

MINUTES OF THE SAMREC WORKING GROUP MEETING

HELD ON 07 MAY 2015 AT 09:45

IN THE DELVILLE WOOD ROOM, MILITARY MUSEUM

Present: **K Lomberg (Chairman)**
H Botes **A Kinghorn**
J Botha **T Marshall**
A Clay **S Mathuray**
A de Bruyn **J Nel**
T Flitton **K Redman**
N Lock **H Schnetler**
J Luckmann **M Tlala**
M Lynn **D van Niekerk**

Apologies: **R Croll** **J Odendaal**
M Davidson **E Takolia**
C Dohm **D Young**
S Joubert

In Attendance: **R van der Berg, SAIMM**
A Donnelly (Scribe)

1. WELCOME

The Chairman welcomed those present and asked for introductions. The objective of the meeting was to finalise the draft SAMREC Code for submission to the SSC.

2. ACCEPTANCE OF PREVIOUS MINUTES

The minutes of the meeting held on 26 March 2015 would be recirculated and confirmed at the next meeting.

Action: R van der Berg

3. MATTERS ARISING

Any matters arising from the minutes of 26 March 2015 would be held over for discussion at the June meeting.

4. DISCUSSION OF FINAL VERSION OF SAMREC CODE

Mr Lomberg advised that, in liaison with Sarah Dyke, the environmental submission had been put into a similar format to the SAMREC Code and would be discussed at this meeting.

Coal and Diamonds had received much attention and the definitions have been modified after interaction with various people. The format was improved and is more aligned with CRIRSCO definitions. Microdiamonds have been included and there are still some minor changes to be made, i.e. sample size of diamonds. Comments from de Beers were also included. The same process had been followed with Coal and some editing changes had been made.

In Table 1, some lines had been added for Industrial Minerals and Metal Equivalents. The plan was that a technical proof-reader would check the final document. Mr Schnetler recommended removing all the “track changes” and having a clean copy to work with to avoid confusion. The Chairman replied that this was a laborious exercise and that he would be happy if Mr Schnetler would offer to do this.

The plan was to have the draft Code ready for the SSC Meeting on 28 May 2015. Once the SSC had ratified the Code, it would then go through for public consultation. He confirmed that any comments should be accompanied by suggestions and agreed to look at Mr Schnetler’s suggestions for Table II.

4.1 Environmental Submission

Section 1: Project Outline

1.2 Location: An additional section had been added regarding information pertaining to the project host country that was pertinent to the project.

1.7 Liabilities: Describe any liabilities, including rehabilitation guarantees that are pertinent to the project. Provide a description of the methodology used in the determination of the rehabilitation liability, including but not limited to legislative requirements, assumptions and limitations. Some discussion followed and the Chairman advised that risks associated with environmental issues had to be included. Full details around the liability and methodology could be provided in the Companion Volume. Mr Lynn suggested that royalties and liabilities should fall under Section 5: Technical Studies. Another suggestion was that the wording should be changed to read: “non-liabilities”. It was confirmed that checklists did not need to be published with reports, but they should be available on request. The alignment between JSE and SAIMM was an ongoing issue. Ms Flitton recommended that royalties and liabilities be split. It was further suggested to remove the section regarding the methodology.

Section 4: Estimation and Reporting of Exploration Results and Mineral Resources

4.1 Geological model and interpretation: Clause (iii) had been added – “Describe any obvious geological, mining, metallurgical, environmental, social, infrastructural, legal and economic factors that could have a significant effect on the prospects of any possible exploration target or deposit”.

Section 5: Technical Studies

5.5 Environmental and Social: Clause (i) had been added – “Confirm that the company holding the tenement has addressed the host country environmental legal compliance requirements and any mandatory and/or voluntary standards or guidelines to which it subscribes”.

Clause (iii) had been added – “Identify and discuss any sensitive areas that may affect the project as well as any other environmental factors including I&AP and/or studies that could have a material effect on the likelihood of eventual economic extraction. Discuss possible means of mitigation”. It was suggested that the sentence should be reworded as follows: “Identify and discuss any environmentally sensitive issues that affect the project, as well as any other environmental or social factors including I&AP and/or studies that could have a material effect on the likelihood of eventual economic extraction. Discuss possible means of mitigation”.

Clause (iv) – it was suggested that Clauses (iv) and (v) be joined.

Section 7: Audits and Reviews

Clause (i) had been added – *“State type of review/audit (e.g. independent, external), area (e.g. laboratory, drilling, data, environmental compliance, etc.), date and name of the reviewer(s) together with their recognized professional qualifications”.*

4.2 Recommendations relating to the Coal Section

Section 10: Reporting of Coal Resources and Reserves

This section had been modified to include updated definitions and other suggestions.

4.3 Recommendations relating to the Diamonds and Gemstones Section

Section 11: Reporting of Diamonds and Gemstones

This section had been modified to include updated definitions and other suggestions.

4.4 Addition of Industrial Minerals and Metal Equivalent Sections

Section 12 had been added covering Industrial Minerals, as well as Section 13 for Metal Equivalents.

5. ACCEPTANCE OF FINAL VERSION OF SAMREC CODE

Mr Lomborg advised that the updated document would be distributed to all working group members and requested everyone to carefully scrutinise the content. It was requested by Mr Clay that a “clean” document be circulated, to avoid confusion and duplication of comments. Comments should be returned to the Chairman before 18 May 2015, to allow the SSC to ratify the draft Code at their meeting scheduled for 28 May 2015.

Action: All members

6. TRAINING / COACHING

A Competent Person one-day training workshop under GSSA had been held three weeks ago, with 45 people attending. Some roadshows had already taken place and others were scheduled for the weeks ahead. The Johannesburg roadshow would take place at the end of June. Much interest had been shown at the Rustenburg roadshow and people were on board to become involved and to learn about best practice. A strong need for training had been identified.

7. COMPANION VOLUME CONFERENCE

The Chairman advised that there were still members who had not seen the announcement. Mr van der Berg was asked to make a concerted effort to get this announcement out to as wide a circle as possible. It had been included in the GSSA newsletter, but there had been no response to date. The review process for papers would need to be quite stringent and the Conference was scheduled for May 2016. The Chairman advised that it was important to have the papers in early, as the peer review panel would have to be quite critical. It was proposed that the conference would be held at Emperor’s Palace. A list of suggested topics was sent out with the announcement and the Chairman advised that where no papers were received for a topic, people could be identified and asked to prepare a paper.

Mr Clay advised that the 35th International Geological Congress would be held in Cape Town in September 2016. There was a Committee on Ethics and Geo-Ethics and information would be posted in the next few weeks calling for papers on the practical application of ethical reporting. Mr Clay agreed to provide information to Mr van der Berg for circulation.

**Action: A Clay and R van der Berg
All members**

8. GENERAL

Ms Mathuray enquired whether there was any communication regarding the Conference in May. She had spoken to the people at SANS to ascertain whether they wished to participate. The Chairman advised that the first morning of the Conference would be dedicated to a keynote speaker and then split into two sessions: one being coal-specific and the other diamond-specific. On the second morning, there would again be a keynote speaker, with the evening being dedicated to the official launch.

Ms Flitton requested that the presentation for GSA be circulated.

Action: T Flitton

9. CLOSING

The Chairman closed the meeting at 11:15 and advised that the next meeting would be held on 14 July 2015.

SUMMARY OF KEY ACTION ITEMS

Ken Lomborg:

Amend Code with suggested and agreed recommendations
Recirculate amended Code to all members

Raymond van der Berg:

Recirculate minutes from meeting held on 26 March

All working group members:

Scrutinise amended Code and submit comments/solutions to Ken Lomborg prior by 18 May 2015
Submit papers for Companion Volume Conference to Ken Lomborg or Raymond van der Berg

Andy Clay and Raymond van der Berg:

A Clay to provide information on International Geological Congress to R van der Berg for circulation