The CODE

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

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What's Inside

Welcome to the International Cyanide Management Institute's (ICMI) First Quarter, 2013, newsletter.

The Cyanide Code is a voluntary industry program administered by ICMI and designed to assist the global gold mining industry and the producers and transporters of cyanide used in gold mining in improving cyanide management practices. The Cyanide Code is intended to reduce the potential exposure of workers and communities to harmful concentrations of cyanide, to limit releases of cyanide to the environment, and to enhance response actions in the event of an exposure or release. It was developed by a multi-stakeholder Steering Committee under the aegis of the United Nations Environment Programme (UNEP).

The Cyanide Code's success is the direct result of its ongoing support from the gold mining industry and the producers and transporters of the cyanide it uses.

Growth in Cyanide Code Signatories Continues

In 2012, the number of Cyanide Code signatories grew by 14 percent, bringing the number of signatories to 122. In the first weeks of 2013, ICMI added one signatory, cyanide producer Hindusthan Chemicals Company, the first Cyanide Code signatory in India. More details on signatories can be found here.

The growth in signatories has been significant over the past 7 years, since November, 2005, when ICMI accepted its first 14 signatories to the current level of 126 companies with operations in 48 countries on six continents.

In addition, 184 of the 274 operations designated for certification by Cyanide Code signatory companies already have completed the necessary audits and have been certified in compliance. The 94 certified gold mines range in size from those producing less than 50,000 ounces of gold per year to one producing over a million ounces per year, including 48 mines that have been recertified.

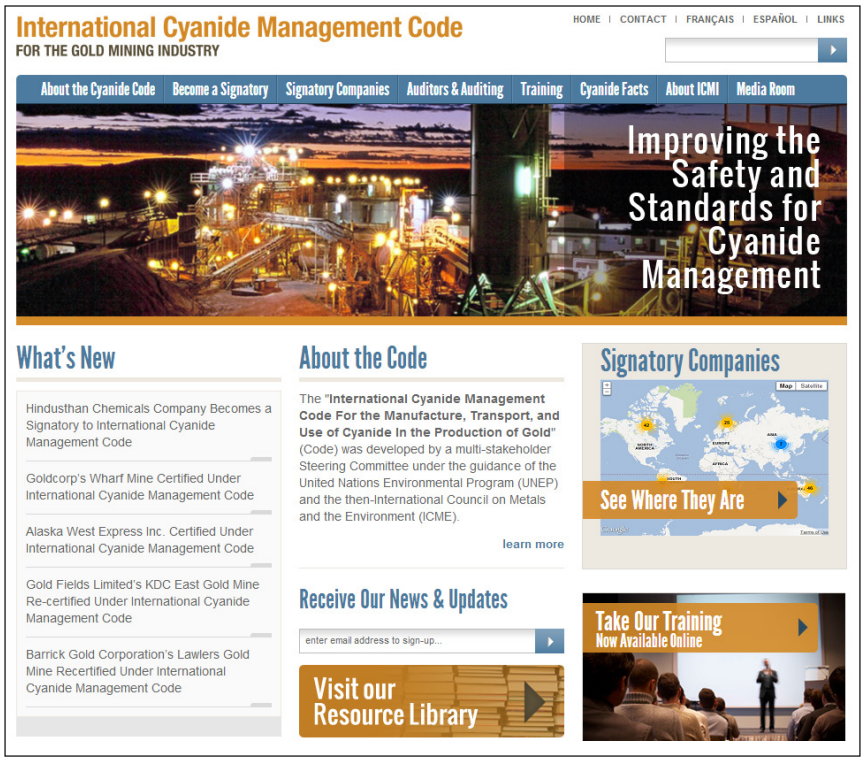
Redesigned Web Site

As part of our ongoing efforts to increase awareness of the Cyanide Code and to help signatories and others become more familiar with its aspects, we launched in early December, 2012 a redesigned website.

The redesigned website includes:

- Improved functionality, easier navigation and better search capabilities.
- An interactive map that allows users to pinpoint the location of signatory operations.

- An online training component that allows users to become more knowledgeable about various aspects of the Cyanide Code's implementation and auditing requirements. The training, which takes 3 1/2 hours, is composed of 11 modules and allows self-paced learning.



Click on the picture to go to ICMI's redesigned website

Change to ICMI Audit Firm Rotation Requirement

ICMI has changed the requirement that firms auditing operations designated for certification under the Cyanide Code so that they may now conduct up to three consecutive audits before rotation. The change is effective immediately, and applies to audits of gold mines, cyanide production facilities, and cyanide transport operations.

Previously, ICMI rules had limited both audit companies and individual auditors from conducting more than two consecutive audits of an operation. As part of its ongoing review of program requirements and implementation, the ICMI Board of Directors recently determined that due to the paucity and geographical distribution of approved audit firms, extending that limit to three consecutive audits for audit firms is warranted to ensure program continuity and audit quality. However, the limit of two consecutive audits of an operation remains unchanged for individual lead and technical expert auditors. The revised requirement can be found on page 4 of ICMI's Auditor Criteria document, http://www.cyanidecode.org/sites/default/files/pdf/7_AuditorCriteria_0.pdf.

The program requires that operations be audited every three years to verify their compliance with the Cyanide Code's Principles and Standards of Practice; operations found in compliance are certified as such. Cyanide Code verification audits must be conducted by independent third-party auditors meeting requirements established by ICMI for professional certification, experience and expertise, and must be free of conflicts of interest with the audited company.

ICMI anticipates that the additional three years before operations are required to change audit firms will allow for growth in the number of audit firms, particularly in regions that currently lack significant auditing resources.

Training Was a Priority in 2012

Since the Cyanide Code's beginning, ICMI has always stressed training and education, and the past year has been no exception. In 2012, ICMI expanded its training programs on Cyanide Code implementation and auditing by conducting workshops in Vancouver, Canada; Elko, United States; Helsinki, Finland; Mexico City, Mexico; Potchefstroom, South Africa; Ibague, Colombia; and Lima, Peru. Almost 400 people attended these sessions.

A new feature was included in the Elko, Lima, and Potchesfstroom workshops. An additional day was added for a "Lessons Learned" session where certified operators and experienced auditors shared their experiences with Cyanide Code implementation and auditing. Topics included water management at a site with high-precipitation and complex terrain, improvements in release prevention and emergency response, and maintaining the continuous compliance needed for recertification. These presentations from industry peers provided valuable information for companies that were considering becoming signatories and operations that were preparing for certification, as well as for certified operations seeking ways to help maintain their day-to-day compliance and facilitate their recertification.

Last year, some training sessions added an extra day of "Lessons Learned" experiences offered by certified operators and auditors.

Cyanide Code Amended to Include Use of Cyanide in Flotation When Co-located with Cyanide Leaching

The scope of the Cyanide Code has been expanded to include the use of cyanide in flotation operations that are conducted at sites where cyanide also is used to produce gold by leaching.

The Cyanide Code and two of its implementing documents have been revised to implement this change. English versions of the revised documents are now available on the ICMI web site and French and Spanish translations will be posted soon. ICMI had announced that it was considering the expansion in a May 18, 2012, media release, which discussed the intent and rationale for the expansion, and proposed revisions to the Cyanide Code, the Code's Definitions and Acronyms, and the Auditor Guidance for Use of the Gold Mining Operations Verification Protocol. The release invited public comment from stakeholders on the proposed program expansion, including its advisability, any policy or technical issues it raised, as well as any other related issues that ICMI should consider before finalizing the expansion. ICMI received two comments in response to the announcement, both of which supported the change.

With the Cyanide Code's expansion, effective July 6, 2012, a co-located flotation facility must be included in a gold mine's next required Cyanide Code certification audit. In order to allow these operations sufficient time to implement the Cyanide Code at their flotation facilities, the deadline for the next certification audit of any gold mine that also uses cyanide in a co-located flotation operation and is also required to have a certification audit within the next 12 months was extended until July 5, 2013.

Ghana's AKOBEN Incorporates Code into Their Regulatory Framework

The AKOBEN program is an environmental performance rating and disclosure initiative of the Ghanaian Environmental Protection Agency. Under the AKOBEN initiative, the environmental performance of mining and manufacturing operations is assessed using a five-color rating scheme. The Government of Ghana has incorporated the Cyanide Code into the AKOBEN program, requiring gold mines to be Code certified in order to achieve the highest rating levels.

The AKOBEN ratings are disclosed to the public with the aim of strengthening public awareness and participation. AKOBEN ratings are determined by analyzing more than a hundred performance indicators that include quantitative data as well as qualitative and visual information.

These ratings measure the environmental performance of companies based on their day-to-day operations once they have successfully cleared their Environmental Impact Assessments (EIA) and obtained their environmental permits to operate. These ratings indicate how well companies have met the commitments they made in their EIAs at the planning stage.

AKOBEN, therefore, complements the EIA process and serves as a monitoring and verification program to ensure that companies follow environmental regulations and operate responsibly on a continual basis. Click for more information about AKOBEN.

Be Aware of Fraudulent Certificates

ICMI has become aware of persons offering cyanide for sale that used a counterfeit certificate indicating compliance with the Cyanide Code. The purported broker, operating in Asia, was attempting to sell cyanide to a potential customer. ICMI has taken steps to notify the broker to cease and desist from such actions and has referred the matter to the appropriate authorities.

As always, the best method to determine if an operation is in Cyanide Code compliance is by checking the ICMI web site.

Peru Requires Registration of Cyanide and Other Chemicals Used in Mining

Peru's Ministry of Energy and Mines and Ministry of Production in August issued a decree requiring companies to register their use of sodium cyanide, potassium cyanide and mercury. The intended purpose of Article 6 of Law 28305 and Legislative Decree No. 1103 is to make sure that storage, transportation, distribution, marketing and usage of these chemicals complies with current national regulations and taxes and to prevent their use in illegal mining operations.

New Directors Elected to Board

Elisa Tonda and Dirk van Zyl have been elected Directors of the International Cyanide Management Institute (ICMI), and Michael Rae has been re-elected a Director, by the organization's Board of Directors.

Ms. Tonda is the Head of the United Nations Environment Programme's (UNEP) Business and Industry Unit, whose main goal is promoting the implementation by the public and private sectors of corporate environmental and social responsibility principles, policies and practices. Previously, Ms. Tonda was the Regional Officer of the UNEP Division of Technology, Industry and Economics for Latin America and the Caribbean, where she focused on UNEP's initiatives addressing resource efficiency and sustainable consumption and production in the region. Prior to her time with UNEP, Ms. Tonda spent seven years with UNIDO (United Nations Industrial Development Organization), where she was responsible for project development and management in the area of cleaner production and sound chemicals management. Earlier in her professional career, Ms. Tonda worked with the private sector in the areas of environmental certification including ISO 14001, the design of environmental service facilities and the design and operation of landfills, environmental impact assessments of landfills and mining sites, and the remediation of contaminated industrial sites. Ms. Tonda is a graduate of the Politecnico di Torino, and holds a Master's degree in Sustainable Development from the University of London's Imperial College and Centre for Development, Environment and Policy. Ms. Tonda was elected to fill the unexpired term of Ruth Do Coutto, who stepped down from the ICMI Board as her professional responsibilities have changed within UNEP.

Dr. van Zyl has more than 30 years experience in research, teaching and consulting in tailings, mine waste-rock disposal and heap-leach design, and mined earth structures. Since 2010, he has been a Professor and Chair of Mining and the Environment at the University of British Columbia's Norman B. Keevil Institute of Mining and Engineering. His current research is in the area of the contributions that mining makes to sustainable development as well as the application of life-cycle assessment to mined earth structures.

He was a professor at the University of Nevada's Mackay School of Mines, where he was Director of its Mining Life-Cycle Center, and earlier Chairman of Mining Engineering. Dr. van Zyl is a registered professional civil engineer and the author of more than 90 publications. He is a graduate of the University of Pretoria, and was awarded a Master's degree and a Ph.D. in geotechnical engineering from Purdue University. Dr. van Zyl was elected to a four year term, which commenced January 1, 2013.

Mr. Rae was re-elected to a four-year term. He is the Chief Executive Officer of the Responsible Jewellery Council, an international, not-for-profit organization established to reinforce consumer confidence in the jewelry industry by advancing responsible business practices throughout the diamond, gold and platinum group metals jewelry supply chain.

Previously, Mr. Rae worked for almost 17 years with WWF (formerly known as the World Wildlife Fund), leading its international work on mining. He led the WWF Mining Certification Evaluation Project and has been a member of several global mining and minerals initiatives, including the IUCN Working Group on Extractive Industry and Biodiversity and the IUCN/International Council on Mining and Metals Advisory Group and the Working Group for the GRI Mining and Metals Sector Supplement.