



# INTEGRATED CLOSURE MANAGEMENT

Mine closure requires focused consideration from social, environmental and financial perspectives throughout the various stages of the lifecycle of the mine.



## IN FOCUS

Seventeen social projects approved by the local and national closure committees for implementation at Yatela

## KEY FEATURES

While AngloGold Ashanti has fully or partly closed key parts of existing operations, the company is yet to conclude full closure on a complete mining operation in its portfolio.

Mine closure is a complex process that requires focused consideration from social, environmental and financial perspectives throughout the various stages of the lifecycle of the mine. In particular, the social impacts of closure need to be better understood so that partnerships for continued livelihood beyond the mine can be nurtured.

By Integrated Closure Management, we mean the comprehensive set of activities including closure planning at project phase, implementation of concurrent rehabilitation and social investment fully considered during business planning, decommissioning, and post closure monitoring and evaluation. Governments and regulatory bodies place

a strong emphasis on the management of post closure impacts and contingent liabilities. Integrating closure planning at the design phase and implementation during the operational phase of our mine operations, where feasible, can enhance financial outcomes, environmental protection, and contributes to the wellbeing of host communities.

During the 2016 reporting year, AngloGold Ashanti shifted its thinking to a more strategic view of closure management. As such, the company continues to seek integrated closure opportunities and a higher level of integration between closure strategy and long term mine planning.

This includes:

- continuous integration of closure considerations into business strategy, and operational planning and implementation; and
- clearly understanding the relevant value drivers which influence both the mitigation of closure liabilities and the opportunities which can be realised during operations to improve the value of our assets.

## OUR ACTIONS IN 2016

Currently, Yatela in Mali is the only full operation in AngloGold Ashanti's portfolio under active closure. Notwithstanding this, our approach to closure continued to focus on strengthening integration from mine design through to post-closure considerations.

In the 2016 reporting year we focused on:

- embedding a strategic approach to integrated closure management;
- enhancing social closure planning and management;
- land use and rehabilitation; and
- Yatela closure management.

## EMBEDDING A STRATEGIC APPROACH TO INTEGRATED CLOSURE MANAGEMENT

Due to the number of shorter life open pit operations, as well as rising expectations and increased external scrutiny, integrated closure management and implementation is most pressing at our mines in the Continental Africa Region, as well as Australia and the Americas. In 2016, AngloGold Ashanti's international division incorporated specialised closure strategy capability into the Strategic Mine Planning function. Integration of closure strategy at this high level drives a range of activities and benefits. It enables greater rigour, with a more holistic understanding of the business to influence long-term strategic choices.

As part of the strategic planning process, fully inclusive closure costs are established early, thereby enabling realistic forecasting. The drivers of closure cost and value are analysed for incorporation into business plans. This goes beyond environmental considerations and is inclusive of the changing workforce and community development opportunities over the life of the asset.





## INTEGRATED CLOSURE MANAGEMENT (CONTINUED)

### OPTIMISING SOCIAL CLOSURE PLANNING AND MANAGEMENT

At AngloGold Ashanti we recognise there is no formalised framework for the consistent application and assessment of social closure aspects across the company. In response, towards the end of 2016, the group community discipline embarked on creating a common approach for consistent site-based assessment of critical social closure aspects in their existing plans. With the work scheduled for completion early in 2017, it is anticipated that this approach will provide a baseline assessment of the current operational status of closure plans and approaches. The baseline assessment is anticipated to provide a more rigorous site-level assessment, with a clear understanding of any gaps that need to be addressed. The knowledge gained will form the basis for developing a framework to address social aspects of closure.

### LAND USE AND REHABILITATION

In many instances, farming or small-scale mining activities are already present in an area where large-scale mining becomes established. Alternatively, the area may host natural ecosystems which may be in need of protection. The processes governing land use changes are well regulated across jurisdictions in which AngloGold Ashanti operates. Once approval for the change of land use is obtained, conditions are typically applied that focus on minimising the extent of physical land disturbance; implementing appropriate land rehabilitation; preventing undue environmental impact and in some cases setting aside permanent land offsets.

As responsible stewards of land under our control and influence, AngloGold Ashanti is accountable to governments and host communities for ensuring that land used for

mining activities meets agreed post-closure completion criteria. Post-closure land use objectives evolve over time and are revised at intervals in consultation with regulators and host communities. In addition, the jurisdictions in which the company operates may have legal requirements in place for the financial provision for decommissioning and rehabilitation of the disturbed footprint.

All operations have management systems to assess potential impacts and authorise the utilisation of previously undisturbed land prior to exploration and mining or its related activities. In line with integrating closure management, the extent of land disturbed by exploration and mine development activities is minimised to limit decommissioning and rehabilitation liabilities and potential negative social impacts. These systems also ensure regular identification of areas no longer

required for operational activities which can be made available for concurrent rehabilitation.

### YATELA CLOSURE MANAGEMENT

In the [2015 Sustainable Development Report](#) we reported on the cessation of mining activities at Yatela Gold Mine in 2013, with planned completion of rehabilitation and closure activities by 2019 and site relinquishment in 2020.

During 2016 however, various challenges were experienced causing delays to activities scheduled for the year. Towards the end of 2015, the Minister of Mines in Mali instructed all closure-related activities at Yatela to cease, pending agreement with the Government of Mali on a number of issues, including the proposed escrow account. As a result, during the first quarter of 2016, there was no progress in rehabilitation,





# INTEGRATED CLOSURE MANAGEMENT (CONTINUED)

decommissioning, Phase 2 retrenchments or implementation of the social closure plan. Subsequent to continued discussions with the relevant authorities, approval was given by the newly appointed Minister of Mines to resume closure activities, with the exception of the Phase 2 retrenchments, and decommissioning, decontamination and demolition activities. Rehabilitation and social closure activities resumed during the second half of the year.

The rehabilitation activities focused on construction of the closure bunds around the Yatela open pits as well as the continuation of revegetation and maintenance activities on the waste rock dumps.

These activities are progressing with 85% of waste rock dumps rehabilitated and the open pit closure bunds expected to be complete by early 2017.

The rehabilitation at Yatela shows positive results in terms of vegetation establishment, landform stability and erosion as well as integration of landforms into the natural environment. Seventeen social projects were also approved for implementation by both local and national Closure Committees.

The various delays experienced in the closure approval process have impacted on the planned completion and site relinquishment dates. The current planned completion date had to be revised to the end of 2021 with the site relinquishment date now expected to be at the end of 2022.

Obtaining official approval from the Council of Ministers to resume all closure activities may delay the implementation of the closure plan with a related potential increase to the closure budget.



## OUR PERFORMANCE

