



The CODE

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Welcome to the International Cyanide Management Institute's (ICMI) Fourth Quarter 2015 Cyanide Code Newsletter.

ICMI to Consider Potential Program Changes

One of ICMI's ongoing responsibilities is to identify potential technical or administrative deficiencies that may exist with the Cyanide Code program's implementation and to determine appropriate revisions. Recently, ICMI officials identified four aspects of the program for possible improvement, which are discussed below. In consultation with industry, auditors and other stakeholders, ICMI will evaluate these issues during 2016, and, if warranted, develop proposals for consideration by its Board of Directors. Proposed program changes would be posted on the Cyanide Code website for public comment prior to final action by the Board.

1. Transport of Cyanide by Air

Transport of cyanide by air is uncommon and no operations participating in the Cyanide Code are known to engage in this practice. Under the program, air transport must comply with the International Civil Aviation Organization's Technical Instructions for the Transport of Dangerous Goods by Air, but the development of additional program-specific requirements and guidance on auditing the transport of cyanide by air has been deferred until it became necessary. ICMI will evaluate whether the risks posed by air transport of cyanide can be effectively managed by existing and/or additional Cyanide Code provisions or if prohibition of this practice should be considered.

2. Addition of Dye to Reagent Cyanide

At a mine site, solutions observed outside of a primary containment and salt accumulations on tanks, pipes or other cyanide facilities may be evidence of a cyanide release. The addition of dye to reagent cyanide can aid in visually identifying a cyanide release, with the intensity of the color providing a general indication of the relative cyanide concentration. While some mines have been using dyed cyanide for many years, the technique has not been widely adopted throughout the industry. ICMI's preliminary investigation suggests that the cost of using dyed cyanide is insignificant and that currently available dyes do not interfere with metallurgical processes, cyanide analyses or operation of cyanide treatment or destruction facilities. Based on the experiences of operations that have used dyed cyanide and further evaluation of its potential advantages and disadvantages, ICMI will determine if the Cyanide Code should require or otherwise encourage this practice.

3. Development of Verification Protocols and Auditor Guidance Documents for Cyanide Warehouses and Trans-loading/Repackaging Facilities

The Cyanide Code program does not specifically address the design, construction or operation of warehouses that store reagent cyanide for

distribution or facilities where cyanide is trans-loaded or repackaged during transport to a gold mine. Instead, the applicable portions of the Cyanide Production Verification Protocol currently are used to evaluate these types of facilities during certification audits. Developing Verification Protocols and guidance documents for warehouses and trans-loading/repackaging facilities would be beneficial in establishing clear expectations for construction and operation of these facilities, and in promoting their consistent evaluation by different auditors at various locations around the world. ICMI will consult with stakeholders experienced in operating and evaluating such facilities to explore the development of specific audit documentation for their certification, including Verification Protocols and guidance for auditors.

4. Modifications to Supply Chain Certification Requirements to Reduce Unnecessary Duplication

The Cyanide Code program accepts two types of cyanide transporters as signatories to the program: trucking companies and the operators of supply chains. In the context of the Cyanide Code, a supply chain is a group of transport operations (including trucking, shipping, rail, ports, warehouses and/or trans-loading/repackaging facilities) that are organized and overseen (but not necessarily owned) by a transport signatory. The program uses the term “consignor” for signatories such as cyanide producers, gold mining companies, brokers, distributors and sales agents with supply chains transporting cyanide along a route or portion thereof from its point of production to a certified gold mine.

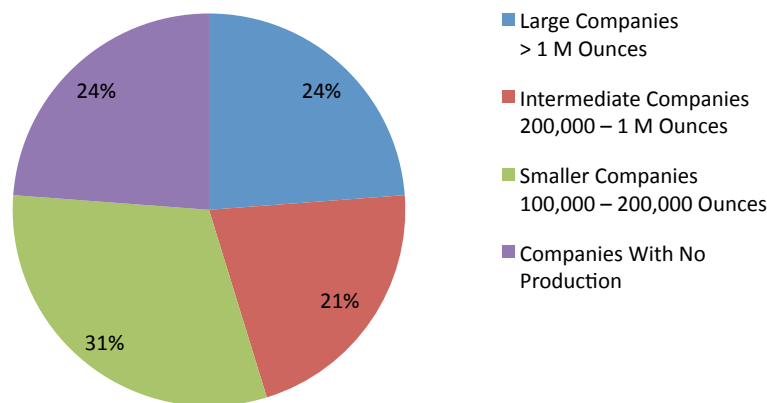
The current process for certification of a supply chain requires that each trucking company, shipping company, port, rail line, warehouse and trans-loading/repackaging facility included in a supply chain be evaluated for compliance with the Code. Although the supply chains of different consignor/transporters often have common elements (such as the same port and/or shipping company), one consignor/transporter’s evaluation cannot be used at present to demonstrate the compliance of that same port or shipping company for certification of a different consignor/transporter’s supply chain. While the current requirements are appropriate in the overall context of the Cyanide Code, they can result in significant duplication of efforts and expenditures by multiple consignor/transporters.

ICMI will consult with signatory consignor/transporters and experienced supply chain auditors to explore ways to prevent or reduce duplication. Revision of the supply chain certification process to limit duplication may also create additional opportunities to streamline or otherwise improve how the Cyanide Code addresses these transport activities.

Distribution of Signatory Gold Production

The Cyanide Code’s signatory gold mining companies range in size from the world’s largest, producing 6 million ounces per year, to those producing less than 25,000 ounces per year, as well as those that have yet to commence production. As the chart below illustrates, a majority of the mining companies that are signatories to the Code produce less than 200,000 ounces of gold annually.

Distribution of Signatory Gold Production – 2015



Continued Growth in Signatories and Certified Operations in 2015

In a challenging year for the gold industry, the Cyanide Code program continued to see growth in the number of participating companies. We are pleased to report that the total number of signatory companies has risen by a total of eight to 179, a gain of almost 5% during 2015.

The growth in certified operations also has continued over this year with 67 certifications and recertifications announced by mid-December 2015. Initial certifications show that the program continues to attract new participants, while recertifications indicate the ongoing commitment of signatory companies to employ best practice for cyanide management. An interesting statistic speaking to the program's growth is that since announcing our first Cyanide Code certification in April 2006 — over the past 9-1/2 years — the Institute has announced 502 Cyanide Code certifications, including 150 operations that have been certified twice and more than 50 that have been certified three times.

	Signatories				Certified Operations			
	Mine	Producer	Transporter	Total	Mine	Producer	Transporter	Total
January 1, 2006	10	4	1	15	0	0	0	0
January 1, 2007	15	7	5	27	2	5	3	10
January 1, 2008	14	9	8	31	18	8	6	32
January 1, 2009	19	12	12	43	37	11	9	57
January 1, 2010	21	12	25	58	63	13	14	90
January 1, 2011	29	14	46	89	76	15	41	132
January 1, 2012	32	14	61	107	85	17	60	162
January 1, 2013	36	14	72	122	93	18	68	179
January 1, 2014	36	16	98	150	97	21	92	210
January 1, 2015	41	21	109	171	93	28	110	231
December 21, 2015	43	22	114	179	98	28	121	247