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**INTERNATIONAL CYANIDE MANAGEMENT CODE AUDIT  
LONE TREE MINE, NEVADA  
SUMMARY AUDIT REPORT**

*Submitted to:*

*Newmont Mining Corporation  
Lone Tree Mine  
PO Box 388  
Valmy, Nevada 89438*



*and*

*International Cyanide Management Institute  
1200 G Street N.W, Suite 800  
Washington, D.C. 20005*

*Submitted by:*

*Golder Associates Inc.  
44 Union Boulevard, Suite 300  
Lakewood, Colorado 80228*

January 24, 2007

053-2280

Name of Project: Lone Tree Mine

Project Owner / Operator: Lone Tree Mine is owned and operated by Newmont Mining Corporation

Name of Responsible Manager: John Cole, Process Manager

Address and Contact Information:

Lone Tree Mine  
PO Box 388  
Valmy, Nevada 89438

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Audit Dates: October 16-20, 2006

#### **Location and Description of Process**

Newmont Mining Corporation (Newmont) operates the Lone Tree Mine (Lone Tree), a mining, heap leaching, and milling facility in Humboldt County, Nevada, near the small community of Valmy. Lone Tree is approximately 6 miles west of Valmy and 34 miles east of Winnemucca located adjacent to and south of Interstate 80. Lone Tree consists of an open pit mine, overburden piles, topsoil stockpiles, tailings impoundment, heap leach facilities, including autoclave and flotation circuit process buildings, CIC building, administration building, maintenance facilities, and access and haul roads

Lone Tree is an open pit precious metals mine with two process circuits: an ore milling and carbon-in-leach (CIL) process; and, heap leach processing with a carbon-in-column (CIC) circuit. The CIL circuit includes ore from the flotation process and ore from an autoclave process. The flotation circuit creates sulfide concentration that can be processed at either the Lone Tree operation or other Newmont facilities. The loaded carbon from the CIC circuit is loaded into appropriately placarded trucks and transported to other Newmont facilities for processing and the reactivated carbon is returned to Lone Tree for reuse.

Lone Tree is associated with an adjacent property called Trenton Canyon, located to the south east. Trenton Canyon was an open pit and heap leach operation with CIC processing. The mine is currently not active and no further processing is currently scheduled for this facility. At the time of the audit (October 2006), the Trenton Canyon operation was not adding cyanide to the heap leach circuit and the weak acid dissociable (WAD) cyanide concentrations were below 0.5 milligrams per liter (mg/L). Therefore, Trenton Canyon was

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not considered an active cyanide facility and was not included in the International Cyanide Management Code (the Code) audit.

The Lone Tree open pit included dewatering operations. Water removed from the subsurface in the dewatering wells was discharged according to permits issued by the Nevada Department of Environmental Protection to both infiltration basins and to surface waters. Water quality monitoring confirmed that the dewatering circuit is separate and distinct from the cyanide processing circuit. At the time of the audit active mining from the Lone Tree open pit was planned for two more months. The milling and CIL circuit were expected to cease operation within two to three months after mining ends. Lone Tree in addition to ore received from the open pit receives ore from other Newmont operations in Nevada for milling and processing in the autoclave. The Lone Tree mill and CIL process may continue to be used for beneficiation of other ores. The heap leach process and CIC are expected to continue for three to five years after mining ceases at Lone Tree.

Lone Tree receives liquid sodium cyanide from Cyanco located in Winnemucca, Nevada in specially engineered tanker trucks. The sodium cyanide is delivered by TransWood Inc. Both Cyanco and TransWood Inc. are signatory to the Code and have been certified as compliant with the Code by third-party auditors. Lone Tree stores and manages sodium cyanide in engineered tanks, pipelines and lined ponds that have had appropriate quality control and quality assurance. Lone Tree employees are trained in cyanide hazards and first aid, first response, emergency response, and specific operational task training. Lone Tree facilities are fenced to preclude wildlife and livestock from entering cyanide process areas. Lone Tree conducts daily and weekly inspections to assure that facilities are functioning as designed and to monitor process solutions. Preventive maintenance programs are in place to assure the continuous operations. Lone Tree has approved closure and reclamation plans along with financial assurance to support the appropriate management of cyanide solutions and solids.

Audit Dates: October 16-20, 2006


Auditors:

Scott Miller, Lead Auditor

Pamela Stella, Gold Mining Technical Expert Auditor

**in full compliance with**  
**The operation is**  in substantial compliance with **International Cyanide Management Code**  
 not in compliance with

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Audit Company: **Golder Associates Inc.**

Audit Team Leader: **Scott H. Miller**

E-mail: [Scott\\_Miller@golder.com](mailto:Scott_Miller@golder.com)

Names and Signatures of Other Auditors:

**Pamela J. Stella**

<u>Pamela J. Stella</u>		<u>January 24, 2007</u>
Name of Auditor	Signature of Auditor	Date

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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**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

**Basis for Audit Finding:** Lone Tree has committed to only purchase cyanide from producers that are compliant with the International Cyanide Management Code (ICMC). Lone Tree has Sodium Cyanide supply contracts with Cyanco.

**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

**Basis for Audit Finding:** Lone Tree has a Sodium Cyanide supply contract with Cyanco, which specify that the operation takes ownership of the cyanide at the time of delivery, but does not define responsibility of ICMC Transportation Principles and Standards of Practice. Cyanco is by contract solely responsible for the production and transport of Sodium Cyanide to the delivery point at Lone Tree. Cyanco is a signatory producer to the ICMC and subcontracts TransWood Inc. for transportation of the cyanide to Lone Tree. TransWood has been certified by third party independent auditors as compliant with the ICMC with clear lines of responsibility for safety, security, release prevention, training, and emergency response.

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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

**Basis for Audit Finding:** Cyanco is by contract solely responsible for the production and transport of cyanide to the delivery point at Lone Tree. Cyanco is a signatory producer to the ICMC and subcontracts TransWood Inc. for transportation of the cyanide to Lone Tree. TransWood has been certified by third party independent auditors as compliant with the ICMC with appropriate emergency response plans and capabilities and have adequate cyanide management control measures.

**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

**Basis for Audit Finding:** The design and construction of the cyanide unload and storage facilities have been completed appropriately as documented in final design and construction drawings prepared and stamped by Nevada Professional Engineers. The cyanide unload and storage facility quality control and assurance procedures and documentation include construction level drawings with detailed specifications noting foundation compaction and concrete reinforcement and piping and tankage materials. In addition these facilities have been recently reviewed and approved for continued use by the cyanide supplier and the Nevada State regulatory agency. The liquid cyanide storage tanks each have a high-level alarm and level indicator. There are two separate cyanide unloading and storage areas. One is located outside with adequate ventilation, and second is located inside a building with appropriate ventilation and hydrogen cyanide monitoring and alarms. The cyanide unloading and storage areas are within concrete containment to contain releases and precipitation that may contact cyanide. As also covered under Standard of Practice 4.7, the containment areas are constructed for spill prevention and the containments sized to contain volumes greater than the single largest tank plus a design storm event. Fenced security is provided around the mine site with additional fencing around process ponds. The delivery of liquid cyanide is performed in specially engineered tanker trucks.

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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

**Basis for Audit Finding:** Lone Tree has developed Standard Operating Procedures (SOPs) to prevent exposure and releases of cyanide during unloading, storage, and application. The SOPs consist of “Cyanide Off-Loading”, “Titration for Cyanide”, “Safe Job Procedure for Cyanide Solutions”, “Mine Operating Plan”, “Cyanide Management Plan”, and “Cyanide Equipment Decontamination.” Lone Tree uses inspection forms and uses a computer database preventative maintenance program that identifies and tracks all maintenance activities at the unload and storage tank areas. As also covered under Standard of Practice 4.1, Lone Tree has implemented an inspection program that includes daily pre-shift walk around and formal weekly inspections, findings are entered into work orders when required.

**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

**Basis for Audit Finding:** Lone Tree has developed and implemented operator task-specific SOPs that address protection of human health and the environment for the operation of cyanide heap leach processing. In addition Lone Tree has an Operating Plan that describes all aspects of the facility operations. These SOPs were found to have adequate contingency planning, routine inspections, and a preventive maintenance program. SOPs address all the cyanide management tasks such as unloading and storage of cyanide; operation of the carbon-in-leach and carbon-in-column systems; operation of cyanide destruct circuit; and cyanide heap leach circulation pumps. Contingency planning documents have been developed and implemented to support the process pond management and solution inventory to address power failure, and extreme rainfall management. Lone Tree has a backup generator to ensure that essential process equipment and systems operate and Lone Tree has inspections that include regular testing of the backup power generator. Lone Tree uses a computer based preventive maintenance system, Ellipse, to identify, issue work orders and document all preventive maintenance activities.

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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

**Basis for Audit Finding:** Lone Tree receives ore for milling from a variety of sources including the Lone Tree pit, Mule Canyon Mine, Deep Post Mine, and Twin Creeks and regularly evaluates the optimal cyanide addition rates as the ore mixture changes. Lone Tree evaluates the cyanide addition in the first CIL tank using an automatic control that analyzes cyanide content every 20 minutes from the last CIL tank. If the cyanide content is lower than the target the addition set point is increased in the first tank. Cyanide content and pH is also analyzed manually using a titration method several times per shift to double check the automated control. Lone Tree employs a Caro's Acid cyanide destruction system that is used to limit concentrations of cyanide in the spigot discharge of tailings.

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

**Basis for Audit Finding:** Lone Tree has developed a comprehensive water balance that meets the requirements of a water management program addressing the uncertainty and variability of climatic data to prevent overtopping. Process facility inspection procedures and data collection programs have been implemented to update the water balance model on a monthly basis. Lone Tree has a weather station and measures and records precipitation data for incorporation into the model and operational planning. Daily shift inspections will include pond levels and available freeboard monitoring that is incorporated into the water balance model and operational planning to prevent potential overtopping.

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

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**Basis for Audit Finding:** Lone Tree has four process ponds that contain cyanide solutions. Lone Tree's facilities include a perimeter fence around the entire property and wildlife fencing around the heap leach facilities ponds and tailings decant pond to further prevent wildlife and livestock access. Lone Tree uses bird balls in one of the heap leach process ponds; and bird netting at a second pond. The Caro's Acid cyanide destruction system keeps the cyanide level of the tailings solution below levels lethal to wildlife. In addition to the Caro's Acid system, the tailings impoundment supernatant pond is equipped with propane fired air cannons. Lone Tree has personnel trained and ready to support bird hazing and rescue if required on the tailings impoundment. Lone Tree has developed and implemented programs to prevent and control ponding of solution on the surface of the heaps during application and to prevent overspraying of the lined areas.

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

**Basis for Audit Finding:** Lone Tree is designed and operated for zero-discharge of process fluids. Operation performance history, design criteria and the project water balance indicate that facilities operation is consistent with the zero-discharge requirements. Monitoring information indicate no impact to groundwater or surface water quality has occurred from the tailings and heap leach operations. Spill prevention and emergency response plans have been developed to comply with the zero-discharge operating requirements.

Standard of Practice 4.6: *Implement measures designed to manage seepage from cyanide facilities to protect the beneficial uses of groundwater.*


**in full compliance with**

**The operation is**  in substantial compliance with **Standard of Practice 4.6**

not in compliance with

**Basis for Audit Finding:** The regional groundwater beneficial use has been classified as drinking water source. Accordingly, the project construction and operation include a number of seepage control technologies: composite liner systems below the heap leach pads consisting of compacted low-permeability soil liner overlain by geomembrane liners; double geomembrane liners with leak detection and leak collection systems underneath the process ponds; and concrete containments in process areas to protect the beneficial water use. The tailings storage facility (TSF) has a clay core embankment and clay liner extending underneath the impoundment footprint. The TSF has been operated to promote evaporation and develop consolidated tailings. Excess water is decanted off the impoundment surface and conveyed to a HDPE lined decant pond. The TSF also incorporates a seepage collection system on the embankments. The groundwater quality monitoring data indicate that the beneficial groundwater uses have been protected.

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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

**Basis for Audit Finding:** The Lone Tree operation has secondary curbed concrete containments for all cyanide storage and processing areas. Other secondary containments include pipe-in-pipe and geomembrane-lined channels. The secondary containments in the cyanide unload and storage areas have been designed to contain at least 110 % of the largest tank leakage and a design storm event. Secondary containment in the process area has automated pumping systems for management of tank leakage. SOPs have been developed to address management of spill response and clean-up within the containments. Review of the operation indicates that all tanks, piping and containments are constructed of materials appropriate for handling high pH cyanide solutions.

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

**Basis for Audit Finding:** The project construction of the heap leach and tailings facilities has been verified by qualified engineering companies and includes detailed quality control /quality assurance (QC/QA) data collection and documentation. The QC/QA documents indicate that the construction was completed according to engineering standards and specifications. Lone Tree has committed to retain all QC/QA information in the Environmental Office.

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

**Basis for Audit Finding:** Lone Tree has environmental monitoring programs developed to evaluate the performance of the cyanide management systems on wildlife, surface and ground water quality. The environmental programs have been prepared and approved by

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qualified professionals and implemented by qualified personnel and include all appropriate sampling and analysis documentation.

**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 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

**Basis for Audit Finding:** Lone Tree has developed a written closure plan and cost estimate to address Nevada State and Federal mining reclamation requirements that includes decommissioning of all cyanide equipment, pipelines, and facilities. Lone Tree has developed an implementation schedule that considers the treatment and evaporation of all process solution, detoxification and rinsing of equipment, and removal and decommissioning of ponds and other containments. Lone Tree is required to update the closure plan and estimated costs at least every three years with their Nevada reclamation permit and with project changes. The closure and reclamation plan includes an implementation schedule and performance monitoring.

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

**Basis for Audit Finding:** Lone Tree has developed cost estimates with sufficient financial resources for the closure of the cyanide-related facilities and activities. Lone Tree has established an approved financial surety to cover the full cost of cyanide facility decommissioning. The State of Nevada holds a financial surety from Lone Tree for approximately \$39M, with the cyanide detoxification, water treatment, and material stabilization being approximately \$11M of the total.

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**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

**Basis for Audit Finding:** Lone Tree has identified potential cyanide exposure scenarios and developed procedures and plans to eliminate, reduce and control exposure. Lone Tree's individual task specific SOPs provide details for safe operation of cyanide equipment, personal protective equipment requirements and inspection requirements. Lone Tree has weekly health and safety meetings to provide information and training to employees as well as solicit input from employees on worker safety issues. Lone Tree has a Change Management Policy that requires any proposed changes in SOPs be discussed with the area supervisors prior to implementation. All changes are communicated to the workforce and training requirements updated.

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

**Basis for Audit Finding:** Lone Tree has developed SOPs for the cyanide usage areas designed to prevent the generation of hydrogen cyanide (HCN) gas in addition to locating key cyanide process facilities outside or in well ventilated building with HCN monitors. Lone Tree has defined process equipment, standard operational plans for control of cyanide, caustic, pH and Caro's Acid. There are HCN sensors and alarms located outside at the CIC cyanide storage tank, at the end of the carbon column circuit inside the CIC building and inside the Mill Reagent building (in close proximity to the cyanide storage tanks). Lone Tree also has mobile HCN detectors for use in confined space entry. Lone Tree has established requirements for personal protective equipment at all relevant process areas and for all cyanide-related activities. Lone Tree has implemented monitoring equipment maintenance and calibration programs. Lone Tree has installed safety showers with eye wash stations and non-acidic fire extinguishers at relevant cyanide usage areas. Lone Tree provides the cyanide safety information (Material Safety Data Sheets and first aid procedures) at all key process locations and on the Lone Tree Intranet. Lone Tree and Newmont Corporate have implemented an accident investigation process to report and investigate all cyanide related incidents.

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Warning signs are located in areas of cyanide usage to alert workers that cyanide is in use and include the use of PPE. Unloading, storage, mixing and process tanks and piping containing cyanide are identified to alert workers of their contents, and is the direction of cyanide flow in pipes designated.

*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

**Basis for Audit Finding:** Lone Tree has developed an Emergency Response Plan and implemented the Plan through training and installation of emergency response equipment. Lone Tree has safety equipment including safety showers with eye wash stations, first aid equipment (amyl nitrate, medical oxygen and resuscitator), an emergency response vehicle, and employee first aid training. The cyanide antidote kits are regularly inspected and replaced as specified by the manufacture's expiration date. All first aid kits are inspected monthly for presence of oxygen bottle, oxygen mask, 1-way pocket valve mask, first aid instructions, case, refrigerator on, refrigerator seal, amyl nitrite, gauze pad, signage, and emergency contact information. Lone Tree has a First Responder Team. They are trained to provide first aid for cyanide exposure including oxygen and amyl nitrite administration. In the event of a worker exposure Lone Tree will provide on-site first aid and provide a kit with intravenous cyanide antidote for transport with the patient to the local hospital. Lone Tree has made formal arrangements with local hospitals to treat cyanide exposed workers. Lone Tree has conducted cyanide exposure drills and tests the relevant emergency procedures at least once per year.

**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

**Basis for Audit Finding:** Lone Tree has developed and implemented an Emergency Response Plan and procedures to respond to cyanide related emergencies and emergency control management that address potential cyanide releases including containment plans and analysis of potential scenarios. The emergency response plans will be evaluated and updated at least annually.

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*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

**Basis for Audit Finding:** The Emergency Response Plan has been designed to be implemented entirely by trained on-site personnel. Lone Tree has on-site fire fighting capabilities, fully equipped emergency response vehicle, HazMat vehicle and certified First Responders, fire-fighters and HazMat personnel. Lone Tree emergency response teams are trained to respond to all potential cyanide incidents at the site. Lone Tree's Emergency Response Plan has been developed with the involvement and input of their workforce. Lone Tree's workforce has the ability to participate in the emergency response planning process through weekly safety meeting and mock drills. Lone Tree involves site personnel in mock drills and revises the emergency response as needed.

*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

**Basis for Audit Finding:** Lone Tree has committed in the Emergency Response Plan and training SOPs the necessary emergency response equipment and first aid to manage all cyanide incidents at the operation and to coordinate transportation to the nearest medical facilities. Lone Tree has certified First Responders, fire fighters and HazMat personnel. Lone Tree's Emergency Response Plan (ERP) 2006 defines the primary and alternative response coordinators for a Site Response Team (SRT). The SRT is commanded by a Leader, who is the Site Manager. The ERP has a list of alternatives in the event that the Manager is not available. The SRT is responsible for the overall management of the emergency situation (human resources, equipment, material and supplies, communication, production and decisions at the site. The SRT, should it be necessary, will have external Newmont Corporate support divisions. The ERP has sections on Lone Tree Personnel Duties and Responsibilities for the Incident Commander and Manager Succession. The ERP contains a list of on-site emergency responders, the ambulance service and the local medical providers. Lone Tree requires training and certification for First Responders that include first aid for personnel exposed to cyanide, to administer amyl nitrite, locations of cyanide antidote kits, hazard awareness associated with NaCN and HCN gas, victim and rescuer decontamination procedures. The ERP includes radio channel, office and 24-hour cell phone telephone numbers for the Emergency Response Team and Commanders. The ERP has a section describing Lone Tree Mine Personnel Duties and Responsibilities. The section details the responsibilities of the Incident Commander and the Safety and Environmental Departments. The ERP contains a list of emergency response equipment for the on-site transportation route. All emergency equipment and supplies are inspected monthly by the Safety Department.

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In addition to the Site Response Team, Newmont Corporate has a corporate-wide system that develops a Rapid Response Team at the time an incident occurs and continues the requirement for management and operations no longer exists. The structure of the Rapid Response can be established and expanded depending upon the changing conditions of the incident.

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

**Basis for Audit Finding:** Lone Tree's Emergency Response Plan and Operating Plan detail the procedures (including current contact telephone numbers) for internal and external emergency notification and reporting.

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

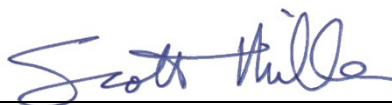
**Basis for Audit Finding:** Lone Tree has prepared cyanide response and remediation plans that address appropriate uses and situations for cyanide treatment chemicals. Lone Tree has developed plans to sample and monitor soils and groundwater in the event of a cyanide spill.

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 2.2**  
 not in compliance with

**Basis for Audit Finding:** Lone Tree has committed to annual evaluation and update of the Emergency Response Plan, if needed. Additionally, at least once per year Lone Tree will conduct a cyanide-related emergency response drill.

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**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

**Basis for Audit Finding:** Lone Tree provides training to all employees on the hazards of cyanide and will provide annual refresher training. Lone Tree retains all cyanide training records for all employees. The cyanide related performance assessment tests are also retained in the employees' permanent record.

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**

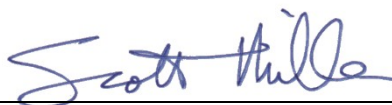
**The operation is**  in substantial compliance with **Standard of Practice 8.2**

not in compliance with

**Basis for Audit Finding:** Lone Tree has prepared and implemented SOPs for cyanide management tasks that detail health and safety procedures for all aspects of cyanide unloading, handling, mixing and storage, cyanide destruction system, heap leach operations and the tailings storage facility.

Lone Tree requires MSHA and HAZCOM training, and specific departments receive additional specific training for their work area (carbon columns, carbon leach, Caro's Acid system). Lone Tree's training program identifies the specific cyanide management elements that each employee must be trained in to perform that specific job properly. All new Lone Tree employees are required to have the New Employee Induction Course and pass a written test before working with cyanide. Lone Tree employees who work in areas that cyanide is used are also trained in MSHA and HAZCOM. All Lone Tree employees receive annual refresher training that includes cyanide safety. Lone Tree employees working in specific cyanide management tasks receive annual refreshers for those tasks. MSHA and HAZCOM are included in the annual refresher training. Lone Tree requires written tests to evaluate the effectiveness of cyanide training and those training records are retained throughout an individual's employment documenting the training they receive. The records include the names of the employee and the trainer, the date of training; the topics covered, and test results demonstrating an understanding of the training materials.

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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

**Basis for Audit Finding:** Lone Tree has provided training in response to cyanide releases for all production and maintenance personnel and developed a First Responder Team. Lone Tree has developed procedures and plans for cyanide-related tasks. The Emergency Response Plan, the Cyanide Management Plan and procedures define the response required by operators if a person is exposed to cyanide or if there is an environmental release.

Lone Tree has an Emergency Response Team comprised of full-time employees trained in first aid and use of resuscitation equipment.

Lone Tree is committed to at least one annual mock cyanide emergency response drill that will include both human exposure and environmental release. The drill will be analyzed and improvements made to training procedures and the emergency response plan as required.

**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

**Basis for Audit Finding:** Lone Tree provides the opportunity to communicate issues of concern with the public through quarterly community communication sessions that Lone Tree sponsors and conducts. At these meetings, the members of the general public and government leaders are encouraged to attend and discuss issues related to the mining operation including the use of cyanide. Newmont provides a toll-free telephone number and internet email address for the public to call or email if they have concerns regarding Lone Tree. Opportunities for public input were available during the development and review of the environmental impact assessments for the initial start up of Lone Tree and for the recent Phoenix Project.

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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

**Basis for Audit Finding:** Lone Tree provides the opportunity to communicate issues of concern with the public through contact with the local stakeholders during mock drills, the quarterly communication sessions and public tours.

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

**Basis for Audit Finding:** Lone Tree provides quarterly reports to the Nevada Division of Environmental Protection (NDEP) Bureau of Mining Regulation and Reclamation that includes a summary of cyanide spills and releases, and environmental performance monitoring. These reports are available to the public by request. Lone Tree is required to complete MSHA reports that would include any cyanide related worker exposure or death. Newmont provides operational and environmental information in Newmont's annual corporate sustainability report, "Now and Beyond" and on Newmont's website ([www.newmont.com](http://www.newmont.com)). The website has an environmental record for spill management and cyanide incidents and includes Lone Tree.

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