

The GODE

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What's Inside

ICMI Proposes
Extending Cyanide Code
to Include Primary
Silver Mines

Norm Greenwald, EVP
of ICMI and Primary
Author of the
Cyanide Code, Retires

New Portal for Audit Report Submissions to ICMI

Growth in Cyanide Code Signatories and Certified Operations

Notification
Requirements for
Consignor/Transporters

ICMI Officials
Contribute Chapter to
Latest Edition of
Gold Ore Processing

ICMI Board Visits
Peñasquito Mine

elcome to the 3rd Quarter 2016 edition of The Code.

ICMI Proposes Extending Cyanide Code to Include Primary Silver Mines

On September 14, the International Cyanide Management Institute (ICMI) announced a proposal to extend the Cyanide Code to include the production of silver from primary silver mines that use cyanide in the production process. Currently, mine participation in the Cyanide Code is limited to those operations using cyanide to leach gold from ore.

ICMI is now seeking comments from Cyanide Code stakeholders about this proposal.

A primary silver mine is defined as an operation where silver is the main commodity produced. About 30% of the world's silver production comes from primary silver mines; the balance is produced as a co-product from polymetallic, base metal, or gold mines.

Cyanide is used to recover silver in the same manner used to recover gold, but typically requires a higher cyanide concentration. Because the risks to human health and the environment from the manufacture, transport and use of cyanide in the silver industry are similar to those present in the gold industry, allowing certification under the program to the silver sector is a logical next step in the evolution of the Cyanide Code. The producers and transporters of cyanide used in primary silver production would also be included in the expanded program.

Because the production processes and safe cyanide management practices in both the gold and silver industries are the same, only minor revisions of program documentation would be necessary. A signatory fee structure for silver mining companies based on "gold equivalent ounces" of silver production (e.g., the ratio of the metals' prices), would be needed to include primary silver producers in the program.

ICMI is soliciting input from Cyanide Code stakeholders on the proposed expansion of the scope of the program, including its advisability, policy or technical issues, as well as any other related matters that ICMI should consider about this proposal. Stakeholders wishing to comment are requested to provide written comments to ICMI President Paul Bateman at pbateman@cyanidecode.org no later than October 14, 2016. ICMI will announce its final action on the proposed Cyanide Code expansion after its Board of Directors has considered stakeholder comments.

Norm Greenwald, EVP of ICMI and Primary Author of the Cyanide Code, Retires

Norm Greenwald, Executive Vice President of the International Cyanide Management Institute (ICMI) and the primary author of the Cyanide Code and its various supporting documents, retired on August 31.

He has been an officer of ICMI since 2005, but his involvement with the Cyanide Code stretches back to its inception. Mr. Greenwald originally was hired as Code Manager by the international committee of stakeholders that oversaw the program's development and became the Code's primary author.



Norm Greenwald

Mr. Greenwald has spent nearly 40 years working on environmental issues related to mining, both as an executive and a consultant to the base and precious metals industries. As president of Norm Greenwald Associates, an environmental consulting company in Tucson, Arizona, he conducted environmental audits and prepared environmental management plans for dozens of metal mines and processing facilities worldwide. Mr. Greenwald received a Master of Science degree in soil and water chemistry in 1977 from the University of Arizona.

ICMI's President Paul Bateman said, "Norm Greenwald has made an enormous contribution to the gold industry in his work developing the Cyanide Code, and later playing a key role in its administration. We are grateful for his efforts, and wish him well in retirement."

ICMI Board Director Michael Rae noted: "Norm has made an extraordinary contribution to the gold industry and, moreover, to its workforce, local residents and the environment."

Mr. Greenwald will remain a consultant to ICMI through the end of 2016.

New Portal for Audit Report Submissions to ICMI

With the continued growth in the Cyanide Code program, an increased volume of audit report submissions is necessitating changes in how ICMI manages the flow of documents. We are asking auditors to submit all audit reports and related documentation to us through one portal where they can then be logged and centrally managed.

Effective October 1, 2016, all Cyanide Code audit submissions from auditors should be emailed to: <u>audits@cyanidecode.org</u>. In the email, please identify whether the documents are drafts intended for ICMI's review or are final reports and certification documents. Please include your contact details.

Growth in Cyanide Code Signatories and Certified Operations Continues in 2016

The Cyanide Code has continued to experience growth in the number of signatory companies and certified operations in 2016. The Cyanide Code added 18 new mining and transport signatories through August 31, while 10 transport signatories left the program during this period. This brought the total number of companies participating in the program to 187, a gain of 4.5% since the start of 2016. This compares to the net addition of 8 signatories in all of 2015 and 21 signatories in 2014. The distribution of signatories by category is: 45 mining companies, 22 cyanide producers, and 120 transporters.

As of August 31, 2016, 259 of the 334 participating operations have been certified in compliance with the Cyanide Code, consisting of 101 gold mines, 28 cyanide production facilities and 130 cyanide transporters; 157 of these (73 mines, 20 cyanide producers, 64 cyanide transporters) have been certified more than once. From January 1 through the end of August, 13 operations (4 mines, 9 cyanide transporters) have been certified for the first time, and an additional 19 (10 mines, 1 cyanide production facility, 8 transporters) have been re-certified. This compares with totals of 24 initial certifications and 41 re-certifications during 2015.

Notification Requirements for Consignor/Transporters

ICMI reminds its signatory consignor/transporters of their notification obligations under the Cyanide Code. By signing their Signatory Application Forms, consignor/transporters agree to notify ICMI of the addition or substitution of an individual carrier in a certified supply chain and of any significant cyanide incidents that occur during their transport of cyanide.

Notification requirements and deadlines related to changes in supply chain components are listed in ICMI's <u>Signatory and Certification Process</u>. A signatory consignor/transporter that adds or changes carriers, ports or other elements of a certified supply chain must:

- 1. submit to ICMI a revised signatory application identifying the change;
- 2. notify ICMI within 72 hours of the initiation of activities by the new carrier; and
- 3. the lead auditor must submit to ICMI an addendum to the supply chain's certification audit report evaluating the compliance of the new carrier within nine months of the initiation of activities by the new carrier.

Written notification should be submitted by e-mail to info@cyanidecode.org or facsimile to +1-202-835-0155. The <u>Signatory Application Form</u> is available on the Cyanide Code website. In submitting the revised application, the description of the supply chain, with any additions or revisions, should be included in the last column of Part II of the form, under "Additional Information or Comments."

Consignor/transporters also are required to notify ICMI when a significant cyanide incident occurs during their supply chain's transport of cyanide. This notification is to be submitted by e-mail to info@cyanidecode.org or facsimile to +1-202-835-0155. The information will **not** be posted on the ICMI web site, but will be used by ICMI to refer inquiries it may receive to the designated company representative. Initial notification of a significant incident is requested within 24 hours of its occurrence, and should include the date and nature of the incident, and the name and contact information of a company representative who is authorized to respond to requests for additional information. If such information is not available at that time, the initial notification should be submitted with the available information and updated as soon as practicable but preferably no later than 72 hours after the incident.

A third notification requirement, which can be related to the activities of certified consignor/transporter supply chains, but which is not directly applied to them, involves a certified mine's receipt of "non-certified cyanide," i.e. cyanide that was transported by transport companies or supply chains that are not certified in compliance with the Cyanide Code program. Certified gold mines are requested to notify ICMI of an agreement for purchase or transport of "non-certified" cyanide within 72 hours of making such an agreement and should include the reason for using a "non-certified" cyanide producer or transporter, how long it will take until a certified cyanide supply can be re-established, and contact information of a company representative to respond to requests for additional information.

ICMI Officials Contribute Chapter to Latest Edition of Gold Ore Processing

The 2nd edition of the book *Gold Ore Processing: Project Development and Operations* published in May includes a chapter about the Cyanide Code written by ICMI Executive Vice President Norm Greenwald and President and Board Chairman Paul Bateman.

The chapter titled *The International Cyanide Management Code: Ensuring Best Practice in the Gold Industry* discusses the origins of the Code, its development, use by the gold industry, continuing growth, benefits and challenges. The authors note that the Code is in its 10th year of implementation and "By any reasonable measure, it must be judged as a success...." They further wrote: "... many (certified) operations have corrected high risk or even dangerous conditions by implementing the program... the coordination between gold mines and the producers and transporters of the cyanide used at the mines required by the Cyanide Code has increased the focus on safe transportation and improved this aspect of the cyanide use cycle."

The 1,040-page *Gold Ore Processing: Project Development and Operations*, 2nd edition is available from <u>Elsevier Science</u> for USD 281.25.

ICMI Board Visits Goldcorp's Peñasquito Mine



Members of ICMI's Board together with staff visited Goldcorp's Peñasquito mine on June 27, 2016. The mine is Mexico's largest gold producer, and it was re-certified in full compliance with the Cyanide Code in February 2016.