COMPETENT PERSONS AND THE INSTITUTE

The Institute of Mine Surveyors has actively participated in the work of two Regulatory bodies in the recent past by way of invited participants being active IMSSA members. The first body, MRAC, is concerned with providing new Regulations in respect of the Mines Health and Safety Act, which will eventually replace the existing Regulations affecting all mine surveying issues. The second, SAMREC, is concerned with protecting investors in public companies, and for our profession, the signing-of of Ore Resources.

A number of members have raised questions about the term "Competent Person". IMSSA has taken a standpoint with regard to MRAC and recently published the Institute's view. SAMREC have already approved regulation governing their sector and their "Competent Person" issue has been resolved. Hereafter follows a brief overview of the state of affairs as at 11th November 2001.

COMPETENT PERSON

MINING REGULATIONS (The Institute's view)

In response to many questions asked, not only by the IMSSA membership but also, as importantly, by the MRAC Mine Surveying TTG, Council tasked the Technical Committee to produce a definitive statement as to IMSSA's position on the term "Competent Person". Council agreed with their definition and the following letter was sent to the MRAC Mine Surveying TTG early in August.

Dear Sir,

In accordance with the provisions for seeking expert opinion regarding MRAC Tripartite Task Group proposals, the Institute of Mine Surveyors has been requested to provide comment on the future definition of a Competent Person for Mine Surveying.

The Institute believes that future legislation defining a Competent Person in general charge of surveying and mapping at every mine, should call for such person to be registered with the South African Council for Professional and Technical Surveyors, as a Mine Surveyor. This registration category should be regarded as the minimum for appointment as Competent Person. The Institute does not support lesser registration categories for "small mines", as the definition of a small mine remains to be determined.

In support of the proposal, the Institute would like to present the following reasons:

1. The South African for Professional and Technical Surveyors (PLATO) is established under Act 40 of 1984 and is therefore a statutory body, as opposed to a professional association. Registration with PLATO binds members to rules of conduct and protects the public (through enforcement of these rules) against unethical conduct by the registered person.

Registration is regarded as the right to practice in a certain category (Technician, Technical Surveyor, Professional) – it is not a qualification.

The registration process screens individual's qualifications, competence and experience. Furthermore, registration achieves a relative equivalence with peers registered with the Engineering Council of South Africa.

2. Under the South African Qualification Authority (SAQA) the qualification required by a Mine Surveyor may change, e.g. a Mine Surveyor's Certificate of Competency may be discontinued. The Education Advisory Committee (of PLATO), as part of its statutory function, will investigate syllabi, other examinations and qualifications and make recommendations to PLATO Council regarding the acceptance of these.

Registration criteria will be modified accordingly, therefore, in the case of Mine Surveyors, mining regulations will not require amendment, i.e. the registration category will remain the appointment criteria – not the associated qualification.

3. The role and authority of the Department of Mineral and Energy (DME) should not be diminished in any way by this proposal. The DME should continue to audit compliance with regulations, and direct and advise mines on statutory matters.

The registered Mine Surveyor, will continue to be accountable for his actions under mining regulations.

The Institute of Mine Surveyors trusts that this proposal will receive favourable consideration and that, as a consequence, Mine Surveying will grow in standing in the mining industry.

Signed

KP Landman
Past President

SAMREC

SOUTH AFRICAN CODE FOR REPORTING OF MINERAL RESOURCES AND MINERAL RESERVES (THE SAMREC CODE)

PREPARED BY THE SAMREC WORKING GROUP ON THE COMPILATION OF THE MAIN SOUTH AFRICAN CODE WITH ADDITIONS BY THE COAL SUBCOMMITTEE AND THE DIAMOND SUBCOMMITTEE

To Take Effect February 2000
4.3 A 'Competent Person' is a person who is a member of the South African Council for Natural Scientific Professions (SACNASP), or the Engineering Council of South Africa (ECSA), or the South African Council for Professional Land Surveyors and Technical Surveyors (PLATO) or any other statutory South African or international body that is recognised by SAMREC. A Competent Person should have a minimum of five years experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which that person is undertaking. If the Competent Person is estimating, or supervising the estimation of Mineral Resources, the relevant experience must be in the estimation, assessment and evaluation of Mineral Resources. If the Competent Person is estimating, or supervising the

estimation of Mineral Reserves, the relevant experience must be in the estimation, assessment, evaluation and economic extraction of Mineral Reserves.

The key qualifier in the definition of a Competent Person is the word 'relevant'. Determination of what constitutes relevant experience can be difficult and common sense should be exercised. For example, in estimating vein gold mineralisation, experience in a high-nugget, vein-type mineralisation such as tin, uranium etc. will probably be relevant, whereas experience in massive-type deposits may not be. As a second example, a person, to be considered competent in evaluating and reporting on alluvial gold deposits, should have considerable experience in this type of mineralisation, because of the characteristics of gold in alluvial systems, the particle sizing of the host sediment, and the low grades being quantified. Experience with placer deposits containing minerals other than gold may not necessarily provide relevant experience.

The key word 'relevant' also means that it is not always necessary for a person to have five years experience in each and every type of deposit in order to act as a Competent Person if that person has relevant experience in other deposit types. For example, a person with twenty years experience in Mineral Resource estimation in a variety of metalliferous hard-rock deposit types may not require five years specific experience in porphyry copper deposits in order to act as a Competent Person. Relevant experience in the other deposit types would count towards the required experience in relation to porphyry copper deposits.

In addition to experience in the style of mineralisation, a Competent Person reporting Mineral Resources must have sufficient knowledge of sampling and assaying techniques relevant to the deposit under consideration to be aware of problems which could affect the reliability of the data. Some appreciation of extraction and processing techniques applicable to that deposit type would also be important.

As a general guide, persons being called upon to sign as a Competent Person should be clearly satisfied in their own minds that they could face their peers and demonstrate competence in the commodity, type of deposit and situation under consideration.

Estimation of Mineral Resources may be a team effort (for example, involving one person or team collecting the data and another person or team preparing the Mineral Resource estimate). Estimation of Mineral Reserves is commonly a team effort involving a number of technical disciplines. The Competent Person who signs the report is responsible and accountable for the whole of the report under the Code. However, it is recommended that, where there is a clear division of responsibilities within a team, each person must accept responsibility for, his or her particular contribution. For example, one person could accept responsibility for the collection of Resource data, another for the Resource estimation process, another for the mineability study, and the project leader could accept responsibility for the overall report. It is important that the Competent Person accepting overall responsibility for a Mineral Resource or Mineral Reserve report which has been prepared in whole or in part by others is satisfied that the work of the other contributors is acceptable and that the constituent parts of the report have been signed off by such contributors.

The Competent Person undertaking Mineral Resource or Mineral Reserve reporting must accept full responsibility for the report and must not treat the procedure merely as a 'rubber-stamp' exercise. If a complaint is made in respect of the professional work of a Competent Person, the complaint will be dealt with by the SAMREC recognised body with which the Competent Person is registered.