 1. A public report would include an annual report.
- A question was raised around possible "rubber-stamping" of reports by different consultants. It was important to distinguish between a company and a Competent Person. The Competent Person accepted responsibility for the report, not the company. Concern was raised regarding smaller companies who would not be willing to pay for a whole rewrite on a document. The Competent Person should be able to defend every aspect of the work that was being done. The idea of the Code was not to prescribe but to give companies the tools to do the reporting correctly.
- It was agreed that, when making comments on the Code, no CRIRSCO definitions should be changed.
- The Chairman reiterated that everyone should give their comments and solutions. These would be collated and discussed, from beginning to end. The comments would be circulated a week before the meeting so that people could have the opportunity to peruse. These comments should be received by 19 February 2015.

Action: All working group members

The Chairman confirmed that there had been a technical problem with the electronic mail between SAIMM and members of the working group.

It was agreed that an extended meeting would be scheduled in order to finalise the draft Code prior to the SSC Meeting on 26 February 2015.

Action: Raymond v/d Berg

Due to time pressures, Items 5-7 were not covered in this meeting.

8. GENERAL

The Chairman advised that the SAMREC – SAMVAL Volume Conference would be held on 17/18 May 2016. He would be putting out a call for papers and would need those by July/August 2015. These would go into the companion volume and form part of the Conference.

Action: Ken Lomberg and Raymond van der Berg

Work was being done to develop a phone application for the Code. The front page would be a Figure 1 and linked to different parts of the Code. This would sell for around R100 and be more accessible than PDF format.

Ms Flitton suggested updating the website to get it more interactive and dynamic.

Ms Redman commented that it would be good to combine the launch and workshop to include both SAMREC and SAMVAL. She had compiled a schedule and undertook to share this with Mr Lomberg in order to present a united front. It was also suggested that SAMOG be included, as well as SANS.

Action: Kelly Redman

Prof Cawood informed the meeting that SSC were looking at their terms of reference to clarify some of the functions and give people more detail, also on the work that is done by the committee on social and environmental reporting.

9. CLOSING

The Chairman thanked everyone for their attendance and closed the meeting.

10. DATE OF NEXT MEETING

The next meeting was scheduled for Thursday, 26 February 2015 and Mr van der Berg would advise members of the exact time.

Action: Raymond van der Berg

SUMMARY OF KEY ACTION ITEMS
Ken Lomberg: Collate responses to SAMREC Code & Table 1 updates by 26/02/15 Circulate draft Code prior to February meeting
Ken Lomberg & Raymond van der Berg: Call for conference papers
Raymond van der Berg: Arrange extended meeting
All working group members: Read and comment on draft Code, with suggested solutions
Kelly Redman: Send SAMVAL timing schedule to Ken Lomberg