INTERNATIONAL CYANIDE MANAGEMENT CODE
GOLD MINING OPERATIONS

SUMMARY AUDIT REPORT
CHATREE GOLD MINE

PREPARED FOR:
AKARA MINING LIMITED

March 2011

INDEPENDENT
METALLURGICAL
OPERATIONS
PTY LTD

SUMMARY AUDIT REPORT
Auditor's Findings

Mine:	Chatree Gold Mine
Mine Owner:	Akara Mining Limited
Mine Operator:	Akara Mining Limited
Responsible Manager:	Mr. Warong Saranrittichai, Metallurgical Manager
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Location and Description of Operation:

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

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

The Chatree Gold Mine is a conventional open-pit mining and Carbon-in-Leach (CIL) gold processing operation, mining and processing approximately 2,500,000 tonnes (t) per annum (tpa) of ore. The processing plant consists of a single stage crusher followed by a two stage grinding circuit comprising a SAG (2.75 MW) and ball mill (4 MW). The leaching circuit comprises of 12 tanks, 11 of which contain carbon to recover gold and silver in solution. The gold and silver are extracted from the carbon by a 4t AARL spilt elution system. Gold is also recovered by gravity using a centrifugal concentrator followed by an intensive leach reactor. Prior to discharge to the paddock impoundment Tailings Storage Facility (TSF) the tailings slurry is treated in cyanide reduction tanks to produce a discharge which is less than 20 ppm TCN. The TSF incorporates a compacted clay lining, central decant, under-drainage collection and seepage collection which returns recycle water to the process plant. At the time of the Recertification Audit construction of additional processing equipment was underway which will double the throughput capacity of the existing installation by year end.

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Chatree receives solid sodium cyanide from Orica Australia Pty Ltd manufactured at its Yarwun Facility in Queensland Australia. Orica has responsibility for delivery of the cyanide to the mine's on site storage shed and has contracted Toll Resources in Australia and Pioneer Ocean Freight Company Limited in Australia and Thailand to undertake this exercise. At the time of the Recertification Audit a supply chain audit from Orica's Yarwun manufacturing facility to the Port Of Brisbane involving Toll had been submitted to the ICMI for certification. Previously this supply chain had been subjected to third party audit and found to be in full compliance with the ICMC. The supply chain from the Port of Laem Chabang to the Chatree mine site involving Pioneer had also been subjected to third party audit and found to be in full compliance with the ICMC with an expiry date of December 2010. Pioneer has since indicated its intent to becoming a signatory to the Code as a Cyanide Transporter.

The Chatree Gold Mine management systems are third party certified to the ISO 9001:2000, ISO14001:2004, OHSAS18001 and SA8000 management system standards for environment, quality, occupational health and safety and social accountability. The company laboratory has ISO17025 certification for bullion assaying and has finalised certification for fire assaying. These management systems are integrated and are subject to 6 monthly audits by an external certification body.

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This operation is

☑ **in full compliance**

☐ in substantial compliance with the International Cyanide Management Code

☐ not in compliance

Audit Company:	Independent Metallurgical Operations Pty. Ltd. (IMO) 22 Altona Street, West Perth Western Australia, 6005 Tel: +61 8 9254 6900 Fax: +61 8 9322 1808 www.indmetops.com.au
Date(s) of Audit:	Inclusive of the period August 9 to 13, 2010
Audit Team Leader:	John Miragliotta (john.miragliotta@sustainability.net.au)

Names and Signatures of Other Auditors:

Name of Auditor	Signature	Date
Raymond L. Biehl		March 7 2011
R. John McKenna		March 7 2011

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.

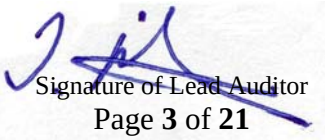
I attest that this Summary Audit Report accurately describes the findings of the verification audit. I further attest that the verification audit was conducted in a professional manner in accordance with the International Cyanide Management Code Verification Protocol for Gold Mining Operations (dated October 2009) and using standard and accepted practices for health, safety and environmental audits.

Akara Mining Ltd
Chatree Gold Mine

Signature of Lead Auditor

March 7 2011

Akara Mining Ltd
Chatree Gold Mine



Signature of Lead Auditor

March 7, 2011

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.

The operation is

☑ **in full compliance with**
☐ in substantial compliance with **Standard of Practice 1.1**
☐ not in compliance with

Basis for this Finding/Deficiencies Identified:

CGM has continued to source its cyanide exclusively from Orica Australia Pty Ltd. Akara Mining Limited maintained the supply agreement with Orica to provide sodium cyanide from its Yarwun facility in Queensland, Australia. The Yarwun manufacturing facility was recently audited by third party independent auditors and recertified as fully compliant under the International Cyanide Management Code (ICMC) on 17 March 2010.

2. TRANSPORT: 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.

The operation is

☑ **in full compliance with**
☐ in substantial compliance with **Standard of Practice 2.1**
☐ not in compliance with

Basis for this Finding/Deficiencies Identified:

Since the initial Certification Audit Akara has maintained its sodium cyanide supply agreement with Orica. This agreement specifies that the operation takes ownership of the cyanide at the time of delivery into the CGM storage shed. Orica is by contract solely responsible for the production and transport of sodium cyanide to the delivery point at CGM. Orica subcontracts Toll Resources (in Australia) and Pioneer Ocean Freight Company Ltd (in Australia and Thailand) for transportation of the cyanide to CGM. Orica, Toll Resources and Pioneer Ocean Freight have demonstrated, through independent third party audit, that there are 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.*

The operation is
- ☑ **in full compliance with**
- ☐ in substantial compliance with **Standard of Practice 2.2**
- ☐ not in compliance with

Basis for this Finding/Deficiencies Identified:

Orica is, by contract, required to be certified under the Code as a producer and transporter and is solely responsible for the production and transport of cyanide to the delivery point at CGM. The supply chain from the Orica production facility to CGM includes road and rail transport to the port of Brisbane, sea transport to the port of Laem Chabang in Thailand followed by road transport to the mine. Orica maintains chain of custody documentation for the full supply chain.

Orica is a signatory producer and transporter to the ICMC and subcontracts land and sea transportation of the cyanide to CGM. The transport routes were initially certified until the end of December 2010. Recertification of the cyanide transport supply chain included:

- Orica's Australia Supply Chain – Yarwun to Port of Brisbane - certified as fully compliant on 5 Oct 2010
- Orica's Asia Supply Chain – Ocean freight from Port of Brisbane to Port of Laem Chabang followed by road freight from Port of Laem Chabang to CGM - certified as fully compliant on 28 Feb 2011
- Pioneer Ocean Freight – road transporter of sodium cyanide from Port of Laem Chabang to CGM in Thailand– certified as fully compliant on 9 Feb 2011

Due to the gap in the recertification of the supply chain audits, CGM was receiving cyanide from a non-certified transporter for the period from1 January 2011 to 28 February 2011. CGM was made aware of this gap in certification of its supply chain in mid January 2011. The gap in certification for this aspect of the supply chain was not in direct control of CGM. Once aware of the situation, CGM made immediate measures to ensure that the supplier was fully compliant as soon as possible and was provided with written assurance from the supplier that the supply chain would be fully compliant in February 2011. CGM continued to accept cyanide during the period of non certified supply on the basis that the supply chain continued to operate in full code compliance and all procedures for safe transport remained in effect during this period.

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 and accepted engineering practice and quality control/quality assurance procedures, spill prevention and containment measures.*

The operation is
- ☑ **in full compliance with**
- ☐ in substantial compliance with **Standard of Practice 3.1**
- ☐ not in compliance with

Basis for this Finding/Deficiencies Identified:

The design and construction of the CGM cyanide unloading, storage and mixing facilities have been completed appropriately as documented in final design and construction drawings prepared by Ausenco Limited and licensed for operation by the Thai Department of Mines. There has been no change to the unloading, storage and mixing facilities since the initial certification audit. In addition, these facilities continue to be inspected by the cyanide supplier (Orica) and verified as being designed and constructed in accordance with their established guidelines.

Unloading of solid sodium cyanide from delivered containers is undertaken by the transporter on a dedicated hardstand area immediately outside of the cyanide storage shed. Unloading of the sea containers is performed by forklift operated by specifically trained CGM employees. The 1,100kg wooden cyanide boxes are transferred to the storage shed and stacked three high on a raised concrete floor. The shed is covered with meshed walls and is locked once the unloading operation is completed. The storage shed is isolated from surface waters and areas where people congregate and isolated from incompatible chemicals.

Cyanide mixing and storage tanks are located on concrete pedestals within a concrete secondary containment area. The containment area is constructed for spill prevention and sized to contain volumes greater than the single largest tank plus a design storm event. The storage tanks are equipped with level indicators and high level alarms. Sump pumps are available within the bunded area should an overflow from the storage tanks occur.

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.*

The operation is
- ☑ **in full compliance with**
- ☐ in substantial compliance with **Standard of Practice 3.2**
- ☐ not in compliance with

Basis for this Finding/Deficiencies Identified:

CGM has maintained Standard Operating Procedures (SOPs) to prevent worker exposure and contain releases of cyanide during unloading, mixing and storage. The SOPs consist of Cyanide Unloading, Cyanide Mixing, Cyanide Overhead Crane, Cyanide Packaging Disposal and Cyanide Emergency Response that cover the responsibilities of the transporter and CGM personnel. These procedures include measures for the safe operation of all valves during mixing, safe handling of cyanide containers, limits on the stacking height of containers, disposal of used wooden cyanide boxes, use of minimum PPE and timely clean up of cyanide spills during mixing. CGM ensures that sufficient trained personnel are present during unloading and mixing activities to observe activities and raise the alarm should an accident occur. CGM has continued to complete scheduled inspections and maintenance of cyanide unloading, mixing and storage areas. CGM has developed and maintained adequate contingencies to address power failure and extreme rainfall events.

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, practices and procedures designed to protect human health and the environment including 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 this Finding/Deficiencies Identified:

Standard operating procedures (SOPs) are being implemented for the operation including procedures for cyanide handling and operations. The procedures include provisions for protection of human health and the environment. CGM's management systems have continued to be third party certified to the ISO 9001:2000, ISO14001:2004, SA8000 and OHSAS18001 management system standards. These management systems are integrated and are subject to 6 monthly audits by an external certification body.

Regulatory requirements for CGM's operation include a 20 ppm total cyanide limit for tailings discharge to the tailings facility. The operational procedures for the plant have been developed to reflect the operational objectives of nil water discharge to the environment and 20 ppm tailings

total cyanide concentration. CGM operates and maintains a tailings treatment system to reduce total cyanide below 20ppm prior to discharge to the tailings facility. Procedures include contingencies to ensure cyanide is managed appropriately during upset plant conditions, extreme rainfall events and variations in ore types. Contingency for power failure includes instantaneous switching to alternative transmission from external supplier and allowance for tertiary containment of drain down in the case of total power loss.
CGM undertakes documented inspections at sufficient frequency to ensure procedures are being followed and equipment is operating effectively. Inspections are targeted at higher risk activities of concern.

Procedures are in place to ensure that changes to plant and activities are assessed and managed to minimize risk of cyanide release or exposure. A preventative maintenance system is in place which identifies cyanide equipment as priority plant items and includes calibration of monitors. Regular inspection of cyanide equipment is programmed through the maintenance system. Authorization is required for modifications to cyanide storage, handling or dosing equipment.

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

☑ **in full compliance with**

The operation is
- ☐ in substantial compliance with **Standard of Practice 4.2**
- ☐ not in compliance with

Basis for this Finding/Deficiencies Identified:

Control strategies for managing and optimizing cyanide addition rates have continued to be developed and maintained to ensure the effective operation of the INCO SO_2/Air cyanide destruction system to meet the statutory total cyanide concentration limit of 20 ppm in the tailings. CGM has installed automatic cyanide dosing and analysis equipment to optimise cyanide additions. The system is manually adjusted on the basis of results of hourly titrations and daily bottle roll tests. CGM has incorporated the results of future ore test work to develop ore blending strategies designed to minimise cyanide addition rates and meet compliance with tailings discharge criteria.

Standard of Practice 4.3: *Implement a comprehensive water management program to protect against unintentional releases.*

The operation is

☑ **in full compliance with**
☐ in substantial compliance with **Standard of Practice 4.3**
☐ not in compliance with

Basis for this Finding/Deficiencies Identified:

The operation has continued to implement and revise the tailings storage facility (TSF) operational manual which incorporates target tailings deposition levels, maximum flood levels and overflow levels for the TSF based on a 1 in 100 year 72 hour storm event. The TSF water management model incorporates daily measurement of tailings levels, periodic surveys and annual TSF audits. The water balance model and management practices to prevent overtopping of impoundment structures includes the management and monitoring of freeboard on the TSF. CGM utilizes an operational probabilistic water model for the operation of the plant with the primary objective to maintain water supply for the plant. The model has been revised in consideration of site weather data, current mine and production activity. The site has no direct discharge of stormwater or process wastes to the environment and all collected water is returned to the plant either directly or through open pits or stormwater collection ponds. The operational water balance reflects monthly variations in rainfall, variations in tailings discharge rates, emergency power failures and changes to plant water demand over time.

Standard of Practice 4.4: *Implement measures to protect birds, other wildlife and livestock from adverse effects of cyanide process solutions.*

The operation is

☑ **in full compliance with**
☐ in substantial compliance with **Standard of Practice 4.4**
☐ not in compliance with

Basis for this Finding/Deficiencies Identified:

There are no open waters at the CGM where WAD cyanide exceeds 50mg/L. Monitoring data indicates that surface waters in the tailings facility and other mine surface water storage facilities are maintained well below 50 mg/L WADCN. There have been no recorded adverse impacts on wildlife or the surrounding environment due to the cyanide process solutions at CGM over the certification period.

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

The operation is	☑ **in full compliance with** ☐ in substantial compliance with ☐ not in compliance with	**Standard of Practice 4.5**

Basis for this Finding/Deficiencies Identified:

The operation has no known direct or indirect discharges to surface water. All stormwater collected on the mine site and process areas are directed for storage and used as process water. Tailings seepage is collected along with underdrainage from the dam. Analysis of cyanide concentration in tailings seepage indicates very low concentrations as expected due to the cyanide reduction of tailings at the process plant. Surrounding groundwater and surface waters are regularly monitored for cyanide and reported to regulators and local communities. Results of surface water monitoring over the certification period indicate that total cyanide concentrations of surrounding water bodies are below detection levels of 0.005 mg/L.

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

The operation is	☑ **in full compliance with** ☐ in substantial compliance with ☐ not in compliance with	**Standard of Practice 4.6**

Basis for this Finding/Deficiencies Identified:

CGM implements management and monitoring programmes to ensure seepage from the tailings facility and other operational cyanide facilities do not impact groundwater immediately down gradient of the operation. A comprehensive network of groundwater monitoring bores exists surrounding the tailings dam and the process plant area. The groundwater quality data demonstrates that water quality is within the 0.1 mg/L Total Cyanide statutory limit applied to the operation over the previous 3 year certification period. The process areas include full secondary containment whereby all cyanide handling, storage and process use takes place within concrete secondary containment designed to contain the volumes of the largest storage vessel and an allowance for rainfall. Monitoring results validate the assumptions regarding low risk of cyanide contamination of groundwater due to low concentrations of Total Cyanide in the tailings discharge.

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 this Finding/Deficiencies Identified:

Competent concrete containment is provided for the CIL tanks, the cyanide mixing and storage tanks, the pregnant and barren eluate solution tanks and the cyanide reduction tanks. This secondary containment is sized to contain a minimum of 110% of the largest tank within the containment and sump pumps are installed to route leakage to the process. Apart from the CIL tanks and the cyanide reduction tanks all other tankage containing cyanide solutions sit on fully enclosed concrete bases. The CIL and cyanide reduction tanks sit on compacted earth bases enclosed by concrete ring beams and include visual leak detection at the ring beam. Inspection checklists are provided for specific equipment through the programmed maintenance system. Annual inspections of CIL and cyanide reduction tanks occur in accordance with programmed maintenance schedule to ensure that the tank linings are intact. The inspection schedule is risk based in consideration of results of previous inspections and predicted wear rates of tank linings. Pipelines have been evaluated for special risks and no additional spill prevention or control measures were deemed necessary. Tank and pipelines are constructed of materials compatible with cyanide and high ph. All installed cyanide process solution pipelines within the process plant area are above ground and have been designed with appropriate spill prevention measures which prevent uncontrolled releases to the environment. The spill prevention measures include concrete containment, pressure and flow monitoring and a scheduled preventive maintenance program. The tailings and decant water return lines sit on top of the ground and are only buried for lengths of less than 5m where they encounter designated roads. In these instances the pipelines are either encased in open-ended steel sleeves, or are buried sufficiently shallow so as to allow visual detection should a leak occur. CGM has developed and implemented procedures for recovery and remediation of spilled cyanide containing solutions from within containment areas.

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 this Finding/Deficiencies Identified:

The project design and construction documents provide information regarding the QA/QC programs planned and implemented during the construction of all cyanide facilities, including: the tailings storage facility; the tailings return water pond; the mill buildings; equipment; reagent strength cyanide tanks and the concrete containments, supports and piping related to these facilities. The QA/QC programs addressed the suitability of materials and adequacy of soil compaction for earthworks for tank foundations, earthen liners, membrane liners and for construction of cyanide storage and process tanks. The operation maintains records of the design, construction QA/QC and approvals for the process plant and a certificate of conformance for the plant, including cyanide facilities, was available.

Standard of Practice 4.9.: *Implement monitoring programs to evaluate the effects of cyanide use on wildlife and 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 this Finding/Deficiencies Identified:

The operation specifies a range of monitoring procedures in relation to the sampling, handling and chain of custody for tailings slurry, groundwater and surface water, for both operational control and environmental compliance purposes. The monitoring program is developed by and periodically reviewed by external environmental consultants with results reported annually. Monitoring frequencies are revised annually on the basis of results and identified risks. Quality assurance processes are well developed and include the use of certified laboratories in Australia where local facilities are not readily available. Wildlife mortality is included in visual monitoring although no wildlife deaths have been recorded.

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

Standard of Practice 5.1: *Plan and implement procedures for effective decommissioning of the cyanide facilities to protect human health, wildlife and livestock.*

The operation is
- ☑ **in full compliance with**
- ☐ in substantial compliance with **Standard of Practice 5.1**
- ☐ not in compliance with

Basis for this Finding/Deficiencies Identified:

The operation revised the site closure plan in 2010 using suitably experienced and qualified external consultants. The plan includes a schedule of activities for decommissioning and removal of cyanide equipment, removal of cyanide stocks, decontamination and ongoing management and monitoring of the tailings facility. The closure plan includes provisions for revision of the plan within 5 years or when substantial changes occur to the site.

Standard of Practice 5.2: *Establish an assurance mechanism capable of fully funding cyanide related decommissioning activities.*

The operation is
- ☑ **in full compliance with**
- ☐ in substantial compliance with **Standard of Practice 5.2**
- ☐ not in compliance with

Basis for this Finding/Deficiencies Identified:

Financial provisions for closure and rehabilitation at CGM are included in an Environmental Levy that Akara contributes to as a percentage of gold produced from the mine. The management and establishment of the levy is a statutory obligation which originates from approval commitments. Annual financial statements prepared by Akara for CGM include verified statements that the closure provisions are sufficient to meet the estimated cost for third party implementation of the Mine Closure Plan.. Closure and rehabilitation costs have been estimated by specialist third party consultants.

6. WORKER SAFETY: Protect workers' health and safety from exposure to cyanide.

Standard of Practice 6.1: *Identify potential 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 this Finding/Deficiencies Identified:

CGM continues to identify potential cyanide exposure scenarios through its six monthly site-wide risk assessment exercise where procedures and plans are developed to eliminate, reduce and control these exposures. Task specific SOPs provide details for safe operation and maintenance of cyanide equipment including personal protective equipment requirements, equipment decontamination, confined space entry and inspection requirements. Process modification procedures are in place to ensure that process and equipment changes do not result in an increased risk of cyanide exposure to the workforce.

In situations where no SOPs are available for unplanned cyanide exposure scenarios the Safety Management System requires Job Safety Analyses to be completed prior to the commencement of work. Routine maintenance and process toolbox meetings provide further avenues for worker input in developing and evaluation of health and safety procedures.

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 this Finding/Deficiencies Identified:

CGM continues to maintain SOPs for the cyanide usage areas designed to prevent the generation of Hydrogen Cyanide (HCN) gas using pH control. A combination of ambient and personal HCN monitors is employed to limit worker exposure in these areas, in particular the cyanide addition points, the cyanide reduction area, the carbon safety screen area and the Intensive Leach Reactor area. CGM has continued to implement HCN monitoring equipment maintenance and calibration programs according to supplier recommendations.

Safety showers with eye wash stations, which operate at low pressure, and dry powder fire extinguishers, are provided in the cyanide usage areas together with Material Safety Data Sheets, in English and Thai languages, which outline the appropriate cyanide safety information. Multi-lingual warning signs have been erected in these areas to alert workers that cyanide is in use and include mention of the appropriate personal protective equipment to be worn. All process tanks containing cyanide have been identified to alert workers of their contents and piping containing cyanide has been labelled including the direction of flow of the contents. Awareness of cyanide labelling and warning sign is included in CGM induction training for employees.

CGM continues to implement its incident/accident reporting system which is designed to report and investigate all on site incidents including those related to the use of cyanide. Biannual reviews of SOPs as well as weekly toolbox meetings are undertaken to ensure that programs and procedures to protect worker health and safety and to respond to cyanide exposures are up to date and appropriate.

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

The operation is
- ☑ **in full compliance with**
- ☐ in substantial compliance with **Standard of Practice 6.3**
- ☐ not in compliance with

Basis for this Finding/Deficiencies Identified:

CGM continues to implement emergency management plans and first aid procedures to respond to worker exposure to cyanide. A dedicated cyanide antidote kit and oxygen resuscitation equipment are available on site. These are maintained and stored in accordance with the manufacturers recommendations and inspected by qualified personnel on a routine basis. The cyanide antidote kits are correctly stored and the expiry dates monitored to ensure that they will be effective when needed. The operation maintains an onsite first aid station which is staffed by off duty nurses from the local hospitals. All process personnel are provided with competency based training in the use of the Oxy-viva units (for initial immediate response). First aid and Oxy-viva retraining sessions for relevant people are conducted on an annual basis.

The operation's emergency response resources include a dedicated ambulance and the local hospitals and medical providers have been notified and periodically participate in emergency mock drills. CGM maintains formal agreements with the local hospital for provision of suitable staff and equipment in the case of an emergency. A combination of fixed line telephone and radios (base station and portable hand held) are available on site.

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.*

The operation is
- ☑ **in full compliance with**
- ☐ in substantial compliance with **Standard of Practice 7.1**
- ☐ not in compliance with

Basis for this Finding/Deficiencies Identified:

CGM has updated and regularly reviews its detailed Emergency Response Management Manual which includes response strategies for cyanide related incidents. In addition, the operation continues to implement the specific Emergency Response Guide for Sodium Cyanide developed by the cyanide supplier. Procedures for cyanide emergency response have been updated which specify relevant actions for each release or exposure scenario. Eight emergency scenarios are included in the response procedures which were produced from a risk assessment process. Cyanide Emergency Response guidelines have been updated by the cyanide supplier, where various emergency scenarios are discussed and response actions and remedial measures are described. Specific Emergency Reponses Procedures developed for the tailings storage facility are still current and are included in the Tailings Storage Facility Operation Manual.

Standard of Practice 7.2: Involve site personnel and stakeholders in the planning process.

The operation is
- ☑ **in full compliance with**
- ☐ in substantial compliance with **Standard of Practice 7.2**
- ☐ not in compliance with

Basis for this Finding/Deficiencies Identified:

CGM personnel are involved in the emergency planning process including participation in the annual mock drill exercises. CGM continues to involve the local hospitals, fire department and police in emergency response exercises and documents these events. The outcomes of the emergency drill exercises are communicated with local stakeholders who then contribute to the emergency response planning exercise. The occupational health employees at CGM are also employed at the local hospital and emergency response planning is integrated with this facility. CGM continues to notify potentially affected communities of the risks associated with cyanide use on the site through community meetings and monthly newsletters.

Standard of Practice 7.3: Designate appropriate personnel and commit necessary equipment and resources for emergency response.

The operation is
- ☑ **in full compliance with**
- ☐ in substantial compliance with **Standard of Practice 7.3**
- ☐ not in compliance with

Basis for this Finding/Deficiencies Identified:

The operations Emergency Response Management Manual describes and identifies the roles, responsibilities and call out procedures for CGM emergency response team members and outside responders. Training for the response team members is undertaken weekly and includes preparation and readiness for cyanide related emergencies. At least one cyanide related emergency response exercise is completed annually and includes external participants: police,

fire station and local hospitals. Emergency response equipment includes cyanide spill response equipment which continues to be inspected on a routine basis.

Standard of Practice 7.4: *Develop procedures for internal and external emergency notification and reporting.*

The operation is

☑ **in full compliance with**
☐ in substantial compliance with **Standard of Practice 7.4**
☐ not in compliance with

Basis for this Finding/Deficiencies Identified:

The operations Emergency Response Management Manual and associated procedures describe the requirements and procedures to notify internal contacts, local police, regulatory authorities, fire station and hospitals and provides guidance for notifications to local communities as relevant to the incident. The Akara Crisis Management Manual provides further details of communication with potentially affected communities during emergency cyanide events.

Standard of Practice 7.5: *Incorporate into response plans monitoring elements and remediation measures monitoring elements that account for the additional hazards of using cyanide treatment chemicals.*

The operation is
- ☑ **in full compliance with**
- ☐ in substantial compliance with **Standard of Practice 7.5**
- ☐ not in compliance with

Basis for this Finding/Deficiencies Identified:

The operations Emergency Response Management Manual provides instructions for remediation and decontamination of sites impacted by cyanide spills and disposal of impacted soils and materials. Soil and water remediation measures and ongoing monitoring requirements are specified. Detailed guidance is also provided in the Orica Emergency Response Guide for Sodium Cyanide. Protection measures for the handling and use of cyanide treatment chemicals, including prohibiting the use of treatment chemicals in surface waters, is specified in the manuals and guidance materials and is included in emergency response training.

Standard of Practice 7.6: *Periodically evaluate response procedures and capabilities and revise them as needed.*

The operation is
- ☑ **in full compliance with**
- ☐ in substantial compliance with **Standard of Practice 7.6**
- ☐ not in compliance with

Basis for this Finding/Deficiencies Identified:

The operations Emergency Response Management Manual continues to be reviewed on an annual basis when emergency response capability and up to date outside responder details are checked and amended as required. The Manual and associated procedures are reviewed in light of the outcomes of the annual emergency response preparedness exercises which include participation by outside organizations.

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.*

The operation is
- ☑ **in full compliance with**
- ☐ in substantial compliance with **Standard of Practice 8.1**
- ☐ not in compliance with

Basis for this Finding/Deficiencies Identified:

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

A sample of the CGM training records held by the Human Resources Department was sighted during the audit and included an on the job competency assessment. Informal interviews with CGM personnel during the assessment indicated a high awareness and sound knowledge of cyanide aspects.

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.*

The operation is
- ☑ **in full compliance with**
- ☐ in substantial compliance with **Standard of Practice 8.2**
- ☐ not in compliance with

Basis for this Finding/Deficiencies Identified:

CGM continues to maintain a training needs matrix and schedule for its processing and maintenance personnel, including specific training modules/procedures for cyanide unloading, cyanide mixing, cyanide storage, leaching, elution, cyanide reduction, water management, tailings management, pump and valve operation, permits to work, isolation and tagging, HCN monitoring and chemical spills. Operator training is conducted by supervisors prior to working alone with cyanide and training records are retained.

A sample of the training records sighted during the audit identified the individual employee, trainer, training module, training date and competency assessments where applicable. Task observations are undertaken informally by the Senior Process Supervisors and Safety Officers who have been deemed as competent by the Metallurgical Manager.

Standard of Practice 8.3: *Train appropriate workers and personnel to respond to worker exposures and environmental releases of cyanide.*

The operation is
- ☑ **in full compliance with**
- ☐ in substantial compliance with **Standard of Practice 8.3**
- ☐ not in compliance with

Basis for this Finding/Deficiencies Identified:

CGM has continued to develop and maintain a training needs matrix and schedule for the emergency response team members, including coordinators, whose weekly training sessions include response to cyanide related scenarios. The emergency response team members receive specialist training from accredited external providers and participate in the annual cyanide mock drill exercises. Cyanide refresher training is provided to the emergency response team members annually.

A sample of individual personnel and weekly training records sighted during the audit identified the individual employee, trainer, training module, training date and competency assessments where applicable. The process plant personnel receive basic emergency response training and participate in the annual cyanide mock drill exercises. Cyanide unloading, mixing, production and maintenance personnel also participate in specific training involving the release of cyanide relevant to their area of work.

9. DIALOGUE: Engage in public consultation and disclosure.

Standard of Practice 9.1: *Provide stakeholders the opportunity to communicate issues of concern regarding the management of cyanide.*

The operation is
- ☑ **in full compliance with**
- ☐ in substantial compliance with **Standard of Practice 9.1**
- ☐ not in compliance with

Basis for this Finding/Deficiencies Identified:

The operation continues to communicate with stakeholders through formal meetings in the Thap Klor District chaired by the relevant Village Chief. Additional monthly meetings occur with District and Provincial level stakeholders. Meeting minutes are kept and issues of concern are recorded and maintained by the mine Environment Manager. CGM has continued to maintain a community complaints procedure and register and invites community concerns through advertised telephone contact details. CGM maintains adequate records of all actions taken in response to the issues raised by community members and other external stakeholders.

Standard of Practice 9.2: *Initiate dialogue describing cyanide management procedures and responsively address identified concerns.*

The operation is
- ☑ **in full compliance with**
- ☐ in substantial compliance with **Standard of Practice 9.2**
- ☐ not in compliance with

Basis for this Finding/Deficiencies Identified:

CGM initiates dialogue in relation to cyanide management procedures through formal engagement with local authorities and community representatives. Cyanide related procedures including inductions, emergency response and first aid are provided to the local District Administrator, police, hospital and Village Chiefs. The CGM Community Superintendent communicates the operation's cyanide procedures during informal and formal villager consultations. Any concerns raised by stakeholders and community members in relation to cyanide management practices are recorded in the community complaints register where the nature of complaint, response and outcome are noted.

Standard of 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 **Standard of Practice 9.3**
- ☐ not in compliance with

Basis for this Finding/Deficiencies Identified:

CGM provides information related to water monitoring and cyanide concentration of tailings discharge and non compliances through its publicly available Corporate Sustainability Reports (available at local communities, government offices and public libraries) and Statutory Environmental Reports. The publicly available reports provided to the Department of Primary Industry and Mining are required to include information on releases and exposures.

In addition, CGM issues regular newsletters and verbal briefings that contain cyanide specific information to communities and local stakeholders. The operation's Crisis Management Manual includes processes for communicating with community and stakeholders in the event of cyanide emergencies incidents both on and offsite where these are identified as significant.