

To: Members of the Bureau of the UNECE Expert Group on Resource Classification

From: David MacDonald and Charlotte Griffiths

<p>Conference Calls with the Bureau of the Expert Group on Resource Classification 9am and 3pm 11 July 2012 FINAL MINUTES</p>
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Present on 9am Call:

1. David MacDonald (Chair)
2. Michael Lynch-Bell (Chairman Ex-officio)
3. Karin Ask
4. Leesa Carson
5. Dan Diluzio *representing* Rawdon Seager
6. Roger Dixon
7. Jim Ross
8. Hari Tulsidas
9. Charlotte Griffiths

Observers on 9am Call:

1. Yanis Miezitis
2. Danny Trotman

Present on 3pm Call:

1. David MacDonald (Chair)
2. David Elliott
3. Larry Meinert
4. Tim Smith
5. Charlotte Griffiths

Observer on 3pm Call:

1. Paul Bankes

Apologies:

1. Fatih Birol
2. Mucella Ersoy
3. HE Qingcheng
4. Kjell Reidar Knudsen
5. Yuri Podturkin
6. Rawdon Seager

1. The conference call was held jointly with the Specifications Task Force Phase 2, but with Bureau members only addressing issues relating exclusively to the Bureau.

Draft Agenda

1. Approval of Draft Agenda
2. Draft Minutes of Bureau call of 16 April 2012 (as circulated 11 June 2012)
3. Bureau and STF Membership Changes
4. Specifications Task Force Phase 2 Status Report
5. Technical Advisory Group Task Force Status Report

6. Application of UNFC to Nuclear Fuel Resources Update
7. Education and Outreach Update
8. EGRC 4th Session, 24-26 April 2013
9. Timing of Next Conference Call/Meeting
10. Any Other Business

Item 1: Adoption of the Agenda

2. The agenda was adopted without amendment.

Item 2: Draft Minutes of Bureau Call of 16 April 2012

3. The Chair noted that the representative of CRIRSCO had approved the draft minutes in writing prior to the call.

4. With regard to paragraph 18 of the draft minutes “*Unanimous support was received for the current Chair remaining on the Bureau in the position of Chairman Ex-officio. It was agreed that it should be standard practice that the outgoing Chair remain on the Bureau, but the period for this was not defined*”, it was agreed that the last sentence of this paragraph should be amended to read: “It was agreed that it should be standard practice that the outgoing Chair remain on the Bureau, **for a period of two years.**”

5. In addition to the change proposed to paragraph 18 previously mentioned, it was noted that the representative of SPE had submitted the following two changes to the draft minutes:

- (i) the addition of a new second sentence to paragraph 8, notably “The non-agreed text is highlighted in red font below.” – this additional new wording was approved by the Bureau.
- (ii) the addition of new text to the end of the first sentence of paragraph 5 (highlighted below in red) “Attention was drawn to the draft text of the caveat included on both documents **as the STF2 has run out of time in attempting to reach a consensus on the linkage text**”. With the exception of the SPE representative, the Bureau agreed that this additional text was not needed and should not be included in the revised minutes.

6. Subject to the agreed amendments, the draft minutes as circulated on 11 June 2012 were approved and will be posted to the UNECE website.

7. Bureau members were reminded that approval of Bureau minutes also means approval that they be posted to the UNECE website.

Item 3: Bureau and STF Membership Changes

8. The Chair provided an update on recent changes to the membership of the Bureau and the Specifications Task Force Phase Two:

- (i) Michael Lynch-Bell, Chair Ex-officio, retired from Ernst & Young effective end-June 2012 and has been retained by E&Y as a consultant for a few days a month;
- (ii) David Elliott retired from the Alberta Securities Commission (ASC) effective cob 29 June 2012. Mr. Elliott will remain on the Bureau whilst ASC works to identify a replacement. Once this happens, Mr. Elliott noted his willingness to remain on the Bureau in an independent capacity;

- (iii) Effective 19 June 2012, Ferdi Camisani resigned as the CRIRSCO representative on the Bureau and the STF-2. Mr. Camisani has been replaced on the Bureau by Roger Dixon, with Paul Bankes as alternate. Mr. Dixon will be supported by Mr. Bankes on STF-2.
- (iv) Ian Lambert resigned from the STF-2 and has been replaced by Leesa Carson, who is supported by Yanis Miezitis.

9. Ferdi Camisani was noted to be a long-standing member of both the Bureau and the STF-2 and was thanked for his support, commitment and expert contribution.

Item 4: Specifications Task Force Status Report

10. An update was provided by the Chair of the Specifications Task Force Phase 2 (STF-2) on the status of the work of STF-2. The specifications document had been revised to reflect comments provided at and following the EGRC third session and feedback had been received from the STF-2 on this latest draft. Due to other commitments, the STF-2 Chair anticipated that little progress would be made on the document prior to August. He noted that the EGRC Chair had circulated a first draft of the PRMS bridging document at the end of June and encouraged all STF-2 and Bureau members to provide feedback. In particular, the SPE representative was requested to review the document to ensure that it is factually correct vis-à-vis PRMS and also how, for example, fuel gas is dealt with in PRMS. The CRIRSCO representative agreed to review the draft CRIRSCO Template bridging document and amend it to follow the same format as the PRMS bridging document. It was noted that any similar documents prepared for uranium, injection projects and/or renewables would also need to follow a similar format to ensure that all documentation is aligned, however it was emphasized that the priority remains finalization of the oil and gas and minerals specifications. It is hoped that consensus will be achieved on the specifications documents in August so as to allow a public comment period in September-October.

11. The STF-2 and, in particular, the Chair, were thanked for their ongoing efforts.

Item 5: Technical Advisory Group Task Force Status Report

12. The representative of Geoscience Australia provided an update on the work of the Task Force on the UNFC-2009 Technical Advisory Group (TAG) to date noting that the Task Force held its first conference call on 27 June 2012. The membership of the Task Force is John Ritter (Chair), Leesa Carson (Geoscience Australia), Carolina Coll (BG), Mucella Ersoy (Turkish Coal Enterprises), with the EGRC Chair and the representative of the UNECE Secretariat as observers. The Task Force members have been selected to ensure representation from the minerals, petroleum and uranium sectors. The Task Force reviewed all the discussions of the EGRC on the development of a TAG dating back to 2009 and is currently working on a draft Terms of Reference, the first draft version of which is hoped to be completed by end-July.

13. It was agreed that the final minutes of all meetings/conference calls of the Task Force should be circulated to the Bureau for information.

Item 6: Application of UNFC to Nuclear Fuel Resources Update

14. The representative of the International Atomic Energy Agency provided an update on the status of the work to test and map UNFC-2009 to uranium and thorium. He advised that pilot study testing is taking place in Australia, Brazil, India and Peru, from which any issues

or differences in applying the UNFC to uranium and thorium were expected to emerge. Based on these pilots a bridging document for uranium and thorium is now being prepared.

15. A discussion took place on how to classify thorium that has been extracted along with other commercially saleable commodities, but where there is no current market for the thorium. The lack of an established large scale commercial demand and price structure makes it impossible to determine thorium's economic parameters. One view is that provided the thorium is stored in a manner in which it remains available for future commercial sale it can be assigned to E3.3. On the other hand, the view of the representative of Geoscience Australia is that the economic extraction of thorium cannot yet be determined due to insufficient commercial information rather than insufficient exploration information and hence should be assigned to E3.2. In the case of India which is subsidising the production of thorium, any thorium produced and stored for future use should be assigned E1.2 i.e. production is supported by the Government.

16. It was noted that the following two events had been held:

- IAEA Regional workshop on uranium resources assessment and recovery from phosphate and rare earth element ores, Nuclear Materials Authority, Cairo, 17-21 June 2012
- IAEA Technical Co-operation Planning and Co-ordination meeting with focus on "Uranium exploration and production priorities outlook", Geological Survey of Finland, Helsinki, 26-29 June 2012.

17. An Interregional IAEA-CYTED¹-UNECE Workshop on Recent Developments in Evaluation of Uranium and Thorium Resources will be held in Lisbon, Portugal, 15-18 October 2012. The EGRC and STF-2 Chairs and UNECE Secretariat will participate.

Item 7: Education and Outreach Update

18. A videoconference of the Communications Sub-Committee (CSC) took place on 9 July 2012. The CSC is continuing its work to implement the EGRC's communication and education strategy. As a priority, a short promotional leaflet will be prepared to convey the achievements related to the EGRC's work on promotion and further development of UNFC-2009, as well as future activities. This is in response to the comments and request of the representative of the EU-27 plus eight aligned countries for additional information relating to the activities of the EGRC and progress on development of the UNFC. The EGRC Chair advised that he would seek to facilitate letters from industry conveying support for the UNFC.

19. A brief overview of upcoming events at which a presentation on or reference to the UNFC will be made was provided:

- (a) 34th International Geological Congress, Brisbane, Australia, 6-10 August
- (b) Reserve Estimation for Unconventional Resources, Houston, 20-21 August
- (c) SPE Hydrocarbon Economics and Evaluation Symposium, Calgary, Canada, 25-25 September – in view that an abstract on the UNFC was not submitted, the SPE representative on the symposium's Organizing Committee was asked to mention the UNFC during the event if at all possible.

¹ CYTED: Ibero-American Science and Technology for Development Programme, Spain

- (d) SPE Course “Managing Your Business using PRMS”, Mexico City, 24 September
- (e) SPE Applied Technology Workshop "Petroleum Resources Management System (PRMS) Application Guidelines Document", Mexico City, 25-26 September
- (f) UNFC Workshop, Mexico City, 27-28 September – the CRIRSCO representative advised that a representative from CRIRSCO would attend and present on the CRIRSCO Template and its relationship to the UNFC.
- (g) Interregional IAEA-CYTED-UNECE Workshop on Recent Developments in Evaluation of Uranium and Thorium Resources, Lisbon, Portugal, 15-18 October
- (h) 10th Annual Global Reserves Summit, London, 29-31 October
- (i) UNFC Workshop, New Delhi, India, 5-6 December (dates to be confirmed)

Item 8: EGRC 4th Session, 24-26 April 2013

20. The Chair advised that the fourth session of the EGRC will now be held in Geneva, 24-26 April 2013, with a one day UNFC training workshop scheduled for 23 April. The submission deadlines for official documentation for the meeting are 18 January 2013 for the agenda and 11 February 2013 for all other documents.

21. A representative of the financial sector advised that the meeting dates fall in the midst of first quarter reporting so he might have difficulties attending.

Item 9: Timing of Next Conference Call/Meeting

22. It was agreed that the next Bureau call would be held during the week of 27 August subject to availability of members. Dependent on progress on the PRMS bridging document, the Specifications Task Force Phase Two would look to hold a conference call during the week of 13 or 20 August.

Item 10: Any Other Business

23. No issues were raised.
