

INTERNATIONAL CYANIDE TRANSPORTATION
VERIFICATION PROTOCOL
SUMMARY AUDIT REPORT

MERCANTIL S.A.
Cyanide Transport Operation

13TH, 14TH January, 2025

Submitted by:
E QUELLE E.I.R.L.

Collaborated with
MINGROUP INVESTMENTS S.A.C.

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1. Operation General Information

Name of Facility:	Mercantil S.A.
Name of Facility Owner:	Mercantil S.A.
Name of Facility Operator:	Mercantil S.A.
Dates of the audit:	13 th , 14 th January, 2025
Name of Responsible Manager:	José Cona Mariño
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2. Operation Location Detail and Description:

Mercantil S.A. was founded in 1980, quickly becoming a recognized supplier of chemical inputs for the mining industry in Peru.

Then, the company expands its product portfolio, creating the Industry, Water and Processes, and Laboratory divisions, thus consolidating Mercantil as a commercial partner in the growth and development of its clients.

In 2012, "Grupo Mercantil" was created to group the companies under a single brand.


In 2018, Mercantil S.A. reorganized its companies, resulting in 3 divisions and 5 units for the commercialization of all its products (Commodity, Mining, Industry, Polymers, Laboratory).

Among these products are the solid sodium cyanide in briquettes, which are imported from several factories certified by the Cyanide Code around the World. The company sells the following:

- Solid Sodium cyanide in briquettes in 50 kg steel drums.
- Solid Sodium cyanide in briquettes in 1 metric ton Big Box (IBC).
- Solid Sodium cyanide in briquettes in 1.1 metric ton Big Box (IBC).
- Solid Sodium Cyanide in 18 metric ton isotanks.

The supply chain structure is the following:

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PRODUCERS

Mercantil S.A. purchases sodium cyanide produced and packed by the following companies:

CYANCO INTERNATIONAL LLC:

This plant is certified on the Cyanide Code. The current certification date is 28-Apr-2023. Cyanco started producing solid sodium cyanide in the industrial park of the Chocolate Bayou Plant of Ascend Performance Materials at Alvin, Texas in September 2012. The plant was acknowledged by the ICMI as being International Cyanide Management Code (Cyanide Code) certified in November 2013 and has been undergoing regular recertification audits since. The plant ships to Mercantil solid sodium cyanide in 1 metric ton IBC packed into 20-foot intermodal containers.

The Cyanco Global Ocean Supply Chain is certified on the Cyanide Code. The current certification date is 27-Jul-2022. The Port of Callao (Peru) is included in the certified supply chain.

DRASLOVKA MINING SOLUTIONS (previously Chemours Mining Solutions):

Draslovka US Production and Packaging Operations is certified on the Cyanide Code. The current certification date is 24-May-2023.

Draslovka Mining Solutions is part of the Draslovka Holding a.s. company, which is headquartered in Prague, Czech Republic. Draslovka Mining Solutions is headquartered in Wilmington, Delaware in the United States and produces sodium cyanide at the Memphis, Tennessee plant. The sodium cyanide is packed in a big box (IBC).

The Draslovka Global Ocean Supply Chain is certified on the Cyanide Code. The current date of certification is 07-Apr-22. The supply chain includes rail transport from Draslovka's Memphis production plant to US ports of departure, including the Ports of Everglades, Jacksonville, Long Beach, Los Angeles/San Pedro, Miami, New Orleans, Savannah and Seattle in the US, ocean carriers American Presidents Line (APL), Hamburg Sued, Maersk Line, Mediterranean Shipping Co. (MSC), Seaboard Marine and Hapag Lloyd. The supply chain also includes the Port of Callao (Peru).

HEBEI CHENGXIN CO., LTD

Hebei Chengxin Co., Ltd is certified on the Cyanide Code. The current certification date is 18-Apr-2023. It is one of the largest production bases of cyanide and its derivatives in China. It produces solid sodium cyanide in 50 kg steel drums, 1 ton wooden boxes (IBC), or 1.1 ton wooden boxes (IBC).

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The Hebei Chengxin Transport Global Ocean Supply Chain is certified on the Cyanide Code. The current certification date is 30-Oct-2023. The supply chain includes road transport by Hebei Chengxin Transport from Hebei Chengxin's production facility, Guang'an Chengxin's production facility and Inner Mongolia Chengxin Yongan's production facility to departure ports of Qingdao, Shanghai, Tianjin, Lianyungang and ocean transport using ocean carriers CMA CGM, Hapag Lloyd, Korea Marine Transport Company (KMTC), Maersk, Sealead, and Mediterranean Shipping Company (MSC) from departure ports to destination ports around the world, the Port of Callao (Peru) is included in the certified supply chain.

GUANG'AN CHENGXIN CHEMICAL CO., LTD.

Guang'an Chengxin Chemical Co., Ltd. Is certified on the Cyanide Code. The current certification date is 21-Nov-2022. It produces solid sodium cyanide in 50 kg steel drums, 1 ton wooden boxes (IBC), or 1.1 ton wooden boxes (IBC).

ORICA MINING SERVICES PERU S.A.

Orica is a global leader in the manufacture and distribution of sodium cyanide to the mining industry. It's manufacturing facility in Yarwun, Queensland, supplies sodium cyanide to key mining regions in Latin America, Africa and Oceania.

Orica Mining Services Peru S.A. operates a Box to Sparge Transfer Facility (transfer plant) within the APM Terminals Inland Services S.A. (APM) containers warehouse located at Ventanilla, Callao, Peru. This is a new sparge plant built in 2019 with state-of-the-art technology. Orica's box to sparge tank facility is certified on the Cyanide Code. The current certification date is 23-Apr-2024.

On some occasions, Mercantil S.A. buys solid sodium cyanide in 1,135 kg big box (IBC) from Orica Mining Services Peru S.A.

The Orica's Global Marine Supply Chain is certified on the Cyanide Code. The current certification date is 02-Dec-2024, it includes the shipping lines Australia National Line, COSCO, Evergreen, Hamburg Sud, Maersk, Mediterranean Shipping Company, Naviera Ultramar Transmares, Neptune Pacific Direct Line, Ocean Network Express (ONE), PT Temas Shipping, Orient Overseas Container Line, Pacific International Lines (PIL PAE), Sinotrans Container Lines, Swire Shipping, Tanto Intim, Toll Shipping, U&D Ocean Shipping, Langoog MLB Manfred. It also includes the ports of Abidjan, Ad Dammam, Angamos, Auckland, Beira, Belawan, Bitung, Brisbane, Buanaventura, Buenos Aires,

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Burnie, Busan, **Callao**, Cartagena, Chalmers, Conakry, Corinto, Cortes, Da Nang, Dakar, Dar Es Salaam, Deseado, Fremantle, Gladstone, Guaymas, Haiphong, Ho Chi Minh City, Honiara, Izmir, Jakarta, Klang, Lae, Laem Chabang, Lazaro Cardenas, Lihir, Lyttleton, Manzanillo, Melbourne, Mersin, Monrovia, Port Moresby, Nhava Sheva, Ningbo, Palu, Punta Arenas, Rockhampton, Santos, Shanghai, Sihanoukville, Singapore, Surabaya, Takoradi, Tauranga, Tema, Townsville, and Walvis Bay.

UNID GLOBAL CORPORATION (Formerly OCI Corporation)

The head office of UNID Global Corporation is in Seoul, Korea. In UNID Global Corporation, there are several trading business divisions, among these businesses are the supply of the solid sodium cyanide.

The UNID Global Corporation South America Supply Chain is certified on the Cyanide Code. The current certification date is 16-Dec-2024.

The UNID Global Corporation South America Supply Chain includes transport of cyanide from the production facility in the Republic of Korea to the Busan New Port by the certified transporter Hae Dong Logistics, ocean transport by Wan Hai Lines, and receipt and management of cyanide at the Port of Callao, Peru.

The Sodium cyanide manufacturer is TaeKwang Industry Co., Ltd. Ulsan Plant in Korea, this plant is certified on the Cyanide Code. The current certification date is 21-Aug-2023.

WAREHOUSE

Cyanide is transported from the Port of Callao by Cyanide Code-certified transport company Beagle Shipping S.A. (current certification date: 22-Jan-2024) to the Contrans S.A.C. certified warehouse (current certification date: 02-Aug- 2023). Finally, the product is delivered to Almacenera Pacifico S.A.C., the warehouse of Mercantil S.A.

Solid sodium cyanide, packaged in various forms (50 kg steel drums, 1 metric ton big boxes (IBCs), and 1.1 metric ton big boxes (IBCs)), is stored in the following Cyanide Code-certified warehouses of Almacenera Pacifico S.A.C.:

- Almacenera Pacifico S.A.C. – Lurin warehouse. Current certification date: 15-Aug-2022.
- Almacenera Pacifico Trujillo Warehouse. Current certification date: 12-Apr-2024.
- Almacenera Pacifico Chilca Warehouse. Current certification date: 17-May-2024.

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In addition, Almacenera Pacifico S.A.C. (Lurin warehouse) carries out the process of transfer of solid sodium cyanide from big boxes (IBCs) to 18 metric tons isotanks.

TRANSPORT COMPANIES

From the various warehouses of Almacenera Pacifico S.A.C., sodium cyanide is transported to mining units across Peru by Cyanide Code-certified transport companies:

- DCR Minería y Construcción S.A.C. Current certification date: 30-Oct-2023.
<https://cyanidecode.org/sig-directory-type/dcr-mineria-y-construccion-s-a-c-peru/>
- Edewit S.R. Ltda. Current certification date: 15-Jul-2022.
<https://cyanidecode.org/sig-directory-type/edewit-s-r-ltda-peru/>
- Consorcio CITSSA (CITSSA Investments SAC and CITSSA Logistics SAC). Current certification date: 01-May-2023.
<https://cyanidecode.org/sig-directory-type/consorcio-citssa-peru/>
- Empresa de Transportes N&V S.A.C. Current certification date: 03-Mar-2025.
<https://cyanidecode.org/sig-directory-post/empresa-de-transportes-nv-s-a-c/>
- Trans Santos Corporation S.A.C. Current certification date: 03-Jul-2024.
<https://cyanidecode.org/sig-directory-post/trans-santos-corporation-sac/>


The scope of this audit includes the transport of solid sodium cyanide from Almacenera Pacifico S.A.C.'s warehouses to mining units across Peru by the aforementioned transport companies.

3. Auditor's Finding

This operation is

- ☒ in full compliance with the International Cyanide Management Code
- ☐ in substantial compliance *(see below)

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☐ not in compliance

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

4. Auditor Information

Audit Company: Mingroup Investments S.A.C. and
-e QUELLE E.I.R.L.
Lead Auditor: Álvaro Fuentes Huanqui
Email Lead Auditor: alvaro.fuentes@e-quelle.net

Name and signature of the audit team.

Lead Auditor: Álvaro Fuentes Huanqui
Name



Signature

Technical Auditor: Marcos Mera Escala
Name


Signature

Dates of Audit: 13th, 14th January 2025.

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5. Auditor Attestation

I attest that I meet the criteria for knowledge, experience and conflict of interest for a Cyanide Code Certification Audit Lead Auditor, 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 Certification 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 Cyanide Transportation Verification Protocol and using standard and accepted practices for health, safety and environmental audits.

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Cyanide Transportation Verification Protocol

6. Principles and Standards of Practice

Principle 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.

☒ in full compliance with

The operation is

☐ in substantial compliance with Standard of Practice 1.1

☐ not in compliance with *Summarize the basis for this*

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Finding/Deficiencies Identified:

Transport companies are certified in the Cyanide Code. There is an internal procedure for the Transportation of Sodium Cyanide PR-SC-07. Included in 2.6.1 Characteristics of the transport company, the transport company must comply with the transport protocol of the international code for the management of cyanide. The truck transport company will have its own. The route analysis will be carried out by the transport company which will be shared with Mercantil S.A.


The case of DCR Minería y Construcción S.A.C. is taken as a model. Transport route selection report QHSE-DCR-F-Matpel006, records for the ALPA Lurin - Shauindo route that includes information on the conditions of the traffic route if it is urban, population density, intersection on roads, slopes, dangerous curves, bodies of water, fog, among others.

There is also the case of Empresa de Transportes N&V S.A.C., for the Lurin-Paltarumi route, the route sheet is reviewed and updated on each trip. It includes slope, road condition, emergency support, fog area and water body, population density, among others.

Transport companies are certified in the Cyanide Code. There is a Route Selection procedure for the Transportation of Sodium Cyanide PR-SC-08. Within section 2, it is mentioned that prior to the Sodium Cyanide transportation operation, the Head of Warehouse and Distribution must request route evaluations from the different transportation companies. This selection and evaluation of routes must be validated with the Head of Warehouse and Distribution, HSEQ Deputy Manager, the Commercial Manager and/or Head of the Commercial Operation to verify the suitability of these documents. In addition is mentioned that Transportation companies should consider seeking information from government agencies, communities, and other interested parties as necessary in route selection and evaluation.

The transportation provider must periodically reevaluate the route, which will be verified in the different audits or reviews. If necessary, Mercantil will reevaluate the route during a tour of the route with the people indicated above.

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Transport companies are certified in the Cyanide Code. There is a Route Selection Procedure for the Transportation of Sodium Cyanide PR-SC-08, within subsection 2.5 - Prepare and update route analysis.

In the case of new routes, a tour of the route is carried out during which the criteria listed in subsection 2.3 are evaluated. This evaluation is documented in a roadmap. The transport company participates in the route, and it is validated by the Warehouse and Distribution Manager. The route sheet is updated when relevant changes or conditions that may represent a risk in transportation are recorded in the reports. Mercantil S.A. programs supplier audits at the beginning of each period, which is based on ICMI transportation protocols. Audit is evidenced in the case of DCR, the audit was carried out on January 2024, findings were identified and monitored by Mercantil S.A.

The transporters share to Mercantil S.A. the updated Hazard Identification, Risk Assessment and Control matrices.

The cases verified include risk measurement and the hierarchy of controls as well as re-evaluation and improvement actions.

There is a Route Selection procedure for the Transportation of Sodium Cyanide PR-SC-08 in subsection 2.4., It mentions that transportation companies should consider seeking information from government agencies, communities, and other interested parties as necessary in route selection and evaluation.

In cases of weather emergencies or social unrest or when required, the staff of Mercantil S.A. together with the transporter, evaluate the routes, taking support from government entities such as MTC (Spanish acronym for the Ministry of Transportation and Communications), SUNAT (Spanish acronym for the National Superintendency of Customs and Taxes), OSITRAN (Spanish acronym for the Supervisory Body for Investment in Transportation Infrastructure), among others.

It is evident in the DCR procedure MATPEL pro001 and includes that comments from the communities will be sought on the dangers and risks of the selected route.

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For each contingency plan on the different routes, there is a ministerial resolution from the Ministry of Transportation and Communications that approves the contingency plan and the route by the transport company, this approval is updated every 5 years.

There is a case of a directorial resolution of November 15, 2022, R.D. 1134-2022 MTC/16 for the case of DCR on its different routes.

The minimum convoy is one loaded truck plus one escort pick-up truck and the maximum convoy are three trucks plus one escort pick-up truck. In the case of 6 tractors, 2 escort pick-up trucks are designated. The convoys are always accompanied by an escort supervisor. In the internal procedure Transportation of Sodium Cyanide PR-SC-07 within subsection 2.6.8. mentions that the transportation of the containers with sodium cyanide will be under the "convoy" modality, supervised/escorted throughout their journey to the mine by a Leader authorized by the transport company. It also includes that the convoy may include one or more vehicles as escort, at the request of MERCANTIL S.A. or the Client.

There is a Route Selection Procedure for the Transportation of Sodium Cyanide PR-SC-08 and an internal Procedure for the Transportation of Sodium Cyanide PR-SC-07 and there are transporter audits. Mercantil S.A. schedules supplier audits at the beginning of each period based on ICMI transportation protocols.

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.

✓ in full compliance with

The operation is

☐ in substantial compliance with Standard of Practice 1.1

☐ not in compliance with *Summarize the basis for this*

Finding/Deficiencies Identified:

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Internal procedure Transportation of Sodium Cyanide PR-SC-07, in subsection 2.7.1 includes that the driver is responsible for: having health compatible with the work to be performed, (not having symptoms of illness or under the effect of medications that cause drowsiness or motor disability), Having the respective driver's license that qualifies them for the type of cargo and truck to be used and trained by their employer for the type of work to be assigned.

The drivers must be trained in Defensive Driving techniques.

Internal Procedure Transportation of Sodium Cyanide PR-SC-07, in subsection 2.7.1 includes that the driver must be trained by his employer for the type of work assigned to him. The drivers must be trained in Defensive Driving techniques.

There is a Pre-Trip Inspection checklist FO-OP-44 for light cargo unit, which includes requirements such as training in firefighting, safe handling of cyanide, handling of hazardous materials and there are no serious deficiencies in the record of the driver.

Mercantil S.A. schedules supplier audits at the beginning of each period based on ICMI transportation protocols. In the case of DCR, the audit conducted in January 2024 identified findings, which were subsequently monitored by Mercantil S.A.

Transport Practice 1.3

Ensure that transport equipment is suitable for the cyanide shipment.


☒ in full compliance with

The operation is ☐ in substantial compliance with Standard of Practice 1.1

☐ not in compliance with *Summarize the basis for this*

Finding/Deficiencies Identified:

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There is an internal Procedure for Transportation of Sodium Cyanide PR-SC-07 in subsection 2.6 about the characteristics of the transport Company, it mentions that the transport company must comply with the transport protocol of the international code for the management of cyanide. The transport company will have its own trucks. Trucks and chassis suitable for the transport of containers authorized to circulate on public roads and the platforms will be of the conventional type or the low bed type, according to the conditions agreed between MERCANTIL S.A. and the carrier.

Additionally, the Pre-Trip Inspection check list FO-OP-45, for heavy load unit, includes that units must be less than 07 years old.

During the route there is the passage of regulatory scales, where the record of weights and measures is presented and if everything is within those legally established, the unit transits without observations. Also, here it is reviewed if the truck has the authorization of the Ministry of Transportation and Communications to transport dangerous goods. If the truck is overloaded or does not meet the legal regulations, the current regulatory tax authority in transit would charge a fine and would detain the transport unit. The proof of verification of weights and measures is verified according to the Supreme Decree D.S. 058-2003 MTC national vehicle regulations and their amending regulations. The weight of the load is filled in with information from the delivery guide.


Where the record of weights and measures is presented and if everything is within those legally established, the unit transits without observations. If it is overloaded, the current regulatory tax authority in transit would charge a fine due to overload and the transport unit is detained.

The proof of verification of weights and measures is verified according to the D.S. (Supreme decree) 058-2003 MTC national vehicle regulations and their amending regulations. The weight of the load is filled in with information from the delivery guide.

Mercantil S.A. schedules supplier audits at the beginning of each period based on ICMI transportation protocols.

Transport Practice 1.4

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Develop and implement a safety program for transport of cyanide.

✓ in full compliance with

The operation is

☐ in substantial compliance with Standard of Practice 1.1

☐ not in compliance with *Summarize the basis for this*

Finding/Deficiencies Identified:

Internal Procedure Transportation of Sodium Cyanide PR-SC-07 in subsection 2.6, point 10, it indicates that only one container can be loaded per platform and each truck can only drag one platform. All containers must be secured with their security seals. Point 11, indicates that transportation vehicles must be marked on all 4 sides with the NFPA diamond, class (6), and the UN number 1689. All units are closed either from the maritime container or closed van. In the case of isotanks, security seals are included in the hatches.

Proper Packaging of the Product:

- Sodium Cyanide must be transported in the original packaging provided by the producer, either in IBC containers or steel cylinders.

Safety Regarding the Material:

- Constant monitoring of the Sodium Cyanide load, as well as the seals, locks, or seals in the transport vehicle's loading area.
- Keep the product dry and in its original packaging.
- Do not allow it to come into contact with water or acids.
- Control access to unauthorized personnel to the vehicles transporting Sodium Cyanide.
- Regular inspection during transport to ensure the integrity of the cargo area and its access points.

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Also, in the Pre-Trip Inspection check list FO-OP-45 for heavy load unit, it is verified the condition of the container and truck, which includes container in good condition without holes or dents, cleaning of the container, container secured to platform through the twist locks and chains, operational tires of the semi-trailer (platform).

Internal procedure Transportation of Sodium Cyanide PR-SC-07 in subsection 2.6, point 11, it indicates that the transportation vehicles must be marked on all 4 sides with the NFPA diamond, class (6) placard, and the UN number 1689. Also, on the Pre-Trip Inspection check list FO-OP-45 rev08 for heavy load unit, it is verified that the NFPA diamonds and UN code placards are in good condition. The unit signage is evident in the case of online reports for each convoy, in the case of the Mercantil services from Lurin to Inmaculada site mine.

There is a Pre-trip Inspection checklist FO-OP-45 for heavy load unit, and a Pre-trip Inspection checklist FO-OP-44 for light load unit. In addition, each transporter manages its own check list before and during the journey.

Each contracted transportation company manages a preventive maintenance program for its own units.

A case of preventive maintenance of the truck VOLVO with plate BZJ-753 every 25,000 km is evident, last maintenance 17-Dec-2024, preventive maintenance type B-2, at 23,262 km, last maintenance 02-Jan-2025, maintenance B1- at 25,345 km There is a maintenance certificate issued by Volvo Perú S.A.

Preventive maintenance case of truck with plate VCA-833, certificate of operation, 65,825 km, general inspection of steering, brakes, suspension, transmission, engine, electrical system, cabin body and oil and filter change are carried out on December 16, 2024, by Autonort Cajamarca S.A.C. which is the Toyota dealer.

Also, the auditors verified the record of preventive maintenances of the truck with plate ARA-918, the maintenances done in 2024 were the following: 03-Jan-2024 in 486,518 km: engine oil change and crown gear oil change. 11-apr-2024 in 507,900 km: Engine oil change and air dryer replacement. 15-

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Aug-2024 in 530,929 km: basic maintenance of the engine. 14-nov-2024 in 545,894 km: basic maintenance of the engine and air dryer replacement.

a) Limitations on operator or drivers' hours?

Internal Procedure Transportation of Sodium Cyanide PR-SC-07 v01 of 05-Aug-2024 indicates that the movement of the convoy will only be during daylight hours, in addition, in subsection 2.7.1 it mentions that the driver must have rested for at least eight (08) hours before the start of each trip, considering at least 6 to 7 continuous hours of sleep. Drivers must not drive more than twelve (12) hours accumulated in a 24-hour period. During the trip, the convoy must stop approximately every two (02) hours, for ten (10) minutes, so that the driver can check his equipment and rest.

Each company has its own means of control, some with sleep pulses and others with a sleep control format. On the route sheets it indicates the rest hours on the route and the maximum driving hours per day. There is a case of Edewit maintaining a fatigue and drowsiness rule-out card SGSST-FT-161, also, Empresa de Transportes N&V S.A.C manages a Fatigue and Drowsiness Self-Assessment Test.

b) Procedures to prevent loads from shifting?

In the Pre-trip Inspection check list FO-OP-45 rev08 for heavy load unit at point 2 in container status is verified that the container is secured to platform with twist locks and chains.

c) Procedures by which transportation can be modified or suspended if conditions such as severe weather or civil unrest are encountered?

Internal Procedure Transportation of Sodium Cyanide PR-SC-07 v01 of 05-Aug-2024 indicates the in the event that a failure occurs in one of the units of the convoy, the leader will determine if the others remain until repair or continue the journey. The best option will be determined based on the circumstances, but the driver cannot leave his/her spot. Once the damaged unit has been repaired, the Convoy Leader will verify the conformity of the unit's conditions and confirm said condition with the driver and available mechanical technical personnel.

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In addition, the movement of the convoy will depend on weather conditions; the Convoy Leader will evaluate the safety of the route in each case, and may stop the convoy if in his opinion the conditions do not allow safe transit.

The movement of the convoy will depend on the climatic/social/political and environmental conditions. The convoy leader is responsible for defining whether the trip stops or continues, communicating the decision to the transport company.

Make sure that the route to follow is enabled and there are no obvious social or political conflicts during the trip. If there is evidence of conflicts, the trip must be suspended, communicating the decision to MERCANTIL S.A.

d) A drug abuse prevention program?

There is an internal policy of no alcohol, no drugs, no psychotropic substances from October 25, 2024. Internal Procedure for Transportation of Sodium Cyanide PR-SC-07 v01 from 05-Aug-2024 indicates amongst the Functions of the Convoy Leader: Carry out alcohol tests on the drivers and convoy support staff, at the beginning of each day of the trip, recording the result in your trip report.

There are alcohol test calibration records, such as the case of DCR model FC5, NS 24160178 calibrated on May 8, 2024. Within the WhatsApp groups, the videos of the drivers' alcohol tests are shared.

e) Retention of records documenting that the above activities have been conducted?

There is an internal network of documents on the internal network through servers in a shared folder (X:), all documents are stored through the internet operator and the backup is done every 24 hours, in addition there is a digital copy in the logistics operator ALPA.

- 1. If the transporter contracts other entities to conduct any of the activities required in Transport Practice 1.4, does it implement procedures to make the contractor aware of the**

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applicable Code requirements and ensure the contractor complies with those requirements?

Yes, Mercantil S.A. schedules supplier audits at the beginning of each period based on ICMI transportation protocols. In the case of DCR, the audit conducted in January 2024 identified findings, which were subsequently monitored by Mercantil S.A.

Transport Practice 1.5

Follow international standards for transportation of cyanide by sea.

☒ in full compliance with

The operation is ☐ in substantial compliance with Standard of Practice 1.1

☐ not in compliance with *Summarize the basis for this*

Finding/Deficiencies Identified:

1. Are shipments of cyanide by sea transported in compliance with the Dangerous Goods Code of the International Maritime Organization?

This Transport Practice does not apply to this transport operation. Transportation is by land in trucks.

a) Is the cyanide shipment packaged as required by Part 4 of the IMO DG Code and according to the packaging instructions and packaging provisions indicated on the DG List?

This Transport Practice does not apply to this transport operation. Transportation is by land in trucks.

b) Are cyanide packages marked as required by Section 5.2.1 of the IMO DG Code and according to the labeling requirements indicated on the DG List?

This Transport Practice does not apply to this transport operation. Transportation is by land in trucks.

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- c) Are cyanide packages labeled as required by Section 5.2.2 of the IMO DG Code and according to the labeling requirements indicated on the DG List?

This Transport Practice does not apply to this transport operation. Transportation is by land in trucks.

- d) If cyanide is shipped in cargo transport units, are the units placarded and marked as required by Chapter 5.3 of the IMO DG Code?

This Transport Practice does not apply to this transport operation. Transportation is by land in trucks.

- e) Has a dangerous goods transport document been prepared with the information required under Chapter 5.4 of the DG Code?

This Transport Practice does not apply to this transport operation. Transportation is by land in trucks.

- f) If the cyanide is packed or loaded into a container, has a “container/vehicle packing certificate” been prepared meeting the requirements of Section 5.4.2 of the DG Code?

This Transport Practice does not apply to this transport operation. Transportation is by land in trucks.

- g) Does the ship carrying the cyanide have a list or manifest identifying the presence and location of the cyanide or a detailed stowage plan including this information, as required under Section 5.4.3.1 of the DG Code?

This Transport Practice does not apply to this transport operation. Transportation is by land in trucks.

- h) Does the ship carrying the cyanide have cyanide emergency response information, as required under Section 5.4.3.2 of the DG Code?

This Transport Practice does not apply to this transport operation. Transportation is by land in trucks.

- i) Does the ship comply with the stowage and separation requirements of Part 7 of the DG Code?

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This Transport Practice does not apply to this transport operation. Transportation is by land in trucks.

Transport Practice 1.6

Track cyanide shipments to prevent losses during transport.

The operation is ☒ in full compliance with
☐ in substantial compliance with Standard of Practice 1.1
☐ not in compliance with *Summarize the basis for this*

Finding/Deficiencies Identified:

- 1. Do transport vehicles have means to communicate with the transport company, the mining operation, the cyanide producer or distributor and/or emergency responders, as appropriate?**

The means of communication are satellite telephone, GPS monitoring reports, cell phones, WhatsApp and emails. Within the convoy there are radios in the trucks and pick-up trucks escorts for communication within the convoy. The mining company personnel (warehouse or logistics staff) is also included in emails and WhatsApp groups.

In the Pre-Trip Inspection check list FO-OP-45 rev08 for heavy load unit in point 9 verifies that there is a copy of the telephone list in case of emergency and the verification of the condition of the satellite phone.

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Communication emails from GPS cyanide monitoring are evident, such as the case of the unit traffic report.

2. Is the communication equipment (e.g. GPS, mobile phones, radios, pagers.) periodically tested to ensure it functions properly?

In the Pre-Trip Inspection check list FO-OP-45 rev08 for heavy load unit in point 9 verifies that there is a copy of the telephone list in case of emergency and the verification of the condition of the satellite phone.

There is a report of DCR for the Cyanide service to mine site Shahuindo dated January 2025, in this report the departure time and arrival time in each day are indicated.

There is the GPS provider Securitas, where all the units of the different companies and the different sodium cyanide routes are displayed.

3. Have communication blackout areas along transport routes been identified? Are special procedures implemented for the blackout areas?

In areas without coverage, a satellite phone is provided in the escort supervision pick-up truck for emergency situations. To measure travel times in areas without coverage, the time taken to travel from entering the blackout areas to exiting them is being measured.

4. Are there systems or procedures to track the progress of cyanide shipments?

There is the GPS provider Securitas, where all the units of the different companies and the different sodium cyanide routes are displayed.

In each convoy there are WhatsApp groups, which include photos of active breaks, alcohol test controls.

GPS from the contracted transport companies, which send monitoring emails to Mercantil S.A. and the mining units.

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5. Does the transporter implement inventory controls and/or chain of custody documentation to prevent loss of cyanide during shipment?

Once loading is complete, security seals are included in the gate of the container to prevent cargo from entering or being removed. The seals numbers are mentioned in the delivery guide

The chain of custody for transporting sodium cyanide from the warehouse to the client's mining unit includes the following steps:

Each loaded truck is accompanied by a delivery guide, summary sheet, safety data sheet, and weight information in the delivery guide.

The client's (mining company) SUNAT balance in the Registry of Controlled Assets, which details the authorized balance quantity of sodium cyanide versus the approved total amount. This document is provided to ensure smooth transit and prevent any issues during the route.

En Route Monitoring: Cargo controls, security seals, and weight control points are verified by SUNAT throughout the journey.

Upon arrival at the client's mining unit, the required cargo documents are handed over as mandated. The client checks that the delivered quantity is the correct quantity.

SUNAT, the National Superintendency of Customs and Taxes, oversees regulatory compliance during the transport process.

6. Are shipping records indicating the amount of cyanide in transit and Safety Data Sheets available during transport?

The transporter and Mercantil's delivery guides include the quantity of products dispatched and each convoy carries the safety data sheet during the transport.

Internal Procedure Transportation of Sodium Cyanide PR-SC-07 v01 of 05-Aug-2024 indicates that drivers are given the following:

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- Material Safety Data Sheet (MSDS).
- Summary sheet.

In addition, each driver will carry a set of documents on sodium cyanide: The product safety information sheet (MSDS), the Safety Booklets to treat poisoning and emergencies.

In the Pre-Travel Inspection check list FO-OP-45 rev08 for heavy load unit, the basic documentation includes both documents, as well as the transporter delivery guide and the sender (Mercantil) delivery guide.

The auditors verify that the truck with plate ARA-918 keeps this documents in the cabin.

7. If the transporter contracts other entities to conduct any of the activities required in Transport Practice 1.6, does it implement procedures to make the contractor aware of the applicable Code requirements and ensure the contractor complies with those requirements?

Yes, Mercantil S.A. schedules supplier audits at the beginning of each period based on ICMI transportation protocols. In the case of DCR, the audit conducted in January 2024 identified findings, which were subsequently monitored by Mercantil S.A.

Principle 2 | INTERIM STORAGE

Design, construct and operate cyanide interim storage sites to prevent releases and exposures.

Transport Practice 2.1


Store cyanide in a manner that minimizes the potential for accidental releases.

☒ in full compliance with

The operation is

☐ in substantial compliance with Standard of Practice 1.1

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☐ not in compliance with *Summarize the basis for this*

Finding/Deficiencies Identified:

1. **Are warning signs posted alerting workers 1) that cyanide is present; 2) that smoking, open flames, eating and drinking are not allowed and 3) what personal protective equipment must be worn?**

Not applicable. Mercantil S.A. does not have interim storage.

2. **Are there security measures in place to prevent unauthorized access to cyanide, such as lockouts on valves and fenced and locked storage of solids?**

Not applicable. Mercantil S.A. does not have interim storage.

3. **Is cyanide separated from incompatible materials such as acids, strong oxidizers and explosives with berms, bunds, walls or other appropriate barriers to prevent mixing?**

Not applicable. Mercantil S.A. does not have interim storage.

4. **Is cyanide stored in a manner designed to minimize the potential for contact of solid cyanide with water (e.g., under a roof, off the ground, or in specially designed containers)?**

Not applicable. Mercantil S.A. does not have interim storage.

5. **Is cyanide stored with adequate ventilation to prevent build-up of hydrogen cyanide gas and cyanide dust?**

Not applicable. Mercantil S.A. does not have interim storage.

6. **Are there systems in place to contain any spilled cyanide materials and minimize the extent of a release?**

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Not applicable. Mercantil S.A. does not have interim storage.

Principle 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.

☒ in full compliance with

The operation is ☐ in substantial compliance with Standard of Practice 1.1

☐ not in compliance with *Summarize the basis for this*

Finding/Deficiencies Identified:

1. Does the transporter have an Emergency Response Plan?

Yes, the transporters subcontracted have their own Emergency Response Plan (Contingency Plan). For each contingency plan on the different routes, there is a ministerial resolution from the Ministry of Transportation and Communications that approves the contingency plan and the route by the transport company, this approval is updated every 5 years.

For the approval of the Contingency Plan presented by a transporter, the Ministry of Transport and Communications consults other entities if required, such as the Ministry of Environment, the National Superintendency of Customs and Taxes, among others.

Also, Mercantil has its own Sodium Cyanide Transportation Contingency Plan Contingency Plan PL-HSEQ-04 v01.

2. Is the Emergency Response Plan appropriate for:

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a) The transportation route?

Mercantil's Sodium Cyanide Transportation Contingency Plan PL-HSEQ-04 v01 includes that the plan is oriented to the transportation of containers with sodium cyanide from warehouses to the customer in trucks.

Each transportation contractor has a contingency plan that includes routes that are approved by the Ministry of Transport and Communications.

Case verified: emergency preparedness plan for the transportation of sodium cyanide to Shahuindo of DCR with code DCR-MER-SEGpe002.7 Rev. 09 May 3, 2024.

b) The physical and chemical form of the cyanide?

Within Mercantil's Cyanide Transportation Contingency Plan PL-HSEQ-04 v01, the Physical and Chemical Properties of Sodium Cyanide are included, in addition to the type of packaging used for transportation, such as Big Bag/Non-Returnable boxes, non-Returnable steel drums or isotanks.

In addition, transportation companies include physical and chemical forms of sodium cyanide in their contingency plans.


Case: emergency preparedness plan for the transportation of sodium cyanide - Shahuindo of DCR with code DCR-MER-SEGpe002.7 Rev. 09 May 3, 2024. Chapter II, hazard identification, risk assessment in the transportation of sodium cyanide at the Cyanide Basic Chemistry section.

c) The method of transport?

Mercantil's Cyanide Transportation Contingency Plan PL-HSEQ-04 v01 includes that the plan is oriented to the transportation of containers with sodium cyanide from warehouses to the customers in trucks.

Case: emergency preparedness plan for the transportation of sodium cyanide - Shahuindo of DCR with code DCR-MER-SEGpe002.7 Rev. 09 May 3, 2024. Includes Annex 9 Transportation

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methodology, the transportation of cyanide is carried out by land from the moment the service begins and ends, the travel transportation schedule must be during daylight hours except for modifications due to force majeure or coordination and direct with the client. The requirements of the trucks, their characteristics and requirements of the containers and Platform are indicated.

d) The transport infrastructure (e.g., condition of the road, railway, port)?

Mercantil's Cyanide Transportation Contingency Plan PL-HSEQ-04 v01 indicates that the road conditions are evaluated by the transportation company. Each transporter develops the analysis of the route and its own assessment.

Case: emergency preparedness plan for the transportation of sodium cyanide - Shahuindo of DCR with code DCR-MER-SEGpe002.7 Rev. 09 May 3, 2024. Includes infrastructure conditions within the transportation route reporting matrix.

e) The design of the transport vehicle or interim storage facility?

The contingency plan includes each contracted transportation company, including the characteristics of its own units and the requirements of the clients.

Case: emergency preparedness plan for the transportation of sodium cyanide - Shahuindo of DCR with code DCR-MER-SEGpe002.7 Rev. 09 May 3, 2024. Includes the characteristics of the unit, containers and platform.

Case: contingency plan for the transportation of hazardous materials and waste of Edewit S.R.L. SGI-PDC-004 v01, Approved by the MTC R.D. 2865-2024 MTC /17.02 dated 22-May-2024.

3. Does the plan include descriptions of response actions, as appropriate for the anticipated emergency situation?

Mercantil's Cyanide Transportation Contingency Plan Document PL-HSEQ-04 v01 outlines various scenarios and corresponding actions to address potential incidents during cyanide transportation. These scenarios include:

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- Incidents without injuries (trip continues).
- Mechanical problems (trip does not continue).
- Rollover with spill.
- Rollover without spill.
- Truck fire.
- Crash with injuries/without injuries.

Case: Emergency Preparedness Plan for the Transportation of Sodium Cyanide – Shahuindo, by DCR (Code: DCR-MER-SEGpe002.7, Revision 09, May 3, 2024). Subsection 5.2 of the Emergency Response Procedure specifies the following emergency situations:

Vehicle-Related Emergencies:

- Mechanical failure.
- Fire.
- Unit crash.
- Unit overturn.
- Container damage without spillage.

Environmental Emergencies:

- Adverse environmental conditions.
- Social disorder.
- Road blockages due to natural factors.
- Pedestrian collisions.
- Asphalt damage.
- Acts of vandalism.
- Police arrest.
- Operator illness.
- Pandemic.

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Product-Related Emergencies:

- Spill on dry land.
- Spill on wet ground.
- Spill into stagnant water.
- Spill into flowing water.

The contingency plans provide detailed response actions tailored to each specific emergency situation to ensure safe and effective management.

4. Does the plan identify the roles of external responders, medical services or communities in emergency response procedures and have they been advised of their roles?

The first action in case of emergencies with any carrier is the transportation company itself and the second action for any case of emergency in any transportation company is supported by IFSEC Peru S.A.C., with whom there is a contract signed by International Fire, Safety and Environmental Consulting del Perú S.A.C (IFSEC). The contract requires the provision of emergency response in the event of accidents, contingencies or other incidents involving the spill or leak of dangerous materials transported by the contracting party.

The emergency plan includes contact information for the different support institutions, and there are evidence of letters sent to the route police stations, health posts, and firefighters.

Case: Emergency Preparedness Plan for the Transportation of Sodium Cyanide – Shahuindo, by DCR (Code: DCR-MER-SEGpe002.7, Revision 09, May 3, 2024). It includes a list of emergency telephone numbers.

Transport Practice 3.2

Designate appropriate response personnel and commit necessary resources for emergency response.

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The operation is ☒ in full compliance with
☐ in substantial compliance with Standard of Practice 1.1
☐ not in compliance with *Summarize the basis for this*

Finding/Deficiencies Identified:

1. Does the transporter provide initial and refresher emergency response training to appropriate personnel?

There is an annual training program that includes Sodium Cyanide Management, HAZMAT I, II, and III, Emergency Plan, among others. There is training on an emergency plan and evacuation routes, from June 25, 2024 to all personnel. There is an induction for staff and a roadmap that includes the emergency response plan.

In the case of transportation contractors, training is provided to the personnel and inductions of the transportation company.

In the case of DCR escort supervisor Juan Huamán Llanos, there is a defensive driving and/or personnel transportation course, by MAPFRE 4 hours on 07 and 08-Aug-2024 and HAZMAT Level III of 16 hours by ESSAC.

In the case of Mercantil S.A. personnel. There is training for Roger Chacaliaza – Head of Warehouse and Distribution, Edson Infanzon Cantoral – Warehouse and Transportation Analyst, José Cona – Deputy Manager of HSEQ, they have Training for trainers in cyanide management, 12 hours on 22-Aug- 2024 and 02-set- 2024, by SUMA consultants.

There are training certificates from IFSEC Perú S.A.C. In HAZMAT I, II and II there is a case of 32-hour in-person training from Jul-Aug-2024 with a validity date of 2024 for Jose Cona – Deputy Manager of HSEQ.

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In the case of Roger Chacaliaza – Head of Warehouse and Distribution: HAZMAT Technical Level, 36 hours training from 09-Jan-2024 to 11-Jan-2024 by Escuela Iberoamericana de Brigadistas y Bomberos.

Cyanide handling training to DCR from March 10, 2024, includes truck driver Juan García Sánchez and supervisor Juan Huamán Llanos, Course on the safe use and handling of cyanide, virtual training given by Orica Mining Services.

The auditors reviewed evidence of Edewit staff training:

Henry Nakanishi – escort supervisor: Safe handling of sodium cyanide, dated 16-Dec-2024. Internal training given by Edewit. HAZMAT Level I, dated 22-Aug-2024. Internal training given by Edewit.

Ever Mauricio Puma – escort supervisor: Safe handling of sodium cyanide, dated 16-Dec-2024. Internal training given by Edewit. HAZMAT Level I, dated 22-Aug-2024. Internal training given by Edewit. HAZMAT Level II, dated 23-Aug-2024. Internal training given by Edewit.

The auditors reviewed evidence of Consorcio CITSSA staff training:

Carlo Lazarte Zarate – escort supervisor:

Defensive Driving Course – 16 hours, dated January 2024, given by CPIE Soluciones de Ingeniería.

HAZMAT Level IV and Sodium Cyanide Emergency Response – 08 hours, dated February 2024, given by CPIE Soluciones de Ingeniería.

Hazardous Materials Refresh Course / Emergency Response Technical Level – 08 hours, dated March 2024, given by CPIE Soluciones de Ingeniería.

2. Are there descriptions of the specific emergency response duties and responsibilities of personnel?

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Within the Cyanide Transportation Contingency Plan PL-HSEQ-04 v01 of Mercantil, the functions and responsibilities of the personnel are included, in subsection 4.2 Emergency Organization Chart, 4.2.1 Field Coordinator, Responsible for liaison with the Government and Communications, Responsible for Acquisitions and Transportation, including External Resources and Firefighters.

In the case of transportation contractor companies, they include the responsibilities in their respective emergency plans:

Case: Emergency Preparedness Plan for the Transportation of Sodium Cyanide – Shahuindo, by DCR (Code: DCR-MER-SEGpe002.7, Revision 09, May 3, 2024), subsection 4.2 about responsibilities of the president of the board of directors, general manager, head of HAZMAT, safety manager, HAZMAT Supervisor, Truck Operator, Crisis Committee, Client, Mining Company, National Institute of Civil Defense, National Police and Ministry of Health.

Case: N&V contingency preparation plan for transportation of hazardous materials and/or waste dated Nov 20, 2023, includes in subsection 4.2 responsibilities of the distributor, the transport company N&V, the committee members of emergency management, brigade chief, president of the emergency management committee, safety chief, operations chief and emergency brigade.

3. Is there a list of all emergency response equipment that should be available during transport or along the transportation route?

Transporter's contingency plans include a list of emergency response equipment:

DCR Minería y Construcción S.A.C.

Emergency Preparedness Plan for the Transportation of Sodium Cyanide – Shahuindo, by DCR (Code: DCR-MER-SEGpe002.7, Revision 09, May 3, 2024), includes in the subsection 4.10 the DCR escort pick-up truck emergency response kit and the emergency response Kit of the trucks.

Edewit S.R. Ltda

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Edewit contingency plan includes in subsection 4.6 the first aid kit, spill containment emergency response kit and fire extinguishers.

The auditors verified the emergency response kit in the escort pickup truck with license plate BZV-759. The kit was found to be complete according to Edewit's checklist, and all equipment in the kit was in good condition and within its valid lifespan.

Empresa de Transportes N&V S.A.C

N&V contingency preparation plan for transportation of hazardous materials and/or waste dated Nov 20, 2023, includes in subsection 4.8 the emergency response equipment, agency communication equipment, mobile support equipment, first aid equipment included in first aid kit for transport vehicles and emergencies response kit for truck and pickup trucks escort.

Consorcio CITSSA

Contingency plan for land transportation of hazardous materials and waste, rev 10 of Aug-2024 includes in subsection 9.6 the emergency response equipment including the emergency control center, portable mobile, rapid intervention units, personal protective equipment, emergency control equipment of spills and medical assistance and rescue and the Emergency First Response Equipment. Decontamination and antidote equipment, emergency second response materials.

Trans Santos Corporation S.A.C.

Operational Procedure for emergency response with sodium cyanide, TSC-PO-019 v01 includes the sodium cyanide emergency plan, includes antidote kit, within the operational procedure for the transportation of sodium cyanide TSC-PO-013, annex number 8 TSC-PO-016 F 01 includes the Sodium Cyanide anti-spill kit checklist. Review of the Kit is verified in the dispatch of 03-Aug-2024, for unit with plate BLI-702. It is carried out by the escort supervisor. The response kit is included in the escort pickup truck. The kit includes antidote kit and HCN monitor, rubber gloves, full-phase respirator, cartridge for dust, smoke and mist with or without oil, protective suit, among others. The transport personnel are not authorized to administer antidote, this will be administered only by medical professionals on the medial center including under the Contingency Plan.

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Each unit has a HAZMAT anti-spill kit that includes industrial rags, absorbent cloths, black plastic bags, gloves, boots, safety tape, lamp and pick. This is verified in the cargo transport vehicle checklist. The emergency response kit of the transport units and escort pickup truck is verified in the field.

4. Does the transporter have available the necessary emergency response and health and safety equipment, including personal protective equipment during transport?

Yes, there is a Pre-Trip Inspection check list FO-OP-45 rev08 for heavy load unit, includes in point 3 safety equipment, which includes fire extinguishers, triangle cones and first aid kit, point 5 includes the tools kit and point 12 includes first emergency response kit, the point 10 includes the antidote.

Pre-trip Inspection check list FO-OP-44 rev07 for light load unit, in point 2 reviews the safety equipment, which includes fire extinguishers, triangle cones and first aid kit. In point 10, personal protective equipment, in point 11 it includes Emergency First Response Equipment.

5. Are there procedures to inspect emergency response equipment and assure its availability when required?

Edewit S.R. Ltda

Anti-spill kit inspection check list, SGGTI-FT-175 v01, it includes monthly inspections and inspector data. Vehicle case with plate ARA-918 and the driver is Mauricio Puma Ever Arturo.

Consorcio CITSSA

Control of Emergency First Response kit for hazardous material: sodium cyanide with code PT-03-02, rev10 of Aug-2024.

DCR Minería y Construcción S.A.C.

DCR-Fmatpel020 - v.09. CHECK LIST CYANIDE UNIT, it includes vehicle unit, Emergency First Response equipment, personal protective equipment, semi-trailer unit, personnel preparation, fifth wheel and tire pressure measurement and king pin inspection.

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Trans Santos Corporation S.A.C.

Cargo transportation vehicle check list, TSC-PO-29.F2 v02 check list of 09-May-2024. It includes check of anti-spill kit, vehicle implements, communication equipment. Lima-Antapite route.

Empresa de Transportes N&V S.A.C

The check list NV-SSMA-F-026A includes vehicle protection equipment, platform, Emergency First Response Equipment, personal protection equipment and escort supervisor preparation.

6. If the transporter contracts other entities to conduct any of the activities required in Transport Practice 3.2 or has designated other entities to conduct emergency response activities, does it clearly delineate its roles and responsibilities and those of the contractor or other entity during an emergency response?

Yes, Mercantil S.A. schedules supplier audits at the beginning of each period based on ICMI transportation protocols. In the case of DCR, the audit conducted in January 2024 identified findings, which were subsequently monitored by Mercantil S.A.

Transport Practice 3.3

Develop procedures for internal and external emergency notification and reporting.

☒ in full compliance with

The operation is ☐ in substantial compliance with Standard of Practice 1.1

☐ not in compliance with *Summarize the basis for this*

Finding/Deficiencies Identified:

1. Are there procedures and current contact information for notifying appropriate entities such as the cyanide producer, the customer, regulatory agencies, external response providers, medical facilities and potentially affected communities of an emergency?

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Mercantil's Cyanide Transportation Contingency Plan PL-HSEQ-04 v01 includes section 3. Notification and Communications System, subsection 3.1 Communications Flow. There is the contact information for the Second emergency Response, contact agencies in the commercial emergency control center of each transporter and the telephone list of support institutions.

DCR Minería y Construcción S.A.C.

Emergency Preparedness Plan for the Transportation of Sodium Cyanide – Shahuindo, by DCR (Code: DCR-MER-SEGpe002.7, Revision 09, May 3, 2024) includes subsection 4.6 Notification Procedure, includes notification to ICMI, other institutions, firefighters, medical facilities.

Edewit S.R. Ltda

The contingency plan includes the General emergency communication procedure, in addition to subsection 6.9 Directory for emergency communication (according to format No. 6- C OF THE R.D. 1075-2016-MTC/16).

Empresa de Transportes N&V S.A.C

N&V contingency preparation plan for transportation of hazardous materials and/or waste dated Nov 20, 2023, includes subsection 4.4.3. Flowchart of the Emergency Communication System and the list of external entities that must be contacted in case of emergency.

Consorcio CITSSA

Contingency plan for land transportation of hazardous materials and waste, rev10 of Aug-2024 includes subsection 7.1.1 Basic Organization Chart of the Incident Command and Communications Flowchart, as well as a section on Communication and information before, during and after the emergency.

Trans Santos Corporation S.A.C.

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Emergency response operating procedure with sodium cyanide, TSC-PO-019 v01 includes Figure 1: Communications diagram in an emergency, with the communication diagram during an emergency reads the three levels of categorization of emergencies.

2. Are systems in place to ensure that internal and external emergency notification and reporting procedures are kept current?

Within Mercantil's Cyanide Transportation Contingency Plan PL-HSEQ-04 v01, the information in section 9 is updated.

This Plan requires being updated every time there are modifications of substance and form, in terms of procedures, people, telephone numbers, routes, equipment, methods, or any other consideration that allows us more effectiveness and efficiency.

Those responsible for these modifications will be the parties involved and the person who must update and retransmit the Plan is MERCANTIL S.A. to all interested parties.

3. Does the operation have a procedure for notifying ICMI of any significant cyanide incidents, as defined in ICMI's *Definitions and Acronyms* document? Have all such significant cyanide incidents that have occurred been reported to ICMI?

Yes, in the incidents and accidents procedure PR-HSEQ-13 v01 of October 18, 2024, it mentions that in the case of incidents with cyanide, they must additionally proceed as follows:

Notification of a Significant Cyanide Incident at any operation of a signatory falling under the scope of the Cyanide Code and included in Part II of their signatory application must be provided to the ICMI within 24 hours of its occurrence. The notification should include the date and nature of the incident, as well as the name and contact information of a company representative to address requests for additional information.

Additional relevant information, such as the root cause, impacts on health, safety, and the environment, and any mitigation or remediation measures, is requested to be submitted within seven days of the incident.

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- The notification must be submitted in writing via email or fax to the ICMI at info@cyanidecode.org and +1-202-835-0155.
- It is recommended to notify the ICMI if there is any uncertainty about whether the incident meets the ICMI's criteria for a significant cyanide incident.

Transport Practice 3.4

Develop procedures for remediation of releases that recognize the additional hazards of cyanide treatment chemicals.

✓ in full compliance with

The operation is

☐ in substantial compliance with Standard of Practice 1.1

☐ not in compliance with *Summarize the basis for this*

Finding/Deficiencies Identified:


1. **Are there procedures for remediation, such as recovery or neutralization of solutions or solids, decontamination of soils or other contaminated media and management and/or disposal of spill clean-up debris?**

Within Mercantil's Cyanide Transportation Contingency Plan PL-HSEQ-04 v01 it has been included that MERCANTIL S.A. will activate its insurance policy and will be in charge of verifying within its list of suppliers a company that carries out its remediation. There is a contract with IFSEC Perú S.A.C., for the second and third emergency response. The contract includes Annex I, detailing general accident care, contingencies or incidents; as well as remediation.

2. **Does the procedure prohibit the use of chemicals such as sodium hypochlorite, ferrous sulfate and hydrogen peroxide to treat cyanide that has been released into surface water?**

Within Mercantil's Cyanide Transportation Contingency Plan PL-HSEQ-04 v01, section 5.9 mentions that the application of any detoxifying agent (hypochlorite, peroxide, ferrous sulfate, etc.) is limited to

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situations where the spill is confined to a limited water body, such as puddles, pools, etc., and at the discretion of the field coordinator.

Under no circumstances should any detoxifying agent be applied to an active, flowing watercourse that supports biodiversity or similar ecosystems., etc.

Transport Practice 3.5

Periodically evaluate response procedures and capabilities and revise them as needed.

✓ in full compliance with

The operation is

☐ in substantial compliance with Standard of Practice 1.1

☐ not in compliance with *Summarize the basis for this*

Finding/Deficiencies Identified:

1. Are there provisions for periodically reviewing and evaluating the Plan's adequacy and are they being implemented?

There is an annual Occupational Health and Safety program, the review of the annual emergency plan is mandatory for June 2025. The annual program is approved by the safety committee. In addition, for the previous period, the Plan was reviewed at the end of 2024 and has an update on 02-Jan-2025. Cyanide Transportation Contingency Plan PL-HSEQ-04 v01 of Mercantil, mentions in section 9 that the Plan requires being updated at every opportunity that there are modifications of substance and form, in terms of procedures, people, telephone numbers, routes, equipment, methods, or any other consideration that allows us more effectiveness and efficiency.

Those responsible for these modifications will be the parties involved and the person who must update and retransmit the Plan is MERCANTIL S.A. to all interested parties.

2. Are there provisions for periodically conducting mock emergency drills and are they being implemented?

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The Drills are scheduled by the transportation companies according to their respective drill programs. In some cases, Mercantil personnel participate in these drills. Each drill generates a report, which is shared with Mercantil by the transportation company.

Examples of drill scenarios include:

Sodium Cyanide Spill Drill (DCR Report):

- Scenario: Container overturns with the door open.
- Location: Lima-Trujillo-Shahuindo route.
- Date: November 27, 2024.

Sodium Cyanide Spill Drill (DCR Report):

- Location: Laredo–Trujillo intersection.
- Involved Parties: DCR, Mercantil, La Arena mine site, and the Peruvian Firefighters.
- Scenario: Sodium cyanide spill caused by unit oversight.
- Date: June 27, 2024.

The drill reports include results and identify opportunities for improvement to enhance future emergency response efforts. opportunities.

3. Is there a procedure to evaluate the Plan's performance after its implementation and revise it as needed, and have they been implemented?

There is an annual Occupational Health and Safety program, the review of the annual emergency plan is mandatory for June 2025. The annual program is approved by the safety committee. In addition, for the previous period, the Plan was reviewed at the end of 2024 and has an update on 02-Jan-2025. Cyanide Transportation Contingency Plan PL-HSEQ-04 v01 of Mercantil, mentions in section 9 that the Plan requires being updated at every opportunity that there are modifications of substance and form, in terms of procedures, people, telephone numbers, routes, equipment, methods, or any other consideration that allows us more effectiveness and efficiency; Likewise, it

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must be updated after each cyanide-related emergency that requires the application of this emergency plan.

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