

Marlin Mine

FACT SHEET / SUMMER 2011

MARLIN, GUATEMALA



Marlin Landscape

DESCRIPTION

The Marlin mine operates as a combination open pit and underground mine which has been in production since December 2005. Processing of ore is conducted in a conventional crushing, grinding and milling circuit. Marlin also has a tailing storage facility, a waste rock storage area and various ancillary installations. The original life of mine plan at Marlin was ten years. However, exploration activities in the area indicate potential for additional mine life.

LOCATION

Marlin mine is in the western highlands of Guatemala, 25 kilometres by air west-southwest of the town of Huehuetenango, approximately 300 kilometres northwest of Guatemala City.

FUTURE

Exploration continues to focus on the West Vero zone, West Marlin extension and the Coral Drift. A new vein, Delmy, was discovered in a zone north of the primary Marlin underground operation. Additional drilling will focus on confirming the attitude of the new vein and delineating the structure.



KEY OPERATIONAL FACTS

Location	Guatemala
Workforce (including contractors)	2,030
Estimated mine life (reserves)	6 years
Mining type	Open Pit and Underground
Processing method	Crushing, Grinding and Cyanide Milling
Power usage	7–8 MW
Milling/Processing capacity	6,000 tpd
2011 gold production estimate	400,000 oz

GOLD AND SILVER RESERVES

Gold reserves

Proven (oz)	750,000
Probable (oz)	780,000
Proven and Probable (oz)*	1,530,000

Silver reserves

Proven (oz)	20,160,000
Probable (oz)	40,130,000
Proven and Probable (oz)*	60,290,000

KEY FACTS SUMMARY

Operating data

	2010A	2009A	2008A
Gold produced (oz)	296,100	274,900	241,400
Gold sold (oz)	296,000	274,600	241,300
Ore milled/processed (t)	1,599,700	2,161,000	1,845,000
Gold grade (g/t)	5.94	4.26	4.54
Gold recovery (%)	96%	93%	90%
By-product cash costs (US\$/oz)	\$-19	\$192	\$191
Realized gold price (US\$/oz)	\$1,241	\$982	\$870
Throughput (tpd)	4,444	6,003	5,125
Mining costs per tonne mined (US\$/t moved)	\$1.56/\$47	\$1.37/\$38	\$1.15/\$49
Processing costs per tonne milled (US\$/t milled)	\$20	\$16	\$16

Financial data (US\$ millions)

	2010A	2009A	2008A
Revenue	\$500.6	\$331.8	\$258.1
Depreciation and depletion	\$102.1	\$79.5	\$61.6
Earnings from operations	\$268.6	\$136.9	\$100.0
Expenditures from operations	\$76.8	\$41.3	\$35.3

* Due to rounding, numbers may not add up.

GEOLOGY

The Marlin deposit occurs 15 kilometres south of the Cuilco-Chixoy-Polichic fault, a major transform fault that separates the North American and Caribbean tectonic plates. It is a district-scale, northwest-trending graben controlled deposition of greater than 1,200-metre-thick upper Tertiary quartz latite to rhyolite volcanoclastic sequence. These volcanics were subsequently intruded and unconformably overlain by a small intermediate, latite to andesite, volcanic complex. The deposit is classic low-sulfidation, quartz-calcite-adularia veins and stockwork host gold-silver mineralization in association with late-stage andesite dike swarms. The deposit is along a west-northwest striking normal fault on the eastern flank of the volcanic complex.

SETTING

The topography is characterized by moderate to steep terrain with elevations ranging from 1,800 to 2,300 metres above sea level. The climate is predominantly warm and dry with well defined wet and dry seasons. The majority of the 1,088 millimetres of average annual rainfall occurs from April to October. The average yearly temperature in the area is approximately 25°C. Typically, high temperatures are estimated to reach 40°C with low temperatures falling to 3°C.



Marlin Mine Mill

SAFETY INITIATIVES

The safety culture at Marlin has improved by enhancing leadership and workforce responsibility and accountability. Safety initiatives that have been, and continue to be, successful include: daily and weekly safety talks led by supervisors, monthly inspections, incident investigation training, hazard recognition tools, the contractor safety policy, emergency response training, and health surveillance.

Most of the management team at Marlin has attended Safety Leadership Training, and the additional DELTA training commenced in early 2010.



School Children in San Miguel Ixtahuacán

ENVIRONMENTAL STEWARDSHIP

Marlin mine operates in compliance with the environmental standards and regulations of Guatemala, and with the World Bank guidelines for the mining industry. Marlin also adheres to the internal Goldcorp standards to ensure that the highest level of environmental stewardship is achieved. In August 2009, Marlin became the first mine in Central America to be fully certified under the International Cyanide Management Code. Marlin's objective of continuous improvement has most recently resulted in an initiative to update the Environmental Management System.

COMMUNITY DEVELOPMENT

The Sustainable Development department at the Marlin mine provides resources and funds for community development initiatives in communities near the operation and along the access road to the mine through its Organizational Development Unit. Projects are designed, selected and implemented in conjunction with community leaders and members. The Sierra Madre Foundation (SMF) is a Guatemalan foundation, funded by Goldcorp, which was formed in an effort to contribute to the development of neighbouring communities. Its mission is to assist with the planning and implementation of sustainable, community-based development and capacity building programs in San Miguel Ixtahuacán and Sipacapa.

Marco Menses
Mine General Manager

