January 2015

ICMI CERTIFICATION SUMMARY REPORT

Agnico Eagle's Kittilä Gold Mine, Finland

Submitted to:

International Cyanide Management Institute (ICMI)
1400 I Street, NW - Suite 550
Washington, DC 20005
UNITED STATES OF AMERICA

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REPORT

A world of capabilities delivered locally

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Golder Associates

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1.0 SUMMARY AUDIT REPORT FOR GOLD MINING OPERATIONS

Name of Mine:	Kittilä Gold Mine
Name of Mine Owner:	Agnico Eagle Mines Ltd, Canada
Name of Mine Operator:	Agnico Eagle Finland Oy
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2.0 LOCATION DETAIL AND DESCRIPTION OF OPERATION

2.1 Mine Location

Agnico Eagle Finland's (AEF's) Kittilä mine is located in the municipality of Kittilä, a few kilometres (km) northeast of Kiistala village about 50 km northeast of the village of Kittilä in the Lapland region of northern Finland, approximately 1025 km north of Helsinki and 150 km north of the Arctic Circle.

2.2 Background

The Kittilä ore bodies were initially mined from two open pits (Suuri and Roura) and underground operations were added in October 2010. The Roura open pit was mined out in March 2011 and Suuri open pit in November 2012, and mining is now entirely underground in the Suuri and Roura deposits. In the future, any remaining near-surface reserves will be mined by additional small open pits.

The underground method is open stoping followed by delayed backfill. Approximately 8 km of tunnels are developed each year to ensure sufficient ore production is available to keep the mill supplied. After extraction, stopes are backfilled with cemented backfill or paste backfill to allow the safe mining of adjacent stopes. Ore is transported to the surface crusher using underground haul trucks via a 3,500 metre-long ramp access system.

More than 1.1 million tonnes of ore are extracted annually. The mine's annual gold production comes to roughly 5,000 kg. At current production volumes, the Kittilä mine's known reserves are expected to produce gold until 2037.

The gold in the Suurikuusikko deposit is refractory; with most of the gold locked inside sulphide grains and only about four per cent existing as free gold. The mineral processing at Kittilä comprises crushing, grinding, flotation, pressure oxidation (autoclave), dissolution and electrowinning and smelting in a furnace before pouring into doré bars.

The process produces two tailings flows. The first flow is a flow of flotation tailings, named NP tailings (Neutralisation Plant tailings), which represents about 85% of the production, and whose supernatant is partly discharged to the Seurujoki River through the infiltration field and partly recirculated back to the mill. The second flow, is a flow of carbon in leach (CIL) tailings (after carbon in leach circuit and detox), which represents some 15% of the production and whose supernatant water is recirculated back to the mill. The total tailings area is approximately 110 hectares (ha) and all ponds are lined with impermeable bitumen liners.

SUMMARY AUDIT REPORT
Auditors Findings

Kittilä Gold Mine is:	☒ **in full compliance with**	**The International Cyanide Management Code**
	☐ in substantial compliance with	
	☐ not in compliance with	

Audit Company:	Golder Associates
Audit Team Leader:	Sophie Wheeler, Lead Auditor
Email:	swheeler@golder.com

Name of Other Auditors

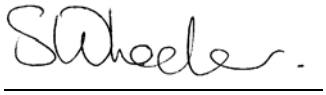
Name, Position	Signature
Romain Girard ICMI Pre-certified Mine Technical Specialist	

Dates of Audit

The Certification Audit was undertaken between May 5, 2014 and May 9, 2014, with a second inspection taking place on July 9 and 10, 2014.

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 Cyanide Gold Mine Operations and using standard and accepted practices for health, safety and environmental audits.

Kittilä Gold Mine		14 January 2015
Name of Facility	Signature of Lead Auditor	Date

PRINCIPLE 1 – PRODUCTION

Encourage Responsible Cyanide Manufacturing by Purchasing from Manufacturers that Operate in a Safe and Environmentally Protective Manner

Production 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 **Production Practice 1.1**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with 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.

AEF's contract with all cyanide manufacturer(s) and distributor(s) requires that cyanide be produced at a facility that has been certified as being in compliance with the Code.

CyPlus, located in Wesseling in Germany, is the cyanide producer for the Kittilä operation. The contract is between Agnico Eagle Mines (AEM) based in Canada and CyPlus.

The current contract specifies that both parties agree to comply with the Principles and Standards of Practice of the ICMC.

CyPlus' production facility was re-certified as compliant with the code on 2 October 2012, and was originally certified in 2006. Kittilä has copies of the CyPlus's Summary Audit Reports as posted on the ICMI website thereby demonstrating compliance with the ICMI production protocol.

Cyanide is not purchased from an independent distributor. It is purchased from CyPlus in Germany with whom AEM have a contract with. Bills of lading were reviewed to verify that the cyanide delivered to Kittilä was produced by CyPlus.

PRINCIPLE 2 – TRANSPORTATION

Protect Communities and the Environment during Cyanide Transport

Transport 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 **Transport Practice 2.1**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with 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.

CyPlus is the ICMI Code's consignor of cyanide to Kittilä. CyPlus's Supply Chain #1 Wesseling Plant to International Ports of Entry was originally certified by the ICMI on June 2, 2011 and was recertified on December 18, 2014.

The CyPlus Finnish Supply Chain #6 for transport within Finland 'from the port of entry to the customer's mine site' was certified as being in full compliance with the code on December 18, 2014.

The contract between CyPlus and AEM specifies that both parties agree to comply with the Principles and Standards of Practice of the ICMC.

Transport 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 **Transport Practice 2.2**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 2.2; require that cyanide transporters implement appropriate emergency response plans and capabilities and employ adequate measures for cyanide management.

AEM has a contract with the cyanide producer CyPlus. The contract specifies that both parties agree to comply with the Principles and Standards of Practice of the ICMC.

CyPlus is the ICMI Code's consignor of the cyanide to Kittilä. CyPlus' Supply Chain #1 Wesseling Plant to International Ports of Entry was originally certified by the ICMI on June 2, 2011 and was recertified on December 18, 2014. The CyPlus Finnish Supply Chain #6 for transport within Finland 'from the port of entry to the customer's mine site' was certified as being in full compliance with the code on December 18, 2014.

AEF has chain of custody records identifying all elements of the supply chain that handles the cyanide brought to its site.

Sea Waybills and a delivery note dating back to June 2013 were reviewed to verify that the cyanide delivered to Kittilä was produced by CyPlus.

PRINCIPLE 3 – HANDLING AND STORAGE

Protect Workers and the Environment during Cyanide Handling and Storage

Handling and Storage 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.**

The operation is

☒ **in full compliance with**

☐ in substantial compliance with **Handling and Storage Practice 3.1**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with 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.

Facilities for unloading, storing and mixing cyanide have been designed and constructed in accordance with cyanide producers' guidelines, applicable jurisdictional rules and sound and accepted engineering practices for these facilities.

The process plant design was undertaken by engineering firm SNC Lavalin, while the building plant design was done by engineering firm AHMA engineering in 2006, and built during 2006 to 2008.

Unloading and storage areas for liquid and solid cyanide are located as far away as reasonably practicable from people and surface waters. The storage of the cyanide at the AEF plant is in a warehouse and the mixing tanks are located inside the plant building. The two buildings are about 30 m apart. Crates of cyanide are transported one at a time, by forklift truck, from the warehouse to the mixing tanks.

No liquid cyanide is delivered to AEF. AEF only receives solid sodium cyanide briquettes in 1 tonne wooden crates from CyPlus.

Cyanide storage tanks are fitted with level indicators and high-level alarms to prevent the overfilling.

Cyanide mixing and storage tanks are located on a surface that can prevent seepage to the subsurface. All floors are concrete, there are no cracks, and the floor level is below outside ground level, preventing any potential spill to outflow the building. There is a sump that is designed to pump a spill back to the detox tank within the mill.

Secondary containments for cyanide storage and mixing tanks are constructed of materials that provide a competent barrier to leakage.

Cyanide is stored in the warehouse with adequate ventilation to prevent the build-up of hydrogen cyanide (HCN) gas. The warehouse has a roof and walls as well as concrete flooring. It is in a secure area where public access is prohibited, there are two doors that are locked at all times and the keys kept in the plant control room. There are no other materials or chemicals stored in the cyanide (CN) warehouse building.

Handling and Storage Practice 3.2: **Operate unloading storage and mixing facilities using inspections, preventative 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 **Handling and Storage Practice 3.2**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 3.2; operate unloading storage and mixing facilities using inspections, preventative maintenance and contingency plans to prevent or contain releases and control and respond to worker exposures.

The empty cyanide containers are prevented from being used for any purpose other than holding cyanide.

Empty cyanide crates are checked for traces of cyanide and dismantled in the mixing room before being taken by forklift to the dedicated cyanide waste container, which is located outside the cyanide warehouse. Empty plastic bags and liners are placed in the press, which is located in the mixing room. When the press is full, the materials are compressed and transported by forklift to the same dedicated cyanide container. A hazardous waste specialist, picks up the container from the mine several times a year and disposes of all the contents according to all relevant legislation.

AEF has developed procedures that address activities to prevent exposures and releases during cyanide unloading and mixing activities including:

The Cyanide Offloading Procedure states that cyanide crates are handled by forklift trained mill or warehouse operators. The cyanide crates are stacked to a maximum of two high. There is camera footage in the control room taken during the offloading of the cyanide crates. The logistics coordinator is also advised at the beginning and the end of the offload.

The Cyanide Mixing Procedure addresses the operation of valves and couplings during mixing, which is all undertaken via the control room.

The actions to be taken in the event of a spill are detailed in the cyanide mixing procedure. This stipulates that the area should be washed after mixing. A full set of personal protective equipment (PPE), including full masks, gloves, boots and disposable clothing is detailed in the cyanide mixing procedure. In addition, all workers wear personal HCN monitors.

PRINCIPLE 4 – OPERATIONS

Manage Cyanide Process Solutions and Waste Streams to Protect Human Health and the Environment

Operations Practice 4.1: **Implement management and operating systems designed to protect human health and the environment including contingency planning and inspection and preventative maintenance procedures.**

☒ **in full compliance with**

The operation is

☐ in substantial compliance with **Operations Practice 4.1**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 4.1; implement management and operating systems designed to protect human health and the environment including contingency planning and inspection and preventative maintenance procedures.

Written management and operation plans or procedures have been developed for cyanide facilities including unloading, mixing and storage facilities, leach plants, tailing impoundments and cyanide treatment, regeneration and disposal systems. The procedures are detailed and generally comprise the following sections: purpose, objective, definition, roles and responsibilities, methodology, health and safety, and revision

The plans and procedures identify the assumptions and parameters on which the facility design was based and any applicable regulatory requirements to prevent and control cyanide releases and exposures. For example the operating manual for the tailings ponds indicates the levels of freeboard for the different ponds and embankments.

AEF has plans and procedures that describe the standard practices necessary for the safe and environmentally sound operation of the facility. The cyanide facilities (warehouse, mixing, carbon in leach (CIL) circuit and gold recovery circuit) are inspected at every shift. AEF has a calendar-based preventive maintenance programme, whereby maintenance is planned on an annual basis.

AEF has a procedure for the identification of changes in the mines processes or operating practices that may increase the potential for the release of cyanide and incorporation of any release prevention measures that may be necessary.

AEF has a cyanide management contingency procedure for situations where there is an upset in a facility's water balance, when inspections and monitoring identify a deviation from design or standard operating procedures, and/or when a temporary closure or cessation of the operation may be necessary. For example there are contingency procedures for the mill such as shut down of the CIL circuit, shut down of the detox circuit, and failure of the power grid that address all the necessary steps to take to prevent any health and safety hazards related to such systems upsets.

The operation inspects cyanide facilities on an established frequency sufficient to assure and document that they are functioning within design parameters. The mill inspection for cyanide facilities is done at each shift. The tailings dam and lines inspection is also undertaken at every shift.

Mill inspections are carried out during each shift, by the mill personnel on a monthly basis and by maintenance workers on a weekly and monthly basis. Checklists are used and details of any work orders raised are noted.

The monthly mill inspection form details items to be inspected by area. The form has space for comments and the addition of details for work order numbers raised. This inspection is carried out by the Mill Safety Coordinator and at least one other supervisor.

The maintenance department carry out both weekly and monthly inspections that are generated as part of the planned maintenance programme. The monthly programme checklist details all pipes, tanks, containments and valves that are to be checked and has space for comments and details of additional work orders generated.

The tailings dam inspection form addresses: leak detection, the tailings and water pipeline, as well as pond level (freeboard). No breach in the inspection requirements was identified.

Inspections are documented and the records maintained include the date of inspection, the inspector's name, any deficiencies observed, and any corrective actions. When corrective actions are identified, and maintenance is required, they are entered into the management system, where the nature and date of the corrective action is entered and a Work Order is generated.

The operation has on-site back up generating equipment to operate pumps and other equipment required to prevent unintentional releases and exposures in the event that the primary power source is interrupted. This equipment is regularly maintained and tested.

In case of unavailability of primary power grid, all automation, servers, field boxes and gas analysers would be supplied with electricity by an uninterruptible power system (UPS). In addition, there are diesel generators that would start automatically in case of power outage after approximately 10 seconds. These diesel generators are able to generate 2.2 MW. This back-up generating equipment is maintained and tested.

Operations Practice 4.2: Introduce management and operating systems to minimise cyanide use, thereby limiting concentrations of cyanide in mill tailings.

The operation is

☒ **in full compliance with** **Operations Practice 4.2**

☐ in substantial compliance with **Operations Practice 4.2**

☐ not in compliance with **Operations Practice 4.2**

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 4.2; introduce management and operating systems to minimise cyanide use, thereby limiting concentrations of cyanide in mill tailings.

The operation conducts a program to determine appropriate cyanide addition rates in the mill and evaluates and adjusts addition rates as necessary when ore types or processing practice require it. The mill is operating with defined cyanide addition design rates for each addition point. The rates have been determined through metallurgical testing. The curve showing the sodium cyanide (NaCN) dosage (grams/ton) (g/t) from the start of operations (January 2009) was reviewed and showed a clear reduction of the cyanide addition into the CIL circuit.

The operation has evaluated various control strategies for cyanide additions.

The operation has implemented a strategy to control cyanide addition. Cyanide addition is controlled with titration tests that are undertaken at regular intervals.

Operations Practice 4.3: Implement a comprehensive water management programme to protect against unintentional releases.

☒ **in full compliance with**

The operation is

☐ in substantial compliance with **Operations Practice 4.3**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 4.3; implement a comprehensive water management programme to protect against unintentional releases.

AEF has developed a comprehensive water balance that has been developed to forecast tailing deposition.

The water balance is based on monthly evaluations. Parameters such as tailings deposition rates, precipitation, evaporation and seepage rates, run off, impacts of freezing and thawing, water discharge capacity, and potential power outages vary accordingly.

The data for tailings solids and water are issued by the mine and the mill. The design storm events, as calculated by Finnish consultants, use data from the Finnish meteorological institute from a weather station close to the mine. There is provision in the dam design for storm events.

There is no un-diverted run off from the upgradient area as there are diversion dykes where necessary to divert and transport any water from the dam watershed to downstream of the facility.

The water balance takes into account precipitation that occurs as snow, and thawing in the spring months based on weather station data.

Operating procedures include inspection and monitoring activities to implement the water balance and prevent overtopping of ponds, impoundments and unplanned discharge of cyanide solutions to the environment. There is a monthly reconciliation on pond level and water balance data, as well as an annual aerial survey of the area.

The design values for freeboard are stated in the OMS manual, and regular level checks are undertaken. Inspections record water level in ponds.

AEF does not measure precipitation, but receives data on a monthly basis via the Finnish meteorological institute from a weather station located close to site. Data is incorporated in the water balance as real data and reconciliation is undertaken on the water balance on a monthly basis.

Operations 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 **Operations Practice 4.4**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 4.4; implement measures to protect birds, other wildlife and livestock from adverse effects of cyanide process solutions.

AEF does not operate any heap leaching facilities. Open water bodies are well below 50 mg/L WAD cyanide. The sampling procedure includes inspection for wildlife mortality; however, none have ever been founded near sampling points.

Operations Practice 4.5: **Implement measures to protect fish and wildlife from direct or indirect discharges of cyanide process solutions to surface water.**

☒ **in full compliance with**

The operation is

☐ in substantial compliance with **Operations Practice 4.5**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 4.5; implement a comprehensive water management programme to protect against unintentional releases.

AEF's direct discharge to surface water is no greater than 0.5 mg/L WAD cyanide.

The data from the compliance point were reviewed and the WAD cyanide concentration was found to be less than 0.5 mg/L.

Since there is no recognised mixing zone for the discharge, the discharge point (called the Rimmi discharge point) must be used for compliance purposes. Also, since AEF does not measure free cyanide, the WAD cyanide values were reviewed and found to be below the detection and permit limits.

The detection limit for WAD cyanide had been 0.01 mg/l for the former assay method, but as of October 2013 it has been 0.005 mg/l as the testing method has changed. The permit limit is 0.4 mg/l.

AEF does not have an indirect discharge to surface water.

Operations 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 **Operations Practice 4.6**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 4.6; implement measures designed to manage seepage from cyanide facilities to protect the beneficial uses of groundwater.

Ponds that may contain cyanide are designed with a membrane system. Only non-cyanide tailings are used for underground backfilling. There are 16 groundwater monitoring wells that are used to assess if cyanide levels would appear in groundwater, cyanide is below permit limits for WAD Cyanide.

AEF does use mill tailings as underground backfill, but it is only the NP tailings that are sent to the paste plant for backfilling operation. Therefore there are no impacts to worker health or beneficial uses of groundwater due to cyanide use.

Seepage from AEF has not caused cyanide concentrations in groundwater to rise above levels protective of beneficial use.

Operations 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 **Operations Practice 4.7**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 4.7; Provide spill prevention or containment measures for process tanks and pipelines.

Spill prevention and containment measures are provided for all cyanide unloading, storage, mixing and process solution tanks. Secondary containments are present for the cyanide mixing and storage tank, the CILs and detox tank, the elution area, the electrowinning area, and the acid tank close to the cyanide process tanks. AEF has provided evidence that all secondary containment provides a competent barrier to leakage and is adequately sized.

Secondary containments for cyanide unloading, storage, mixing and process tanks are sized to hold a volume greater than that of the largest tank and any piping draining back to the tank, and with additional capacity for the design storm event where necessary.

All secondary containments are equipped with sumps that would collect any cyanide solution or cyanide contaminated water and send it to the detox tank, and are therefore compliant with the Code.

All cyanide containing tanks and pipelines are made of carbon steel, stainless steel, or HDPE, and are therefore compatible with cyanide and high pH conditions.

Operations 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 **Operations Practice 4.8**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with 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.

Quality control and quality assurance (QA/QC) programs were implemented during the construction of new cyanide facilities and when modifications have been made to existing cyanide facilities.

The QA/QC programme for the tailing area addresses both the geotechnical properties (compaction and moisture) of the foundation material and the construction material, as well as the installation of the liners.

The content of QA/QC for cyanide storage and process tanks included geotechnical testing and compaction of tank foundations.

Quality control and quality assurance records for cyanide facilities have been retained and were made available during the audit.

Appropriately qualified personnel reviewed the cyanide facility construction and provided documentation that the facility was built as proposed and approved. All construction records reviewed included sign-off by the constructing company as well as the sign off by relevant the authorities upon inspection of a particular facility.

Operations Practice 4.9: **Implement monitoring programs to evaluate the effects of cyanide use on wildlife, surface and groundwater quality.**

The operation is

☒ **in full compliance with**

☐ in substantial compliance with **Operations Practice 4.9**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 4.9; implement monitoring programs to evaluate the effects of cyanide use on wildlife, surface and groundwater quality.

AEF has developed written standard procedures for monitoring activities. AEF has developed an environmental monitoring programme which addresses cyanide monitoring in surface and groundwater. A sampling schedule is developed from the environmental programme.

Sampling and analytical protocols have been developed by appropriately qualified personnel with either an engineering degree in the field of environmental engineering, health and safety or applied sciences.

Sampling procedures specify how and where samples should be taken, sample preservation techniques, chain of custody procedures, shipping instructions, and cyanide species to be analysed.

Conditions under which samples are taken are documented in writing. The sampling form used requires information regarding the weather, sampling locations, depth of sampling, temperature, wind speed, and has a box for any remarks where notes such as wildlife activity or mortality can be noted.

AEF monitors for cyanide in discharges of process water to surface water and to surface and groundwater down-gradient of the site.

AEF monitors the water quality of the Seurujoki River (recipient river) and the discharge from the discharge point. All data are collated into quarterly reports, as well as in an annual report which is distributed to the authority.

In addition, AEF monitors the groundwater at four potable wells on neighbouring properties. Samples are taken from these four wells every three months and the results are included in the annual groundwater monitoring report.

The operation inspects for and records wildlife mortalities related to contact with, and ingestion of, cyanide solutions.

Monitoring is conducted at frequencies adequate to characterise the medium being monitored and to identify changes in a timely manner. Sampling at the discharge point is undertaken on a daily basis (Monday to Thursday) when discharge is taking place. For other surface water points, sampling is done either on a weekly or monthly basis.

PRINCIPLE 5 – DECOMMISSIONING

Protect Communities and the Environment from Cyanide through Development and Implementation of Decommissioning Plans for Cyanide Facilities.

Decommissioning 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 **Decommissioning Practice 5.1**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 5.1; plan and implement procedures for effective decommissioning of cyanide facilities to protect human health, wildlife and livestock.

AEF has developed written procedures to decommission cyanide facilities when operations cease.

The decommissioning procedure includes an implementation schedule for decommissioning activities.

The procedure indicates that the development of the cyanide specific decommissioning plan should be started in the 18 months prior to the date of the permanent shutdown of operation and should be ready no later than 6 months prior to that date.

AEF reviews its decommissioning procedures for cyanide facilities during the life of the operation and revises them as needed. The cyanide decommissioning management plan has been revised in May 2014 and states in Section 4 that it will updated every 3 years and 2 years before the planned closure date.

Decommissioning 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 **Decommissioning Practice 5.2**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 5.2; establish an assurance mechanism capable of fully funding cyanide related decommissioning activities.

The applicable jurisdiction requires a financial guarantee as part of the granting of the environmental permit and the amount has been put aside. The cost estimates for decommissioning activities has been updated for the new environmental permit and similar guarantee will be sought by AEF from the banks to satisfy this permit condition.

The Asset Retirement Obligation spreadsheet (in which the decommissioning costs are summarised) is updated for internal purposes by AEF on a yearly basis.

AEF has not established self-insurance or self-guarantees as a financial assurance mechanism as the applicable jurisdiction requires financial guarantee.

PRINCIPLE 6 – WORKER SAFETY

Protect Workers' Health and Safety from Exposure to Cyanide

Worker Safety Practice 6.1: **Identify potential cyanide exposure scenarios and take measures as necessary to eliminated, reduce and control them.**

☒ **in full compliance with**

The operation is

☐ in substantial compliance with **Worker Safety Practice 6.1**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 6.1; identify potential cyanide exposure scenarios and take measure as necessary to eliminate, reduce and control them.

AEF has developed procedures describing how cyanide-related tasks (unloading, mixing, plant operations, entry into confined spaces and equipment decontamination prior to maintenance) should be conducted to minimise worker exposure.

The procedures detail the PPE required for each task. For example the Cyanide Mixing Procedure details the type of PPE, the necessity for two workers to perform the task, the requirements of the control room, who also watch the actions on the closed circuit television (CCTV), use of a personal HCN monitor and a radio.

Pre-work inspections are used at the beginning of every shift. These are documented by means of a 'Work Card'.

AEF has implemented procedures for the review of proposed process and operational changes and modifications for potential impacts on worker health and safety. The procedures also incorporate worker protection measures as necessary. This is done by meetings with all departments for minor modifications and for major changes the modification is first described in a memo summarising the main elements of the process change, which is then integrated in a production flowsheet. All departments including Health Safety and the Environment are consulted.

AEF actively solicits and considers worker input in developing and evaluating health and safety procedures.

There are several channels used to collect worker input in developing and evaluating health and safety procedures including suggestion box; Work Cards; procedures review and meetings.

Worker Safety 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 **Worker Safety Practice 6.2**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with 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.

The operation has determined the appropriate pH for limiting the evolution of HCN gas during mixing and production activities.

The optimum pH is detailed by the metallurgical department on a parameter sheet. This sheet is updated if necessary depending on the ore type or other process requirements. The pH is checked both manually by titration and with automatic sensors in CIL tanks 2, 4, and 6. The same tanks are used for lime addition if required for pH control.

AEF has not identified any areas and activities where workers may be exposed to cyanide in excess of 10 parts per million on an instantaneous basis and 4.7 parts per million continuously over an 8-hour period.

Hydrogen cyanide monitoring equipment is maintained, tested and calibrated as directed by the manufacturer. Records of maintenance, testing and calibration are retained for a period of at least one year. Fixed monitors are calibrated by AEF's electrical department annually. The records of calibration dated March 26, 2014 were reviewed. The span gas used for the calibration was within the expiry date. The portable monitors are calibrated annually by Dräger. The calibration records for the personal monitors were reviewed.

The general induction and mill induction presentations clearly detail that no smoking, open flames or eating and drinking are permitted unless in the case of open flames with a hot work permit, smoking and eating and drinking in designated areas and the correct type and use of PPE and where cyanide is present. Some warning signs are also present in the mill, cyanide mixing and cyanide storage areas.

The safety showers and eye washes were inspected during the mill tour. Eye washes are generally of the bottled type and all expiry dates where checked and found to be in date. The safety showers are linked to an alarm system on the control room monitors which activates when in use. The showers and eye washes are inspected by the Mill Safety Expert every month although written records are made annually. Fire extinguishers are inspected annually by outside contractors.

The labels for pipes containing cyanide are coloured white and black and state sodium cyanide in Finnish. These signs include the flow direction for cyanide solution. During the first audit visit some recommendations were made regarding improved signage on the elution tank and on a number of pipes. These improvements have been implemented.

MSDS, first aid procedures and other additional materials on cyanide safety are available in the Mill control room and on a shared drive on the computer network. The MSDS for cyanide is in Finnish which is the language of the workforce. This information is also available in areas where cyanide is managed.

An AEM company standard is in use for accident reporting and investigation. This system is on line via the Intelex system. A written procedure details the requirement for reporting and investigations. It details which accident/incidents or near misses require investigation and who is required in the investigation team. An accident report was reviewed and found to be of a high standard.

Worker Safety Practice 6.3: **Develop and implement emergency response plans and procedures to respond to worker exposure to cyanide.**

The operation is

☒ **in full compliance with**

☐ in substantial compliance with **Worker Safety Practice 6.3**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 6.3; develop and implement emergency response plans and procedures to respond to worker exposure to cyanide.

The operation has water, oxygen, a resuscitator, antidote kits and a radio, telephone and alarm system readily available for use at cyanide unloading, storage and mixing locations and elsewhere in the plant.

The operation inspects its first aid equipment regularly to ensure that it is available if needed and that cyanide antidotes are stored and tested as directed by the manufacturer and replaced on a schedule to ensure effectiveness in the event of an incident.

AEF have a number of documents relating to cyanide which detail the action to be taken should a cyanide exposure incident occur.

AEF has its own on-site capability to provide first aid or medical assistance to workers exposed to cyanide. All workers in the mill are trained for first aid and medical assistance to cyanide exposure and there is a minimum of 20 people trained for Emergency Response with at least 3 of them being present on any shift.

All patients requiring first aid treatment in hospital are transported to the regional hospital in Kittilä, 50 km from the mine. This can be done by using either the mine's own first aid car (similar to an ambulance) or calling for an ambulance from Kittilä hospital or if necessary using an air ambulance dispatched from Sodankylä hospital.

A letter from the local medical centre in Sirkka dated May 5, 2014 stated that the local hospital in Kittilä was aware of the potential to treat patients for cyanide exposure.

Mock emergency drills are performed with both internal and external stakeholders. A mock drill was performed at the Site in December 2012 it involved a fire on a cyanide delivery truck and contamination of the ground and exposure victims. The report of this drill details improvements that can be made from the drill and specific action items. All action items have been addressed.

PRINCIPLE 7 – EMERGENCY RESPONSE

Protect Communities and the Environment through the Development of Emergency Response Strategies and Capabilities

Emergency Response Practice 7.1: **Prepare detailed emergency response plans for potential cyanide releases.**

The operation is

☒ **in full compliance with**

☐ in substantial compliance with **Emergency Response Practice 7.1**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 7.1; prepare detailed emergency response plans for potential cyanide releases.

AEF have a number of emergency response plans relating to cyanide the facilities: External Emergency Response Plan (written by the Authorities based on the Internal Emergency Plan; Internal Emergency Response Plan for the Mill; Tailings Emergency Response plan; Crisis Management plan for AEM; Crisis Management plan for AEF.

The Emergency Response Plans considers the potential cyanide failure scenarios appropriate for its site-specific environmental and operating circumstances.

AEF is responsible for the cyanide when it reaches the cyanide warehouse. Prior to this it is the responsibility of the transport company, Korsu Oy. Should an accident occur during transportation the response actions are detailed in the External Emergency Response Plan. The document is written and controlled by the Municipality.

The last external mock drill organised by the Municipality dealt with just such a scenario, an accident involving the cyanide transporter approximately 8 km from the mine. In the event of such an accident AEF would assist if asked to do so by the Municipality's fire department.

Clearance of site personnel and potentially affected communities from the area of exposure is detailed in both the External Management Plan (section entitled Warning the Population) and the Crisis Management Plan. The nearest potentially affected community are a number of farms within 1 km of AEF, the nearest village Kiistala is 6 km east of AEF. Affected communities would be contacted by use of the media (where new flashes and messages can be given on radio and TV, or by direct contact, as the mine has contact details of people living in the neighbouring farms.

Specific response measures cover: use of cyanide antidotes and first aid measures for cyanide exposure; control of releases at their source; Containment, assessment, and mitigation; and future prevention of releases are detailed in the Mill Emergency response plan Section 5.1 which relates solely to cyanide.

Emergency Response Practice 7.2: **Involve site personnel and stakeholders in the planning process.**

☒ **in full compliance with**

The operation is

☐ in substantial compliance with **Emergency Response Practice 7.2**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 7.2; involve site personnel and stakeholders in the planning process.

The involvement of site personnel, stakeholders, local responses agencies and local communities to ERP planning process meets Code requirements.

The workforce can make comment on the cyanide emergency response planning by use of the Work Card, during safety meetings or safety training and emergency response training for members of the ERP teams.

Stakeholders and potentially affected communities are involved in cyanide emergency response planning via the External Emergency Plan public hearing meetings. The External ERP is written by the Municipality (fire department) in cooperation with AEF and is updated every spring. In conjunction with this a public hearing is held every three years to discuss the plan.

The last public hearing was held on April 25, 2013. Documentation was viewed detailing the meeting.

The fire brigade visits AEF every few months and can comment on the internal ERP during their visits. The mock drill held to test the External Emergency Plan enabled all stakeholders involved to comment on cyanide emergency response planning.

AEF organise town meetings and tours of the mine for the local communities during which they are made aware of the risk associated with accidental cyanide released.

Local response agencies and medical facilities are involved in cyanide emergency planning and response process via the process of compiling the External Emergency Plan. The External ERP is written by the Municipal fire department in cooperation with AEF and other local response agencies. The document details all response agencies that would be involved and these agencies are contacted by the Municipality to ensure they are aware of their role in emergency response planning and process.

Emergency Response 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 **Emergency Response Practice 7.3**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 7.3; designate appropriate personnel and commit necessary equipment and resources for emergency response.

Due to the legal requirement for an External ERP outside entities are well aware of their involvement with Emergency Response and have been included in mock drills.

Designated primary and alternate emergency response co-ordinators have explicit authority to commit the resources necessary to implement the Plan. This is detailed in the AEF Crisis Management Plan and Mill ERP.

Emergency Response Teams are identified and detailed in the AEF Crisis Management Plan and Mill ERP. Each shift has three emergency responders and always includes the shift supervisor.

Appropriate training for emergency responders is required. Training is 133 hours (60 hours basics, 28 hours smoke diving, 21 hours rescue, 24 hours fire brigade's First Aid), this is then supplemented by annual refresher training comprising another 40 hours of training.

Call-out procedures and 24-hour contact information for the co-ordinators and response team members is detailed in the Contact sheet for Emergency Response and in the Mill ERP.

The duties and responsibilities of the co-ordinators and team members are specified in Appendix 8 of the Mill ERP where it states who is in charge in an emergency situation in a clear flow diagram. A further document titled Emergency Responders Instructions details the role and responsibility of the Emergency Response personnel. The Crisis management plan also details Crisis Management Team Responsibilities.

Emergency response equipment, including personal protection gear, is available along transportation routes and/or on-site – A specific list of Emergency response equipment is held by AEF.

Procedures to inspect emergency response equipment to ensure its availability are included in emergency response procedures. Inspections of equipment are made by the Safety Department.

The role of outside responders, medical facilities and communities is described in the emergency response procedures. These are detailed in the External ERP.

The last external mock drill took place on December 19, 2013. The following outside entities took part: Kittilä hospital; Kittilä Police; Fire brigades from Kittilä and Sirkka; Ambulance from Kittilä; Helicopter crew (travelled by car); Kittilä local newspaper; and Representatives from AEF.

Emergency Response Practice 7.4:	**Develop procedures for internal and external emergency notification and reporting.**	
	☒ **in full compliance with**	
The operation is	☐ in substantial compliance with	**Emergency Response Practice 7.4**
	☐ not in compliance with	

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 7.4; develop procedures for internal and external emergency notification and reporting.

All ERPs contain the emergency contact number for AEF's Emergency Control Centre. The Emergency Control Centre would then dial 112 for the emergency services (including medical facilities, police and fire) to

alert them to the incident. Contact information for these response providers is also detailed in the External ERP.

Contact information for management is detailed in both the AEF Crisis Management Plan and Appendix 8 of the Mill ERP.

The Plan includes procedures and contact information for notifying potentially affected communities of the cyanide-related incident and any necessary response measures and for communication with the media. This is detailed in the AEF Crisis Management Plan and Mill ERP Appendix 8.

Emergency Response Practice 7.5: **Incorporate in 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 **Emergency Response Practice 7.5**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 7.5; incorporate in response plans and remediation measures monitoring elements that account for the additional hazards of using cyanide treatment chemicals.

The Plan describe specific remediation measures as appropriate for the likely cyanide release scenarios, including: recovery or neutralisation of solutions or solids; decontamination of soils or other contaminated media; management and/or disposal of spill clean-up debris; provision of an alternate drinking water supply.

The Plan specifically prohibits the use of sodium hypochlorite, ferrous sulphate and hydrogen peroxide to treat cyanide that has been released into surface water.

The Plan addresses the potential need for environmental monitoring to identify the extent and effects of a cyanide release, and includes sampling methodologies, parameters and where practical, possible sampling locations.

Drinking water is supplied from two of on-Site boreholes that source water from approximately 50 m below ground level. In addition bottled drinking water is also purchased and AEF has a supplier that can provide bottled water if it is necessary.

Emergency Response 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 **Emergency Response Practice 7.6**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 7.6; periodically evaluate response procedures and capabilities and revise them as needed.

Section 1 of the ERP states that the plan will be evaluated and revised the every three years and after any cyanide-related emergency requiring its implementation.

A mock drill took place at the facility on December 13, 2012. The scenario involved a fire on the cyanide transport vehicle on the mine site. The scenario involved both a cyanide release – in the form of contaminated fire water, and a cyanide exposure. As well as emergency response personnel from the mine being involved the local fire brigades (Sodankylä, Fire Chief Pekka Väliheikki) and the local fire chief also attended. The mock drill report includes an assessment of the drill and improvements that are required. These action items have been addressed.

PRINCIPLE 8 – TRAINING

Train Workers and Emergency Response Personnel to Manage Cyanide in a Safe and Environmentally Protective Manner

Training Practice 8.1: **Train workers to understand the hazards associated with cyanide use.**

☒ **in full compliance with**

The operation is

☐ in substantial compliance with **Training Practice 8.1**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 8.1; train workers to understand the hazards associated with cyanide use.

Training for cyanide hazard recognition is undertaken in the following ways: Induction training; Mill induction training; Cyanide awareness training; Work Card Training; Monthly safety meetings.

The Cyanide awareness training presentation includes the following topics: General Cyanide Information; Toxicity; Exposure routes; Symptoms of poisoning; Protection against exposure; Cyanide first aid.

Training records for a number of mill workers working at the time of the Mill tour were checked to ascertain if they had received cyanide awareness refresher training. This was confirmed.

Sign-in sheets from cyanide safety training sessions were reviewed for all shifts. Specific checks were made for the control room operators working at the time of the Mill inspection and one of the workers who had performed the cyanide mix. All three had received Cyanide Awareness Training in September 2013. Training records are held on the Intelex system.

Training 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 **Training Practice 8.2**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with 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.

All workers in the Mill receive: Induction training; Mill Induction Training; and Cyanide Awareness training.

They then receive task specific training to enable them to perform their normal production tasks, including unloading, mixing, production and maintenance, with minimum risk to worker health and safety in a manner that prevents unplanned cyanide releases.

Task specific training involves shadowing an operator before training on the specific operating procedure to understand the mechanics and details of performing the task safely. The operating procedures are detailed to ensure safe working practices. An operator cannot work independently unless he has been specifically trained on a task.

Shift supervisors are responsible for task training. The supervisor has experience in that work task and is therefore appropriately qualified to undertake the training.

Cyanide refresher training is provided annually to everyone who encounters cyanide. This is undertaken as a half hour long safety meeting that is given by the Mill Safety Expert and consists of the full Cyanide Awareness presentation. Training records for a number of mill workers present during the visit were checked to ascertain if they had received cyanide awareness refresher training. This was confirmed.

The operation evaluates the effectiveness of cyanide training by testing and observation. The test questions and the test results were reviewed.

Records of training received are retained throughout an individual's employment. The records are placed on the company's Intelex system.

Training 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 **Training Practice 8.3**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 8.3; train appropriate workers and personnel to respond to worker exposures and environmental releases of cyanide.

All cyanide unloading, mixing, production and maintenance personnel are trained in the procedure to be followed if cyanide is released.

Training for decontamination and first aid procedures is detailed in the following training: Induction training; Mill Induction Training; Cyanide Awareness training; Task training; Monthly safety meetings.

Emergency Response Co-ordinators and members of the Emergency Response Team are trained in the procedures regarding cyanide contained within the Emergency Response Plan. This includes the use of necessary response equipment.

Before becoming a member of the emergency response team each member undertakes an external course run by SPEX that provides a national qualification in fire and rescue. This course is approximately 25 hours – 60 hours long. Rescue co-ordinators attend a further external course called a team leader course which is approximately 100 hours long.

The AEF emergency response plan is sent to the municipal fire brigade annually who use it to help produce the fire brigade's External Emergency Response plan. This is made in collaboration with other local responders and medical providers. This external plan is then discussed at public meetings where community members can become familiar with those elements of the plan related to cyanide.

Cyanide hazard recognition refresher training is provided annually to everyone who encounters cyanide.

Simulated cyanide emergency drills are periodically conducted for training purposes. They cover both worker exposures and environmental releases.

A mock drill took place at AEF on December 13, 2012. The scenario involved a fire on the cyanide transport vehicle on the mine site. The scenario involved both a cyanide release, in the form of contaminated fire water, and a cyanide exposure. As well as emergency response personnel from AEF being involved the local fire brigades (from Kittilä and Pekka Valiheeikki) and the regional fire chief also attended.

The mock drill report for the drill that took place in December 2012 included a section on lessons learnt and actions planned. Any areas where deficiencies were found would be addressed in safety meetings at the mill and emergency responder training courses.

Records are retained documenting cyanide training on the company's Intelex system and include the names of the employee and the trainer, the date of training, the topics covered, and how the employee demonstrated an understanding of the training materials.

PRINCIPLE 9 – DIALOGUE

Engage in Public Consultation and Disclosure

Dialogue Practice 9.1: **Provide stakeholders the opportunity to communicate issues of concern.**

☒ **in full compliance with**

The operation is

☐ in substantial compliance with **Dialogue Practice 9.1**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 9.1; provide stakeholders with the opportunity to communicate issues of concern.

The stakeholder could communicate via phone, email, the company website or in person at the security gate or via community liaison committee members.

Dialogue 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 **Dialogue Practice 9.2**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 9.2; initiate dialogue describing cyanide management procedures and responsively address identified concerns.

There are opportunities for the operation to interact with stakeholders and provide them with information regarding cyanide management practices and procedures.

This has been done via:

- Town meetings that are held in the local village of Kiistala and consist of a presentation followed by an open forum and question and answer session;
- Open house events include exhibitions, presentations and a bus tour of the mine. AEF organizes a bus service to transport anyone interested in attending the Open House event. Also bus transportation is arranged when having Community Liaison Committee meetings at the site. There are many opportunities to ask questions and information regarding cyanide management;
- Kittilä Mine News is a short newsletter that includes greetings from the mine manager, interviews with neighbours, stakeholders or workers at the mine, and details on specific projects. This newsletter is sent to 160 stakeholders, neighbours, and public bodies including the local library, the tourist information centre and the municipality;

- The AEM company website that has a number of videos from company personnel describing the cyanide management practices and procedures. A process flow diagram is available detailing gold processing and use of cyanide;
- Public hearings. There have been three public meetings concerning the expansion project, the most recent being on May 28, 2014, prior to permitting.

Dialogue Practice 9.3: **Make appropriate operational and environmental information regarding cyanide available to stakeholders.**

The operation is

☒ **in full compliance with**

☐ in substantial compliance with **Dialogue Practice 9.3**

☐ not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 9.3; make appropriate operational and environmental information regarding cyanide available to stakeholders.

The operation has developed written descriptions of how their activities are conducted and how cyanide is managed. These descriptions are available to communities and other stakeholders as detailed below:

- A short booklet (Finnish and English language) has been produced called Agnico Eagle Finland, which contains details about the mine and mine safety and includes a description of the use of cyanide and the cyanide destruction system;
- A second booklet called Technology and Environment, which includes more process details and a process flow diagram. These booklets are available at all open house, and town meetings or any other places that AEF have a stand;
- The AEM company website has a number of videos (in Finnish and English language) from company personnel describing the cyanide management practices and procedures. A process flow diagram is available detailing gold processing and use of cyanide (in Finnish and English language).

Information on the following cyanide release or exposure incidents will be made publically available:

- 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; and
- Releases that are or that cause applicable limits for cyanide to be exceeded.

To date it has not been necessary to release information to the public on these matters as none of the above has occurred. Should any environmental spills or incidents occur they would be included in the Annual and

Quarterly Environmental Reports to ELY (Centre for Economic development, Transport and Environment) and local authorities in addition to immediate reporting.

Serious accidents are reported to Tukes (Finnish Safety and Chemicals Agency), AVI (Regional State Administration Agency) and the Police.

Report Signature Page

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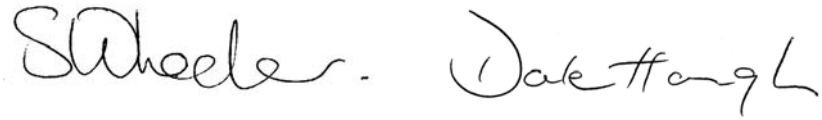

Sophie Wheeler
Project Manager/Lead Auditor

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Reviewer

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