Cyanide Transportation

Summary Audit Report

For The
International Cyanide Management Institute and Cesari Logística- CESLOG.

Prepared by : NCABrasil Expert Auditors Ltd.
www.globalsheq.com

www.cyanidecode.org

June 2021

The International Cyanide Management Code (hereinafter "the Code"), this document, and other documents or information sources referenced at *www.cyanidecode.org* are believed to be reliable and were prepared in good faith from information reasonably available to the drafters. However, no guarantee is made as to the accuracy or completeness of any of these other documents or information sources. No guarantee is made in connection with the application of the Code, the additional documents available or the referenced materials to prevent hazards, accidents, incidents, or injury to employees and/or members of the public at any specific site where gold is extracted from ore by the cyanidation process. Compliance with this Code is not intended to and does not replace, contravene or otherwise alter the requirements of any specific national, state or local governmental statutes, laws, regulations, ordinances, or other requirements regarding the matters included herein. Compliance with this Code is entirely voluntary and is neither intended nor does it create, establish, or recognize any legally enforceable obligations or rights on the part of its signatories, supporters or any other parties.

This report contains 15 pages.

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
Tel: +1-202-495-4020

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.

SUMMARY AUDIT REPORT

Name of Cyanide Transportation Facility: Ceslog Cesari Logística Ltda.
Name of Facility Owner: Ceslog Cesari Logística Ltda.
Name of Facility Operator: Ceslog Cesari Logística Ltda.
Name of Responsible Manager: Gideoni Góis
Address: Rua Claudino Domingues Graça 381, Jardim das Indústrias, 11570-100.
State/Province: Cubatão, São Paulo, SP.
Country: Brazil
Telephone: +55 13 99713-7897
Fax: n.a
E-Mail: gideoni.gois@grupocesari.com.br

Location detail and description of operation:

The Cesari Logística (Ceslog) operation is focused on the road transportation of solid cyanide for gold mining operations, without interim storage. The operation is located at Cubatão town, São Paulo state, in Brazil, and transports solid cyanide from Brazilian approved solid NaCN producers and distributors (e.g- Orica Brasil Ltda) to gold mine operations located in Brazil. The NaCN boxes (1.0 ton each/ original package) are transported inside hermetic 20´or 40´sea containers.

Celso Sandt Pessoa (Lead Auditor & TEA) Cesari Logística/CESLOG/ 18/11/23.

SUMMARY AUDIT REPORT

Auditor's Finding

This operation is:

X in full compliance
□ in substantial compliance ***(see below)
□ not in compliance

with the International Cyanide Management Code.

During the previous three years certification cycle, Cesari Logística/CESLOG did not experience no significant cyanide related incidents, nor any compliance problems related to cyanide transportation management.

***** For cyanide transportation operations seeking Code certification, the Corrective Action Plan to bring an operation in substantial compliance into full compliance must be enclosed with this Summary Audit Report. The plan must be fully implemented within one year of the date of this audit.

Auditing Company: NCABrasil Expert Auditors Ltd.
Audit Team Leader: Celso Sandt Pessoa (ICMI qualified lead auditor and transportation qualified TEA (technical expert auditor)), since 2006.
E-mail: celsopessoa@ncabrasil.com.br and celso@globalsheq.com
Website: www.globalsheq.com
Names and Signatures of Other Auditors: not applicable
Date(s) of Audit: 21/ June/ 2022 ~ 23/ June/ 2022 (on-site) and 17~18/ April/2023 (off-site).

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 certification audit. I further attest that the certification 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.

Celso Sandt Pessoa

SUMMARY AUDIT REPORT

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

Transport Practice 1.1: *Select cyanide transport routes to minimize the potential for accidents and releases.*

The operation is:
X in full compliance with
□ in substantial compliance with Transport Practice 1.1
□ not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

There were no changes, in the last three years, in the management procedure for routes identification, evaluation and definition. It was evidenced that the organization performed a risk evaluation for road transportation of solid cyanide, in accordance with the procedure POP-C-04(1), related to route evaluation system, which includes periodic re-evaluation of the routes, including the driver´s feedback.

Reviewed the route definition and risk evaluation for the following route:

- Lorena (São Paulo state/ Orica Brasil depot) to Pedra Branca do Amapari (Amapá state/ Mina Tucano Ltd.)

The approved route considers population density, road infrastructure, fauna and flora, surface waters, pitch and grade and weather conditions, among other aspects.

It was evidenced that Cesari Logística identified and evaluated all the risks related to the selected route. Examples are: population density along the route, the infrastructure (asphalt, double or single speedway, gas stations, policy stations, emergency stations, communication infrastructure, shadow areas for communication), the condition of the route (under maintenance, holes, without asphalt), weather conditions (such as fog, fire, rain) and surface waters (rivers, creeks, lakes), fog formation trend, number and type of bridges, amount of dangerous curves, security related places and shadow communication spots. Several controls such as speed limit, driver qualification and training, truck maintenance, pre-traveling brief with the driver, planned transport observations, full time monitoring of the truck from a remote station, limited traveling time, were implemented by the organization in order to mitigate the risks related to the selected route. The selected route includes the transport using federal, state and municipality roads. Reviewed the route plan POP-CES-CGO-01, dated 27/12/2021. It was evidenced that Cesari Logística, at least annually, re-evaluates the condition of the selected routes. In the end of each travel, the driver records on the traveling plan his perceptions about the route condition. This travel report is reviewed by the operations coordinator and, when necessary, the route plan is updated, and the risks re-evaluated. Track traffic conditions, points allowed to stop and overnight, authorized supply points, places with sharp curves, places with winding conditions, uphill and steep slopes, bridges and rivers, risk of accidents, police checkpoints, locations requiring special permits for transit, allowed speed for trucks, pedestrian crossing sites, fauna related hazards on track, emergency telephones of the places, population data, weather conditions, communication shadows are considered to select pertinent routes.

All comments are reported at travel operation reports). Reviewed travel reports issued between 2019 and 2022. Relevant or major changes in the selected route were not observed. It was evidenced that the organization performed a risk evaluation for road transportation of solid cyanide, in accordance with document procedures. All transportation documentation addresses the hazards and related risks and defines the operational control measures to be taken by the qualified drivers. All permits related to transportation route are kept updated. Cesari Logística, as a mandatory requirement defined by the Brazilian law, contacts public authorities (Cetesb São Paulo (environmental permit), Brazilian Army (controlled product permit), IBAMA (Brazilian Federal EPA) and Brazilian Federal Police (controlled product permit), in other to obtain official permits to transport solid cyanide in the proposed route. Cesari Logística will use security escorts when the risk analysis indicates that this should be an operational control during the transport (safety and security). In the selected route, it was identified that a security escort car is not necessary. Cesari Logística contracts other stakeholders (driver, truck and platform) to transport solid NaCN on its behalf. The organization has a protocol to identify, evaluate and qualify such contractors, that includes the driver permit type "E", RENAVAM + CRLV (vehicle+platform) permit, Annual Third-Party Vehicle & Platform inspection (CIV/ certificado de inspeção veicular), the age of the truck+platform and internal training sessions. Reviewed evaluation and qualification process for the following contractors: Alberto Cavalcante e Silva Neto, AM Faria Transportes Ltd. (Antônio Carlos dos Reis) and Fabrício de Morais Pizzete (Marcelo Luis Domingos/driver). Related to the use of convoys, this will be dependent of the amount of solid NaCN to be transported. In the reviewed cyanide transportation cases (from Orica to Tucano mine), convoys of three trucks were used. Cesari Logística may use their own drivers and fleet (trucks + trailers) to transport solid NaCN, and the same requirements applied to contractors are observed by Cesari Logística.

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.***

The operation is:

X in full compliance with
□ in substantial compliance with Transport Practice 1.2
□ not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

It was evidenced that Cesari Logística uses trained and licensed drivers as required by the applicable legislation for the transport of dangerous products, including solid sodium cyanide. The drivers must have a specific driving license (CNH – Carteira Nacional de Habilitação), type "E", according to the Brazilian legislation. Reviewed the driver license for: Alberto Cavalcante e Silva (license # 01942653734), Antônio Carlos dos Reis (license # 01036137723) and Marcelo Luís Domingos (license # 03265409899).

SUMMARY AUDIT REPORT

It was evidenced that the operation defined, documented, implemented and maintains an annual training program for the operational team (truck drivers, associate drivers and support personnel). In the last three years the operation provided for its operational team and associated drivers, initial and refresh trainings such as Management of Hazardous Materials, defensive driving (refresh), emergency response plan (refresh), solid NaCN properties and management, incident reporting and investigation. Records of such initial and refresh trainings are retained by the operation and were reviewed during this opportunity. Cesari Logística contracts other stakeholders (driver, truck and platform) to transport solid NaCN on its behalf. The organization has a protocol to identify, evaluate and qualify such contractors, that includes the driver permit type "E", RENAVAM + CRLV (vehicle+platform) permit, Annual Third-Party Vehicle & Platform inspection (CIV/ certificado de inspeção veicular), the age of the truck+platform and internal training sessions. Reviewed evaluation and qualification process for the following contractors: Alberto Cavalcante e Silva Neto, AM Faria Transportes Ltd. (Antônio Carlos dos Reis) and Fabrício de Morais Pizzete (Marcelo Luis Domingos/driver).

Transport Practice 1.3: ***Ensure that transport equipment is suitable for the cyanide shipment.***

The operation is:
- **X** in full compliance with
- □ in substantial compliance with Transport Practice 1.3
- □ not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

It was evidenced that Ceslog uses trucks, such as Scania G420 (6x2) and Mercedes Benz 1933S, both supporting loads up to 47 ton. In the same way, the related platforms are made by Facchini and Random, both adequate to transport 20´and 40´sea containers, with load capacity above 40 ton. According to the Brazilian laws (ANTT/ Agência Nacional de Transportes Terrestres), trucks and platforms must go through a technical (CIV- Certificado de Inspeção Veicular), which frequencies depends on the age of the truck and platforms. In this case, the technical inspection must be carried out annually or every six months. Reviewed the following CIV: A2119344 (truck AUV-0475/ Scania G420), A0038684 (platform DBM-6236/ Facchini), A0038575 (truck AUV-1260/ Scania G420), 0005566 (platform DPE-8803/ Random), A2086488 (truck KVI-4577 / Mercedes Benz 1933S) and A2119431 (platform LUY-9F40/Facchini). The operation only transports 20´and 40`sea containers containing 20/40 NaCN boxes/ 1 ton each. The cargo to be transported is also recorded in the transportation documentation, as demanded by the Brazilian law. The cargo weight is verified in the departure of the cyanide producer/ distributor, along the routes (weight control stations) and, in some cases, during the reception of the cargo at the mining operations.

Celso Sandt Pessoa (Lead Auditor & TEA) Cesari Logística/CESLOG/ 18/11/23.

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Reviewed transportation documentation related to transportation/ purchase orders 078954/1 and 333781, both issued by Orica Brasil Ltd. And to be delivered to Tucano mining operation. Cesari Logística/ Ceslog contracts other stakeholders (driver, truck and platform) to transport solid NaCN on its behalf. The organization has a protocol to identify, evaluate and qualify such contractors, that includes the driver permit type "E", RENAVAM + CRLV (vehicle+platform) permit, annual/ semester Third-Party Vehicle & Platform inspection (CIV/ certificado de inspeção veicular), the age of the truck+platform and internal training sessions. Reviewed evaluation and qualification process for the following contractors: Alberto Cavalcante e Silva Neto, AM Faria Transportes Ltd. (Antônio Carlos dos Reis) and Fabrício de Morais Pizzete (Marcelo Luis Domingos/driver). All ICMI requirements related to cyanide transportation are communicated to such associated drivers and verified by Ceslog, in order to qualify them.

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

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

Summarize the basis for this Finding/Deficiencies Identified:

All solid cyanide boxes are transported inside a 20´or 40´sea container, that is sealed before deporting from the cyanide seller premises (Orica Brasil depot). According to the Brazilian law, safety placards (UNO # 1689 and toxic (6.1) pictogram)) must be placed in the front of the truck and in the three sides of the sea container. Evidenced full compliance during the field audits. Before each departure the operation performs a general inspection, which includes the documentation inspection, cargo weight, emergency response resources, protective personal equipment, sea container, truck and platform, communication resources, traceability system, safety signage, among other aspects. The pre-departure inspection is based on an inspection checklist. Reviewed pre-departure inspection records for operations (travels) performed between 2019 and 2022. Trucks and platforms are maintained in accordance with a planned preventive maintenance program and performed internally or at approved maintenance shops. Preventive maintenance program is based on the kilometers (km) used by the truck + trailer. Preventive maintenance activities are performed every 15000 km. Reviewed preventive maintenance records for platforms DBM-6236, LUY-9F40, DPE-8803 and trucks AUV-0475, AUV-1260 and KVI-4577 (all performed between 2019 and 2022). All trucks and platforms must pass through an independent (third party) technical inspection in order to receive a permit to be used in road transportation of solid cyanide, as previously mentioned (CIV). Sea containers (20´and 40´) belonging to the transporter, are also maintained by the operation.

Celso Sandt Pessoa (Lead Auditor & TEA) Cesari Logística/CESLOG/ 18/11/23.

A preventive maintenance and inspection plan were implemented and records and installations of such activities were reviewed during this opportunity. According to the Brazilian law and the operation policy, the daily work hours is from 6AM up to 8PM, where 11,5 hours is the maximum work shift within the mentioned range, with a 30´minutes rest every 6.0 hours driving. The drivers must have a 1.0 hour for lunch. Night travels are not allowed. Minimum rest time is 11 hours. Twist lockers are installed in all platforms. Evidenced during the field audit. Also evidenced that suck twist-lockers systems are included in the preventive maintenance plan. Social turbulences, storm wind and rain, are aspects that could impact the transportation plan, that could be modified or suspended. The operation retains records of all above mentioned activities. Cesari Logística/ Ceslog contracts other stakeholders (driver, truck and platform) to transport solid NaCN on its behalf. The organization has a protocol to identify, evaluate and qualify such contractors, that includes the driver permit type "E", RENAVAM + CRLV (vehicle+platform) permit, annual/ semester Third-Party Vehicle & Platform inspection (CIV/ certificado de inspeção veicular), the age of the truck+platform and internal training sessions. Reviewed evaluation and qualification process for the following contractors: Alberto Cavalcante e Silva Neto, AM Faria Transportes Ltd. (Antônio Carlos dos Reis) and Fabrício de Morais Pizzete (Marcelo Luis Domingos/driver). All ICMI requirements related to cyanide transportation are communicated to such associated drivers and verified by Ceslog, in order to qualify them.

Transport Practice 1.5: ***Follow international standards for transportation of cyanide by sea.***

The operation is:
- □ in full compliance with
- □ in substantial compliance with Transport Practice 1.5
- □ not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

This transport practice is not applicable to the operation's scope. The operation scope is road transportation of solid cyanide.

Celso Sandt Pessoa (Lead Auditor & TEA) Cesari Logística/CESLOG/ 18/11/23.

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Transport Practice 1.6: ***Track cyanide shipments to prevent losses during transport.***

The operation is:
X in full compliance with
□ in substantial compliance with Transport Practice 1.6
□ not in compliance with

Summarize the basis for this Finding/Deficiencies Identified: **(Due to the sensitivity of security issues regarding storage of cyanide, no descriptions of substantial or non-compliance with this aspect of the Transport Practice should be provided).**

The trucks are provided with tracking systems (on board computer, text messages and photos transmission system), using online GPS signal (supplied and managed by ONIXSAT Ltda.). The driver is also equipped with a mobile phone. Verified the monitoring system during the field audit. All communication resources are tested before departure from the operation base, from the cyanide seller, time to time with the operation headquarter, with tracker system supplier. Evidenced and tested communication resources during the field audit. Before entering such areas, the convoy communicates with the operation headquarter and with the tracker base. After leaving such areas, the convoy communicate with them again. As previously mentioned, all trucks are provided with online GPS trackers, which was tested during the audit. The cyanide cargo documentation addresses the amount of solid cyanide being transported. The amount of solid cyanide being transported is controlled at the seller premise, during transportation (at weight control stations and tax control stations) and, in some cases, in the reception at the mining operation. The cargo documentation (retained by the transporter) includes the following documents: DACTE (seller) and DANFE (transporter) and the Brazilian Army transportation authorization, weight control records, tax control records and cyanide buyer reception control records. The MSDS (Material Safety Data Sheet) is part of the transportation documentation, but it is left at the mining operation. All reviewed transportation documentation clearly indicates the amount of cyanide being transported. Cesari Logística/ Ceslog contracts other stakeholders (driver, truck and platform) to transport solid NaCN on its behalf. The organization has a protocol to identify, evaluate and qualify such contractors, that includes the driver permit type “E”, RENAVAM + CRLV (vehicle+platform) permit, annual/ semester Third-Party Vehicle & Platform inspection (CIV/ certificado de inspeção veicular), the age of the truck+platform and internal training sessions. Reviewed evaluation and qualification process for the following contractors: Alberto Cavalcante e Silva Neto, AM Faria Transportes Ltd. (Antônio Carlos dos Reis) and Fabrício de Morais Pizzete (Marcelo Luis Domingos/driver). All ICMI requirements related to cyanide transportation are communicated to such associated drivers and verified by Ceslog, in order to qualify them.

Celso Sandt Pessoa (Lead Auditor & TEA) Cesari Logística/CESLOG/ 18/11/23.

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

<u>Transport Practice 2.1</u>: 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/Deficiencies Identified:**

This principle is not applicable to the operation scope because the cyanide cargo is transported straight from distributors/ importers to its final destination, the mining operation. During the transport, the truck is monitored 100% of the time (online GPS) and stops, at night, only at pre-evaluated and approved stations along the route. The tracking system also blocks (remote turn-off) the truck engine if something different from the planned script (travel plan) occurs. It is possible to send/ receive text messages and photos from the truck and escort car. Evidenced/ tested during the audit at organization central office.

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

<u>Transport Practice 3.1</u>: Prepare detailed emergency response plans for potential cyanide releases.

The operation is:
- **X** in full compliance with
- □ in substantial compliance with Transport Practice 3.1
- □ not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

It was evidenced that the operation developed and documented (PLLS-03-23 (28), dated 31/03/2022) an emergency response plan. The operation has also a contract with an emergency response supplier, Ambipar Response, which developed a general emergency response plan for the operation. Ambipar Response will act as a support stakeholder in the event of a cyanide related emergency. It was evidenced that the operation emergency response plan was developed for the specific circumstances and was verified that the emergency plans are appropriate to the specific cyanide transportation routes, and transport practices.

The risks associated to the selected routes were identified and evaluated and the emergency response plans are focused on the identified and evaluated risks, also considering the available infrastructure and resources available in the selected routes. The operation emergency response plan is specific for solid NaCN transportation by road. The emergency response plan is specific for solid cyanide transportation by road (truck + platform + sea container). The emergency response plan is specific to the routes (roads) defined to be used from the seller to the buyer. The emergency response plan is specific for the transportation resources (truck+ platform+ sea container) used to transport solid cyanide from the seller to the buyer. It was evidenced that the emergency response plan describe the specific response actions that shall be applied to each emergency situation/ scenario, such as accident with fire, fall into a river, cyanide leakage on a rainy day, cyanide intoxication, among other specific emergency scenarios. It was evidenced that the emergency response plan describes the roles of several external stakeholders that should be involved in the emergency response, such as road policy, emergency responders (Ambipar Response) and rescuers, first aid stations along the routes, reference hospitals, and environmental authorities.

Transport Practice 3.2: ***Designate appropriate response personnel and commit necessary resources for emergency response.***

The operation is:

X in full compliance with
□ in substantial compliance with Transport Practice 3.2
□ not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

It was evidenced that the operation provided initial and refresh emergency training for drivers, emergency coordinators, emergency response members, in accordance with the Brazilian laws, as previously mentioned. The operational team receives theoretical training related to emergencies and practical ones during planned emergency drills. All duties and responsibilities, for each identified scenario, are addressed in the operational & emergency management procedures, that are part of the approved emergency plan. The required emergency response resources master list is part of the traveling documentation and checked before each travel. Usual emergency hardware to be available at the truck is: safety glasses, helmets, leather gloves, ear protectors, masks for powder and HCN, DuPont overall type C, fire extinguishers (dry chemical powder/ 9 kg), plastic bags, plastic shovel and brush, and antidotes kit (sodium thiosulphate, sodium nitrite and methylene blue, all stored inside a foam box delivered by the antidotes producer. This kit is kept inside a plastic box identified as “first aid kit”, which includes needles and syringes and auxiliary material. First aid instructions are inside this plastic box. The antidotes shall be applied by medical professionals only. The expire dates of the antidotes are controlled by the occupational safety technician of Cesari Logística).

As previously mentioned, there is an emergency kit for the truck driver (which includes the PPEs) and the emergency response resources, transported in the truck. Cesari Logística/ Ceslog contracts other stakeholders (driver, truck and platform) to transport solid NaCN on its behalf. The organization has a protocol to identify, evaluate and qualify such contractors, that includes the driver permit type "E", RENAVAM + CRLV (vehicle+platform) permit, annual/ semester Third-Party Vehicle & Platform inspection (CIV/ certificado de inspeção veicular), the age of the truck+platform and internal training sessions. Reviewed evaluation and qualification process for the following contractors: Alberto Cavalcante e Silva Neto, AM Faria Transportes Ltd. (Antônio Carlos dos Reis) and Fabrício de Morais Pizzete (Marcelo Luis Domingos/driver). All ICMI requirements related to cyanide transportation are communicated to such associated drivers and verified by Ceslog, in order to qualify them. The operation also provides a driver´s manual containing all the information necessary to the safe transportation of the cyanide and specific directions in the event of cyanide related emergencies. Cesari Ceslog Logística also contracted AMBIPAR to respond to emergency situations involving solid NaCN transportation. AMBIPAR will play the main role in any emergency related to cyanide, mainly related to the mitigation of all the impacts caused by cyanide. As previously mentioned, the operation´s drivers manual also addresses directions to other stakeholders, such as public entities (road administrator, federal road police, medical resources, firefighters, mining operation) that could attend the emergency local. All these requirements are addressed in the contract between the operation and AMBIPAR.

Transport Practice 3.3: ***Develop procedures for internal and external emergency notification and reporting.***

The operation is:
X in full compliance with
□ in substantial compliance with Transport Practice 3.3
□ not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:
All the necessary contact information with stakeholders (e.g: the NaCN seller, the operation headquarters, the mining operation, federal road police, CIATOX (Centro de Informações Toxicológicas)) is addressed at the Emergency Plan. All protocols related to emergency notification and reporting are kept updated and the critical stakeholders to be notified are clearly identified. There were no emergencies related to cyanide transportation in the last certification cycle. ICMI is one external stakeholder addressed at the contact master list that will be promptly communicated in the event of a cyanide related emergency.

Transport Practice 3.4: ***Develop procedures for remediation of releases that recognize the additional hazards of cyanide treatment chemicals.***

The operation is:
- **X** in full compliance with
- □ in substantial compliance with Transport Practice 3.4
- □ not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

Two of emergency scenarios are the impact of solid NaCN on soil (dry and wet) and on the surface waters. Emergency protocols for these situations clearly defines the neutralization process to be used in the event of NaCN impact on the soil, using CaO powder, removal of neutralized soil (into plastic bags) and final disposition at the mining operation. Monitoring soil samples will be taken to confirm the neutralization process effectiveness. For surface water, in the event of any impact caused by solid NaCN briquettes, these shall be removed (if possible), neutralized with CaO powder, collected in plastic bags and disposed at the mining operation. Oxidation through bubbles will be tried. An emergency environmental monitoring plan will be implemented to collect and analyze the extent of the contamination plume. No chemical products are allowed to be used to neutralize cyanide in surface water. Suck kinds of products are not included in the truck emergency resources. The prohibition to use such chemicals is also addressed in the existing contract between the operation and AMBIPAR.

Transport Practice 3.5: ***Periodically evaluate response procedures and capabilities and revise them as needed.***

The operation is:
- **X** in full compliance with
- □ in substantial compliance with Transport Practice 3.5
- □ not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

The Emergency Response Plan is kept updated by the operation through the feedback of real emergencies (did not occur in the last certification cycle), emergencies occurred with other transporters in Brasil, after the realization of mock emergency drills. Last updated was performed in March 2022. The operation plans and performs mock drills annually. One mock drill was performed in 2019. In 2020 and 2021, due to Covid 19 pandemic, no mock drills were performed. In 2022, two mock drills were performed. The scope of the mentioned performed drills included the release of solid NaCN briquettes and the intoxication of one person. The reports related to the mentioned mock drills were reviewed in this opportunity.

SUMMARY AUDIT REPORT

Every mock drill has defined planned objectives to be achieved. After the drill, it is reviewed, and conclusions are defined in order to confirm (or not) if the planned objectives were reached or not. Improvement actions plans are defined and implemented, resulting in the update of the Emergency Response Plan. The Emergency Response Plan was found at revision # 28, March 2022.

Audit team conclusions:

Based on the sampled evidences, the physical conditions of the site (installations) and the trucks/ trailers, in the interviewed personnel and in the reviewed documentation, the audit team concludes that the SHEQ (Safety, Health, Environmental and Quality) management system is FULLY implemented and maintained in accordance with the International Cyanide Management Protocol for Transporters (June 2021) for cyanide transport operations (principles 1.5 and 2.1 are not applicable to the operation transport scope). The operation subcontracts transporters to transport the cyanide.

During the previous three years certification cycle, Cesari Logística/ CESLOG. did not experience any significant cyanide related incidents nor any compliance problems related to cyanide transportation management.

– 18/11/2023