



# Cyan-ara Final Presentation

Cyanide Treatment Using Pure  $\text{SO}_2$

**Group P1**

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# Introduction

**Scope, Goals and Benefits, Market**

# Gold Scenario

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22% increase in Gold price over last 5 years  
[1]

Recent advances and development such as  
SART and NORAM Oxy-Sulphur Furnace

Cyanide commonly used in the Gold  
leaching process [2]

Improper treatment of cyanide leads to  
negative social, economical and  
environmental consequences

# The Solution

## Cyanide Destruction

Ensure destruction to < 1 ppm cyanide [3]



## Cyanide Recovery

Recover Free Cyanide to re-use in leaching process, recover metal in leach solution.



## Cyan-ara

1. Cyanide treatment using combined process utilizing pure Sulphur Dioxide
2. Production and Sale of Sulphur Dioxide and Recovery By-Products

# Goals and Benefits

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**Reduce** social, economical and environmental impacts caused by untreated tailings



**Reduce** overall plant size leading to lower capital costs and operational costs



**Recycle** cyanide from leach solution to reduce costs of purchasing new cyanide

Treatment Capacity

730,000 m<sup>3</sup>/year



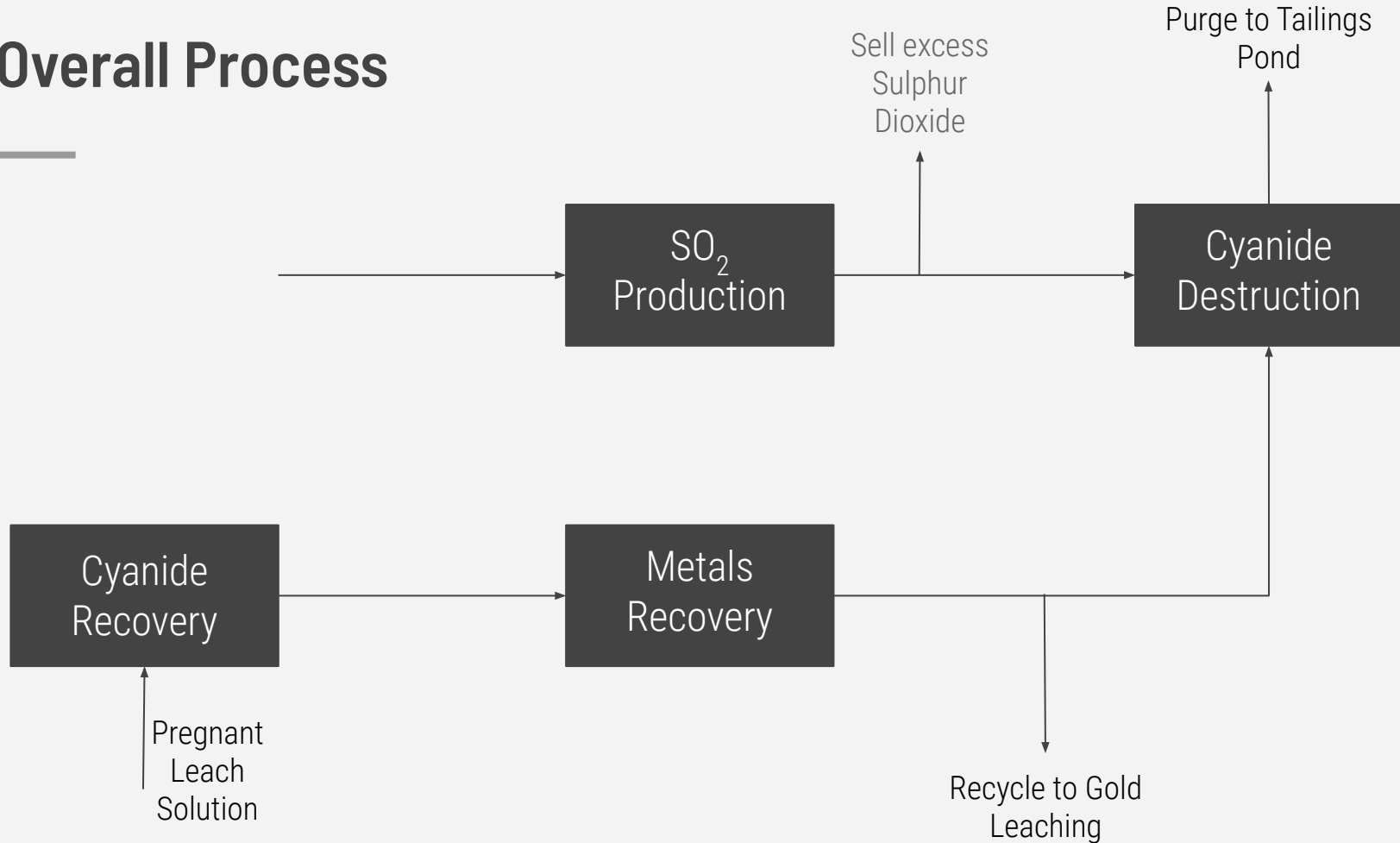
Location: Sonora, Mexico



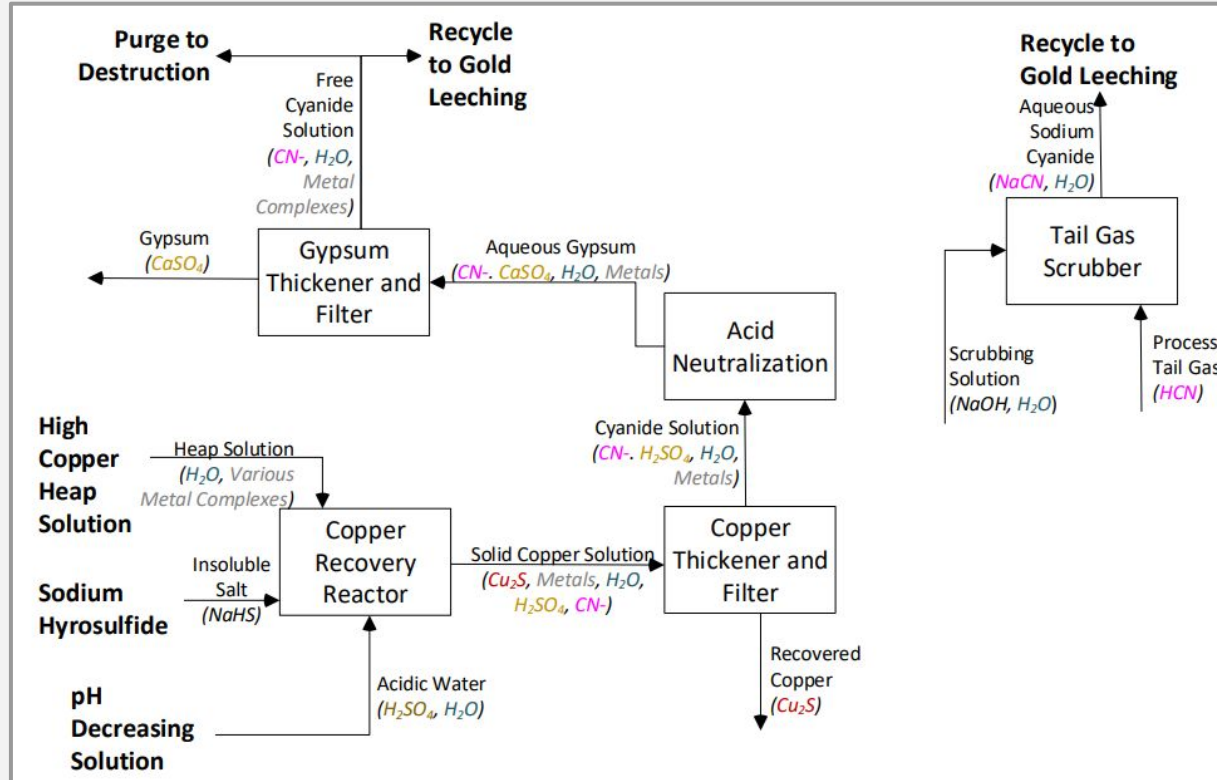
# Process Overview



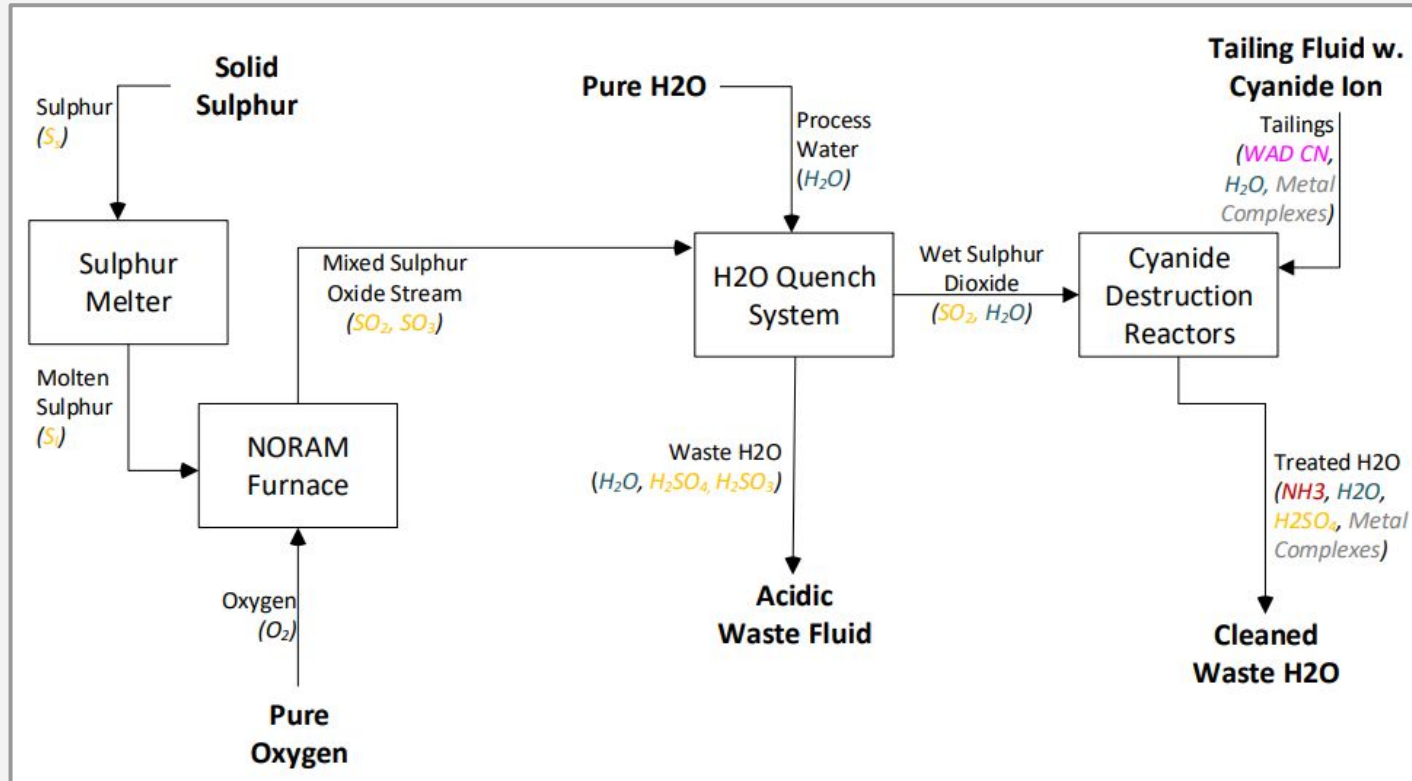
# Overall Process



# Recovery Section



# Destruction Section



# General Reaction Schemes

Leach Component	Processing Agent	Processing Section	Removal Reaction
<i>Metal/Cyanide Complexes</i>	Sulphide	Recovery	$2\text{Cu}(\text{CN})_3^{2-} + \text{HS}^- + 5\text{H}^+ \rightarrow \text{Cu}_2\text{S} + 6\text{HCN}$
<i>Metal/Cyanide Complexes</i>	Sulphuric Acid	Recovery	$\text{Zn}(\text{CN})_4^{2-} + \text{SO}_4^{2-} + 4\text{H}^+ \rightarrow \text{ZnSO}_4 + 4\text{HCN}$
<i>Metal/Cyanide Complexes</i>	Sulphur Dioxide/ Cu <sup>2+</sup> Catalyst	Destruction	$\text{Ni}(\text{CN})_4^{2-} + 4\text{SO}_2 + 4\text{O}_2 + 4\text{H}_2\text{O} \rightarrow 4\text{OCN}^- + 4\text{H}_2\text{SO}_4 + \text{Ni}^{2+}$
<i>Cyanate (OCN<sup>-</sup>)</i>	Sulphuric Acid	Destruction	$\text{OCN}^- + \text{H}^+ + 2\text{H}_2\text{O} \rightarrow \text{HCO}_3^- + \text{NH}_4^+$
<i>Strong Complexed Cyanide (Fe<sup>2+</sup> and Co<sup>3+</sup>)</i>	Sulphur Dioxide	Destruction	$2\text{Fe}(\text{CN})_6^{3-} + \text{SO}_2 + 2\text{H}_2\text{O} \rightarrow 2\text{Fe}(\text{CN})_6^{4-} + 4\text{H}_2\text{SO}_4$ $2\text{Cu}^{2+} + 2\text{Fe}(\text{CN})_6^{4-} \rightarrow \text{Cu}_2\text{Fe}(\text{CN})_{6(s)}$

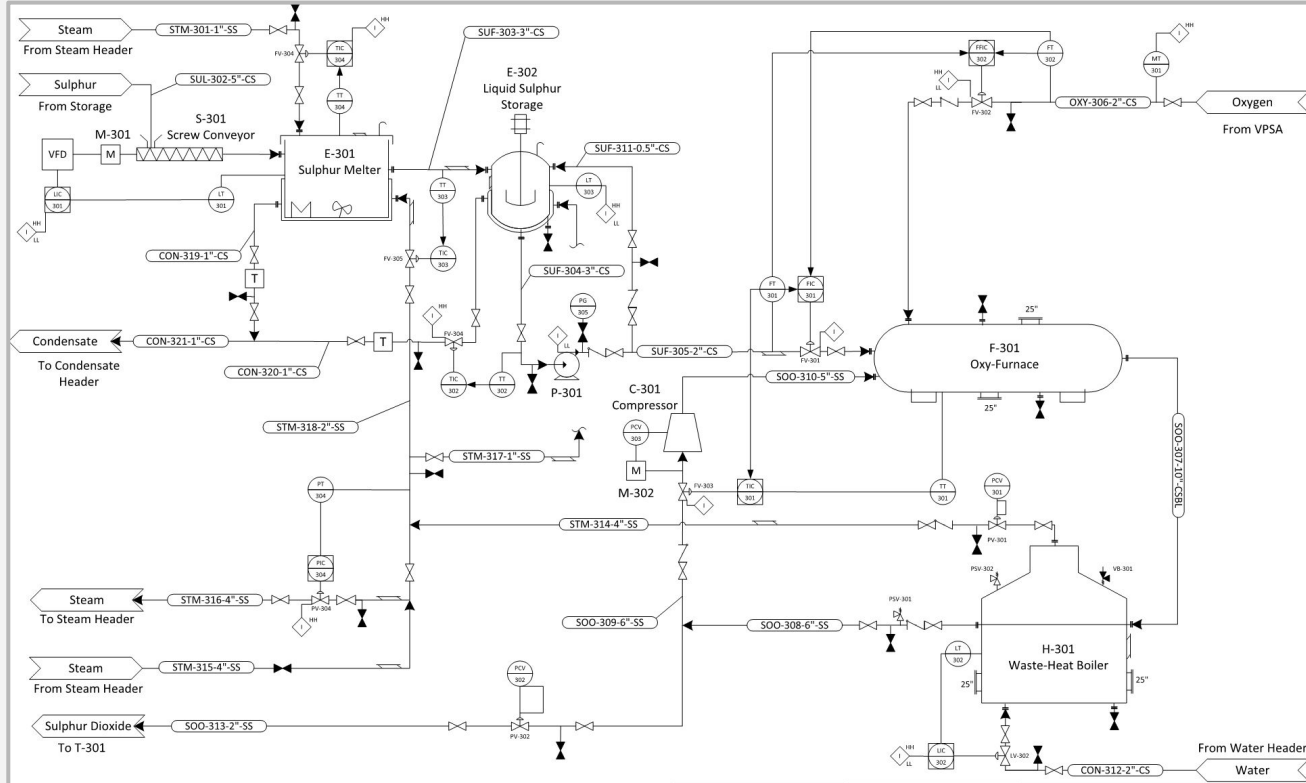
[2] [4]



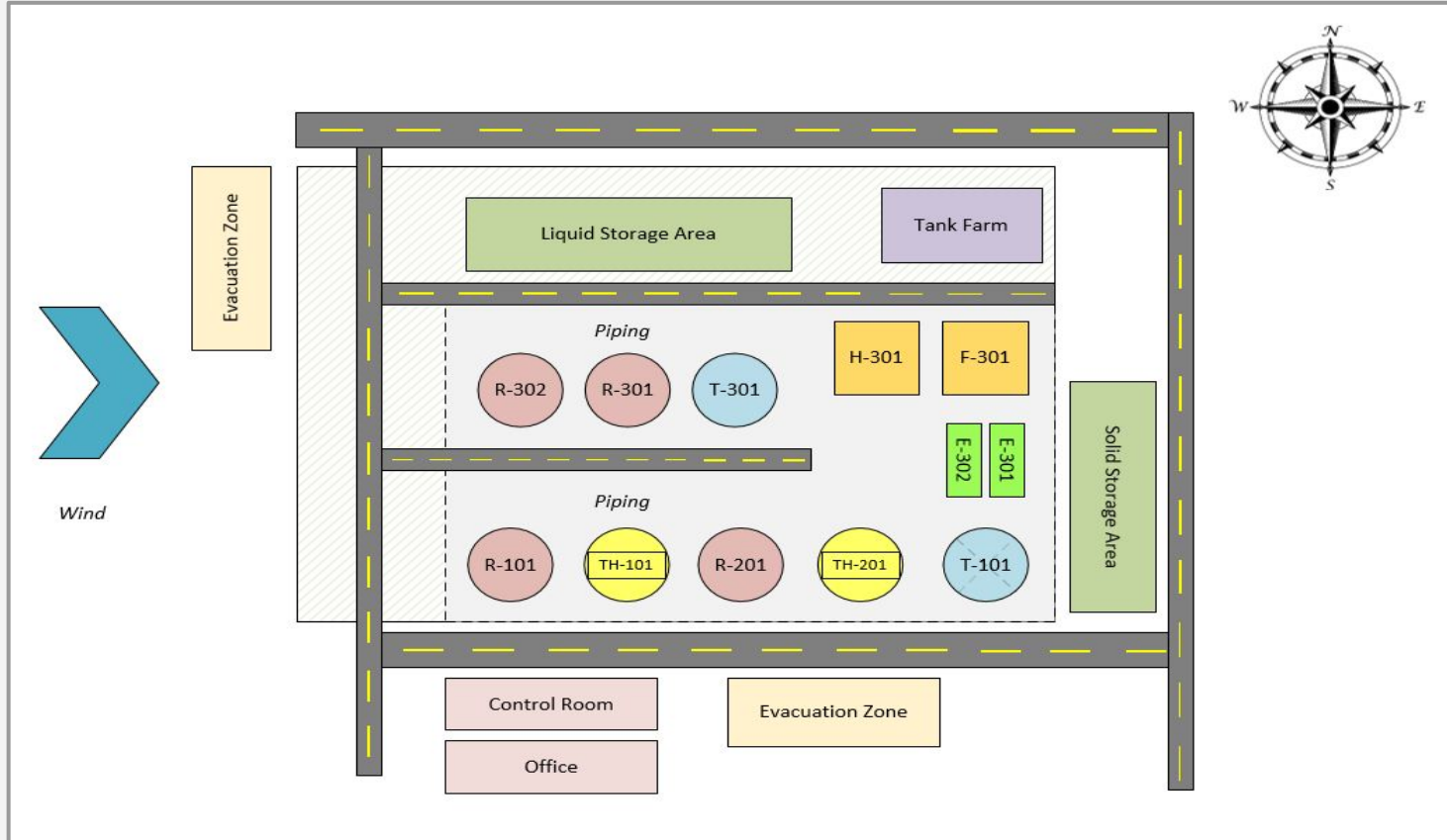
# Safety

**P&ID, Control Narrative, HAZOP,  
Plant Layout, Cause & Effect Matrix**

# P&ID A-01-300



# Floor Layout



# HAZOP: Oxy-Furnace

## Node

Inlets and outlets of the Oxy-Furnace

This Node is used to show the main control scheme of the most dangerous unit of the plant

## Deviations

Total of 11 deviations in the defined node

Range of mechanical, pressure, temperature, control and maintenance problems are discussed

## Risk Rating

Risk Ratings of 2, 3 and 4 are determined in this node:

- Two 2's
- Seven 3's
- Two 4's



# Example of a Major HAZOP Deviation

Deviation	Consequence	Cause	Safeguard	RR
1.1 Temperature Runaway	Damage to refractory. Damage to piping.	1.1.1.1 Insufficient sulphur dioxide recycle flow rate due to valve failure.	19 Interlock to stop fuel injection and flush system with pure oxygen	4
		1.1.1.2 Insufficient sulphur dioxide recycle flow rate due to compressor failure.	19 Interlock to stop fuel injection and flush system with pure oxygen	
	Explosion risk. Pressure buildup.	1.1.1.3 Increase in sulphur dioxide production	20 TIC 301 controller to increase/decrease how much recycle sulphur dioxide is fed into Furnace F-301.	
		1.1.1.4 Deviation from target fuel to oxygen ratio.	1 FIC 301 Ratio Controller	
			2 Sufficient maintenance	
	3 Oxygen Inlet Flow interlock			

# Major Control Loops

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## Oxy-Sulphur Furnace Temperature

- Recycle cooled sulphur dioxide to furnace to control temperature
- Ensure temperature does not exceed 1500 degrees Celsius

## Feed Ratios

- Ensure 3% excess oxygen is maintained in furnace
- Interlock sulphur flow in case temperature reaches High-High level

## Liquid Level in Waste Heat Boiler

- Ensure sufficient water is supplied to cool gas from Oxy-Sulphur furnace
- Ensure water level is not too high to prevent overflow

# Cause and Effect Matrix

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			FV-301	FV-303	PV-302
			Sulphur Flow Control Valve	Temperature Recycle Flow Valve	Sulphur Dioxide Pressure Valve
Tag Number	P&ID	Description			
F-301	A-01-300	High High Temperature in Furnace			

# Start-up / Shut-down

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## Plant

- Addresses a general Start-up and Shut-down for the entire plant
- Every part of the plant still needs a detailed plan

## P&ID

- Addresses Start-up and Shut-down in detail for PFD-300
- Main concern is pre-heating of Oxy-Sulphur furnace



# Environmental Analysis

# Air Emissions

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Main Gas Emissions

HCN and SO<sub>x</sub> gas generation

<b>Pollutant</b>	<b>Expected Pollutant Generation</b>	<b>Emission Limit</b>
<b>HCN</b>	<b>1 -11 ppm</b>	<b>4.7 ppm [5]</b>
<b>SO<sub>2</sub></b>	<b>Negligible</b>	<b>0.7 ppm [6]</b>

# Liquid Permitting

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Main Concerns - Cyanide (all forms), Ammonia/Ammonium, Copper (and other metals)

Tailings Ponds are not regulated but any discharge to the natural environment has federally imposed limits.

Effluent requires further processing in conventional treatment units for non-cyanide species.

<b>Substance</b>	<b>Expected Discharge to Pond (mg/L)</b>	<b>Tailings Pond Limit (mg/L)</b>	<b>Environmental Limit (mg/L)</b>
<b>Cyanide</b>	<b>31.96</b>	<b>50 [3]</b>	<b>1 [7]</b>
<b>NH<sub>3</sub>/NH<sub>4</sub><sup>+</sup></b>	<b>660</b>	<b>-</b>	<b>24.3 - 1450* [8]</b>
<b>Copper</b>	<b>38.30</b>	<b>-</b>	<b>0.3 [7]</b>

\*Discharge limit dependent on effluent pH. A range of 6 - 8 was considered.

# Solid Storage and Disposal

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**Solids for the process will be transported in a truck and stored in closed, dry containers**



**Proper handling and disposal of solids such as sodium hydrosulphide, sulphur and the copper catalyst needs to be maintained throughout the operation**





# Economic Analysis

A decorative line starts from the left edge of the slide, slopes upwards to the right, and then slopes downwards to the right edge.

# \$10.6 million USD

Capital Cost investment required for the project

# Economic Summary

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## Operating Expenses

<b>Raw Materials Cost (\$/yr)</b>	<b>1,700,000</b>
<b>Total Operating Labor and Maintenance Cost (\$/yr)</b>	<b>910,000</b>
<b>Total Utilities Cost (\$/yr)</b>	<b>280,000</b>
<b>Plant Overhead (\$/yr)</b>	<b>460,000</b>
<b>General and Administrative Costs (\$/yr)</b>	<b>480,000</b>
<b>Total Operating Cost (\$/yr)</b>	<b>3,830,000</b>

## Sale Streams

<b>Copper Sulphide (\$/yr)</b>	<b>1,200,000</b>
<b>Sulphur Dioxide (\$/yr)</b>	<b>1,100,000</b>
<b>Recycled Cyanide (\$/yr)</b>	<b>1,100,000</b>
<b>Total Products Sales (\$/yr)</b>	<b>3,400,000</b>

# Comparison

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- Configuration 1 performs INCO process in Tanks
- Configuration 2 performs INCO in tailing ponds
- Costs in Table do not include Operator and Maintenance Costs, Plant Overhead, or G/A costs

## Our Process vs other Composite Processes [9]

	<b>Cyanisorb and INCO Process Configuration 1*</b> <b>(2.4 TPD Cyanide)</b>	<b>Cyanisorb and INCO Process Configuration 2*</b> <b>(2.4 TPD Cyanide)</b>	<b>Cyan-ara Process</b> <b>(2.6 TPD Cyanide)</b>
<b>Capital Cost (\$)</b>	14,000,000	12,500,000	10,600,000
<b>Net Cost (\$/yr)</b>	-1,400,000	-1,000,000	+1,400,000

**\*Prices inflated from 2004 to 2020 prices**

# Conclusion

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Project is viable and compares well to other



Attractive Economics for leach solutions  
above 200 mg/L



Future work and challenges  
More detailed engineering and economic  
analysis needed to bring costs down

# Acknowledgements

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Industry Sponsor



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# Questions?



# References

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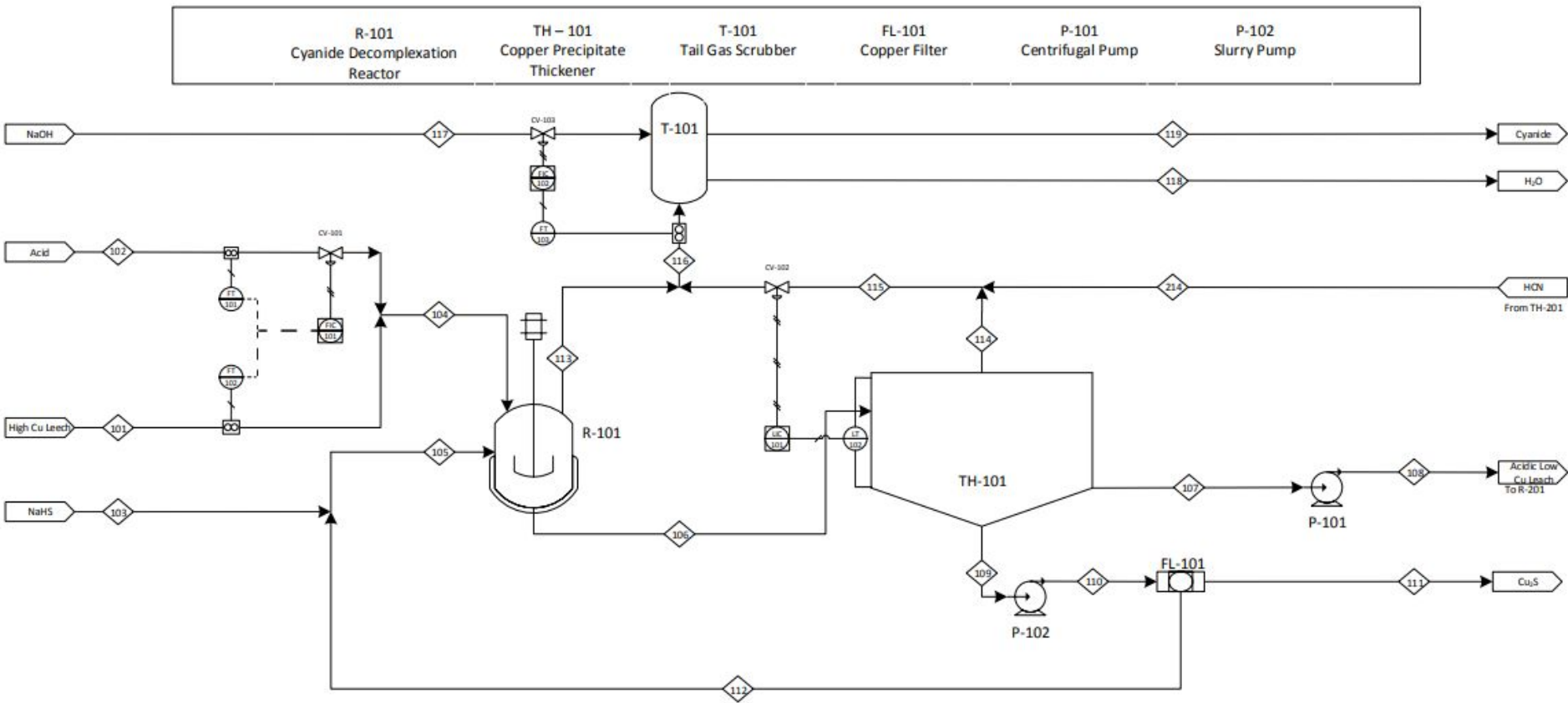
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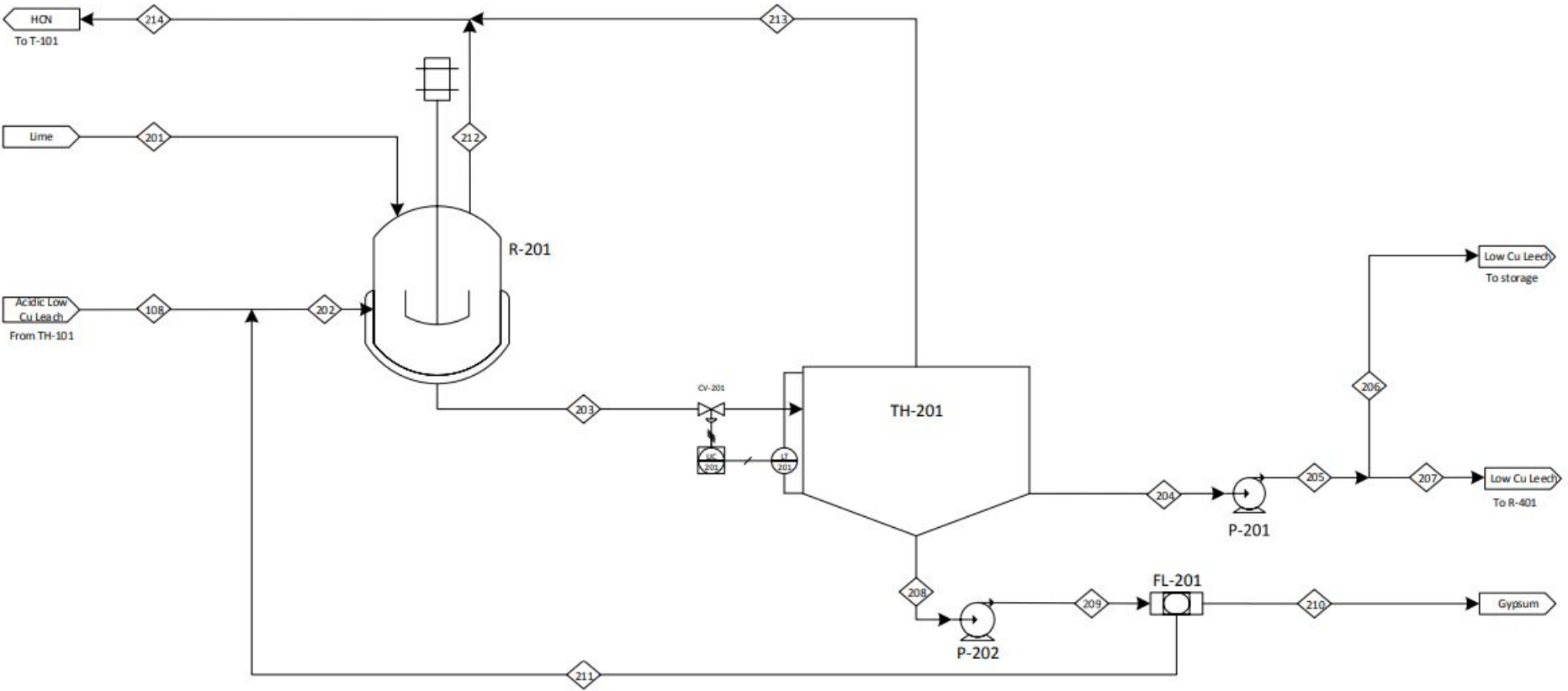
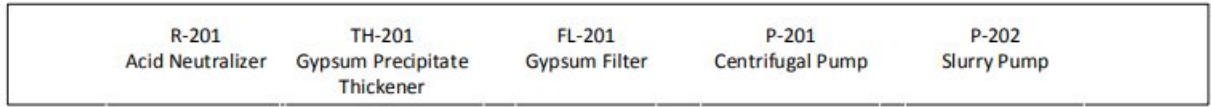
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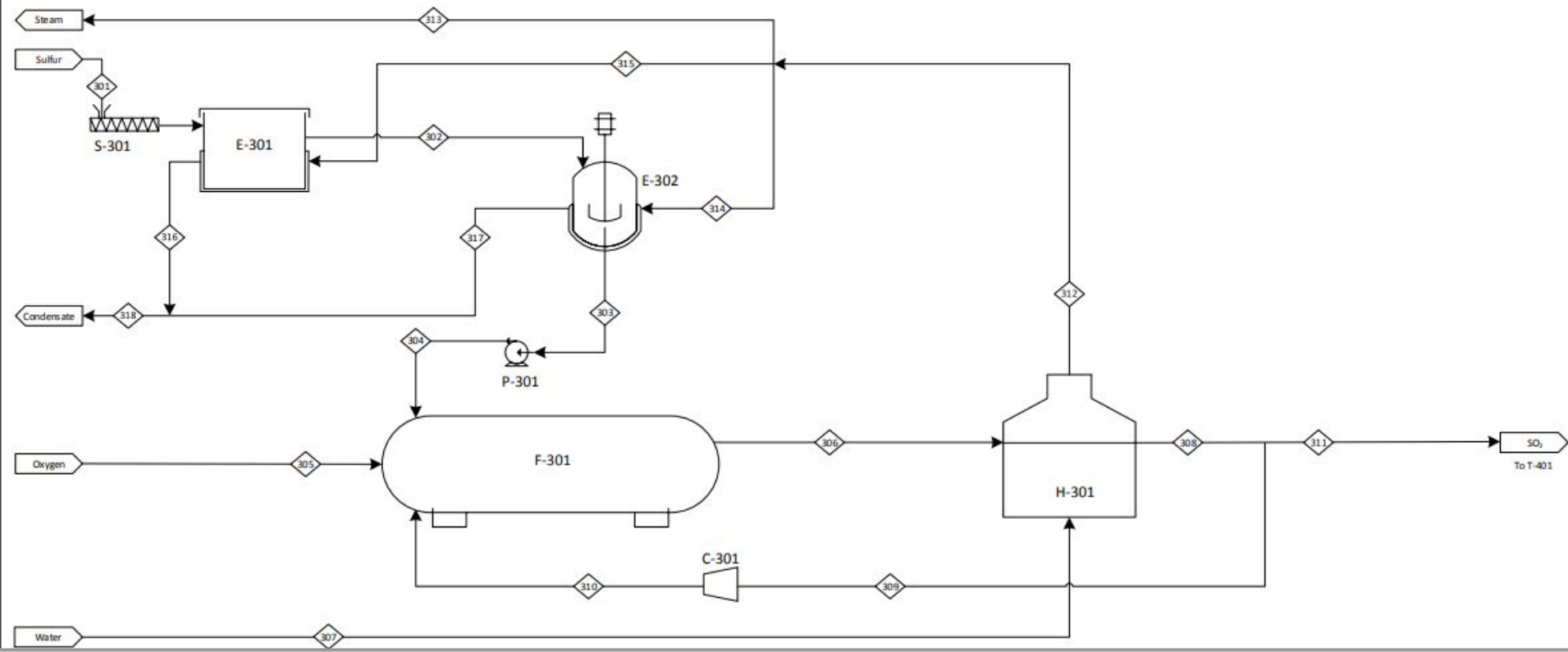


# Appendix A - PFDs

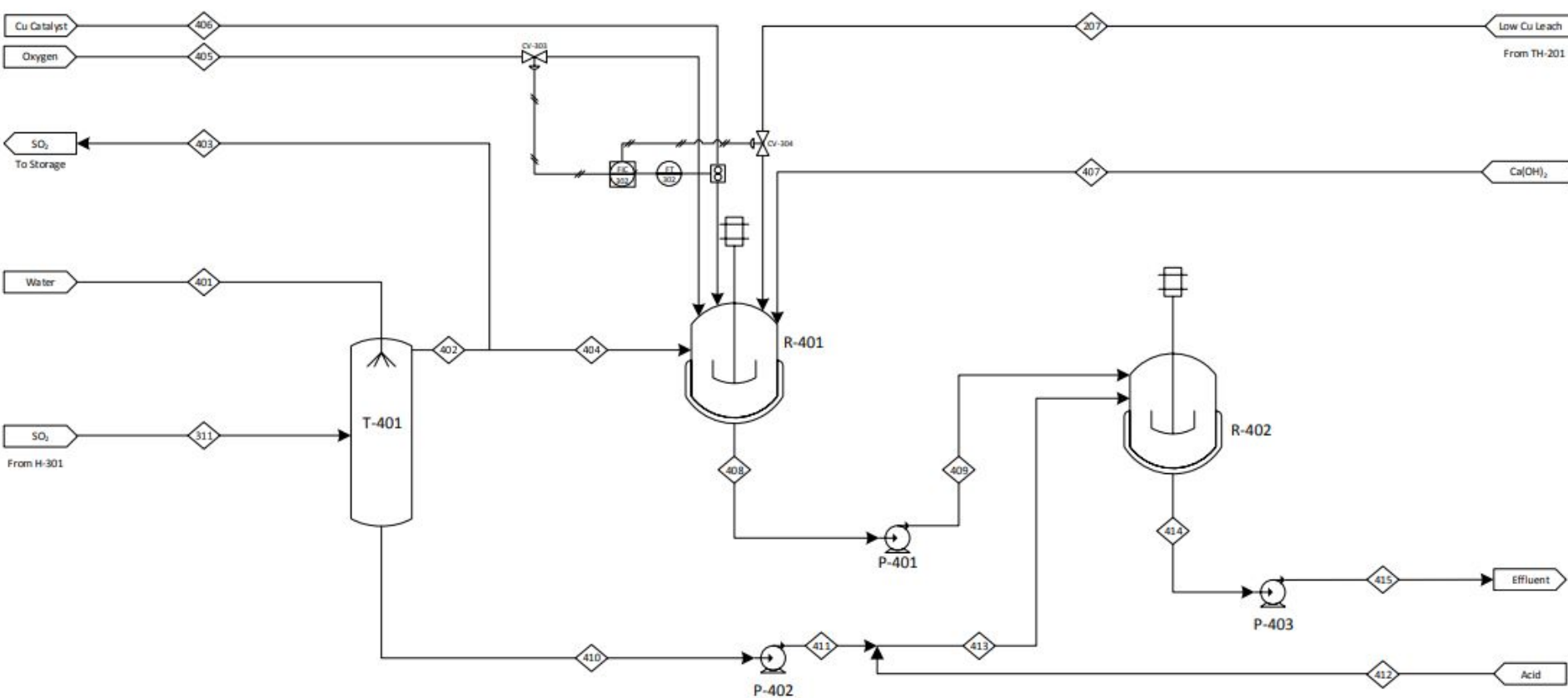


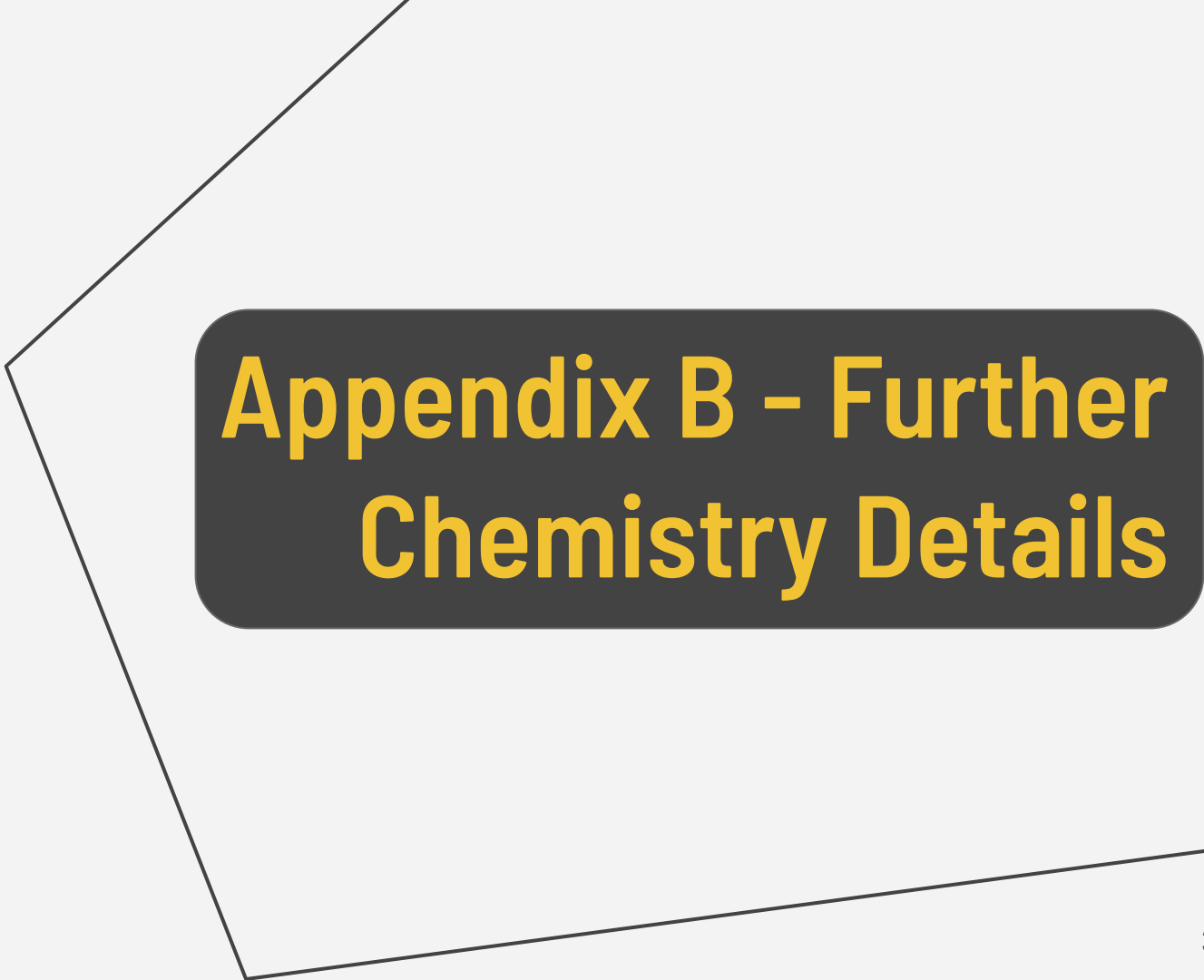


S-301 Screw Conveyor	E-301 Sulphur Melter	E-302 Liquid Sulphur Storage	P-301 Centrifugal Pump	F-301 Oxy-Sulphur Furnace	H-301 Waste Heat Boiler	C-301 Compressor
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T-401	R-401	R-402	P-401	P-402	P-403
Water Quench Tower	Cyanide Reactor	Cyanate Neutralizer	Centrifugal Pump	Centrifugal Pump	Centrifugal Pump

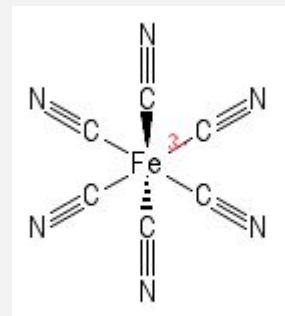




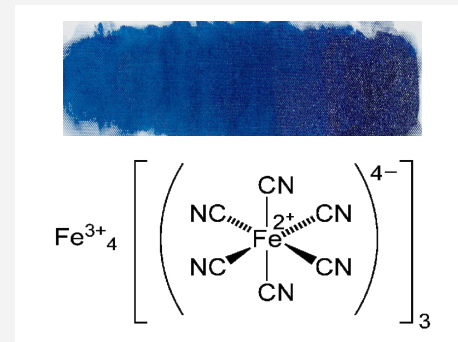
# Appendix B - Further Chemistry Details

# Cyanide Metal Complexes

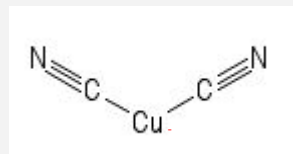
- Cyanide is a small and highly basic ligand, so it readily forms coordination complexes with metals.
- Coinage metals ( $\text{Cu}^{1+}$ ,  $\text{Au}^{1+}$ ,  $\text{Ag}^{1+}$ ) form stable dicyanometallates.
- Forms strongly bonded octahedral complexes with many stable metals ( $\text{Fe}^{2+}$ ,  $\text{Fe}^{3+}$ ,  $\text{Ti}^{3+}$ ,  $\text{Co}^{3+}$ )
- Also forms weaker tetrahedral complexes with  $d^8$  metals ( $\text{Ni}^{2+}$ ,  $\text{Pb}^{2+}$ ). [10]



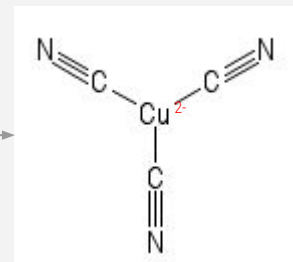
Strongly Complex Fe(III)  
Cyanometallate



Prussian Blue: A Cyanometallate  
Derivative[11]



High Cyanide  
Concentration



Copper Cyanometallates



# Metal Sulphates and Sulphides [12]

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- Most transition metals freely form compounds with sulphate and sulphide groups.  
*e.g. CdS, Cu<sub>2</sub>S, FeS<sub>2</sub>, ZnSO<sub>4</sub>, PbSO<sub>4</sub>*
- All transition metal sulphides are insoluble in water, so sulphidisation is a good option for removing metal ions from solution.
- Only lead and mercury form insoluble sulphates, so any metal sulphate formed is unrecoverable.
- Based on electronegativity ionic bond strength goes Zn>Cd>Fe>Co>Cu>Ni.



Cu<sub>2</sub>S Chalcocite-  
A Very Common  
Copper Sulphide

# Full Reaction Description For Non Trace Metals [2][4]

Leach Component	Processing	Removal Reaction	Value Added
<i>Copper (Cu<sup>+</sup>)</i>	Recovery	$2\text{Cu}(\text{CN})_3^{2-} + \text{HS}^- + 5\text{H}^+ \rightarrow \text{Cu}_2\text{S} + 6\text{HCN}$	High
<i>Zinc (Zn<sup>2+</sup>)</i>	Recovery	$\text{Zn}(\text{CN})_4^{2-} + 2\text{H}_2\text{SO}_4 \rightarrow \text{ZnSO}_4 + 4\text{HCN}$	Moderate
<i>Nickel (Ni<sup>2+</sup>)</i>	Recovery	$\text{Ni}(\text{CN})_4^{2-} + \text{H}_2\text{SO}_4 \rightarrow \text{NiSO}_4 + 4\text{HCN}$	Moderate
<i>Cobalt (Co<sup>2+/3+</sup>)</i>	Recovery	$\text{Co}(\text{CN})_4^{2-} + \text{H}_2\text{SO}_4 \rightarrow \text{CoSO}_4 + 4\text{HCN}$	Moderate
<i>Cadmium (Cd<sup>2+</sup>)</i>	Recovery	$\text{Cd}(\text{CN})_4^{2-} + \text{H}_2\text{SO}_4 \rightarrow \text{CdSO}_4 + 4\text{HCN}$	Minimal
<i>Thiocyanate (SCN<sup>-</sup>)</i>	Destruction (10-20%)	$\text{SCN}^- + 4\text{SO}_2 + 4\text{O}_2 + 5\text{H}_2\text{O} \rightarrow \text{H}_2\text{SO}_4 + \text{OCN}^-$	Very Minimal
<i>Strong Complexed Cyanide (Fe<sup>2+</sup> and Co<sup>3+</sup>)</i>	Destruction	$2\text{Fe}(\text{CN})_6^{3-} + \text{SO}_2 + 2\text{H}_2\text{O} \rightarrow 2\text{Fe}(\text{CN})_6^{4-} + 4\text{H}_2\text{SO}_4$ $2\text{M}^{2+} + 2\text{Fe}(\text{CN})_6^{4-} \rightarrow \text{M}_2\text{Fe}(\text{CN})_{6(s)}$	None
<i>Cyanate (OCN<sup>-</sup>)</i>	Destruction	$\text{OCN}^- + \text{H}^+ + 2\text{H}_2\text{O} \rightarrow \text{HCO}_3^- + \text{NH}_4^+$	None

# General Reaction Schemes

Leach Component	Processing Agent	Processing Section	Removal Reaction
<i>Metal/Cyanide Complexes</i>	Sulphide	Recovery	$M(CN)_n^{(n-m)-} + (m/2)*HS^- + (n-m/2)*H^+ \rightarrow MS_{m/2} + n*HCN$
<i>Metal/Cyanide Complexes</i>	Sulphuric Acid	Recovery/ Destruction	$M(CN)_n^{(n-m)-} + (m/2)*SO_4^{2-} + n*H^+ \rightarrow M(SO_4)_{m/2} + n*HCN$
<i>Metal/Cyanide Complexes</i>	Sulphur Dioxide/ Cu <sup>2+</sup> Catalyst	Recovery	$M(CN)_n^{(n-m)-} + n*SO_2 + n*O_2 + n*H_2O \rightarrow n*OCN^- + n*H_2SO_4 + M^{m+}$
<i>Thiocyanate (SCN<sup>-</sup>)</i>	Sulphur Dioxide	Destruction (10-20%)	$SCN^- + 4SO_2 + 4O_2 + 5H_2O \rightarrow H_2SO_4 + OCN^-$
<i>Cyanate (OCN<sup>-</sup>)</i>	Sulphuric Acid	Recovery/ Destruction	$OCN^- + H^+ + 2H_2O \rightarrow HCO_3^- + NH_4^+$
<i>Strong Complexed Cyanide (Fe<sup>2+</sup> and Co<sup>3+</sup>)</i>	Sulphur Dioxide	Destruction	$2Fe(CN)_6^{3-} + SO_2 + 2H_2O \rightarrow 2Fe(CN)_6^{4-} + 4H_2SO_4$ $2M^{2+} + 2Fe(CN)_6^{4-} \rightarrow M_2Fe(CN)_{6(s)}$



# Appendix C - Startup and Shutdown

# Start-up / Shut-down - General Procedure for Plant

## Start-up Procedure



- Step 1** Fill R-101, TH-101, R-201, TH-201, R-301, R-302 with water and turn on impellers
- Step 2** Turn on P-101/102/201/202/401/403 and continuously circulate water
- Step 3** Start NaOH feed to T-101
- Step 4** Begin feeding utilities: Steam to E-301/302, BFW to H-301. Allow temperature to stabilize.
- Step 5** Feed cold water to T-401 and start P-402, slowly opening the control valve to maintain 1m of liquid in T-401.
- Step 6** Start oxygen feed and pressurize F-301 and H-301 to 10 bar.
- Step 7** Turn on C-301 and begin circulating gas
- Step 8** Pre-heat F-301 to 300 C using built in heater.
- Step 9** Start sulphur feed to E-301 and E-302. Allow E-302 to reach level setpoint.
- Step 10** Start P-301. Ramp P-301 slowly to prevent spikes in furnace temperature.
- Step 11** Start NaHS feed to R-101; catalyst, oxygen, and lime feed to R-401; acid feed to R-402.
- Step 12** Start acid and high Cu leech feed to R-101.

## Shut-down Procedure



- Step 1** Stop acid and high Cu leech feeds to R-101 and replace with clean water feed. Allow 1 hour to treat and purge residual leech solution.
- Step 2** Stop NaHS feed to R-101; catalyst, oxygen, and lime feed to R-401; acid feed to R-402.
- Step 3** Close valves between T-401 to R-401, diverting all SO<sub>2</sub> to storage.
- Step 4** Ramp down P-301 and sulfur feed to E-301/302. Reduce sulfur to furnace slowly to prevent drops in furnace temperature.
- Step 5** Shutdown C-301.
- Step 6** Stop oxygen feed.
- Step 7** Shutdown P-402.
- Step 8** Stop utilities: Steam to E-301/302, BFW to H-301, CW to T-401.
- Step 9** Shutdown P-101/102/201/202/401/403.
- Step 10** Drain water from vessels to leeching ponds
- Step 11** Stop NaOH feed to T-101

# Start-up / Shut-down - Detailed Procedure for P&ID

## Start-up Procedure



### Start-up

- Step 1** Start natural gas and air flow to preheat oxygen line.
- Step 2** Start Oxygen flow to the furnace by closing valve PV-302 and opening valves FV-302 and FV-303. Allow F-301 and H-301 to pressure up to 10 bar. Use valve PV-302 to maintain a pressure of 10 bar in the system.
- Maintain preheat sequence. Read temperature from TT-301. If the temperature of the furnace is below 300 °C, open PV-302 and FV-302. When the temperature setpoint is reached close FV-302 and PV-302. Continue sequence until system is ready to operate.
- Step 3** Start steam flow to E-301/E-302 by opening valves FV-304 and FV-305. Ensure valve PV-304 is closed and STM-315 is unblocked. Allow the steam system to pressurize to setpoint.
- Step 4** Open valve LV-302 to allow boiler feed water to flow into H-301. Ensure valve PV-301 is closed to build up pressure on the steam side.
- Step 5** Start M-301 to action S-301. When level in E-301 reaches 40%, start agitator.
- Step 6** Allow Sulphur to overflow from E-301 into E-302. When level in E-302 reaches 40%, start agitator.
- Step 7** Start M-302 to action C-301 and slowly open valves PV-302, FV-302, and FV-303. Ensure 10 bar is maintained in the system.
- Step 8** Start P-301 and slowly open valve FV-301 while choking fuel flow to preheat exchanger. Switch FFIC-302 and TIC-301 to automatic and allow steady-state operation to take place.
- Step 9** Set PIC-304 to automatic and block-in STM-315. Ensure all controllers are in AUTO.

## Shut-down Procedure



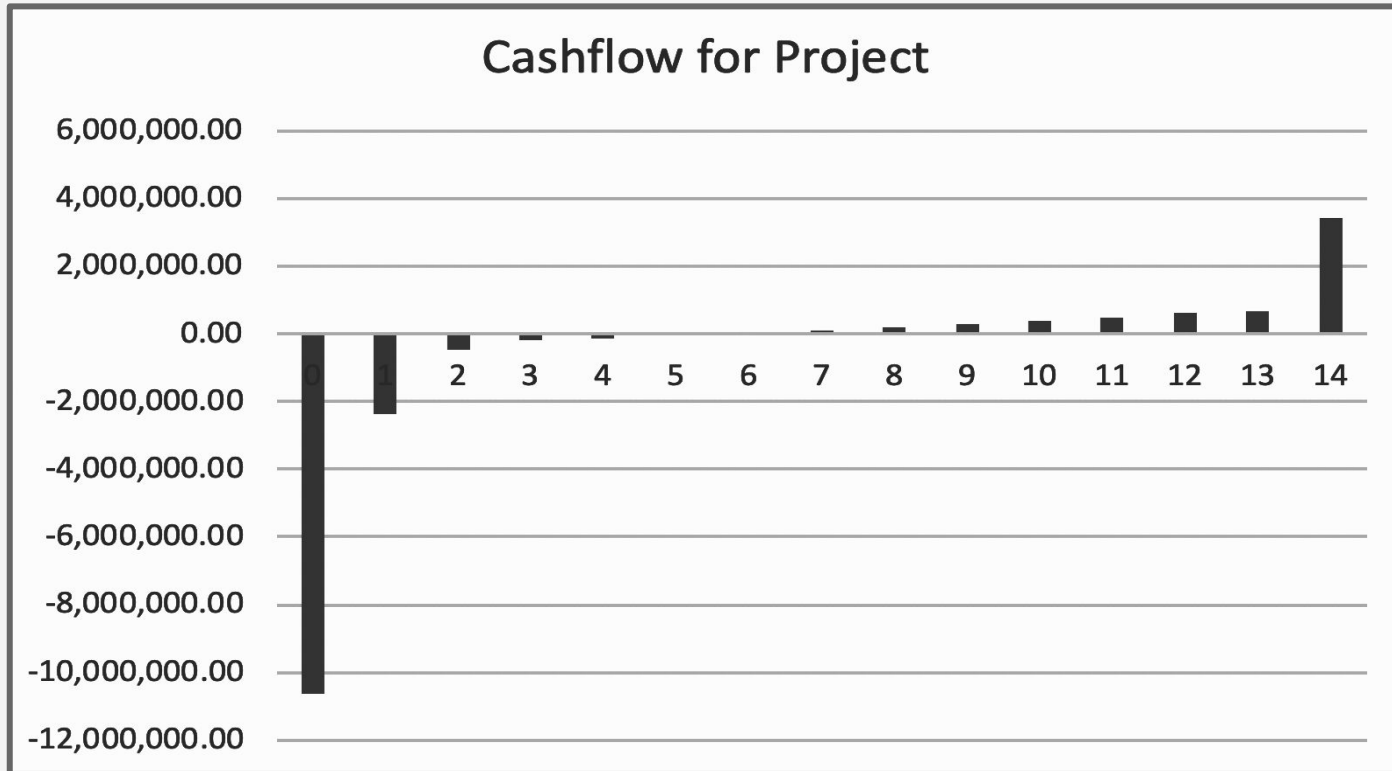
### Shutdown

- Step 1** Set valves FV-301, FV-302, and FV-303 to manual.
- Step 2** Reduce feed to F-301 by incrementally closing FV-301. Monitor TT-301 ensuring the temperature does not drop by more than 200 °C / 15 minutes.
- Step 3** Once TT-301 reads 400 °C, shutdown S-301 by stopping M-301.
- Step 4** Allow E-301 and E-302 to reach LL Level and trip P-301.
- Step 5** Close valve FV-301.
- Step 6** Once TT-301 reads 250 C, close LV-302 to stop utilities.
- Step 7** Open PV-301, FV-303 to flush all steam to steam header.
- Step 8** Allow F-301 to cool below 60 °C.
- Step 9** Shutdown C-301 by stopping M-302.
- Step 10** Close valves FV-302 and FV-303.
- Step 11** Allow the system to slowly depressurize by manipulating PV-302
- Step 12** Drain boiler water to water header.
- Step 13** If required for maintenance, drain E-301 and E-302 by using a Vacuum Truck.



# Appendix D - Further Economic Analysis

# Project After Tax Cash Flow





# Sources of Capital

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- ★ Average cyanide concentration treated - 500 mg/L
- ★ Our Operating cost - \$3.8 million / yr

Cyanide Concentration (mg/L)	Gold Leached (kg)	Profit (\$50/g of gold)
500	3650	\$182,500,000
600	4380	\$219,000,000
700	5110	\$255,500,000

# Area Equipment Cost Breakdown

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<b>Area</b>	<b>Function</b>	<b>Total Direct Cost (\$ USD)</b>
<b>100</b>	Copper Sulphide Recovery	827,500.00
<b>200</b>	Cyanide Recovery	738,600.00
<b>300</b>	Sulphur Dioxide Production	984,300.00
<b>400</b>	Cyanide Destruction	855,500.00

# Area-100 Equipment Costs

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<b>Equipment Tag</b>	<b>Equipment Type</b>	<b>Total Direct Cost (\$ USD)</b>
<b>TH-101</b>	Thickener	157,000.00
<b>R-101</b>	Agitated Tank, Enclosed	367,900.00
<b>P-103</b>	Centrifugal Pump	52,200.00
<b>P-102</b>	Centrifugal Pump	54,400.00
<b>P-101</b>	Centrifugal Pump	31,300.00
<b>FL-101</b>	Rotary Drum Filter	164,700.00

# Area-200 Equipment Costs

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<b>Equipment Tag</b>	<b>Equipment Type</b>	<b>Total Direct Cost (\$ USD)</b>
<b>TH-201</b>	Thickener	157,000.00
<b>P-201</b>	Centrifugal Pump	27,900.00
<b>FL-201</b>	Rotary Drum Filter	164,700.00
<b>P-202</b>	Centrifugal Pump	47,700.00
<b>R-201</b>	Agitated Tank, Enclosed	341,300.00

# Area-300 Equipment Costs

<b>Equipment Tag</b>	<b>Equipment Type</b>	<b>Total Direct Cost (\$ USD)</b>
<b>H-301</b>	Waste Heat Boiler	360,200.00
<b>E-301</b>	Agitated Reactor, Jacketed	328,900.00
<b>P-301</b>	Centrifugal Pump	87,000.00
<b>F-301</b>	Refractory Lined Pressure Vessel	208,200.00
<b>R-201</b>	Agitated Tank, Enclosed	341,300.00

# Area-400 Equipment Costs

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<b>Equipment Tag</b>	<b>Equipment Type</b>	<b>Total Direct Cost (\$ USD)</b>
<b>R-402</b>	Agitated Reactor, Enclosed	342,800.00
<b>R-401</b>	Agitated Reactor, Enclosed	193,700.00
<b>T-401</b>	Quench Tower	220,400.00
<b>P-401</b>	Centrifugal Pump	27,200.00
<b>P-402</b>	Centrifugal Pump	35,700.00
<b>P-403</b>	Centrifugal Pump	35,700.00

# Comparison

Effect of CN concentration on operating costs

- ★ Average cyanide concentration treated - 500 mg/L
- ★ Our Operating cost - \$3.8 million / yr

Process	Cyanide Concentration (mg/L)			
	100	150	200	400
	\$MM/year*			
INCO	1.5	2.25	2.74	5.48
Cyanisorb	1.3	0.85	0.41	1.37
Combined	2.8	3.1	3.15	6.85

Economic  
Analysis  
Parameters

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<b>Number of Weeks per Period</b>	<b><i>Weeks/period</i></b>	<b>52</b>
<b>Number of Periods for Analysis</b>	<b><i>Period</i></b>	<b>14</b>
<b>Duration of EPC Phase</b>	<b><i>Period</i></b>	<b>0.67</b>
<b>Duration of EPC Phase and Startup</b>	<b><i>Period</i></b>	<b>1.06</b>
<b>Working Capital Percentage</b>	<b><i>Percent/period</i></b>	<b>5</b>
<b>Operating Charges</b>	<b><i>Percent/period</i></b>	<b>25</b>
<b>Plant Overhead</b>	<b><i>Percent/period</i></b>	<b>50</b>
<b>Desired Rate of Return/Interest Rate</b>	<b><i>Percent/period</i></b>	<b>6.5</b>
<b>ROR Annuity Factor</b>		<b>15.38</b>
<b>Tax Rate</b>	<b><i>Percent/period</i></b>	<b>40</b>
<b>ROR Interest Factor</b>		<b>1.06</b>
<b>Economic Life of Project</b>	<b><i>Period</i></b>	<b>14</b>
<b>Salvage Value (Percent of Initial Capital Cost)</b>	<b><i>Percent</i></b>	<b>20</b>
<b>Depreciation Method</b>		<b>Straight Line</b>
<b>Project Capital Escalation</b>	<b><i>Percent/period</i></b>	<b>5</b>
<b>Products Escalation</b>	<b><i>Percent/period</i></b>	<b>5</b>
<b>Raw Material Escalation</b>	<b><i>Percent/period</i></b>	<b>3.5</b>
<b>Operating and Maintenance Labor Escalation</b>	<b><i>Percent/period</i></b>	<b>3</b>
<b>Utilities Escalation</b>	<b><i>Percent/period</i></b>	<b>3</b>
<b>Desired Return on Project for Sales Forecasting</b>	<b><i>Percent/Period</i></b>	<b>10.5</b>
<b>General and Administrative Expenses</b>	<b><i>Percent/Period</i></b>	<b>8</b>
<b>Duration of EP Phase before Start of Construction</b>	<b><i>Period</i></b>	<b>0.44</b>





# Appendix E - Project and Technology Development

# Technology Development

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## Gold Cyanidation

- Many easy access deposits were quickly depleted
- Extraction from trace gold ores required
- Cyanide complexation developed in late 1800s

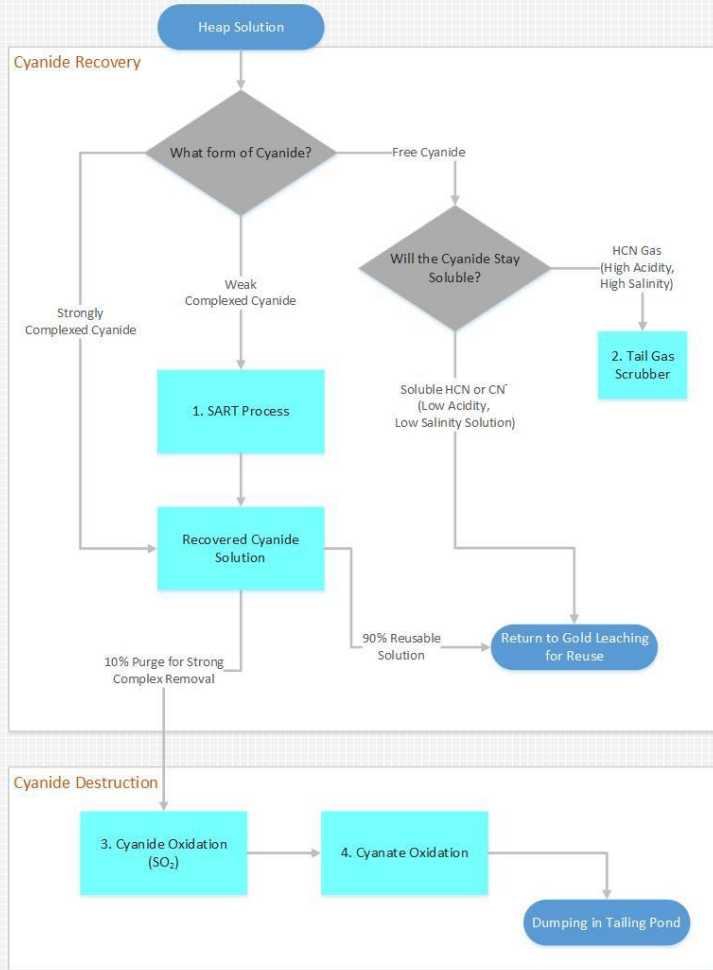
## Destruction and Recovery

- Cyanide recovery creates a value added recycle stream
- Dependent on local mineralogy (ex. Not viable for iron rich areas)
- Destruction process guarantees cyanide removal

## Pure SO<sub>2</sub> Reagent

- Downstream destruction of cyanide is a needed
- Many possible reagents: SO<sub>2</sub>, Caro's Acid, H<sub>2</sub>O<sub>2</sub>.
- SO<sub>2</sub> has lowest reagent cost.
- Pure SO<sub>2</sub> reduces capital and operating costs

# Gold Mining Decision Flowchart



## Key Decision Tree

