



The CODE

The Newsletter of
the International Cyanide
Management Institute
www.cyanidecode.org

3rd Quarter 2021 Edition

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Welcome to the International Cyanide Management Institute's (ICMI)
Third Quarter 2021 Newsletter.

Code Signatories up 8 Percent Year-to-Date

The roster of signatories expanded by eight in the third quarter, with the addition of three mining signatories, and 5 transporters. These additions bring the total number of signatories up to 211, a gain of 8% since the start of 2021.

The new transport signatories include two in Africa, and one each in Asia, North America, and South America. The newly-added mining companies are located in Finland, Russia, and Canada.

The newest miners to join the Cyanide Code as signatories include [Otso Gold Corp](#), which will operate the Otso Gold Mine in central Finland; [Polyus Verninskoye JSC](#), the operator of the Verninskoye Mine in the historical gold mining area of Bodaybo in Russia; and [Marathon Gold Corp.](#), the developer of the Valentine Gold Project in Newfoundland and Labrador, Canada, with gold production planned to begin by early 2024.

Auditor's Corner: Not Just for Auditors

Welcome to the *Auditor's Corner*, a new feature of the Cyanide Code Newsletter. The *Auditor's Corner* provides information and insight from ICMI related to auditing, audit reports, and Code compliance. Despite the title, the information should be helpful not only to auditors, but also to operations preparing for audits or gap analyses. We hope that you find this information useful and welcome suggestions for topics to be discussed in future newsletters. Please send suggestions or comments to info@cyanidecode.org.

The first topic in this series is: **Identification of Cyanide Facilities in Audit Reports for Mining Operations.**

Clear identification of "cyanide facilities" (as defined in ICMI's [Definitions and Acronyms](#) document) in audit reports is essential to stakeholders interested in both where and how cyanide is used at an operation. ICMI has emphasized this importance by including expectations for site descriptions and identification of cyanide facilities in the recently published (June 2021) versions of the

Cyanide Code program documents, specifically in ICMI's [Guidance for Use of the Mining Operations Verification Protocol](#) (Item 3, Page 3 of 89) and [Mining Operations Summary Audit Report Template](#) (Item 5 on Page v).

Although auditors have always been expected to provide a description of an operation in the Summary Audit Report (SAR), ICMI is now requesting that both the SAR and the Detailed Audit Findings Report (DAFR) include a description of the operation, identifying the facilities included within the scope of the audit and any new facilities or facilities that have undergone substantial changes since the previous audit (in the case of a recertification audit). The description's goal is to provide context to the reader for the responses to the verification protocol questions. To provide this context, descriptions should note key operational components such as the mine type (e.g., open pit, underground), forms of cyanide delivered to the operation, packaging and delivery methods, processing methods, cyanide destruction methods and other site-specific operational features, such as ponds and impoundments containing process solution.

Similarly, the response to DAFR Protocol Question 4.1.1 (i.e., the first question under Principle 4, Operations) should specifically identify the operation's cyanide facilities. This clarifies which facilities are subject to Code expectations, under Principle 4, for managing cyanide process solutions and waste streams to protect human health and the environment, as well as which facilities may be subject to Code expectations under Principle 3 (Handling and Storage) and Principle 5 (Decommissioning).

The response to 4.1.1 should also identify any facilities excluded from the scope of the audit that are typically considered cyanide facilities (see ICMI's [Guidance for Use of the Mining Operations Verification Protocol](#), Standard of Practice 4.1). For example, milling circuits are not always cyanide facilities. Thus, auditors should note whether a milling circuit is or is not included in the scope of the audit and should provide an explanation, such as whether the circuit uses process solution (e.g., return water from a tailings impoundment). Another example may be a tailings storage facility with WAD cyanide concentrations less than 0.50 mg/L due to an operation actively destructing cyanide prior to discharging tailings to the impoundment.

Identification early in the audit report as to which facilities are subject to the Code and are included within the scope of the audit will provide all stakeholders with a better understanding of the operation's cyanide management program.

An Update on COVID-19 Related Audit Extensions

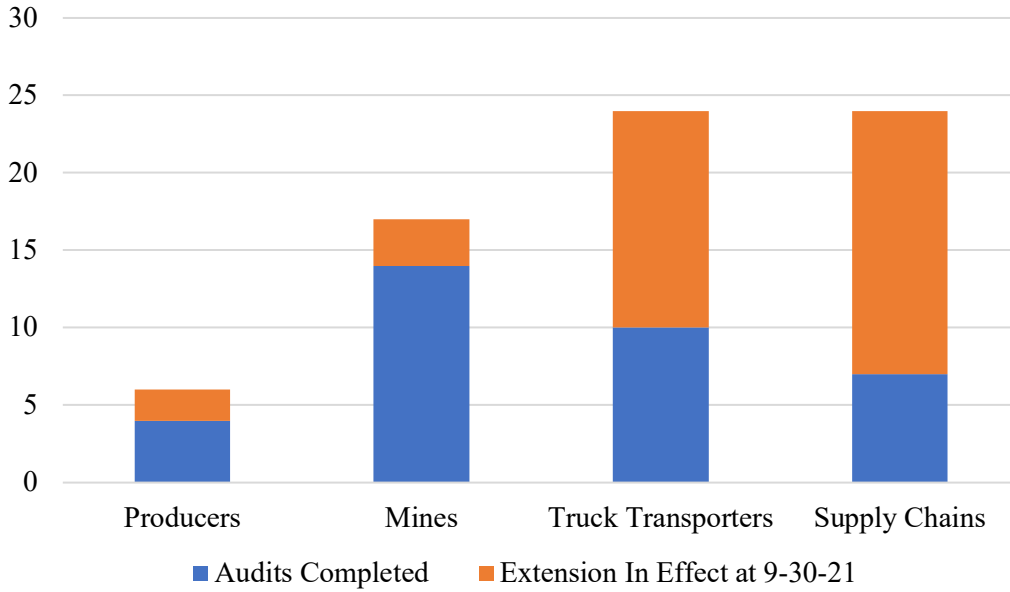
COVID-19 continues to affect the ability of some operations to schedule audits, and the ability of auditors to travel to some operations. Despite the disruptions from COVID-19, the number of audits scheduled, audits conducted, and audit reports received by ICMI have steadily increased over the past nine months as the effects of COVID-19 on scheduling and conducting audits are diminishing.

On March 12, 2020, ICMI provided guidance concerning potential impacts of COVID-19 on auditing and on requesting extensions to audit deadlines. In the 18 months since providing that guidance, ICMI has received requests from 75 operations to extend audit deadlines, and we have granted 71 of these requests.

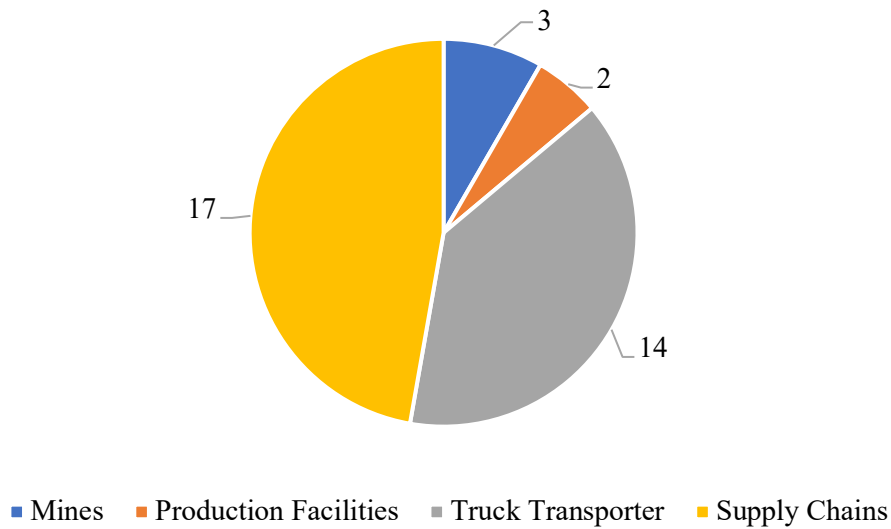
Although effects of COVID-19 on audits are continuing, ICMI is seeing decreases in the number of extensions and re-extensions requested, and increases in the number of audits scheduled, the number of audits conducted, and in the number of audit reports submitted to ICMI for review.

The following charts show these trends:

Total COVID-Related Extensions for Recertification Audits in 2020-2021



Extensions in Effect for Recertification Audits by Category as of September 30, 2021



By September 30, 2021, ICMI had received 65 audit reports for the year, and anticipates receiving approximately 40 more reports prior to the end of 2021.

Repeat Certifications Show Value of Code

An indication of program health is the number of mining operations in the program and the number certified. We currently count 134 mining operations in the program and designated for certification, of which 102 are certified, or 76%. This percentage has remained relatively constant over the past five years and is an indication that many mining operations entering the program require a significant amount of time to prepare for and achieve certification.

Notably, 83 of the 102 certified mining operations have been certified multiple times. Fourteen mining operations have now been audited and certified five or more times. ICMI believes that these repeat certifications are an indication of the value of the Cyanide Code program to both companies and operations.

Certified Mines by Continent as of September 30, 2021



Pool of Credentialed Auditors Remains Strong: Nearly Two-Thirds Are Active Despite COVID-19 Travel Restrictions

Operations of companies that are signatories to the Code must be audited to determine if they can be certified as in compliance with the Code's Principles and Standards of Practice. Audits for certification under the Cyanide Code must be conducted by independent third-party auditors who meet ICMI requirements for experience, expertise and lack of conflicts of interest. Auditors are contracted and paid by the company or operation for which they will perform the audit.

ICMI maintains a list of pre-approved Cyanide Code auditors who have submitted their credentials and have been accepted by ICMI to conduct Cyanide Code certification audits. Although auditors are not required to appear on the list, ICMI recommends that companies contracting auditors ensure that their auditors have the necessary qualifications by asking the auditors to submit their qualifications to ICMI for approval prior to being contracted to perform an audit.

We are pleased to report that the pool of credentialed auditors remains robust. As of September 30, a total of 123 auditors were listed on the Cyanide Code website as having approved credentials. This includes 74 auditors having lead auditor credentials, 74 with mining technical expert credentials, 49 with transportation credentials, and 40 having production credentials.

A more meaningful number is how many of these auditors are active, which we define as having participated in a Cyanide Code audit in the past 4 years. Nearly two-thirds of total auditors are active, which notably is higher than previous years. In part, this seems to be an effect of COVID-19. With travel restrictions, some auditors have not been as available, so some companies have looked at the wider pool of available auditors.

Total Pre-approved and Active Auditors:

Type of Auditor	Currently Pre-approved	Currently Active
Total Auditors	123	81
Lead Auditor	74	50
Mining Technical Auditor	74	48
Transport Technical Auditor	49	32
Production Technical Auditor	40	16

The current list of pre-approved auditors can be viewed [here](#).

Distribution of Active Lead Auditors as of September 30, 2021

