



INTERNATIONAL CYANIDE MANAGEMENT CODE

CONTRANS S.A.C.

SUMMARY AUDIT REPORT

BASE TRANSPORTATION, CALLAO, LIMA,
PERU

CODIGO 20514842079

VERSION 01. 1

FECHA 06/10/2016

In collaboration with:



INTERNATIONAL CYANIDE MANAGEMENT INSTITUTE

Cyanide Transportation Operations Summary Audit Report



For The International Cyanide Management Code and CONTRANS S.A.C – Callao – Lima – Peru Verification Protocol

www.cyanidecode.org

October 2016



OCTOBER 2016 | CONTRANS

Lead Auditor Signature

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INTRODUCTION

Information on the audited operation

Name of Cyanide Transportation Facility: CONTRANS S.A.C.

Name of Facility Owner: CONTRANS S.A.C.

Name of Facility Operator: CONTRANS S.A.C.

Name of Responsible Manager: Neycer Chuquizuta C.

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State/Province/Country: Callao/Lima/ Peru

Telephone: +51 612-3502 Fax: ---

E-mail: neycer.chuquizuta@contrans.com.pe

Aspects of the location and description of the operation:

CONTRANS SAC (hereinafter CONTRANS), with the aim of providing logistical services companies in different sectors. The company provides comprehensive solutions logísticas storage, distribution, transportation.

The company has a 59,794.31m² area where it has a variety of modular warehouses in various areas that meet the needs of its customers and container storage area, including warehouses for storage of sodium cyanide duly certified by the National Superintendency of taxation of Peru.

CONTRANS sodium cyanide stored in wooden presentation boxes for 1 TN, and cylinders 100Kg. The operation of CONTRANS includes management control Customs Transport (Port - Warehouse Callao), Storage Distribution (Download packages cyanide containers, storage packaging cyanide and loading packages of cyanide containers) and management control of Transportation distribution.

SUMMARY AUDIT REPORT
FOR CYANIDE TRANSPORTATION OPERATIONS

Instructions

1. The basis for the finding and/or statement of deficiencies for each Transport Practice should be summarized in this Summary Audit Report. This should be done in a few sentences or a paragraph.
2. The name of the cyanide transportation operation, lead auditor signature and date of the audit must be inserted on the bottom of each page of this Summary Audit Report.
3. An operation undergoing a Code Verification Audit that is in substantial compliance must submit a Corrective Action Plan with the Summary Audit Report.
4. The Summary Audit Report and Corrective Action Plan, if appropriate, for a cyanide transportation operation undergoing a Code Verification Audit with all required signatures must be submitted in hard copy to:

International Cyanide Management Institute (ICMI)

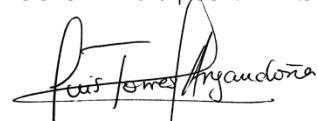
1400 I Street, NW, Suite 550

Washington, DC 20005, USA

5. The submittal must be accompanied by 1) a letter from the owner or authorized representative which grants the ICMI permission to post the Summary Audit Report and Corrective Action Plan, if necessary, on the Code Website, and 2) a completed Auditor Credentials Form. The lead auditor's signature on the Auditor Credentials Form must be certified by notarization or equivalent.
6. Action will not be taken on certification based on the Summary Audit Report until the application form for a Code signatory and the required fees are received by ICMI from the applicable cyanide transportation company.
7. The description of the cyanide transport company should include sufficient information to describe the scope and complexity of its operation.



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Lead Auditor Signature

This Operation is:

Auditor's Finding

☒ X in full compliance

☐ in substantial compliance

☐ not in compliance

The International Cyanide Management Code

with the International Cyanide Management Code.

Audit Company: ISOSURE SAC | CIANURO INCORPORATED EIRL

Audit Team Leader: Luis Torres Argandoña

E-mail: auditoria@iso-sure.com

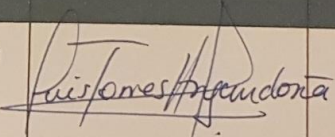
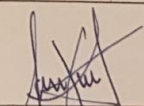
Date(s) of Audit: 05 and 06 October 2016

I attest that I meet the criteria for knowledge, experience and conflict of interest for Code Verification Audit Team Leader, established by the International Cyanide Management Institute and that all members of the audit team meet the applicable criteria established by the International Cyanide Management Institute for Code Verification Auditors.

I attest that this Summary Audit Report accurately describes the findings of the verification audit.

I further attest that the verification audit was conducted in a professional manner in accordance with the International Cyanide Management Code Verification Protocol for Cyanide Transportation Operations and using standard and accepted practices for health, safety and environmental audits.

Name and Signatures of Other Auditors

Name	Position	Signature	Date
Luis Torres Argandoña	Lead Auditor, Production and Transportation Technical		06 October 2016
Carlo Vargas	Transportation Technical		06 October 2016



CERTIFICACION DE FIRMA AL DORSO
NOTARIA HIDALGO
LIMA,

13 OCT. 2016

CERTIFICADO: QUE LA FIRMA QUE APARECE EN EL ANVERSO DEL PRESENTE DOCUMENTO CORRESPONDE A: LUIS ALBERTO TORRES ARGANDOÑA IDENTIFICADO CON DNI. N° 09993105; DOY FE. SE CERTIFICA LA FIRMA MAS NO EL CONTENIDO; SOBRE EL QUE LA NOTARIA NO ASUME RESPONSABILIDAD. LIMA, TRECE DE OCTUBRE DE DOS MIL DIECISEIS.



CECILIA HIDALGO MORAN
Notaria de Lima


[Signature]

Verification Protocol

TRANSPORT

Transport cyanide in a manner that minimizes the potential for accidents and releases.

1.1 TRANSPORT PRACTICE 1.1

SELECT CYANIDE TRANSPORT ROUTES TO MINIMIZE THE POTENTIAL FOR ACCIDENTS AND RELEASES.

X in full compliance with

The operation is ☐ in substantial compliance with Transport Practice 1.1
☐ not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

The operation is in FULL COMPLIANCE with Standard of Practice 1.1 requiring an operation Select cyanide transport routes to minimize the potential for accidents and releases.

The CONTRANS operation for the transport and storage of sodium cyanide was subject to an audit. The Auditor was verifies and all questions related to the transport protocol ICMI were answered. CONTRANS has the procedure for the Transport of Sodium Cyanide, whose goal is to transport sodium cyanide, without causing damage or injury to persons and / or the environment and the preservation of substances transported from port of Callao to CONTRANS (Distribution Warehouse) and to the point set by the client.

All activities associated with Transport Practice 1.1 are performer by TRANSMERIDIAN was certified December 7,2016 as shown on the ICMI website (Transportation Company).

TRANSMERIDIAN implemented the route evaluation process identified as "TRANSP-TRA-002 Development of Roadmaps", Cyanide Transport which describes the items to be assessed during the route analysis in accordance with the ones pointed in the International Cyanide Management Code.

"Emergency Response Plan", has been implemented for the route related to the cyanide transportation.

The route is evaluated:

- Port of Callao – Warehouse Mercantin | Lurin
- Mina Brocal | Yauli

The evidenced records are as follows

- Roadmap
- Risks of Cyanide Transportation

The evaluated routes have been approved by the Ministry of Transport of Peru. The service has been approved by the National Superintendency of Taxation of Peru.

CONTRANS designated by the carrier for the transportation service conducts an annual review of the criteria used for evaluation of the route to: traffic density, cities, bridges, canals, road conditions, route design



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A handwritten signature in black ink, appearing to read "F. J. ...", is written over a horizontal line. Below the signature, the text "Lead Auditor Signature" is printed in a small, black font.

(curves, berms, number of lanes), altitude, crossroads, detours, weather conditions and the socio-political conditions complying with the provisions of the Code.

In the evaluation report route was identify as a major risk: Urban areas, high traffic, speeding vehicles, winding road (characteristics of the Peruvian geography), and transport of other dangerous goods.

TRANSMERIDIAN implemented the "TRANSP-TRA-002 Development of Roadmaps", in the route evaluation report the major risks were identified as the urban areas, population density, road infrastructure, proximity to water bodies, presence of fog, likelihood of free fall.

In the evaluation report route was identify as a major risk: Urban areas, high traffic, speeding vehicles, winding road (characteristics of the Peruvian geography), and transport of other dangerous goods.

CONTRANS states that in conjunction with the Transport Company must conduct the evaluation of the route prior to the first transport to a customer base or annual basis by the Chief Safety Officer Safety or the Transportation Company and Chief operations. CONTRANS states that in conjunction with the transport company must conduce the evaluation of the route prior to the first transport to a customer base or annual basis by the Safety Officer or Safety Manager of the carrier and a Chief operations CONTRANS. The evaluation of the route will be regularly update by CONTRANS.

The evaluation route is performed annually by the transport company hired CONTRANS. During the evaluation of route CONTRANS staff participates with the staff of the transport company.

The Safety Officer or Safety Manager of the carrier and Chief Operating CONTRANS cyanide is responsible for the development of the "Roadmap" must consider the following points during the evaluation:

- Data Path: Start / End
- Stretches of road: description of the section in km.
- Total kilometers traveled stretch
- Maximum speed limit on the stretch
- Altitude meters above sea level.
- Type and road conditions / speed allowed
- Population

NOTE if check blind spots in the path analysis, they will be assess as a danger the safety and the driver will provide the necessary communications equipment to maintain communications throughout the route.

Technical stops, Fire Stations and Hospitals or Medical Centers in the area, as well as phone and contacts.

he area, as well as phone and contacts.

According to "TRANSP-TRA-002 Development of Roadmaps", routes are verified entirely once a year or to the first transport to a client by TRANSMERIDIAN's Control and Analysis team. In addition, for all cyanide transportation operations, the driver must present a travel log, in which the driver has to note if there were any changes on the route. If any changes are identified, these are reviewed and assessed; and if applicable, the route risk assessment is updated. Temporary changes, such as route diversions, are verbally informed to the driver prior to the departure of the convoy.

TRANSMERIDIAN identified the fire stations, Police stations, technical support and hospitals and medical centers in the area, as well as phones and contacts.

As previously noted, the risk assessment of each routes describes the risks identified along them and the specific measures to be taken to address the risks.

The existence of letters sent to the fire companies and medical centers to communicate their roles in case of any emergency and open communication channels between CONTRANS and emergency support centers were checked. Each of the support centers that are considered in the Emergency Plan CONTRANS sealed these.

Among the letters were considered emergency support centers (fire companies and medical centers) near CONTRANS and routes used by carriers hired by CONTRANS.

For the transport of sodium cyanide CONTRANS asks its carriers have a control room also carriers with GPS system continually provide the positioning of each of the vehicles at all times. As well as continuous speed supervision at each point of the route from the starting point to the end then this information delivered to the Safety Officer CONTRANS.

CONTRANS also establishes specifications using trucks escort during the transit of sodium cyanide being due to use ONE (01) escort van for every three (03) or fewer units of traffic load.

Only you can upload ONE (01) Container for each platform and can only drag a wagon chassis. The convoy may include one or more escort vehicles at your request. Convoy displacement is dependent on weather conditions; Convoy Leader evaluate the safety of the route in each case, may stop the convoy if satisfied that the conditions do not allow safe travel.

After each trip, the convoy leader must serve the "Trip Report" where findings that compromise safety during transport they are included within the assessment route for modification evidences.

TRANSMERIDIAN includes comments from interested parties (communities, other stakeholders, government agencies) in compliance with the procedure "TRANSP-TRA-002 Development of Roadmaps". These comments if applicable according to its usefulness in the selection of routes and risk management are reflected in the registry "Roadmap".

The centers are included in the Emergency Response Plan of TRANSMERIDIAN and consultation centers were evident during the audit.

CONTRANS and TRANSMERIDIAN information given (MSDS, emergency record and record of product information) to support emergency centers (health centers and fire companies) along the above routes, evidenced by a letter signed and received with such information. This activity is carry out for external support centers could be prepare for emergencies. In addition, external support centers comments are ask to manage risk as a way to query and get feedback.

When CONTRANS carrying sodium cyanide, the control room of Transport, continuously provide the positioning of each of the vehicles at all times, as well as continuous monitoring of the velocity at each point of the route. This control done through geofencing these indicate the maximum and minimum speed of the train each way along the route based on information provided by the roadmap.

CONTRANS subcontract the cyanide transport operations (TRANSMERIDIAN was certified December 7, 2016 as shown on the ICMI website).

1.2 TRANSPORT PRACTICE 1.2

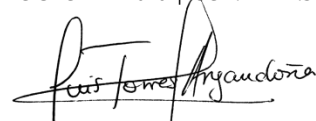
ENSURE THAT PERSONNEL OPERATING CYANIDE HANDLING AND TRANSPORT EQUIPMENT CAN PERFORM THEIR JOBS WITH MINIMUM RISK TO COMMUNITIES AND THE ENVIRONMENT.

X in full compliance with

The operation is ☐ in substantial compliance with Transport Practice 1.2



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☐ not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CONTRANS procedure establishes minimum requirements for drivers: health, legal, defensive driving training, emergency response training with sodium cyanide (spills and poisoning prevention).

CONTRANS establishes criteria for the evaluation of the route to: traffic density, cities, bridges, canals, road conditions, route design (curves, berms, number of lanes), altitude, intersections, detours, weather conditions and the socio-political conditions. CONTRANS states that transport companies that hires must use the criteria thereof which are audited by CONTRANS annually as a result of the audit verifies that carriers comply with the standards set CONTRANS by the same audit. CONTRANS evidence carriers use trained, qualified and licensed operators to operate their vehicles. In the same way, it is evident that all staff and transport equipment are in a position such that the possibility of cyanide releases and exposures are minimize.

The TRANSMERIDIAN procedure (P-TRA-001 Transportation Sodium Cyanide) establishes minimum requirements for drivers "Job profile": health, defensive driving training, and response training on sodium cyanide emergencies (spills and poisoning prevention).

The auditor reviews the documentation of the 05 drivers and 01 supervisor

- Ordoñez Damian, Juan Carlos - Driver
- Echavaudis Cardenas, Cirilo - Driver
- Flores nores, Hector - Driver
- Ventura Rosales, Hector Luis - Driver
- Castillo Cruz, Giovanni - Driver
- Casas Caycho, Jose Antonio – Supervisor

CONTRANS in Callao, each year all staff (the warehouse and transport) has to go through different types of training, including new staff from scratch. There is a matrix for training. They are divide into sections for safety and routine work. Special training is carry out by the fire department and external entities specialists.

CONTRANS has a special department within Human Resources to develop, implement and verify these workouts.

CONTRANS has staff trained in safe handling and storage of sodium cyanide, the Annual Training Program 2016, in which training for warehouse staff and people of Transportation Companies evidenced, was evident. In addition, he proceeded to interview two (02) equipment operators in operations management and storage of sodium cyanide. The CONTRANS does subcontract handling Storage Operation, and subcontract the Transport Operation Practice 1.1 are performed by ICMI.

TRANSMERIDIAN selects the most specialized drivers to transport sodium cyanide.

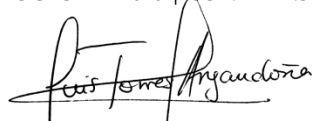
According to P-TRA-001 Transportation Sodium Cyanide, drivers drive up to FIVE (05) continuously, with breaks of TWO (2) hours. Sleep at least EIGHT (08) hours before each trip, and one must not drive for more than TEN (10) hours per day.

In their Cyanide Emergency Response Plan, TRANSMERIDIAN includes a training program that must be complemented by all drivers, consisting of the following:

- Introduction to the Company
- Basic Ricks Prevention and Use of Personal Protection Equipment (PPE)



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Lead Auditor Signature

- Hazardous Materials Handling and Transportation Nivel 1 and 2
- Emergency Response
- Defensive Driving

In addition, the following training courses are specific to drivers transporting cyanide shipments:

- Cyanide First Emergency Response
- General Information of Cyanide Product

According to Plan cyanide related training is refreshed once a year. During the audit, files of three drivers were reviewed, and all relevant training certificates were available.

1.3 TRANSPORT PRACTICE 1.3

ENSURE THAT TRANSPORT EQUIPMENT IS SUITABLE FOR THE CYANIDE SHIPMENT.

X in full compliance with

The operation is ☐ in substantial compliance with Transport Practice 1.3
☐ not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CONTRANS states that Transport Companies hired must have a maintenance procedure and planning of it, this requirement is audit by the Safety Officer CONTRANS annually according to the program without warning. CONTRANS also states that hire companies must meet the requirements of ICMI and the Ministry of Transport and Communications (MTC) of Peru.

TRANSMERIDIAN provides that the charge should not exceed the carrying capacity, and this control is performed by using the format "Verification Pre-Use Units".

The maintenance of the units is done by the "DIVEMOTORS" supplier, the parts are original and technicians are specialized for the type of vehicle.

CONTRANS states that vehicles will be hired lowboy trailers with a maximum load capacity of 22 tons, which are certify to transport sodium cyanide by the Peruvian government.

In addition, before each trip CONTRANS staff verifies that vehicles are fit to travel and meet the requirements described above.

For service storage of sodium cyanide (cylinders and boxes), CONTRANS has evidence of procedures for these operations. It was evident he was about a maintenance plan that contains the equipment for handling cyanide, which states: manufacturer, make, model and serial numbers and kinds of maintenance that must be maintain in accordance with the guidelines of manufacturer.

Evidences of dates and hours of service for maintenance - the equipment was verify.

Prior to their loading and use trucks are inspected by staff CONTRANS to demonstrate any deviation that jeopardize the operation, based inspection in the format "Checklist Previous -Trip" if find any deviation is made the communication with the company carries for prior to the start of the operation solution.

After the load is, fixed CONTRANS makes a record of the weights and measures to record the weight of the load and verify that this does not exceed the maximum set of 20 TM as established in Peruvian Law by type of vehicle configuration.

In addition, there are in all the routes used, controls weight and size of the Ministry of Transport and Communications (MTC) of Peru.

Before giving the output of unit personnel CONTRANS check that the carrier has the following duly completed documents:

- Referral Guide Submitter
- Carrier Referral Guide
- Tract Property Cards and Semi-Trailer
- Proof of registration of the vehicle in the National Register of Road Transport Hazardous Materials and Waste issued by the Ministry of Transport and Communications MTC (tractor and semi-trailer).
- Circulation Card MTC
- Driver's License driver
- Course Freight ERM
- National Identity
- Data Sheet Material Safety Data Sheet (MSDS) Sodium Cyanide
- Primer Product Safety Contingency Plan for the Transport of Sodium Cyanide
- Certificate of Technical Inspection for transporting hazardous materials
- Liability Policy
- Cash or Risk

In addition, CONTRANS staff inspects the forklift, considering the following points: Suitable for a transporter tonnage, lower antiquity to 5 years. Exterior and interior of the unit in good condition (no damage), forklift mast in good condition (no cracks or breaks), cleaning the unit as mirrors in good condition and complete, safety belts and operating clean, no signs of leaking oil, coolant or fuel, parking brake operative, operative wheels, alarm, back in good state.

According to through the the "P-TRA-001 Transportation Sodium Cyanide", TRANSMERIDIAN safety chief together with a driver have to check the trucks and trailers completing a checklist per vehicle prior to the departure of the convoy.

During the audit, three (03) bundles of travel records who met the provisions of the "Control of Hazardous Merchandise", is evidenced for CONTRANS and TRANSMERIDIAN.

There are documented procedures that set the conditions in place to prevent overloading of the transport vehicle used for cyanide management; these include issues of safety and environment, as quoted below:

- Inspection of packaging
- Sobriety
- Control of HCN Levels
- Check List loading and unloading
- Check List container reception
- Procedure for Cargo and Storage Discharge
- Risk Assessment Matrices
- Contingency Plan - Cyanide Management

The operation of loading and unloading of sodium cyanide is carry out in the switchyard outside the store, in front of the storage area Sodium Cyanide. During loading and unloading, has surveillance by a Warehouse Supervisor CONTRANS.

According to the P-TRA-001 Transportation Sodium Cyanide, TRANSMERIDIAN has procedures in place to prevent overloading of the transport vehicles, one CONTAINER of cyanide can be loaded on the vehicle. As seen in the "DS 058-2003-MTC, Standard Weights and Measures Vehicular" (Law of Peru).

The CONTRANS does subcontract handling Storage Operation, and subcontract Operation Transport Practice 1.1. (TRANSMERIDIAN was certified December 7, 2016 as shown on the ICMI website)

1.4 TRANSPORT PRACTICE 1.4

DEVELOP AND IMPLEMENT A SAFETY PROGRAM FOR TRANSPORT OF CYANIDE.

X in full compliance with

The operation is ☐ in substantial compliance with Transport Practice 1.4
☐ not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CONTRANS check out by prior agreement of inspection units by Transportation companies Staff to ensure that vehicles and escort vehicles are in good condition.

TRANSMERIDIAN indicates the need for conformity of the client, to ensure that the escort vehicles and transport vehicles are in optimal conditions.

TRANSMERIDIAN conducts vehicle inspections prior to each departure/shipment

During the audit process, records of inspections prior to each departure shipment are evidence.

CONTRANS audited annually and unexpectedly the maintenance plan of the transport companies and the maintenance records of the units are revised.

TRANSMERIDIAN has a maintenance plan. The maintenance records were reviewed and the practice was confirmed during the observation of the vehicle and interview with the maintenance supervisor and drivers.

CONTRANS states that Drivers Transportation Companies should rest at least 8 hours before a trip and do not drive more than 12 hours a day and daylight driving only during the day. It is noteworthy that the Peruvian rules provide the same hours for the transport of hazardous materials "DS 009-2004-MTC Regulation of Transport Management Act".

CONTRANS places the burden of cyanide must travel in containers of 20 feet or 40 feet, developing mechanisms to prevent movement.

CONTRANS set your procedure; CONTRANS supervisor in the warehouse must verify that the load must be properly secured in the container, during the visit by staff indicated that if necessary elements are used to secure the load so that the load does not move inside the container.

According to the P-TRA-001 Transportation Sodium Cyanide, TRANSMERIDIAN has anchoring mechanisms for the container and lashing system for cyanide in the container.

CONTRANS states that the trip will take place in the way of convoy; the Convoy Leader is responsible for the assessment of weather conditions and is empowered to suspend the transport convoy.

At the end of the trip, the leader of the operation and drivers must submit a report detailing the same route incidents, advance information, and find relevant and sensitive areas to ensure the safety and Safety information on future trips.

CONTRANS has a Policy of ZERO consumption of alcohol and drugs or any other substance that may impair or reduce the function of the transport driver. Prior to the commencement of activities necessary to perform a test alcohol test and periodically discard evidence of drug use, the violation of this policy has resulted in the separation of the worker from the organization.

TRANSMERIDIAN has "Alcohol and Drug Policy" It is prohibited the consumption of alcohol, drugs or any other substance that may impair or reduce the function of the driver or a member of the convoy in which prior to the start of each trip everyone must go through an alcotest and periodical drug tests; the violation of this policy results in the separation of the worker from the operation.

Plans and procedures for compliance with the Code are review annually and annual follow-up audits will be develop to verify compliance with standards CONTRANS.

CONTRANS establishes guidelines to ensure that their subcontractors comply with items 1, 2 and 3 of this must be respected according to the Transport Practice 1.4. (TRANSMERIDIAN was certified December 7,2016 as shown on the ICMI website)

1.5 TRANSPORT PRACTICE 1.5:

FOLLOW INTERNATIONAL STANDARDS FOR TRANSPORTATION OF CYANIDE BY SEA AND AIR.

X in full compliance with

The operation is ☐ in substantial compliance with Transport Practice 1.5
☐ not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CONTRANS not transported by sea transport and air transport within the territory of Peru.

1.6 TRANSPORT PRACTICE 1.6:

TRACK CYANIDE SHIPMENTS TO PREVENT LOSSES DURING TRANSPORT.

X in full compliance with

The operation is ☐ in substantial compliance with Transport Practice 1.6
☐ not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

CONTRANS states that contract carriers must use a GPS system. They must also have a telephone service, radio and cellular pathway that ensures full coverage during movement and be fully connected to the control room where his base and CONTRANS. In addition to providing, a system that continuously indicates the position of each vehicle at all times.

TRANSMERIDIAN uses a GPS system. They also have telephone service, radio UHF and cell phones which ensure full coverage during movement and are completely connected to the control room in their base in CALLAO, Peru. In addition to providing this system, they continually know the positioning each of the vehicles all the time and the safety escort vehicle carries a satellite phone. During the audit, the operability equipment was verified.

CONTRANS inspects the telephone lines are in operation prior to departure, further checks are done to verify the operation of mobile equipment, GPS and radio by List Pre-Trip Inspection Authority.

Additional, CONTRANS periodically test communication equipment to ensure it functions properly.

The phone lines were operating at the time of the audit; and also an inspection was done to verify the operation of mobile equipment and it was found the payment of the phone, the GPS, satellite phone and the radio UHF services.

Additional, TRANSMERIDIAN periodically test communication equipment to ensure it functions properly. "Verification Pre-use units" contains the inspection criteria of communication equipment.

CONTRANS has identified areas without cell coverage and radio, for it asks CONTRANS contract carriers using satellite equipment.

CONTRANS and TRANSMERIDIAN verifies that the GPS system that hire has location updates in real time also continually sought (periods not to exceed one hour) the location of the transport units.

Before each trip CONTRANS check the bill of lading and waybill, transported amounts of cyanide, Data Sheet Material Safety also this documentation must be available throughout the trip as CONTRANS guidelines, this same data is review by Customer (final destination). Note that this information must be show to the inspectors if MTC is request otherwise the carrier be fine.

CONTRANS is secure before each trip that the sender reference guide to indicate the product name, number of the United Nations (UN), and weight of packages transported cargo quantity, and likewise that product safety considerations indicated.

Upon delivery of the send, reference guide supplied Data Sheet Material Safety to the carrier. The lack of guidance sender reference and Data Sheet Material Safety during transport is fine by the confiscation of the cargo by the Peruvian government that makes mandatory controls on all tolls departure City Lima. It is worth mentioning that the sender reference guide should be preserve and stored by the carrier for not less than five (05) years' time.

CONTRANS establishes guidelines to ensure that their subcontractors comply with the elements 1 to 6 of this, should be respected according to the Transport Practice 1.6.

INTERIM STORAGE

Design, construct and operate cyanide trans-shipping depots and interim storage sites to prevent releases and exposures.

2.1 TRANSPORT PRACTICE 2.1

STORE CYANIDE IN A MANNER THAT MINIMIZES THE POTENTIAL FOR ACCIDENTAL RELEASES.

X in full compliance with

The operation is ☐ in substantial compliance with Transport Practice 2.1
☐ not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

The operation is NOT APPLICABLE whit Standard of Practice 2.1 requiring an operation Store cyanide in a manner that minimizes the potential for accidental releases.

CONTRANS within the supply chain has a distribution warehouse.

EMERGENCY RESPONSE:

Protect communities and the environment through the development of emergency response strategies and capabilities.

3.1 TRANSPORT PRACTICE 3.1:

PREPARE DETAILED EMERGENCY RESPONSE PLANS FOR POTENTIAL CYANIDE RELEASES.

X in full compliance with

The operation is ☐ in substantial compliance with Transport Practice 3.1
☐ not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

The operation is in FULL COMPLIANCE with Standard of Practice 3.1 requiring an operation Prepare detailed emergency response plans for potential cyanide releases.

CONTRANS has an emergency response plan (EMERGENCY RESPONSE PLAN FOR CYANIDE TRANSPORTATION). Information on road conditions is defined in the Roadmap document. The Emergency Plan describes the response actions for anticipated emergency situations. These were verified during the audit.

The Emergency Response Plans for transportation is suitable for the selected transport route, based on the hazards and risk assessment after the completion of the ROADMAP.

The Emergency Response Plan is suitable for the selected transport route, taking into account the physical and chemical form of cyanide clearly based on the Safety Data Sheet of the Product "Sodium Cyanide". CONTRANS is a transporter of sodium cyanide supply in solid state (briquettes).

CONTRANS indicates the use of trucks to transport sodium cyanide taking into account the characteristics of the equipment and assesses the structural condition of the road where the transportation sodium cyanide is done.

Information on road conditions is defined in the Roadmap document. The Emergency Response Plan describes the response actions for anticipated emergency situations. These were verified during the audit.

It also establishes the logical line of action to be taken by the convoy leader and drivers in case irregularities arise during transportation of sodium cyanide.

CONTRANS requests and verifies that the transport companies use trucks also all ships in trailers low or high platform acquired with a maximum load capacity of 22 tons, which are certify to transport sodium cyanide by the Government Peruvian.

CONTRANS sets action if incidents occur on the route which is described below.

- Mechanical problems/does not continue
- Rollover with spill
- Rollover with no spill

- Fire in the truck
- Crash with injuries/no injuries
- Water spill, cleaning and decontamination
- Spill with rain (falling to the ground, Meltdown, the presence of others, railway, earrings)

Awareness on the part of drivers and supervisors of the actions in each case was evidenced after interview with the staff.

CONTRANS has defined levels of emergency response.

For 2do Response, CONTRANS has contacts the Fire Department, Police, and Emergency Medical Services.

During 2nd Response emergencies, the External Emergency Responder is in charge of the emergency response actions when they arrive (delimitation of the area, communication, and access and traffic control are performed by the drivers and the safety specialist while the External Emergency Responder arrives). However, when the National Fire Department arrives to the scene, they take control of the emergency, as established by local regulations. This is established in the Emergency Response Plan. Finally, specific roles of each outside responder are outlined in the Emergency Response Plan.

3.2 TRANSPORT PRACTICE 3.2:

DESIGNATE APPROPRIATE RESPONSE PERSONNEL AND COMMIT NECESSARY RESOURCES FOR EMERGENCY RESPONSE.

X in full compliance with

The operation is ☒ in substantial compliance with Transport Practice 3.2
☐ not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

The operation is in FULL COMPLIANCE with Standard of Practice 3.2 requiring an operation Designate appropriate response personnel and commit necessary resources for emergency response.

CONTRANS, evidenced during the audit, which asks companies transport drivers and supervisors receive training in emergency response on safe cyanide management (spill and intoxication), and other courses must be trained in handling the defense, firefighting, first aid, hazardous materials level I and Level 2. knowledge in these areas further issuance of licenses by the transport companies is evidenced by staff CONTRANS after interviews with the drivers where asks questions of the above issues and thus verify understanding of them, this was evident after reviewing records Checklist Pre-Trip. CONTRANS asks carriers workouts are renew annually complying with the training plan; this is evidence by reviewing training plans 2016 verifying compliance with specific skills.

Drivers with Enforcement Supervisors are responding in an emergency they pass medical tests to check physically for these activities and have receive the training necessary for efficient emergency response conditions.

CONTRANS establishes specific responsibilities in an emergency, differentiating responsibility his team, the company transportation and emergency response companies.



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[Signature]
Lead Auditor Signature

Each truck has the necessary amount of emergency response equipment and the safety escort also has a Response Kit for spills and poisoning (oxygen), and personal protective equipment which must be verified before the trip, as well as the verification of courses prior to starting the travels and the periodic emergency response training.

CONTRANS verifies that the carrier has the necessary equipment for emergency response in case spill.

Inspection records of the response teams prior to each trip through the emergency Checklist before Trip were check. The presences of these teams in the convoy were verify. The Emergency Plan indicates staff functions in an emergency, also the emergency equipment to be use in both the first and second response. The Emergency Plan describes specific emergency response roles and responsibilities of staff.

CONTRANS trains staff and staff of transport company. The transport vehicle operators receive initial and periodic refresher training in emergency cyanide (Spill and poisoning) annually and emergency response procedures including implementation of the Emergency Response Plan. Additionally, organizes lectures before the trip indicating safety procedures and a summary of actions in an emergency. Delivering drivers summary information emergency response plan.

During the audit process were interviewed to transport personnel and reported having received training.

In the "Procedure for loading, transportation and unloading of sodium cyanide", is specified the verification criteria of the units before each journey.

During the audit, inspection records were evident.

CONTRANS does subcontract this cyanide transport operation. (TRANSMERIDIAM was certified December 7,2016 as shown on the ICMI website)

3.3 TRANSPORT PRACTICE 3.3:

DEVELOP PROCEDURES FOR INTERNAL AND EXTERNAL EMERGENCY NOTIFICATION AND REPORTING.

X in full compliance with

The operation is ☐ in substantial compliance with Transport Practice 3.3
☐ not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

The operation is in FULL COMPLIANCE whit Standard of Practice 3.3 requiring an operation Develop procedures for internal and external emergency notification and reporting.

It was evident that the contact information in case of emergency is update in case of emergencies and update the Emergency Plan in this case warrants. The Emergency Plan indicates the current list of contact, which is review, and updated through calls in each revision of Emergency Planning. By performing 02 calls to the numbers given in the contact list updating is evidenced contact numbers in case of emergency.

The Emergency Response Plan includes an internal communication and external schema that specifies the call flow by the safety personnel, the receptors, the regulatory agencies, external response providers, medical centers, fire departments, and communities potentially affected by an emergency.

3.4 TRANSPORT PRACTICE 3.4:

DEVELOP PROCEDURES FOR REMEDIATION OF RELEASES THAT RECOGNIZE THE ADDITIONAL HAZARDS OF CYANIDE TREATMENT CHEMICALS.

X in full compliance with

The operation is ☐ in substantial compliance with Transport Practice 3.4
☐ not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

The operation is in FULL COMPLIANCE with Standard of Practice 3.4 requiring an operation develop procedures for remediation of releases that recognize the additional hazards of cyanide treatment chemicals.

It was noticed in the Emergency Response Plan the description of how to recover or neutralize the solids, the procedure of decontamination of soils or other contaminated medium and how to manage these wastes.

The Emergency Response Plan prohibits the use of chemicals such as sodium hypochlorite, ferrous sulfate and hydrogen peroxide to treat cyanide that has been released to surface waters.

3.5 TRANSPORT PRACTICE 3.5:

PERIODICALLY EVALUATE RESPONSE PROCEDURES AND CAPABILITIES AND REVISE THEM AS NEEDED.

X in full compliance with

The operation is ☐ in substantial compliance with Transport Practice 3.5
☐ not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

The operation is in FULL COMPLIANCE with Standard of Practice 3.5 requiring an operation Periodically evaluate response procedures and capabilities and revise them as needed.

The period of review and evaluation of this Emergency Response Plan is at least once a year.

The CONTRANS's Management is responsible for requesting immediate changes to this Plan, in the event of serious incidents, by simulation results, results of audits or inspections by process improvement etc.

During the audit, records spill drill evidenced, in 2016.

The Emergency Response Plan and the Training Plan define the frequency of emergency drills. The document presents the schedule of emergency simulations.

The simulations are made by the Chief of Safety who has an ANNUAL DRILL PROGRAM indicating the completion of ONE (01) practical simulation, for the purpose of evaluating the effectiveness of the Emergency Plan and correct what is indicated on it.



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A handwritten signature in black ink, appearing to read "F. J. ...", is written over a horizontal line. Below the signature, the text "Lead Auditor Signature" is printed in a small, sans-serif font.

The purpose is to measure the efficiency of the response procedure to ensure that the staff involved in an emergency act according to the Emergency Response Plan.

The Chief of Safety takes into account the rapid preliminary compilation of the situation, gathering basic facts as they are known such as time the who, what, where, when, how and why of the situation, contacts the responsible person and broadcasts the obtained information, and continuously communicates with the Convoy Leader and will meet the requirements of authorities.



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