

**MINUTES OF THE SAMVAL WORKING GROUP MEETING**  
**HELD ON 28 AUGUST 2014 AT 08:00**  
**IN THE DELVILLE WOOD ROOM, MILITARY MUSEUM**

<b>Present</b>	<b>A Macfarlane (Chairman)</b>
<b>H Bornman</b>	<b>S Mathuray</b>
<b>J Botha</b>	<b>A McDonald</b>
<b>A Clay</b>	<b>J McGill</b>
<b>R Croll</b>	<b>G Njowa</b>
<b>A M de Bruyn</b>	<b>J Ruddy</b>
<b>S Laubscher</b>	<b>D J van Niekerk</b>
<b>J Luckmann</b>	<b>A van Zyl</b>
<b>T Marshall</b>	
<b>Apologies:</b>	<b>K Redman</b>
<b>R Davel</b>	<b>E Takolia</b>
<b>V Duke</b>	<b>J Taylor</b>
<b>H Hartmann</b>	<b>M Tlala</b>
<b>A Kinghorn</b>	<b>I Wermuth</b>
<b>J Odendaal</b>	
<b>In Attendance</b>	<b>Manager, SAIMM</b>
<b>S Moolla</b>	<b>Recordist and minute-taker</b>
<b>J Carpenter</b>	

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### 1. Welcome

The Chairman welcomed everyone to the meeting.

### 2. Acceptance of previous minutes with reference to actions noted

The minutes of the meeting held on 31 July 2014 were accepted as a true reflection of proceedings with the following changes/amendments noted.

**Page 2, Minute 5, Oil and Gas, last paragraph:** include **"and reserves"** after "solid minerals resources.." in both instances where this wording appeared.

**Page 2, Minute 5, Oil and Gas, last paragraph** – "I necessary..." should read "If necessary..."

### 3. Matters Arising

***Incorporation of discussed changes of Draft Code:*** This had been done with the corrected version, version 6, having been circulated. Extensive comments were received from the JSE which were included into version 6 as well as comments from Mr van Niekerk and those comments arising from the last meeting.

**Relevance of Appendix B (competency):** Ms de Bruyn stated that if Appendix B is retained then careful scrutiny must be given to it as it is not specific in exactly what qualifies a CV; "relevant experience" as stated in the Code is not specific enough. The Chairman further pointed out that a registered CV **must** be a member of the SAIMM or GSSA or SACNASP/PLATO. If an individual is not registered with a statutory body then they must be a member of the SAIMM or GSSA.

Currently, a Competent Mineral Asset Valuator must be registered with either a statutory body or be a member of the SAIMM or GSSA.

**Timelines:** Ms Moolla was requested to circulate the time lines.

**ACTION: Sam Moolla**

**ROPO:** This is now referred to as RPO.

#### **4. Acceptance of the final draft SAMVAL Code**

The Chairman informed the meeting that approval of the final draft Code is required by end September.

Several attendees at the meeting raised comments and issues which they felt had not been resolved. The JSE had a substantial amount of comments/discussions points. Mr Bornman also raised several issues. Mr Clay advised that his comments had been sent but were not incorporated in the draft Code either. Mr van Niekerk stated that he was shocked to find that there were still so many outstanding issues, particularly in view of the fact that the final draft Code is required by end September. He stated that if members of the working group still had significant issues that needed to be debated then this must be done before middle September. A spread sheet of comments must be compiled for further discussion.

**ACTION: Alastair Macfarlane**

It was agreed that all members of the working group who have further comments to be considered for incorporation into the draft Code must forward these to Ms Moolla and the Chairman. A list would then be drafted and all issues would be addressed. A special meeting would be scheduled if necessary.

**ACTION: All Working Group Members**

It was agreed that members should not just make comments, but must offer alternative wording as well. The deadlines for the submission of comments would be the 11<sup>th</sup> September 2014.

#### **5. Next steps in the process**

All comments, once received, will be analysed and **if it is deemed necessary**, the deadline of end September for the presentation of the draft Code will be pushed out so that any contentious issues can be dealt with further.

#### **6. Road shows**

A presentation which is to be given to all branches of the SAIMM and GSSA as well as a conferences, has been compiled for presentation as of 7 September 2014. However, in view of point 4 above, there is every chance that SAMREC will go ahead on its own or wait for SAMVAL to submit its final Draft.

#### **7. Outcomes from the SSC workshop on CPs/SVs**

The workshop was originally called to deal with the issue of compulsory registration for CVs with a registered statutory body. It was decided at the workshop to keep the *status quo*, i.e. a CV could be a member of a statutory body or a member of the SAIMM and GSSA.

The Chairman stated that in his opinion nothing of great significance emanated from the workshop. The SSC had decided to retain the current *status quo* in respect of the registration of CVs whilst further discussions are undertaken with the SACVP and other statutory bodies which are or could be involved in the mandatory registration of CVs.

#### **8. List of outstanding issues for future consideration**

See point 4 above.

#### **9. Valuation versus evaluation**

Mr Clay reported that the issue of valuation vs evaluation is important. In Canada in respect of a preliminary economic assessment an evaluation (not valuation) is calculated in order to

determine if the envisaged activity is economic or not. IMVAL had thus agreed to include a definition of "evaluation" as well as one for "valuation".

In respect of the SAMVAL Code – valuation of inferred resources, exploration properties and exploration targets – the calculation of the MPV could be construed as an evaluation. In order to clear up any ambiguities with regard to valuation/evaluation, a definition of evaluation should be included in the Code. The Chairman concurred, stating that consideration had been given to this suggestion. He further pointed out that inferred resources can be valued provided that notes are included talking to the risks associated with any valuation attached thereto.

*Modifying factors:* Mr Clay asked that the Code be clearer on what constitutes "modifying factors". The Chairman asked that Mr Clay forward to him his suggestions on what should be included with regard to modifying factors and valuation/evaluation. **ACTION: Andy Clay**

## **10. IMVAL**

IMVAL is doing the final edit on the template and the final document should be available by end September 2014,

VALMIN has withdrawn from the process as it feels that there are certain issues in the template which could cause problems across borders. VALMIN also felt that IMVAL had gone beyond its original scope of reference. IMVAL had responded that the template will focus on definitions and principles only and not go beyond these parameters.

The IVSC has taken a watching brief on the IMVAL process and has asked that once IMVAL is concluded then the IVSC will consider an MoU between it and IMVAL, such MoU governing reliance between the parties on IMVAL and also reciprocal Codes/documentation.

## **11. Next meeting**

The next meeting would be held on Thursday, 24<sup>th</sup> September 2014 at 08:00.

The meeting concluded at 09h40.

<b>SUMMARY OF KEY ACTION ITEMS</b>
<b>Sam Moolla:</b> <b>Attach the revised timelines to the minutes</b>
<b>Alastair Macfarlane:</b> <b>Include all discussed changes into the draft Code</b>  <b>Incorporate new JSE logo into the Code where required.</b>
<b>All Working Group Members:</b> <b>Submit their comments and alternative wording on the draft Code to Sam Moolla and Alastair Macfarlane.</b>
<b>Andy Clay:</b> <b>Provide content on modifying factors as well as valuation/evaluation.</b>