



## A REALITY CHECK

By Dr. T. I. Mudder

Two seemingly unrelated events were reported in a recent issue of the *Mining Journal*. The first was an announcement by Battle Mountain Gold that it had curtailed its Crown Jewel project in the U.S. The second was the report of a tailings dam overflow at the Aurul Gold operation in Baia Mare, Romania. Sadly, they are intimately related. A series of dam failures and solution spills over the last two years has sharply increased the fears of and opposition to mining globally. Although the rhetoric reported surrounding these incidents is often misleading and distorted, nonetheless the incidents and impacts did occur. The company was reported as saying it was not responsible. Say that again to the people in eastern European who remember the genocide of WWII.

The Australian government was reported as saying it would help pay for the incident since Esmeralda was based in Perth, Western Australia. I am very impressed by the approach taken in Australia with creation of the Code for Environmental Management. As usual, the only and immediate suspect was cyanide. It was an open and shut case. The media needed a story fast and facts were hard to come by. At the root of the incident was again water management, an illusive and often mystical concept to the mining industry.

Perception is reality in the world. Cyanide has been banned in Montana and this incident won't help bring it back. The initiative in Colorado to ban cyanide may not have passed, but now its likely a toss up. The only tailings dams that fall down are modern ones. The increased costs to permitting, monitoring, and closure due to these type of incidents is incalculable. How can we continue to say that we hold environmental concerns of utmost importance, when we cannot even manage solution and a water balance.

How do we stand in front of a permitting authority or the public and say we will build this new dam to modern specifications or that we will store waste rock safely without fears of acidic drainage. The global industry must respond or government will. We have seen the outcome of that approach. I challenge the industry and in particular its leaders to setup a global entity to respond to these incidents when needed to show the world we do care and to provide a reasonable basis for information coming from the sites.

The global entity should be tied in with the WHO, the UNEP, the EU and other professional organizations to provide such assistance. In light of recent reports of how cheaply gold is being produced at operations in South America and other countries, this investment is small compared to the benefits real and perceived.