

<p>MINUTES OF THE</p> <p>SAMREC/SAMVAL WORKING GROUP MEETING</p> <p>8 March 2010, Room 606, Chamber of Mines Building</p> <p>At 10:00</p>

PRESENT:

Mike O'Brien (Chairman)	Michael Harley
Viren Deonarain	Riaan Davel
Godknows Njowa	Annalie de Bruyn
Alastair Moyes	Daan van Heerden
Johan Odendaal	Andy Clay
Fiona Harper	Mike Harley
Tania Marshall	Eure Saaiman
Jeremy Witley	

APOLOGIES/ABSENT:

Billy Mills	Glenn Norton
Pieter-Jan Grabe	Xavier Prevost
Kenneth Coster	Christina Dohm
Gordon Smith	Ian French
Jean Britz	Karin van der Merwe
Kelly Redman	Kenneth Coster
Siobhan Joubert	Steven Rupprecht

In Attendance:

Julie Dixon (SAIMM Manager)
Jackie van Loggenveld (Recorder)

1. WELCOME

The chairman welcomed Siobhan Joubert and Kerron Johnstone from Golder Associates and Pieter Smit from Webber Wentzel and Bowens as new representatives to the Working Group Meeting.

2. MINUTES OF THE PREVIOUS MEETING

There is a spelling mistake on page 3 of the minutes under point 6. Njoma should read Njowa.

3. MATTERS ARISING FROM THE MINUTES

IASB:

The sub-working group has not met as yet. Discussions have taken place between Rob Croll and Riaan Davel regarding the IASB document and its proposed timelines. The document is in its final publication stage and should be ready in March. For discussion purposes, the already released version from August 2009 can be used.

Roger Dixon, Riaan Davel and Annelie de Bruyn have started discussing possible dates, most likely the 12th of May, for an event to be held in conjunction with SAICE to discuss the matter. Sue Rudolph is the contact person at SAICE.

Andy Clay mentioned that there have been mixed interpretation of the IASB paper and discussions are therefore very important with possible workshops to assist people to have the same take on the meaning of the paper.

The matter of Impairment (IMP) is contained in the IASB document and Andy Clay suggested that impairment (IMP) become a parking lot issue. This will accelerate understanding of it at a faster rate than that contained in the IASB document.

The IASB debate will not happen for at least another 6 months after which further steps will be taken which will take time. A working group taking action on the interpretation, understanding and impairment matter will be good for guidance and clarity.

As a committee the SSC Working Group needs to react to queries from industry.

4. SAMREC/SAMVAL parking lot/outstanding issues

Action on parking lot issues needs to be taken.

Three papers have been sent up to the main SSC committee for approval. Feedback on same is sought. The coal working group must still give feedback. The coal working group will meet within the next month to discuss – will revert to main working group within the first week of April.

It was suggested that we draw up a table in excel to track the progress of the various working group papers.

CP and CV Accreditation

Nothing new noted.

Continuing Professional Development (by Professional Bodies) as a vehicle for ensuring technical standards and professional credentials –

Accreditation needs to be investigated with ECSA.

Independence as a Principle

Nothing new noted.

Reporting Styles

Nothing new to be reported. It should be noted however that the JSE is considering a comparative structure with all the codes from around the world illustrating all the codes then selecting the most logical.

Valuation on an Exclusionary or Inclusionary Basis

Nothing new noted

Valuation of inferred mineral resources

Nothing new noted

Best practice

Nothing new noted

5. TRAINING AND EDUCATION – SUGGESTED SHORT COURSES

Rob Croll mentioned that under section 9 – there needs to be an update on the list of recognized organisations who have adopted the Code, as alluded to in the book. To date there have been no updates. Mike O'Brien to speak to main SSC committee on status update.

For qualification and certification of CP and CV continuous education is very important. Hence short courses on the subject which assists with generating points will be an advantage.

New suggested topic – from Keith Kenyon

Keith works with Canadian companies and questions have been raised as to what is a compliant analysis and what is not. Feeling is that SA produces resource statements but there is no guarantee on accuracy. A policy document on this is needed.

It was further proposed that a proper geochemistry degree be instituted. Companies are working on old outdated principles. There is scope to have a subcommittee looking at laboratories, analytical and assay compliancy, quality control and laboratory accreditation.

It was suggested that in order to standardize resource statements, there should be rules in place but it is necessary to keep it to a minim number of rules that can be applied across the board. A checklist type structure. It will also need to dictate what an acceptable result from analysis is. There is also a need for proper database security.

Keith is willing to be chairman and Mike McWha to assist.

Other suggested courses include:

- o **Report Writing** – Fiona Harper
- o **SAMVAL Application to projects** - Rob Croll
- o **Resources and Reserves (SAMREC)** – Andy Clay
- o **SANS & Reporting of Coal Resources and Reserves** – Dave Dingemans
- o **Valuation** – Godknows Njowa
- o **Commodity Specific Application of the Codes**
 - **Reporting of Diamond Reserves and Resources** – TBC
 - **Reporting of Coal Reserves and Resources** - TBC
 - **Reporting of Platinum Reserves and Resources** – TBC

6. GENERAL

Rob Croll wanted it minuted that the there is mention of a table 1 in the SAMVAL code but there is no table 1. There is only a table 2.

There is also confusion regarding the reference to clause 3.

It was also notes that there are SAMREC readers for SAMREC applicable reports but when will a SAMVAL readers panel be appointed. Readers need to be trained on what they should know and what they are looking for.

ECSCA has a report on non-compliant reporting.

It was suggested the working group keep a close eye on trends in industry, particularly:

- Request for more quantitative data density
- Outcomes and procedures with regards to litigation
- Quality and consistency of readers at the Stock Exchange

Andy to highlight and pass on the matters.

With regards to the issue of litigation, it may be useful to have a presentation on examples of matters that have been litigious and which have run the full course. The AusIMM does it to start a conversation on it. It then illustrates the whole process and how it was followed and the end result can then be reported on.

Paul White of Venmyn wants to be on coal working group.

10 DATE OF NEXT MEETING

Next meeting – Monday the 12th of April.