



March 2009

**INTERNATIONAL CYANIDE MANAGEMENT CODE
GOLD MINING CERTIFICATION AUDIT**

**Newmont Asia Pacific
Granites Gold Mine Certification
Audit
Corrective Action Plan**

Submitted to:

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REPORT

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1.0 INTRODUCTION

The development and implementation of a Corrective Action Plan is required as an integral part of any International Cyanide Management Code (Code or ICMC) certification audit of a gold mining operation, cyanide production operation or cyanide transportation operation where the auditor determines that the operation is in substantial compliance and Conditional Certification is requested.

The full implementation of the Corrective Action Plan and adequate notification to the Institute must be completed within one year of the Code Certification Audit. The maximum allowable one-year period begins with the posting of International Cyanide Management Institute's (ICMI) certification of the operation. Additional details are located on the ICMI's website (www.cyanidecode.org).

The following sections detail the Corrective Action Plans necessary to bring the operation into 'full compliance' with the International Cyanide Management Code (ICMC). They have been developed by Newmont Tanami Pty Ltd (the operator of Granites Gold Mine) for the Standards of Practice identified as 'substantially compliant' (4.7 and 6.3) within the Newmont Asia Pacific, Granites Gold Mine Certification Audit Detailed Audit Report (Golder Associates February 2009).



GRANITES GOLD MINE CORRECTIVE ACTION PLAN

2.0 CORRECTIVE ACTION PLAN

Deficiency	Corrective Action	Evidence Required
<p>Standard of Practice 4.7</p> <p>Question 4.7.1</p>	<p>Provide spill prevention or containment measures for process tanks and pipelines.</p> <p>Are spill prevention or containment measures provided for all cyanide unloading, storage, mixing and process solution tanks?</p>	<p>To obtain full compliance, the auditor will require:</p> <ul style="list-style-type: none"> ■ a description of the methodology used; ■ the results of the initial tank inspection; and ■ the inspection programme that is developed. <p>In addressing point 1, the auditor would need to see a document noting that EEMUA 159 was used and a description of how the operation addressed the key elements of EEMUA 159, such as:</p> <ul style="list-style-type: none"> ■ Planning the RBI assessment. ■ Data and information collection. ■ Identifying deterioration mechanisms and failure modes. ■ Risk determination, assessment and management. ■ Risk management with inspection activities. ■ Other risk mitigation activities. ■ Reassessment and updating. ■ Roles, responsibilities, training and qualifications. ■ Documentation and record keeping.
<p>Two of the CIL Tanks are constructed on ring beams. These tanks do not have leak detection or recovery systems within the ring of the tank. The ICMC Guidance Notes state that:</p> <p><i>Existing tanks on ring beams that are not monitored for leakage within the tank or ring beam can use a combination of monitoring in the environment (e.g., in groundwater or the unsaturated zone) and a risk-based inspection (RBI) program in lieu of full and competent secondary containment.</i></p> <p>Tanami have monitoring bores downgradient of their leach and CIL tanks, with monitoring results showing WAD cyanide levels within accepted standards.</p> <p>To satisfy the RBI component, Newmont have engaged an engineering consultant to devise and implement a RBI programme at Tanami using the Engineering Equipment and Materials Users Association (EEMUA) "Users Guide to the Inspection, Maintenance and Repair of Above Ground Vertical Cylindrical Steel Storage Tanks 159".</p> <p>Newmont has provided the consultants proposal for the RBI programme (including scope of works and intended methodology), authorisation for expenditure and a project schedule. An initial site inspection (where no major concerns were raised) has been</p>	<p>Complete the development and implementation of the RBI programme as outlined in the IONIK proposal by 9 March 2010.</p>	



GRANITES GOLD MINE CORRECTIVE ACTION PLAN

Deficiency	Corrective Action	Evidence Required
<p>conducted by the consultant and a risk workshop with Tanami and Newmont representatives was carried out on 16 December 2008</p> <p>The consultant believes that the RBI programme will be completed by mid March 2009.</p> <p>The lack of a fully implemented RBI programme is considered to be substantially compliant with this SOP. The auditor believes a finding of substantial compliance is warranted because:</p> <ul style="list-style-type: none"> ■ The operation has made a good-faith effort to comply with the Code by engaging a consultant to devise and implement a RBI programme. ■ The identified deficiencies can be readily corrected by implementing the scope of works and project schedule provided to Newmont by the consultant. ■ The identified deficiencies do not present an immediate or substantial risk to employee or community safety, health or the environment. The operation of the tanks in their current mode does not pose a substantial risk to the environment, as indicated by the groundwater monitoring results. <p>For these reasons, the auditor deems Tanami to be substantially compliant with SOP 4.7.1.</p>		



GRANITES GOLD MINE CORRECTIVE ACTION PLAN

Deficiency	Corrective Action	Evidence Required
<p>Standard of Practice 6.3 Question 6.3.6</p>	<p>Develop and implement emergency response plans and procedures to respond to worker exposure to cyanide. Has the operation made formalised arrangements with local hospitals, clinics, etc, so that these providers are aware of the potential need to treat patients for cyanide exposure? Is the operation confident that the medical facility has adequate, qualified staff, equipment and expertise to respond to cyanide exposures?</p>	
<p>The operation is in the process of making formalised arrangements with the local RFDS so that this provider is aware of the potential need to treat patients for cyanide exposure. A Memorandum of Understanding is currently being assessed by lawyers from both parties before being signed.</p> <p>The lack of formal consultation with the RFDS is considered to be substantially compliant with this SOP. The auditor believes a finding of substantial compliance is warranted because:</p> <ul style="list-style-type: none"> ■ The operation has made a good-faith effort to comply with the Code by liaising with the Alice Springs Hospital on the treatment of cyanide exposure and beginning the engagement process with the RFDS. ■ The identified deficiencies can be readily corrected by signing the Memorandum of Understanding currently under assessment. ■ The identified deficiencies do not present an immediate or substantial risk to employee or community safety, health or the environment as the RFDS has been advised by other Code compliance mine sites in Australia of the potential to treat cyanide casualties. 	<p>The identified corrective action is to sign the MOU between the RFDS and Tanami by 9 September 2009.</p>	<p>To obtain full compliance, the auditor will require a copy of the signed MOU.</p>



Report Signature Page

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APPENDIX A

Limitations

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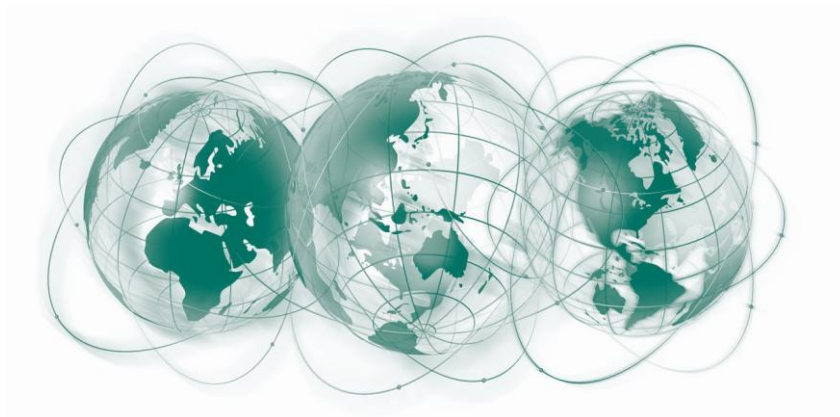
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