

Global Tailings Standard Review - Consultation Process

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Attention: Dr Bruno Oberle – Chairman of Global Tailings Standard (GTS) Review

1.0 General Comments on the Draft Tailings Standard

The idea of having a Global Tailings Standard and the information provided in the Draft Standard are excellent response to recent tragedies. This initiative and the Draft Standard provide a practical focus on obtaining a baseline understanding of the minimum required by all mining companies. One of the key strengths of this initiative is the extensive stakeholder consultation process that includes face to face meetings with the Chairman of the committee and other expert panel members to discuss and ascertain the actual sentiments of various stakeholder groups across the world. In particular, the draft standard's emphasis on the need for (i) well defined accountabilities and (ii) new technology in tailings management are among the great strengths of this initiative.

With the experience in operating the largest Tails filtration and Dry stacking facility in the world over the past 6 years, Karara Mining Ltd. in Western Australia recognises the significant benefits of new technology and can fully identify with the Standard's view on the importance of exploring new technologies. The traditional approaches to tailings management have so far not worked satisfactorily and society demands a serious re-think.

In developing standards of this nature, it is expected that numerous gaps will exist due to the varied needs and country/area/site specific issues and therefore the comments below are made with this in mind. Below are some comments intended to prompt the Technical panel in filling some of the gaps when finalising the draft standard.

2.0 Comments related to Engineering Criteria and Classification of Tailings Dams

- Consideration should be given to how the standard will be related to National and State standards and guidelines in different countries especially where such documents are very well developed
- The Standard does not allow risk/consequence categories but requires all TSFs to be viewed as Extreme. Unnecessary efforts/resources will be spent on low risk dams instead of high risk dams with no benefit.
- Insufficient and unclear guidance/definition on risk /consequence classification will make the practical implementation and auditing extremely difficult to provide meaningful assurance.
- Significant concern on the standard recommending for all dam design should start with Extreme category unless it can be rebutted. That becomes subjective to be opened to unnecessary disputes. Current good standards in some countries provide clear and measurable guidelines and categories of TSFs based on Risk/Consequence to remove subjective judgement by design and stakeholder groups.
- Investor/insurances and other interests groups will rely on this standard for decision making. The Standard should consider making reference to internationally recognised guidelines/standards such as Australian National Committee on Large Dam (ANCOLD) guidelines, Canadian Dam Association (CDA), Mining Association of Canada (MAC) standards/guideline to provide meaningful definitions.
- The introduction of ITRB is a good idea but when does the ITRB come in? The standard should address what stage ITRB have chance to review when classification is rebutted, early stage in design or end?
- Other areas that the standard should address include; (i) Who takes responsibility in design if ITRB is involved and approves at different stages. (ii) What level of liability will ITRB members have in approving major decisions affecting the TSF, especially if it becomes a requirement and Boards rely on them?
- Standard should provide clarity for transition otherwise, interest groups will jump on it as soon as it is launched and demand industry compliance prior developing implementation procedures/criteria.
- The organisational structure provided in the Standard is very good in separating TSF accountabilities from main stream production line. Consideration should be given to the Accountable executive also having line of communication to CEO instead of only directly to the Board. For very larger companies, Country/Area Executives should be part of the communication line.
- The standard may consider additional clarification on failure/risk events that cause loss of human life, regardless of how many and those causing substantial environmental damage but no loss of human life.

3.0 Comments on Requirements for Technical Governance.

- Requires Responsible Tailings Facility Engineer (RTFE), Engineer of Record (EoR), Designer of Record (DoR), and Independent Tailings Review Boards (ITRB). Very limited experts in Tailings Engineering may be unnecessarily tied up with very low risk dams reviews at the expense of high risk dams.
- While it is very appropriate to require clear accountability and appropriate technical expertise within mining companies as EoR or Accountable Executive, the Standard should clearly demarcate EoR for the Mining Company and DoR as External consultant. EoR or Accountable executive provide in-house corporate advice and Designer of record (DoR) and ITRB as separate external consultants.
- Executives may not always understand if the right consultant have been engaged for the specific TSF issues and/or why an expensive consultant must be engaged in preference to a cheaper one etc. Recent dam failures have occurred in spite of technical advice by external consultants without in-house advice.
- Lack of in-house expertise within mining companies lead to tailings consultants being engaged/retained based on commercial reasons/cost or good ones being dropped for cheaper ones.
- Mining companies with high risk dams or many dams should have both EoRs, and the Accountable executive with some background in tailings to provide oversight and corporate link.
- Standard should recognise specific technical training (academic and professional certification) required for DoR/EoR and/or Accountable Executive. Clearly provide some guidelines for technical/professional qualifications and experience that are pre-requisite for such roles.

4.0 Public/Stakeholder Disclosure Requirements

The standard emphasizes disclosure to stakeholders as an important aspect. No clarifications or guidelines are provided in the standard to address some of the following issues.

- What level of disclosure is required? What type of data should be disclosed (summary data, raw data, all data, real time data??)
- Significant concern about not defining disclosure requirements and limits which could end up having interest groups who may have negative agenda to mining or different interests to misuse the data. The standard should clarify the type of information that should be made public.
- Most data from TSFs are technical information which will need interpretation specific to the site before being presented. Mis-interpretation of informal data by external stakeholders/ interest groups could pose problem not only to Mining Companies but also to Regulators, consultants etc. Interest groups could move ahead of regulators before they even have chance to evaluate the information and make appropriate decision.
- The Standard should consider clarifying that, formal information (e.g., those provided to regulators and other agencies that have been interpreted with technical conclusions/recommendations) should form the public disclosure document.