

BREAKOUT GROUP DISCUSSIONS ON APPLICATION OF
UNFC-2009 FOR REPORTING U AND CONDUCTING
CASE STUDIES ON POTENTIALLY COMMERCIAL / NON
COMMERCIAL PROJECTS.

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APPLICATION OF UNFC-2009 FOR REPORTING U ON POTENTIALLY COMMERCIAL / NON COMMERCIAL PROJECTS.

UNFC CLASS	UNFC SUB-CLASS	CATEGORIES		
		E	F	G
Potentially Commercial Projects	Development Pending	2	2.1	1,2,3
	Development On Hold	2	2.2	1,2, 3
Non-Commercial Projects	Development Unclarified	3.2	2.2	1,2,3
	Development Not Viable	3.3	2.3	1,2, 3

DEFINITION OF UNFC CLASSES

- **POTENTIAL COMMERCIAL PROJECTS:**

They are projects expected to be developed in the foreseeable future, in that the quantities are assessed to have reasonable prospects for eventual economic extraction, but technical and/or commercial feasibility has not yet been confirmed. Consequently, not all potentially commercial projects may be developed.

- **NON COMMERCIAL PROJECTS:**

They include projects that are at an early stage of evaluation in addition to those that are considered unlikely to become commercially feasible developments within the foreseeable future.

DEFINITION OF SUB-UNFC CLASSES

Potentially Commercial:

- **Development Pending:** Limited to those projects that are actively subject to project-specific technical activities, such as acquisition of additional technical data or the completion of project feasibility studies and associated economic analyses designed to confirm project commerciality and to determine the optimum developments scenario or mine plan.
- **Development On Hold:** Here a project is considered to have at least a reasonable chance of achieving commercially but there are current major non-technical contingencies that needs to be resolved before the project can move towards development. (e.g social and environmental issues).

DEFINITION OF SUB-UNFC CLASSES

Non-Commercial:

- **Development Unclassified:** Here, projects are still in the early stage of technical and commercial evaluation (recent new recovery), and/or where significant further data acquisition will be required in order to make a meaningful assessment of the potential for a commercial development.
- **Development not Viable:** Here, a technically feasible project can be identified but it has been assessed as being of insufficient potential, to warrant any further data acquisition activities or any direct efforts to remove commercial contingencies. It is therefore helpful to identify and record the quantities so that the potential for a commercial development opportunity will be recognised in the event of a major change in technology or commercial conditions.

DEFINITION OF CATEGORIES AND SUB-CATEGORIES CONCERNED

The E axis:

- **E2:** Extraction and sale is expected to become economically viable in the foreseeable future.
- **E3.2:** Economic viability of extraction cannot yet be determined due to insufficient information (e.g During exploration phase)
- **E3.3:** On the Basis of realistic assumptions of future market conditions, there are not reasonable prospects for economic extraction.

DEFINITION OF CATEGORIES AND SUB-CATEGORIES CONCERNED

The F axis:

- **F2.1:** Project activities are on going to justify development in the foreseeable future.
- **F2.2:** Project activities are on hold and/or where justification as a commercial development may be subject to significant delay. (e.g, social and environmental issues)
- **F2.3:** There are no current plans to develop or to acquire additional data at the time due to limited potential.

DEFINITION OF CATEGORIES AND SUB-CATEGORIES CONCERNED

The G axis: (Has got no sub-category)

- **G1:** Quantities associated with a known deposit that can be estimated with a high level of confidence.
- **G2:** Quantities associated with a known deposit that can be estimated with a moderate level of confidence.
- **G3:** Quantities associated with a known deposit that can be estimated with a low level of confidence.
- **G4:** Quantities associated with a potential deposit based primarily on indirect evidence.

CHALLENGES FACED BY POTENTIALLY COMMERCIAL PROJECTS FROM BECOMING COMMERCIAL PROJECTS ON THE UNFC-2009 CLASSIFICATION.

Development of Potential Commercial Projects are pending or on hold because of the following factors:

- Lack of adequate capacity building to accurately evaluate mineral resources leading to a handicap in project feasibility studies and associated economic analysis designed to confirm project commerciality.
- Lack of timely and accurate data on mineral resources from mining companies, creating an inefficiency for resource classification .
- Governments, neglecting or not having a unique classification system or an organisation specialised in the evaluation and classification of mineral resources, strains the acquisition of technical data. UNFC-2009 not yet officially adopted.
- Environmental and social issues pending resolution, where the developers have little or no direct influence.

PROPOSED RECOMENDATIONS TO GOVERNMENTS/ COUNTRIES

- Creation and/or strict follow up of a unique body in charge of the evaluation of mineral resources, which in turns, works closely with mining companies and Government, to ensure acuracy in reporting.
- Flexibility on the revision of the legislations Governing the mining sector, to facilitate adherences to recent developments and new international standards.
- Carry out an acurate assessment of environmental and social factors before giving out exploration licenses.
- Adoption and application of a unique and standard mineral resource classification system. UNFC-2009 recommended.
- Experts should create a team spirit to facilitate the adoption and implimentation of UNFC-2009 in countries.

PROPOSED RECOMENDATIONS TO IAEA

- Contact or update organisations locally concerned with evaluating and classificating mineral resources in countries, as a strategy to sensitize and propose UNFC-2009 to Governments.
- Address correspondences to Governments (Policy Makers) and other authorities proposing UNFC-2009 as a recent development made easy, for classification of mineral reserves and resources.
- Organise more training programs on the evaluation and classification of mineral resources to ensure a proper follow up on the sensitization, adoption and application of UNFC-2009 in countries.

CONCLUSION

- There is the need for Experts to master the specifications for application and the advantages of UNFC-2009.
- There is the need for more work to be done on the sensitization of Government authorities and the authorities of other organisations concerned.
- There is the need for a local, national and international team spirit.

FOR TWO HANDS ARE BETTER THAN ONE.

THANKS!