**SAMREC Committee Meeting Minutes**

| | | | |
|---|---|---|---|
| **Date of Meeting** | 25 May 2023 | **Time** | 09:45 |
| **Chaired by:** | Ken Lomberg | **Location** | Zoom |
| **Minutes prepared by:** | **Ann Donnelly** | | |

**Present:**

| | | |
|---|---|---|
| Maria Antoniadis | Ken Lomberg | Tim Rowland |
| Annelie de Bruyn | Tania Marshall | Seef Vermaak |
| Johannes du Plessis | Santhoshnie Mathuray | Nicole Wansbury |
| Adrienne Elliot | Matt Mullins | Bruce Williamson |
| Tarryn Flitton | Jacques Nel | |
| Linda Iaccheri | Godknows Njowa | |

**SAIMM Secretariat:**
Gugu Charlie

**Apologies:**

| Topic | Discussion |
|---|---|
| **1. Welcome** | Ken Lomberg welcomed everyone to the meeting and thanked Tarryn Flitton for hosting/chairing the previous SAMREC meeting. |
| **2. Minutes of previous meeting** | The minutes of the meeting held on 23 February 2033 had been circulated and no changes were noted. |
| **3. Action items from previous meetings** | Report back on the action items from previous meetings was as follows:<br><br>The issue of putting forward questions for debate under technical issues was ongoing.<br><br>Regarding ensuring that the templates for non-English speaking countries were properly translated into English; this item could be taken off the action list, as it was being addressed at a CRIRSCO level.<br><br>The App and training courses would be discussed under the appropriate agenda items. Ken Lomberg advised that there was a fund-raising committee, where a representative from SAMREC needed to be appointed to assist. Jacques Nel confirmed that he was already a part of this. |

| | |
|---|---|
| | Tarryn Flitton was always looking for material for the website and this could be left as an ongoing action item. Ken Lomberg suggested that this should be for everybody and not only Tarryn.<br><br>The Standard Definitions white paper was still under preparation.<br><br>One of the questions that had been raised was whether the Committee wanted face-to-face meetings. Tarryn Flitton advised that at a previous meeting it had been suggested to have these once a year. She suggested that if the meetings were held face-to-face once or twice a year, this should rather be a hybrid. Johannes du Plessis agreed that it should be once a year or hybrid. Ken Lomberg would talk to the Secretariat and it would also be discussed at SSC level.<br>**Action**: Ken Lomberg |
| | |
| **4. SAMCODES App** | Tarryn provided some of the updated on the App. The biggest thing was that they had to be kept abreast of any event/news that needed to be added to the website. She asked to be notified of any updates on the website.<br>**Action**: All Members<br><br>In terms of the Fundraising Committee, that involved a lot of the App work, as well as in terms of getting sponsors. AGA had been sent an updated invoice for this year's sponsorship and this needed to be processed. Tarryn asked if there was any person/company who would like to participate in sponsoring the App, they should contact her to arrange a discussion around that. That would form part of the Fundraising Committee.<br><br>With the App, there were trying to engage with users and to get them involved in the App, but both she and Jacques were incredibly busy and not able to give it their full attention. Other committees were needed as part of this App, as well as SAMVAL and SAMESG. The quizzes would gradually be set up, but representation was needed from the other committees. It was the SAMCodes App and she would really like to see more participation from the other committees. Ken Lomberg would bring this up at the SSC meeting.<br>**Action**: Ken Lomberg<br><br>Tarryn advised that she still needed to provide an update for the GSSA newsletter and would try and get this to Tania Marshall by early Monday.<br><br>Engagement with users had been discussed in November and February.<br><br>Lastly, they were trying to catch up with the developer and a meeting should be set up. The item for discussion was whether it was possible to move to an Apple version of the App. She believed they should be open for discussion now.<br><br>In terms of analytics, these were still very poor regarding the user base and who they were. There were some other items that needed to be followed up on and feedback would be given at the next meeting. |

| | |
|---|---|
| | Matt Mullins noted that, five years ago, a Wikipedia page had been created for SAMREC and he suggested that it might help to have a link to that page. Tarryn asked him to send her the link and she would add it.<br>**Action**: Matt Mullins<br><br>Tarryn added that presentation given last year showed the bare minimum of followers. All three committees needed to start moving through LinkedIn to keep users updated.<br><br>Ken thanked Tarryn for her efforts and Jacques for his support. |
| | |
| **5. CRIRSCO News** | CRIRSCO had been quite active in the last while. The meeting this year would be held in Rio de Janeiro during the last week of October. The current Chairman was Edison Ribeiro from Brazil. The following Chairman would be Garth Kirkham from Canada and it was probable that next year's meeting would be held in Vancouver.<br><br>In the meantime, there had been a face-to-face meeting of the Executive in London about three to four weeks ago. They had also met with ICMM. One of the big things was that with CRIRSCO, about a quarter of the budget was from ICMM. They continue to support the work that was being done.<br><br>The other two things that were in the process of happening were that CRIRCO was looking to become its own legal entity as, up to now, it had been under the umbrella of the ICMM.<br><br>There was also some action to get the website completely redrafted. Up to now it had been hosted by the Australians and the idea was to move it away from them so that it was not in that domain.<br><br>As far as countries that were joining, the Philippines were very close; China continued to be on the list; and talks were being held with West Africa and Peru plus a few others. |
| | |
| **6. Feedback from ESG Committee** | Maria Antoniades reported that, on the ESG Working Group side, they were very much on a journey to feel out what industry was looking for; what needed to be included; what was material. They were making good progress on updating the Guidelines for SAMESG and trying to figure out what wording needed to be included in the actual SAMREC document regarding ESG items. Table 1 was being updated and the team was looking at how to incorporate ESG items into that. They were also closely monitoring what the other parallel codes were doing and keeping track on what they were putting out there. An eye was being kept specifically on JORC and looking forward to seeing what they were going to be publishing and how they were going to incorporate their ESG integrations into the Code. Once all the drafts had been concluded, they would distribute it to the SAMCodes Committees, because it was vital to get input from everybody on the proposed changes.<br><br>It was also very important that a lot of the technical debate was needed and this was ongoing at the regular meetings. They also |

| | |
|---|---|
| | needed to figure out on what technical merit pieces to include/exclude.<br><br>The discussion around materiality and what was pertinent to the issue of a public report was very important.<br><br>Matt Mullins asked whether Maria had any idea where JORC was heading on this. She responded that something had been developed but she was not at liberty to disclose that. SAMREC was trying to initiate that integrated thinking so that it was not a 'tick box' exercise that seemed to transpire with all the Codes. It would be presented in a very much integrated manner, bringing in hints of ESG throughout the whole Table 1.<br><br>Tim Rowland followed up on Maria's summary, to advise that he and Tarryn belonged to a small industry forum. They authored a paper on the ESG integration for mineral reporting, which was presented at the Perth AusIMM Mineral Resources Estimation Conference. Feedback was that it had been very well-received and the paper had been added to some essential reading lists. Ken asked how to get hold of the paper, but Tim was not sure about the rights to circulate it. Matt offered to ask his colleagues in Perth to follow up on the AusIMM protocols and revert and this would be circulated as soon as possible.<br>**Action**: Matt Mullins and Tim Rowland<br><br>Ken understood that the JORC update was taking longer than anticipated and it had been at ASIC for a while. The process was being delayed by the interaction.<br><br>Maria thanked Tim for managing the paper and asked that it be circulated once it was available. She also asked to set up an offline discussion to get feedback received from industry when the presentation was done. She believed that it was very important to not just work in isolation. It was vital to understand how the industry was receiving everything and how they viewed all the topics that needed to come into the game space now. Tim advised that the benefit with this presentation was that they were not having to be constrained by or compliant with JORC, SAMCodes or any other Codes, as they were an industrial forum. They were able to be a bit more liberal on comments; which was the benefit of the paper, as it said a number of things that were difficult for the regulatory codes to articulate.<br><br>Tarryn suggested that, at the next meeting, she and Tim could give a mini-presentation on that paper. Ken supported that.<br><br>There were a couple of points from the last meeting around the sub working committees. There was a barrier document at was almost complete and Seef Vermaak suggested that the team was not at the point where it could be shared with the SAMREC Committee. Tarryn asked whether some of this could be shared with the Committee yet. Ms Antoniades advised that they did not want to share this just yet, as it was such a new space and they wanted to get it to a better point than it was currently at before sharing. They would want everyone's input once it was at a more progressed level.<br><br>Ken asked Maria a question around Governance. This had always been quite difficult to define and he asked whether any progress had |

| | |
|---|---|
| | been made in that direction. Maria responded that it was a difficult conversation and an ongoing technical debate. Several discussions had been held on the CRIRSCO Executive and one of the aspects that was highlighted was the fact that there were Codes and Guidelines on Governance, so much of the ESG was already being done. It was a question of having this formalised. Matt supported that comment and added that it should be remembered that Codes like SAMREC were minimum standards and not best practice. Best practice could be incorporated in Guidelines. Ken added that it was a very difficult situation to try and get that balance 100%. |
| | |
| **7. Technical Discussion** | Ken asked whether anyone had a topic that they wished to present. In the reserve conversation and going back to resources, he asked if one had a copper or base metal deposit which had been defined as a resource, one had a huge resource which might be irregular. When it came to declaration of the reserve, an optimal stope or optimal pit was put in, and quite a bit of the resource is not mined. He asked whether that should that resource be reduced to the volume that was formed in the reserve, or whether it should be discarded entirely. Once it was mined, the remainder would possibly not meet the hurdle of realistic prospects of eventual economic extraction. He invited comments on what should be done in that situation.<br><br>Maria believed it came down to RPEEE, but also what the company wanted to show as an asset. It was the CP's responsibility, but there was a fine line. She believed it would should come down to RPEEE but there would always be elements that they wanted to be presenting a good suggestion to investors.<br><br>Tarryn asked whether that would not be the exclusive mineral resource, or whether they would not already have an RPEEE done at the base before. To get it to be a resource, one had to base reasonable prospects of the eventual economic extraction, but then you had gone further and taken the economically mineable parts to be the reserve.<br><br>Ken advised that it had only based RPEEE as part of the reserve. If the reserve was taken out, he asked whether it would still pass that hurdle rate. Some discussion followed.<br><br>Santoshnie also made some good comments. Matt suggested that it should be kept in the books until there was absolutely certainty that it was not going to be developed and, at that stage, that certainty did not exist.<br><br>Tim raised another technical topic regarding a second paper that was presented in Perth at the AusIMM Mineral Resources Estimation Conference. This was very technical and was specifically guidance on how to calculate an exclusive mineral resource. He advised that there was no information out there on this and they had tried to set up a protocol and a framework on how to regulate that with a level of consistency for the industry. It was well-received and they would like to circulate that and possibly present that in the future at one of the SAMREC meetings. Ken agreed. Tim would liaise with Ken in this regard.<br>**Action**: Tim Rowland and Ken Lomberg |

| | |
|---|---|
| | Tarryn raised two comments. The first was that she was seeing the trend of dropping the word 'eventual' for reasonable prospects. The question was what that 'eventual' meant and whether SAMREC was thinking around that.<br><br>Maria recalled a discussion held some time ago around having a time framework for that 'eventual'. Ken believed it was in the same league as having a percentage and classification; having a definitive time line.<br><br>Steven recommended that people look at the SK-1300, where there was commentary on why they had elected to take out the 'eventual', as they did provide some commentary on that.<br><br>Tarryn asked whether that was something that CRIRSCO were planning to drop. Steven believed it was likely that some of the countries would drop it (JORC) and other countries would agree. He advised that PERC had introduced 'reasonableness' as a principle and that was something that might well come into play at some stage as an additional guiding principle. Nicole Wansbury asked about the implications about dropping this and Ken advised that the disclosure would only remain the same and it was taking away a grey area and the CP having to decide.<br><br>Tania Marshall advised that the NI 43-101 had taken out the 'eventual' and it had been out for long time there. Effectively, what they were saying was that if it was not currently economic, it did not fit the programme.<br><br>Jeremy commented that he liked the idea of removing the 'eventual', because it could be misused, particularly in terms of available technology to extract the kind of mineral of potential value from the mineralisation. He cited some examples that he had come across lately. It did open the door for some abuse in terms of reporting.<br><br>Steven disagreed with taking it out of the Code, as people were abusing the Code and this was just one example of abuse. Unless the abuses were addressed, that would continue throughout the Code. Ken asked if Steven was saying that the rules should be managed rather than changed. Steven responded that the abuses should be addressed.<br><br>Matt was for keeping that in the Code and 'eventual' was important to him. Santoshnie agreed with what Steven had said, in the sense that it should not be removed just to prevent abuse of it. If it was removed, there would definitely have to be guidance added to prevent avoid other misuses or misinterpretations of the removal of that word 'eventual'.<br><br>Jeremy Witley's view was that RPEEE was still based on the current view of future prices; whereas the technical view was a different aspect. He believed the guidance was what was important. He added that the codes encouraged readers to state their assumptions ad be very transparent and it was up to the reader to decide and form an opinion, but unfortunately many of the readers were not so well informed. |

| | |
|---|---|
| | Seef supported this and the overriding principle of transparency was the key; whether one kept the EEE or regardless. The assumptions had to be stated clearly – that was the overriding issue.<br><br>Tarryn raised the question of 'Competent Person' as stipulated in JORC. She suggested that the committee start thinking about and discussing what JORC was proposing would be applicable to SAMREC. She had spoken to Steve Hunt and believed there was a lot more emphasis on the fact that although the CP was the lead person, there were other technical specialists that came into play. JORC had also been focussing on how to prove that those specialists were competent in their fields. She was not sure whether assessments were being done in AusIMM, but the proposal had been that these CPs would have to fill in exactly what there were competent in and someone would validate this. She would like to hear where that space was in terms of the JORC idea and whether this was something that needed to be considered for SAMREC. Ken agreed that thought should be given to this and that SAMREC should just wait for JORC to highlight this because that would probably help to align the thinking.<br><br>Tania advised that her discussions with some of the people from the various committees at JORC regarding Competent Persons had led her to understand that there was going to be quite a lot more emphasis on CPD; and putting one's competence up on a website, i.e. letting people know what it is that you do. This was very similar to what the GSSA was planning to do with the GSSA Chartered status. In fact, the Chartered Status was based on what they believed JORC might do.<br><br>Ken believed that there had been fruitful discussions on various things and that it was important to have these and to get the thought processes moving. He believed this should continue to be done at each meeting. |
| | |
| **8. Training** | Ken advised that some very successful training had been undertaken in April. It was over two sessions, a week apart. The Geosciences Communication would take place during the following week.<br><br>Tania advised that the other one that was coming up on 11 July was planned to be an update from the ESG working group on what had been done over the past year with respect to the ESG Inquisition and updates on the integration into the SAMCodes.<br><br>The GSSA did not have anything planned for the rest of the year.<br><br>Ken advised the committee that there was generally a basic course held every year and how and again there was an advanced course. He explained what was involved in the advanced course, i.e. case studies. He asked whether that was something that should be continued, or whether there was some other course material that should be prepared. Tim advised that under the action items, he saw that Steve Rupprecht had been asked to reach out to him to talk about a follow-up SK-1300 workshop. Ken believed this was something that should be considered. Steve advised that companies had started to get replies from the US (SEC) and there should be some learning to be planned from that; or just some general updates |

| | |
|---|---|
| | around the realities of the reporting. Tania believed that there had not been a course for some time and suggested that a survey be done to determine the need.<br><br>In terms of the SK-1300, she suggested that a follow-up was a good idea for dual-listed companies and Andy McDonald had put a forum together to collect ideas (SK-1300 forum). Information was constantly being added, but this did not necessarily cover all the aspects of SK-1300. Annelie wondered whether there had been improvement in the disclosures and estimation of reserves and resources over the last 10-15 years, specifically since SAMREC had started doing the training. She questioned whether the training was spot-on or whether it should be adjusted.<br><br>Ken believed it was a good comment. On the question of whether the training had made any difference, he advised that it had certainly made the Code more visible and more people knew something about it. There were still queries being received from people who were not conversant.<br><br>Rob Ingram commented that in his presentations to the SSC and others, he had put up a slide showing the improvement in reporting over the years since 2017, when these training courses commenced. There had been a marked improvement in the delivery of compliant CPRs. This was a significant improvement and the training to date had had a very positive effect on reporting, as seen by the JSE. He suggested that keeping up the training would be a good idea, as things were becoming more complicated. The training programmes could be diversified into other reporting codes such as SK-1300 and also covering the issues that had been raised at RPEEE. These were areas that now required consideration by CPs and he was sure training courses covering these would be welcomed.<br><br>Ken mentioned that training courses would have to fit in with the SAIMM/GSSA schedule in order to avoid conflict. It was believed that there had been a big improvement in the interpretation and use of the codes and that this should be maintained.<br><br>Steve noted that he would like to see if there could be more involvement with people on the various mines. These courses were generally held in Johannesburg and he believed that the people who needed the training were actually those out on the mines; and it was not easy for them to attend courses held in the city. He suggested courses be held in places such as Welkom, Carltonville and Rustenburg, as he believed this would improve attendance.<br><br>Tim reported that Tania had given him an opportunity, via a live webinar, to cover the topic of building a better CPR. He had tailored his presentation to leverage over 35 years' experience and transfer a lot of knowledge and expertise. He believed there could be components of that that could be moved into a presentation or workshop that could actually do a road trip, getting to the various key mining regions in South Africa. Ken suggested that Tim could be called on to add flavour to training courses. Tim agreed. |
| | |
| **9. Succession Planning** | As highlighted to the committee previously, Ken had advised that it was time for him to pass on the baton to somebody else. He was |

| | |
|---|---|
| | hoping that someone would volunteer and he asked people to revert to him offline if they had any suggestions.<br>**Action**: All members |
| **10. General** | A question was raised on the Standard Definitions and if there was an indication of when they would be circulated. Ken advised that it was a CRIRSCO initiative and outlined some of the changes proposed. It was hoped that he would have the white paper by the time of the next SAMREC meeting in August and that it would be ready for distribution. |
| | |
| **11. Closure** | Ken thanked all members for their participation and input to the technical discussions. He asked members to let him know in advance of any subjects for discussion during these meetings, in order to allow enough time on the agenda. |
| | |
| **Next meeting** | The next meeting was scheduled 09h45 on 31 August 2023. |

**Matters arising/Action Items**

| Meeting Date | Action | Responsible | Due | Status | Comments |
|---|---|---|---|---|---|
| 25/11/21 | Put forward questions for discussion under 'Technical Discussions' | All members | Ongoing | | |
| 25/11/21 | Advise CRIRSCO member companies from non-English speaking countries to edit their translations of the template thoroughly | Steve Lomberg | Ongoing | | |
| 23/02/22 | Tie in with Camielah/Sam re upcoming courses & training for App | Tarryn Flitton | Ongoing | | |
| 25/05/23 | Keep Tarryn informed of any event, news, update to be included on website | All | Ongoing | | |
| 25/05/23 | Bring up representation from other SAMCode committees on App at SSC Meeting | Steve Lomberg | 25/05/23 | | |
| 25/05/23 | Send link to SAMREC Wikipedia page to Tarryn | Matt Mullins | End May 2023 | | |
| 25/05/23 | Follow up with AusIMM re circulation of paper on ESG integration for mineral reporting | Matt Mullins & Tim Rowland | Aug 2023 | | |
| 25/05/23 | Circulate paper on how to calculate exclusive mineral resource. Also possible presentation at future meeting. | Tim Rowland & Ken Lomberg | Aug 2023 | | |
| 25/05/23 | Revert offline to Ken Lomberg with any succession planning suggestions | All members | Aug 2023 | | |