



SUSTAINABILITY
FUTURE GROWTH

**INTERNATIONAL CYANIDE MANAGEMENT CODE
GOLD MINING OPERATIONS**

**AKARA RESOURCES PLC
Chatree Gold Mine Recertification Audit
Summary Audit Report**

June 2014



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SUMMARY AUDIT REPORT

Name of Mine

Chatree Gold Mine

Name of Mine Owner

Kingsgate Consolidated Limited

Name of Mine Operator

Akara Resources PLC

Name of Responsible Manager

Warong Saranrittichai, Process Manager

Address

No.99 Moo 9,
Tambon Khao Chet Luk
Amphoe Thap Khlo
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Thailand

Contact


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LOCATION DETAIL AND DESCRIPTION OF OPERATION

The Chatree Gold Mine (CGM) is situated approximately 280 kilometres north of Bangkok and is the first commercial gold mine in modern times in Thailand. The mine is operated by Akara Resources Public Company Limited which is a wholly owned subsidiary of Kingsgate Consolidated Limited. The majority of the workforce is drawn from the local area, with some technical people relocating from Bangkok. The mine is serviced by bitumen road and is connected to mains power. The mine site occupies an area of 13,762 hectares.

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Signature of Lead Auditor

12 June 2014
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The regional area surrounding the mine is agricultural, with rice and corn being the major crops. The land is generally flat and low-lying. The average annual rainfall for the site is 1,100 mm per year. Flooding, earthquake, volcanoes and the like are not a known threat to the mine site. The nearest river, the Nan River, is 40km distant. The site drainage is collected so that all surface flows from the mining and processing areas are stored for re-use in the plant.

CGM is a conventional open-pit mining and Carbon-in-Leach (CIL) gold processing operation, mining and processing approximately 6.2 million tonnes (t) per annum (tpa) of ore. The processing plant consists of a parallel circuit of a single stage crusher followed by a two stage grinding circuit, the leaching circuit and the AARL spilt elution circuits which the gold and silver are extracted from the carbon. Gold is also recovered by gravity using a centrifugal concentrator followed by an intensive leach reactor.

Prior to discharge to the Tailings Storage Facility (TSF) the tailings slurry is treated in cyanide reduction tanks to produce a discharge which is less than 20 ppm total cyanide. The TSF incorporates a compacted clay lining as per international standards, central decant, under-drainage and seepage collection which returns recycle water to the process plant.

AUDITOR'S FINDING

This operation is:

- in full compliance
- in substantial compliance
- not in compliance

with the International Cyanide Management Code.

This operation has maintained full compliance with the International Cyanide Management Code throughout the previous three-year audit cycle.

Audit Company


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Chatree Gold Mine
Name of Mine


Signature of Lead Auditor

12 June 2014
Date

Audit Team Leader

Susan Giles (susan.giles@sustainability.net.au)

Names and Signatures of Other Auditors



Peter Willcocks
21 January 2014

Date(s) of Audit

Inclusive of the period from 21 to 24 October 2013.

I attest that I meet the criteria for knowledge, experience and conflict of interest for Code Verification Audit Team Leader, established by the International Cyanide Management Institute and that all members of the audit team meet the applicable criteria established by the International Cyanide Management Institute for Code Verification Auditors.

I attest that this Summary Audit Report accurately describes the findings of the verification audit. I further attest that the verification audit was conducted in a professional manner in accordance with the International Cyanide Management Code Verification Protocol for Gold Mine Operations and using standard and accepted practices for health, safety and environmental audits.

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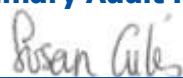


Susan Giles
Signature of Lead Auditor

21 January 2014
Date

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Chatree Gold Mine
Name of Mine



Susan Giles
Signature of Lead Auditor

12 June 2014
Date

PRINCIPLE 1 – PRODUCTION

Encourage responsible cyanide manufacturing by purchasing from manufacturers who operate in a safe and environmentally protective manner.

Standard of Practice 1.1

Purchase cyanide from manufacturers employing appropriate practices and procedures to limit exposure of their workforce to cyanide, and to prevent releases of cyanide to the environment.

in full compliance with

The operation is in substantial compliance with Standard of Practice 1.1

not in compliance with


Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with standard of Practice 1.1, requiring the operation purchase cyanide from manufacturers employing appropriate practices and procedures to limit exposure of their workforce to cyanide and to prevent releases of cyanide to the environment.

CGM continues to source its cyanide exclusively from Orica Australia Pty Ltd's Yarwun facility in Queensland, Australia. The contract requires that Orica comply with the provisions of the Code. The Orica Production facility at Yarwun was recertified by the ICMI on 29 October 2013.

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PRINCIPLE 2 – TRANSPORTATION

Protect communities and the environment during cyanide transport.

Standard of Practice 2.1

Establish clear lines of responsibility for safety, security, release prevention, training and emergency response in written agreements with producers, distributors and transporters.

in full compliance with

The operation is in substantial compliance with Standard of Practice 2.1

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with the Standard of Practice 2.1 requiring that the operation establishes clear lines of responsibility for safety, security, release prevention, training and emergency response in written agreements with producers, distributors and transporters.

The Asia Supply Chain of Orica Australia Pty Ltd was recertified under the Cyanide Transporters Code on 28 February 2011. Pioneer Ocean Freight Co. Ltd, Thailand was Certified under the Cyanide Transporters Code on 9 February 2011.

Since the initial Certification Audit CGM has maintained its sodium cyanide supply agreement with Orica. An amendment to the supply agreement establishes the clear lines of responsibility with respect to compliance with Section 2.1 of the ICMI Code.

Standard of Practice 2.2

Require that cyanide transporters implement appropriate emergency response plans and capabilities and employ adequate measures for cyanide management.

in full compliance with

The operation is in substantial compliance with Standard of Practice 2.2


not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 2.2 requiring that cyanide transporters implement appropriate emergency response plans and capabilities and employ adequate measures for cyanide management.

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Both Orica and Pioneer Ocean Freight Co Limited are certified under the Transport Code of the ICMC. The Asia Supply Chain of Orica Australia Pty Ltd, Australia, was recertified under the Cyanide Transporters Code on 28 February 2011. Pioneer Ocean Freight Co. Ltd, Thailand was certified under the Cyanide Transporters Code on 9 February 2011.

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Roslan Alik
Signature of Lead Auditor

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PRINCIPLE 3 – HANDLING AND STORAGE

Protect workers and the environment during cyanide handling and storage.

Standard of Practice 3.1

Design and construct unloading, storage and mixing facilities consistent with sound, accepted engineering practices, quality control/quality assurance procedures, spill prevention and spill containment measures.

in full compliance with

The operation is in substantial compliance with Standard of Practice 3.1

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 3.1 requiring that unloading, storage and mixing facilities are designed and constructed with sound, accepted engineering practices, quality control/quality assurance procedures, spill prevention and spill containment measures.


The design and construction of the CGM cyanide unloading, storage and mixing facilities were completed as per final design and construction drawings and licensed for operation by the Thai Department of Mines. There have been no changes to these facilities since the 2011 audit and the site and the QA/QC documentation is retained onsite (in both hard and softcopy formats).

The Plant 2 expansion includes a sparge-type unloading system which has been designed according to Orica requirements and in compliance with the Cyanide Code. However, this unloading system is not currently operational.

Unloading of solid cyanide from delivered containers is undertaken by the transporter on a dedicated hardstand area immediately outside of the cyanide storage shed. The shed is a roofed building with open walls to provide good ventilation and prevent hydrogen cyanide gas build-up, locked once the unloading operation is completed and located away from surface waters, areas where people congregate and isolated from incompatible materials and chemicals.

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Cyanide mixing and storage tanks are located on concrete that can prevent seepage to the subsurface and the secondary containments have been constructed of materials that provide a competent barrier to leakage. The mixing stages are equipped with a high and high-high alarm system.

Standard of Practice 3.2

Operate unloading, storage and mixing facilities using inspections, preventive maintenance and contingency plans to prevent or contain releases and control and respond to worker exposures.

in full compliance with

The operation is in substantial compliance with Standard of Practice 3.2

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 3.2 requiring that unloading, storage and mixing facilities are operated using inspections, preventive maintenance and contingency plans to prevent or contain releases and control and respond to worker exposures.

CGM has maintained Standard Operating Procedures (SOPs) to prevent exposure and releases during cyanide unloading, transportation to the storage shed and mixing of the cyanide. SOPs are also in place to manage the disposal of the boxes and plastic bags.

CGM ensures that sufficient personnel are present during unloading and mixing process to observe activities and raise the alarm should an accident occur.

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Roslan Gibe
Signature of Lead Auditor

12 June 2014
Date

PRINCIPLE 4 – OPERATIONS

Manage cyanide process solutions and waste streams to protect human health and the environment.

Standard of Practice 4.1

Implement management and operating systems designed to protect human health and the environment utilizing contingency planning and inspection and preventive maintenance procedures.

in full compliance with

The operation is in substantial compliance with Standard of Practice 4.1

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 4.1 requiring management and operating systems designed to protect human health and the environment are implemented and include contingency planning and inspection and preventive maintenance procedures.

Standard Operating Procedures (SOPs) continue to be implemented and reviewed for the operation including: cyanide mixing; cyanide unloading; operation of the cyanide reduction system; cyanide handling; cyanide addition; cyanide destruction; tailings management and water management. The SOPs are maintained within the CGM Document Management System which are third party certified to ISO9001:2000, ISO14001:2004 and OHSAS18001.

Plant 2 has been fully commissioned since the 2011 recertification audit and procedures (in both Thai and English) have been modified where necessary to reflect the change.

The tailings storage facility (TSF) operation continues to be managed in accordance with the TSF Operations Manual. TSF inspections are conducted three times during day shift and once per shift for afternoon and night shifts.

Licence conditions require that tailing discharge from the plant does not exceed 20ppm total cyanide. The INCO Cyanide Destruction Process is used to destroy the cyanide and maintain compliance with this limit.

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Roslan Aida
Signature of Lead Auditor

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CGM use a programmed maintenance system to manage inspections of cyanide mixing and storage tanks, all process tanks, pumps, pipelines, valves and secondary containment. These inspections are in accordance with operational experience, design and jurisdictional requirements and, based on the auditors' judgement, the frequency of the inspections are considered sufficient to minimize the risk of worker exposure and environmental harm.

Standard of Practice 4.2

Introduce management and operating systems to minimize cyanide use, thereby limiting concentrations of cyanide in mill tailings.

in full compliance with

The operation is in substantial compliance with Standard of Practice 4.2

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 4.2 requiring management and operating systems be introduced to minimise cyanide use, thereby limiting concentrations of cyanide in mill tailings.

CGM continues to maintain control strategies (automatic cyanide dosing and analysis equipment, hourly titrations and daily bottle roll test) to determine the optimal cyanide addition rates in the mill and evaluates and adjusts addition rates as necessary when ore types or processing practices change cyanide requirements. These control strategies ensure the effective operation of the INCO cyanide destruction system to meet the statutory total cyanide concentration of <20ppm in the tailing.

In addition, extensive diagnostic testwork was conducted on a series of ore samples in 2012.

Standard of Practice 4.3

Implement a comprehensive water management program to protect against unintentional releases.

in full compliance with

The operation is in substantial compliance with Standard of Practice 4.3

not in compliance with

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Chatree Gold Mine
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Roslan Gibe
Signature of Lead Auditor

12 June 2014
Date

Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 4.3 requiring a comprehensive water management program be implemented to protect against unintentional releases.

CGM continues to maintain and revise its operational probabilistic water balance specific to the management of the TSF through compliance with the TSF Operation SOP, Manual and design documents. The TSF water management model, maintained by the Process Manager, incorporates daily measurement of tailings levels, weather station data submitted daily by the Environment Department, periodic surveys and annual TSF audits.

The operational water balance reflects monthly variations in rainfall and changes to plant water demand over time.

The primary objective of the CGM is to maintain water supply for the plant whilst also ensuring compliance with the regulatory required zero surface water discharge requirement.

The site has no direct discharge of stormwater or process wastes to the environment and all collected water is returned to the plant or used for dust suppression either directly or through open pits or stormwater collection ponds.

There has been no substantial equipment failure or power outage over the certification period to assess the adequacy of contingencies. Nor has the contingency overflows and secondary collection designed for floods that exceed design storage criteria been required to be used since operation commenced at CGM.

Standard of Practice 4.4

Implement measures to protect birds, other wildlife and livestock from adverse effects of cyanide process solutions.

in full compliance with

The operation is in substantial compliance with Standard of Practice 4.4

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 4.4 requiring measures be implemented to protect birds, other wildlife and livestock from adverse effects of cyanide process solutions.

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Roslan Aida
Signature of Lead Auditor

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Date

There are no open water bodies at CGM with WAD cyanide levels in excess of 50 mg/L. As such there is no requirement under the Code to restrict wildlife access to the TSF.

CGM monitor cyanide concentrations in the TSF and other mine surface water storage facilities and have demonstrated these are maintained to less than 50 mg/L.

Standard of Practice 4.5

Implement measures to protect fish and wildlife from direct and indirect discharges of cyanide process solutions to surface water.

in full compliance with

The operation is in substantial compliance with Standard of Practice 4.5

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 4.5 requiring measures be implemented to protect fish and wildlife from direct and indirect discharges of cyanide process solutions to surface water.

The operation has no direct or indirect discharges to surface water. All stormwater collected on the mine site and process areas are directed for storage and use as process water. Surrounding groundwater and surface waters are regulatory monitored for cyanide and reported and total cyanide concentrations have not exceeded the regulatory required limit of 0.005 mg/L.

Standard of Practice 4.6

Implement measures designed to manage seepage from cyanide facilities to protect the beneficial uses of ground water.

in full compliance with

The operation is in substantial compliance with Standard of Practice 4.6

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 4.6 requiring measures be implemented to manage seepage from cyanide facilities to protect the beneficial uses of ground water.

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Roslan Aib
Signature of Lead Auditor

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A comprehensive network of groundwater monitoring bores exists surrounding the tailings storage facilities and the process plant area and are monitored in accordance with the Environmental Monitoring Manual.

The monitoring data demonstrates that water quality is within the 0.1 mg/L total cyanide statutory limit applied to the operation.

Standard of Practice 4.7

Provide spill prevention or containment measures for process tanks and pipelines.

in full compliance with

The operation is in substantial compliance with Standard of Practice 4.7

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 4.7 requiring spill prevention or containment measures be provided for process tanks and pipelines.

The concrete bunds for the CIL and Reduction Area, Cyanide Mixing and Storage Area and the Desorption Area, all exceed 110% of the volume of the largest vessel and comply with the ICMI requirements. The CIL and cyanide destruction tanks sit on ring beams that include leak detection pipes inserted through the ring beams and designed to provide visual leak detection.

CGM maintains procedures for recovery of collected process material in excess of 5 ppm free cyanide in the plant from secondary containment and tertiary overflow contingency drains.

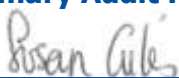
All installed cyanide process solution pipelines within the process plant area are above ground and have been designed with appropriate spill prevention measures which prevent uncontrolled releases to the environment. The spill prevention measures include concrete bunding, pressure and flow monitoring and a scheduled preventive maintenance program.

All tanks and pipelines containing cyanide are constructed of materials compatible with cyanide and high pH conditions.

The tailings and decant water return lines sit within a HDPE lined, banded trench. The lines are on top of the ground and are only buried for lengths of less than five metres, where they encounter designated roads. In these instances the pipelines are either encased in open-ended steel sleeves, or are buried sufficiently shallow enough to allow visual detection should a leak occur.

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Standard of Practice 4.8

Implement quality control/quality assurance procedures to confirm that cyanide facilities are constructed according to accepted engineering standards and specifications.

in full compliance with

The operation is in substantial compliance with Standard of Practice 4.8

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 4.8 requiring quality control/quality assurance procedures be implemented to confirm that cyanide facilities are constructed according to accepted engineering standards and specifications.

The project design and construction documents provide information regarding the QA/QC planned and implemented during the construction of all cyanide facilities and these records have been retained on site in either (or both) electronic or hard copy format.

The QA/QC programs addressed the suitability of materials and adequacy of soil compaction for earthworks for the construction of all cyanide facilities.

Standard of Practice 4.9

Implement monitoring programs to evaluate the effects of cyanide use on wildlife, surface and ground water quality.

in full compliance with

The operation is in substantial compliance with Standard of Practice 4.9

not in compliance with

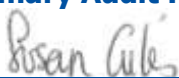
Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 4.9 requiring monitoring programs be implemented to evaluate the effects of cyanide use on wildlife and surface and ground water quality.

The CGM Environmental Monitoring Manual specifies a range of monitoring procedures in relation to the sampling, handling and chain of custody for tailings slurry, groundwater and surface water for both operational control and environmental compliance purposes. The manual was developed by external consultants.

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CGM contract external consultant to undertaken an annual environmental audit which includes recommendations for changes to monitoring programmes and procedures where improvements are identified.

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Roslan Aib
Signature of Lead Auditor

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Date

PRINCIPLE 5 – DECOMMISSIONING

Protect communities and the environment from cyanide through development and implementation of decommissioning plans for cyanide facilities.

Standard of Practice 5.1

Plan and implement procedures for effective decommissioning of the cyanide facilities to protect human health, wildlife and livestock.

in full compliance with

The operation is in substantial compliance with Standard of Practice 5.1

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 5.1 requiring procedures for effective decommissioning of the cyanide facilities be implemented to protect human health, wildlife and livestock.

The CGM Mine Closure Plan includes written procedures and plans for decommissioning of cyanide facilities and was developed by external consultants.

The Mine Closure Plan includes an indicative schedule and costs for closure based on current ore reserves and the mine plan, progressive rehabilitation and the period required for decommissioning and monitoring. The Closure Plan includes consideration of change to plans in response to changes to mine plans, process facilities and the ongoing raising of the TSF.

In addition, CGM have developed a Conceptual Closure Plan for TSF1 which was placed on care and maintenance in October 2012.

Standard of Practice 5.2

Establish an assurance mechanism capable of fully funding cyanide related decommissioning activities.


in full compliance with

The operation is in substantial compliance with Standard of Practice 5.2

not in compliance with

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Signature of Lead Auditor

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Date

Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 5.2 requiring an assurance mechanism be established capable of fully funding cyanide related decommissioning activities.

Financial provisions for closure and rehabilitation at CGM are included in an Environmental Fund that CGM contributes to as a percentage of gold produced from the mine. The management and establishment of the fund is a statutory obligation which originates from the approval commitments. Annual financial statements include provisions for an update of the closure and rehabilitation cost estimates.

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Chatree Gold Mine
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Rosana Ciliberto
Signature of Lead Auditor

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Date

PRINCIPLE 6 – WORKER SAFETY

Protect workers' health and safety from exposure to cyanide.

Standard of Practice 6.1

Identify potential cyanide exposure scenarios and take measures as necessary to eliminate, reduce and control them.

in full compliance with

The operation is in substantial compliance with Standard of Practice 6.1

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 6.1 requiring potential cyanide exposure scenarios be identified and measures taken as necessary to eliminate, reduce and control them.

Standard Operating Procedures (SOPs) continue to be implemented and reviewed for the operation describing how cyanide-related tasks are to be conducted to ensure safe operation and maintenance of cyanide equipment including personal protective equipment requirements and inspection requirements.

In situations where no SOPs are available for unplanned cyanide exposure scenarios the Safety Management System requires Job Safety Analyses or Hazard & Risk Assessments to be completed prior to the commencement of work.

Process changes are discussed at shift changeover meetings and in Monthly Toolbox meetings wherein worker input is actively considered. The SOP Process Modification Procedure includes the need to evaluate changes that may affect worker safety.

Standard of Practice 6.2

Operate and monitor cyanide facilities to protect worker health and safety and periodically evaluate the effectiveness of health and safety measures.


in full compliance with

The operation is in substantial compliance with Standard of Practice 6.2

not in compliance with

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Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 6.2 requiring cyanide facilities are operated and monitored to protect worker health and safety and the effectiveness of the health and safety measures are periodically evaluated.

Test work conducted at CGM has determined the pH that should be maintained in cyanide slurries and solutions to limit the evolution of hydrogen cyanide gas.

Ambient HCN monitors are strategically positioned in the plant and personal monitors are available and required to be worn by workers who either operate or conduct maintenance in nominated areas. The HCN monitoring equipment is maintained, tested and calibrated in accordance with manufacturer requirements.

Safety shower and eyewash stations are combined as a single unit and are located around the plants. Fire extinguishers are located at strategic locations and are checked every three months and fire hose reels are inspected monthly.

All unloading, storage, mixing and process tanks containing cyanide are identified with adequate signage.

Warning signs are suitably placed around both Plants where cyanide is used. The signs advise workers that cyanide is present, that smoking, open flames and eating and drinking are not allowed, and that, if necessary, suitable protective equipment must be worn.

Monthly toolbox meetings are undertaken to ensure that programs and procedures to protect worker health and safety are up to date and appropriate.

Standard of Practice 6.3

Develop and implement emergency response plans and procedures to respond to worker exposure to cyanide.

in full compliance with

The operation is in substantial compliance with Standard of Practice 6.3

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 6.3 requiring emergency response plans and procedures be developed and implemented to respond to worker exposure to cyanide.

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Roslan Aib
Signature of Lead Auditor

12 June 2014
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CGM has an Emergency Response Manual which was last updated in 2013.

CGM has made a formal agreement with Wangpong hospital, a local facility, regarding the need to treat patients in the event of a cyanide incident. The agreement includes provision of suitable equipment and personnel. In addition, the operation maintains an onsite first aid station which is staffed by off duty nurses from the local hospital. The first room has an oxyviva unit which is checked weekly as well as antidote kits.

Mock emergency response exercises are conducted regularly with the involvement of external emergency responders.

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Rosana Aik
Signature of Lead Auditor

12 June 2014
Date

PRINCIPLE 7 – EMERGENCY RESPONSE

Protect communities and the environment through the development of emergency response strategies and capabilities.

Standard of Practice 7.1

Prepare detailed emergency response plans for potential cyanide releases.

in full compliance with

The operation is in substantial compliance with Standard of Practice 7.1

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 7.1 requiring detailed emergency response plans are prepared for potential cyanide releases.

CGM has an Emergency Response Management Manual which was last updated in 2013 and the Emergency Response SOP which details the control, coordination and response to address potential accidental releases of cyanide. In addition, the site retains copies of the cyanide emergency response plans for both Orica and Pioneer Transport.

Specific Emergency Responses Procedures developed for the tailings storage facility are still current and are included in the Tailings Storage Facility Operation Manual.

Standard of Practice 7.2

Involve site personnel and stakeholders in the planning process.

in full compliance with

The operation is in substantial compliance with Standard of Practice 7.2

not in compliance with


Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 7.2 requiring the involvement of site personnel and stakeholders in the planning process.

CGM personnel are involved in the emergency planning process including participation in the annual mock drill exercises. CGM continues to involve the local hospitals, fire department and police in emergency response exercises and documents these events.

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Prior to the mock drill the ERT convene a meeting with appropriate workers and all stakeholders (including outside medical facilities and emergency responders) to discuss the mock drill topic, details and objectives. At the completion of the drill, a debrief is held with the stakeholders to discuss exercise efficiency, obstacles and improvements to be made,

The outcomes of the emergency response exercises as well as the debrief, are communicated with local stakeholders. This information contributes to the planning of the next emergency response exercise as well as any amendments required to site documentation, including the Emergency Response Management Manual.

The occupational health employees at CGM are also employed at the local hospital and emergency response planning is integrated with this facility.

CGM continues to notify potentially affected communities of the risks associated with cyanide use on the site through community meetings and monthly newsletters.

Standard of Practice 7.3

Designate appropriate personnel and commit necessary equipment and resources for emergency response.

in full compliance with

The operation is in substantial compliance with Standard of Practice 7.3

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 7.3 requiring appropriate personnel are designated and the necessary equipment and resources are committed for emergency response.

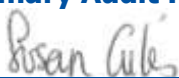
The operations Emergency Response Management Manual describes and identifies the roles, responsibilities and call out procedures for CGM emergency response team members and outside responders.

Weekly training is held for all Emergency Response team members. There is a rotation of topics for the training, eg fire hydrant testing, first aid, cyanide, rescue equipment, etc.

Mock emergency response exercises are conducted regularly with the involvement of external emergency responders, ie the local hospitals, fire department and police in emergency response exercises. The last mock drill was conducted on 21 June 2013 and external emergency responders participated.

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Standard of Practice 7.4

Develop procedures for internal and external emergency notification and reporting.

in full compliance with

The operation is in substantial compliance with Standard of Practice 7.4

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 7.4 requiring procedures are developed for internal and external emergency notification and reporting.

The operations Emergency Response Management Manual describes and identifies the roles, responsibilities and call out procedures for CGM emergency response team members and outside responders. In addition, the Crisis Management Manual provides further details of communication with potentially affected communities during emergency cyanide events.

Standard of Practice 7.5

Incorporate into response plans and remediation measures monitoring elements that account for the additional hazards of using cyanide treatment chemicals.

in full compliance with

The operation is in substantial compliance with Standard of Practice 7.5

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:


CGM is in FULL COMPLIANCE with Standard of Practice 7.5 requiring response plans and remediation measures are incorporated into monitoring elements that account for the additional hazards of using cyanide treatment chemicals.

CGM's Emergency Response Management Manual provides instructions for remediation and decontamination of sites impacted by cyanide spills and disposal of impacted soils and materials. Soil and water remediation measures and ongoing monitoring requirements are specified.

Protection measures for the handling and use of cyanide treatment chemicals, including prohibiting the use of treatment chemicals in surface waters, is specified in the manuals and guidance materials and is included in emergency response training.

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Standard of Practice 7.6

Periodically evaluate response procedures and capabilities and revise them as needed.

in full compliance with

The operation is in substantial compliance with Standard of Practice 7.6

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 7.6 requiring response procedures and capabilities are periodically evaluated and revised as needed.

CGM's Emergency Response Management Manual continues to be reviewed on an annual basis when emergency response capability and up to date outside responder details are checked and amended as required.

Mock emergency response exercises are conducted regularly with the involvement of external emergency responders, ie the local hospitals, fire department and police in emergency response exercises.

The outcomes of the emergency response exercises as well as the debrief, are communicated with local stakeholders. This information contributes to the identification of any amendments required to site documentation, including the Emergency Response Management Manual.

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PRINCIPLE 8 – TRAINING

Train workers and emergency response personnel to manage cyanide in a safe and environmentally protective manner.

Standard of Practice 8.1

Train workers to understand the hazards associated with cyanide use.

in full compliance with

The operation is in substantial compliance with Standard of Practice 8.1

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 8.1 requiring workers are trained to understand the hazards associated with cyanide use.

All site personnel, including visitors are introduced to “cyanide” during their compulsory site safety inductions. Those employees with the potential to be exposed to cyanide are provided with training in the hazards of cyanide and the training includes periodic refresher updates.

The records of the training are retained by the Human Resources Department.

Standard of Practice 8.2

Train appropriate personnel to operate the facility according to systems and procedures that protect human health, the community and the environment.

in full compliance with

The operation is in substantial compliance with Standard of Practice 8.2


not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 8.2 requiring appropriate personnel are trained to operate the facility according to systems and procedures that protect human health, the community and the environment.

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CGM trains workers to perform their normal production tasks and operators undergo competency tests after suitable hand-in-hand training and prior to being allocated an operating position. The Processing Department incorporate hands on training by Supervisors who continue the training until they are satisfied with the employee's circuit knowledge.

Retraining is conducted annually and records are retained by the Human Resources department.

A sample of the training records sighted during the audit identified the individual employee, trainer, training module, training date and competency assessments where applicable.

Standard of Practice 8.3

Train appropriate workers and personnel to respond to worker exposures and environmental releases of cyanide.

in full compliance with

The operation is in substantial compliance with Standard of Practice 8.3

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 8.3 requiring appropriate workers and personnel are trained to respond to worker exposures and environmental releases of cyanide.


Weekly training is held for all Emergency Response team members (including unloading, mixing, production, environment and maintenance workers). There is a rotation of topics for the training, eg fire hydrant testing, first aid, cyanide, rescue equipment, etc. Emergency Response Management Manual topics are discussed at these training sessions.

Mock emergency response exercises are conducted regularly with the involvement of external emergency responders, ie the local hospitals, fire department and police in emergency response exercises. In 2012, the mock drill was an environmental release scenario and in 2013 the scenario was a worker exposure incident.

All training records are retained by the Human Resources Department and include details on names of the employee and the trainer, the date of the training, the topics covered and, where applicable, the competency assessments.

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PRINCIPLE 9 – DIALOGUE

Engage in public consultation and disclosure.

Standard of Practice 9.1

Provide stakeholders the opportunity to communicate issues of concern.

in full compliance with

The operation is in substantial compliance with Standard of Practice 9.1

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 9.1 requiring stakeholders are provided the opportunity to communicate issues of concern.

Stakeholders can communicate issues of concern via the Grievance Mechanism process which is managed by the "Management Department". This is in the form of written complaints on the Complaint Form placed in the Complaint Box and dealt with by the appropriate onsite personnel.

Additionally, monthly village meetings are held run by the Village Head and attended by an Akara Resources PLC External Relations team member.

Standard of Practice 9.2

Initiate dialogue describing cyanide management procedures and responsively address identified concerns.

in full compliance with

The operation is in substantial compliance with Standard of Practice 9.2

not in compliance with


Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 9.2 requiring dialogue is initiated describing cyanide management procedures and responsively address identified concerns.

CGM primarily interacts with the community in relation to the provision of cyanide management issues through the quarterly community newsletters. These newsletters have contained specific information in relation to cyanide.

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Further engagement with local communities occurs through public meetings held in conjunction with the Government regulators.

Standard of Practice 9.3

Make appropriate operational and environmental information regarding cyanide available to stakeholders.

in full compliance with

The operation is in substantial compliance with Standard of Practice 9.3

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CGM is in FULL COMPLIANCE with Standard of Practice 9.3 requiring appropriate operational and environmental information regarding cyanide is made available to stakeholders.

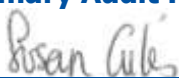
CGM primarily interacts with the community in relation to the provision of cyanide management issues through the quarterly community newsletters. These newsletters contain specific information in relation to cyanide. In addition, information in the newsletters is discussed at the CGM organised Villager meetings. These village meeting exchanges are verbal.

Kingsgate Consolidated Ltd annually publish a publicly available Sustainability Report wherein incidences of cyanide exposure resulting in hospitalisation or fatality, cyanide releases off the mine site requiring response or remediation, cyanide releases on or off the mine site resulting in significant adverse effects to health or the environment, cyanide releases on or off the mine site requiring reporting under applicable regulations, or releases that are or that cause applicable limits for cyanide to be exceeded would be detailed. The Sustainability Reports are provided to local communities and made available in government offices and libraries.

Incidents of non-compliance are also detailed in the Annual Environmental Report which is submitted to the Department of Primary Industry & Mining. The Annual Environmental Report is publicly accessible via the Department.

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