



**TransWood, Inc. Winnemucca Terminal
Sodium Cyanide Solution Transportation Operations**

**ICMI International Cyanide Management Code
Re-Certification Audit**

SUMMARY AUDIT REPORT

Audit Dates: January 16-17, 2013

Submitted to:
The International Cyanide Management Institute
1400 I Street, NW – Suite 550
Washington, DC 20005
USA
2013 Audit Cycle



www.mss-team.com

AUDIT REPORT

Name and Location of Operation: TransWood, Inc. – Winnemucca Terminal
3109 Desert Gem Rd
Winnemucca, NV 89445

Audit Scope: Bulk liquid transportation of sodium cyanide to gold mines in Nevada and the Western U.S.
Phil Bennett - Terminal Manager
P.O. Box 2213
Winnemucca, NV 89445

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Location detail and description of operation:

The TransWood, Inc. Winnemucca Terminal transports liquid sodium cyanide in bulk tankers from the Cyanco production facility in Winnemucca, Nevada to gold mines in Nevada and the Western USA. The terminal is located 1.5 miles west of Winnemucca on Jungo Road. The terminal is one of 30 TransWood terminals serving 22 states in the USA. The carrier transports dry and liquid bulk loads and is headquartered in Omaha, Nebraska.

TransWood maintains a formal environmental, health, safety, and security (EHSS) management system that is certified by a third-party auditing firm to the American Chemistry Council's Responsible Care Management System (RCMS[®]) technical specification. The Winnemucca Terminal is part of this centrally-managed management system. The RCMS processes are applied to all operations and are used to ensure compliance to all legal and voluntary EHSS requirements, including the ICMI International Cyanide Management Code (ICMC).

This TransWood terminal is dedicated exclusively to the maintenance and dispatch of bulk cyanide loads for Cyanco. The terminal has a full service maintenance shop and all equipment is maintained on-site. The terminal is approximately 5 miles away from Cyanco. No cyanide is stored at this location. Empty trucks may be staged for maintenance or inspection activities, but loaded trucks are kept within a secure perimeter at Cyanco.

Cyanide Code compliance is achieved in close collaboration with Cyanco. Trucks are loaded by Cyanco operators, driven by TransWood drivers, and monitored throughout transit by Cyanco and TransWood. TransWood also works very closely with Cyanco to ensure that all ICMC requirements are fulfilled. Cyanide training, emergency response planning, and route determination are areas of compliance are all jointly managed.

This operation is in FULL COMPLIANCE with the International Cyanide Management Code.

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Name of Facility	Lead Auditor	Date

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Auditor's Finding

This operation is in full compliance with the International Cyanide Management Code.

This operation has not experienced any cyanide incidents or compliance problems during the previous three-year audit cycle.

Audit Company:	MSS Code Certification Service, a Division of Management System Solutions, Inc. www.mss-team.com
Audit Team Leader and Technical Expert:	Nicole Jurczyk E-mail: CodeAudits@mss-team.com
Date(s) of Audit:	January 16-17, 2013

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 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.



Signature of Lead Auditor

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equipment and heavy duty frames to ensure safe travel over rough terrain to the mine sites. Tires are replaced on a frequent basis and regular maintenance activities and inspections are conducted. Safety and emergency shut-off systems are designed into the delivery equipment and were found to be appropriate for mitigating the risk of chemical spill. Equipment bridge calculations are done at the time the equipment is specified and procured to ensure that equipment is able to carry the loads it must carry. Loading of the trucks is done by Cyanco personnel using automated equipment. Trucks are weighed on their way into the loading areas and again on the way out of the loading area to ensure that weights are appropriate. Shipments made to California are made using smaller tankers that comply with State weight restrictions. Larger tanker trailers are equipped with internal baffle systems to ensure that product movement is reduced and that the risk of roll-over due is mitigated as much as possible.

Transport Practice 1.4: Develop and implement a safety program for transport of cyanide.

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

Summarize the basis for this Finding:

TransWood has a formal safety program that clearly addresses all ICMC safety program requirements. Liquid cyanide solution is transported in bulk tanker trailers using UN 3414 shipping placards for sodium cyanide solution on all sides of the truck. Vehicle inspections are done prior to every shipment and maintenance is performed every 10,000-12,000 miles. Maintenance records were found to be complete. Driver hours are limited by U.S. Department of Transportation regulations. TransWood carefully monitors and audits driver hours for compliance at the local and corporate level of the organization.

Interviews were conducted with drivers and procedures were reviewed during the audit to confirm that drivers are empowered to modify or suspend a shipment if unsafe conditions exist. Such a change in delivery plans would be done in close coordination with the TransWood dispatcher, Cyanco personnel, and with the mining customer. Random drug and alcohol testing is done in accordance with U.S. regulations. Records were available to show that all parts of the TransWood safety program are effectively being implemented.

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2. INTERIM STORAGE: *Design, construct and operate cyanide trans-shipping depots and interim storage sites to prevent releases and exposures.*

Transport Practice 2.1: *Store cyanide in a manner that minimizes the potential for accidental releases.*

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

Summarize the basis for this Finding:

TransWood does not have any interim storage responsibilities. Additionally, no trucks containing cyanide are allowed to be stored at the terminal. If a delivery is interrupted, loaded cyanide tankers would be brought to Cyanco to be stored in a secure location.

3. EMERGENCY RESPONSE: *Protect communities and the environment through the development of emergency response strategies and capabilities*

Transport Practice 3.1: *Prepare detailed emergency response plans for potential cyanide releases.*

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

Summarize the basis for this Finding:

TransWood uses the documented Cyanco emergency response plan (ERP) that addresses all of the ICMC requirements for the transportation of cyanide. The plan, last revised in September 2012, was reviewed and was found to be acceptable. In the event of an emergency, TransWood drivers perform a notification role only. Emergency response is then directed and carried out by Cyanco employees, emergency responders, and mine personnel if the emergency happens on a mine site. Drivers have hazardous materials training and security training, and they keep a copy of the Emergency Response Guide (ERG) with them at all times during transport. TransWood only transports cyanide via truck and all scenarios considered in the plan were related to truck accidents. Liquid sodium cyanide (the only physical form transported), roadway infrastructure differences, the construction of the transportation equipment (emergency shut offs), and the roles of the different emergency responders are discussed in the plan.

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