

**MINUTES OF THE**

**SAMREC/SAMVAL WORKING GROUP**

**MEETING HELD ON 15 OCTOBER 2010 AT 10:00**

**THE CHAMBER OF MINES BUILDING, 5<sup>TH</sup> FLOOR, MAIN BOARD ROOM**

**PRESENT:**

A Moyes (AM) (Chairman)	
R Croll (RC)	A Clay (AC)
M McWha (MMcW)	G Njowa (GN)
A de Bruyn (AdB)	D Dingemans (DD)
C Dohm (CD)	K Johnston (KJ)
E Takolia (ET)	V Deonarain (VD)
S Rupprecht (SR)	J Witley (JW)
O Hannweg (OH)	P-J Grabe (P-JG)

**APOLOGIES/ABSENT:**

G Smith (GS)	F Harper (FH)
R Davel (RD)	S Joubert (SJ)
K Redman (KR)	M O'Brien (MOB)
B Mills (BM)	P White (PW)
K Rayner (KR)	K Coster (KC)
G Norton (GLN)	M Harley (MH)

**IN ATTENDANCE:** Julie Dixon  
Jacky van Loggerenberg

*Note to these minutes: This document is compiled by Judy Carpenter, based on the recording and notes made/done by J van Loggerenberg*

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**Welcome**

AM welcomed all to the meeting.

**Ratification of the minutes of the previous meeting**

The minutes were accepted with the following changes:

A de Bruyn was not present although noted as being so.

The word "evaluators" should read "valuators"/

CEs (Competent Evaluators) should read CVs (Competent Valuators)

**Matters Arising from the previous Minutes:**

Parking lot issues: One or two discussion papers (DPs) will be debated at each meeting.

Mandates: The chairman wants to see a diagram which outlines the relationships between the different working groups and organisations. The main issue is the mandate from the SSC. AC suggested that where there is a specific topic for discussion the Working Group could hold such discussions after

ascertaining from the SSC if it is mandated to do so. Any recommendations emanating from those discussions could then be escalated to the SSC. The Working Group could also formulate papers which detail these discussions.

It is specifically noted that any person from industry is welcome to attend the Working Group meetings without an invitation. This must be advertised on the website as well as through word of mouth and a statement to this effect published through the GSSA and SAIMM. Dates of meetings can be published on the website as well as at other industry for a. AdB will include this information in the JSE magazine at no cost.

## 1. DISCUSSION PAPER

### ***Reporting Standard and Format of Mineral Resources and Mineral Reserves.***

This paper has been presented both at this forum as well as at the Gold Conference. Feedback has resulted in a final paper which was compiled in September 2009. All comments have been captured in the September 2009 document. The paper should probably be re-dated to September 2010. The format of the paper is consistent with the manner in which other expert groups in the financial world are presenting papers. The final draft will include all comments.

Page 6 contains two alternative guidelines for reporting. Clarification is required to determine which is the optimal route.

Inclusive/exclusive reporting – valuations are dependent on a value per unit and thus cannot be done if reporting is done exclusively.

Recommendation: amend clause 39.

***How does one amend clause 39 and the way it is constructed?*** The Working Group debated the reporting of both the resources in and those outside of the mine plan.

### **The preferred structure of reporting would be more in line with Table 3.**

The suggestion is that the wording for the replacement clause makes reference to take the information in table 3 as a **minimum** requirement and become part of the Code.

After extensive debate and discussion the amended Clause 39 was suggested as being:

*All companies must report Measured, Indicated, and Inferred Mineral Resources subdivided into (1) those Mineral Resources that have been considered for conversion to Ore Reserves through the application of Modifying factors and in accordance with clauses 23 and 28 of this Code, and (2) those Mineral Resources that have not been considered for conversion to Ore reserves.*

*The information given in a Mineral Resource Statement should be presented using the Table 3 as a minimum requirement (still needs work to connect to previous sentence).*

*Inferred Mineral Resources included in the Mine Plan (category 9 of Table 3) should be subjected to Modifying Factors for the purposes of mine planning and economic assessment, but must not be included in the Ore Reserve Statement, and must be reported publicly in the Mineral Resource Statement only without the application of such Modifying Factors (or words to that effect)*

Discussion will take place within the WG as to the above/any amendments. Once the amended draft document is complete, it will be re-circulated asap with comments being referred back to the WG. Thereafter the WG will approach the SSC to get clarity on whether or not the WG is mandated to do any rewrites to the Code.

## **2. GENERAL**

The rounding of figures is an important issue to JORC and can be discussed as part of other outstanding issues pertaining to SAMREC although the WG agreed that the rounding off of figures is entirely at the discretion of the Competent Person.

## **3. DATE OF NEXT MEETING**

4 November 2010. Surety on the mandate from the SSC must be confirmed.