THE SOUTHERN AFRICAN INSTITUTE OF MINING AND METALLURGY

SAMVAL Committee Meeting Minutes
30 May 2024

Date of Meeting	30 May 2024	**Time**	08:00
Chaired by:	Vaughn Duke, Chair	**Location**	Zoom
Minutes prepared by:	Moipone Mkhize		

Present:

Vaughn Duke (Chair)	Louise Fouche	Teresa Steele-Schober
Hannes Bornman	Bernardine Joubert	Andrew Van Zyl
Andy Clay	Tania Marshall	John Zvorufure
Annalie De Bruyn		

SAIMM Secretariat:
Moipone Mkhize

Apologies:

Kelly Redman	Andrew Kinghorn	Mark Turnbull

Topic	Discussion
1. Welcome and apologies	Mr Duke welcomed everyone to the meeting. The minutes of the previous meeting were accepted. John Zvorufura, a new committee member, introduced himself as a PhD student focusing on mineral asset evaluation and thanked those who completed his questionnaire.
2. Industry attendance	It was proposed that there be a process of inviting industry representatives to future meetings, with a proposal to keep them on the mailing list for regular invites.
3. Pertinent issues/changes to the Code	The progress and next steps for the ESG Working Group were discussed, including the timeline for submitting draft documents to the Code Committees. Teresa provided an update on the SAMOG meeting, where it was decided not to extend the SAMCODES ESG Working Group's work to SAMOG at this time. Andy Clay supplemented the discussion by explaining the approach to ESG issues in the oil and gas sector. Annalie presented proposed amendments to section 12, emphasizing the consolidation of requirements for solid minerals and oil and gas, the introduction of independence criteria for competent persons, and the removal of the pre-approval process by the Readers Panel.

	She discussed the historical context of the Codes, the impact of the Companies Act and Financial Markets Act, and the evolving responsibilities of competent persons in the mining industry. She reported that the current section 12 consisted of two parts. Part A, the solid minerals, and part B dealt with oil and gas. Oil and gas, to a large degree, was a copy and paste of solid minerals, with different names for the CPR and the person preparing it. What they were proposing to do with the new Section was to combine those two parts into one set of requirements, for the company that made an application for a listing or wanted to look at what requirements they have to comply with. This one section could look at that section from their specific angle. She said that she was going to focus on solid minerals because SAMVAL dealt with solid minerals. She noted that when a company made an application for listing, they needed to do a listing document, which was either a pre-listing statement or a prospectus. Once they listed it and did a large transaction, they needed to do a circular and the requirement currently for that document, the pre-listing document or the circular, was to include a full CPR, with the option to include an executive summary with the full report then available on the website. The new section 12 was exactly the same, The current section 12 said the CPR must be SAMREC or SAMVAL compliant. The new section 12 was exactly the same. With the current section 12, they had no specific requirement for the competent person to be independent. She said going forward on the proposed section 12, they required independence from the competent person, and had specific criteria that the issuer needed to consider when they assess whether the competent person was independent from the issuer or not. The issuer needed to confirm in the document to the JSE that the competent person was independent. There had to be an approval process by the Readers Panel before the document was issued into the market. On the proposed amendments for section 12, they had removed that pre-approval by the Readers Panel. There were two major things from an Act perspective. The Companies' Act was implemented in 2011 and placed a requirement on the directors, a fiduciary duty on directors to make sure that they did what was best for the company and its stakeholders. The new Financial Markets Act 2012 came into play and in terms of this Act, the company and the directors were not allowed to publish misleading information into the market. There is a responsibility on the competent person as a professional to make sure that they stayed on top of developments in their respective fields of expertise and in relation to mineral asset valuations. There was no requirement for independence in the old section, or in the new section. Any disclosure must still be SAMREC compliant and signed off by a CP.
4. Guidance Notes	This was not discussed. Vaughn Duke noted that draft notes would be available towards the latter half of 2024.

5. ESG Update	Teresa Steele-Schober gave an update on the SAMCODES ESG Working Group. They had been progressing with the updates and the Working Group was doing final reviews of the various documents. At the moment they recommended amendments to SAMVAL, SAMREC, and to the SAMESG guideline. The objective of the Working Group was to get the draft documents to the Code Committees by the end of June or middle of July, for review and comments.
6. General	Annalie Du Bruyn noted that if there was anybody that wanted to add any comments, positive or negative, they could still submit it by up to the close of business on the 2nd or the 3rd of June as there would be a second round of public consultation. Teresa Steele-Schober reported that they had a meeting with both Andrew McDonald, Sifiso Siwela and Peter Decker regarding whether or not the work of the SAMCODE ESG Working Group should be extended to consider SAMOG, as it had not been considered from the beginning. The SAMOG Committee felt that the PRMS, particularly in the associated guideline, had sufficient requirements for ESG integration to prompt authors of reports to ensure that ESG factors had been sufficiently considered. They all agreed that at the moment, there was no desire on the part of the SAMOG Code to change anything and to continue with the PRMS, which was the SAMOG approach for all reporting requirements. Andy Clay added that what they were able to do was to show the three sections in the PRMS guidelines on to how they anticipate treating disclosure of ESG issues. Andy Clay reported that he was not sure what was happening on the IMVAL side with the passing of John Gustavson. Vaughn Duke said he was also battling to get a response from them but would try to contact either Keith Spence or Bill Roscoe directly.
7. Next meeting	The next meeting was scheduled for 29 August 2024 at 08:30.
8. Meeting closure	Mr Duke thanked everyone for their attendance and input. The meeting ended at 09:45.

Matters arising/Action Items

Meeting Date	Action	Responsible	Due	Status	Comments
30/05/24	Corporate guest to be invited to next meeting	All	29/08/24	**Done**	
30/05/24	Send presentation to Moipone Mkhize for	Annalie Du Bruyn	29/08/24		

	distribution with the minutes.				
30/05/24	Draft guidance notes on the use of discount rates and RoVs.	V Duke	31/10/24		
30/05/24	Send out meeting requests for the next meeting in August.	Moipone Mkhize	29/08/24	**Done**	
30/05/24	ESG Draft document to be circulated to SAMVAL Committee once approved.	Teresa Steele-Schober	29/08/24	**Done**	