ICMI Cyanide Code Gold Mining Recertification Audit

Summary Audit Report

Minera Penmont S. de R.L. de C.V – La Herradura Mine Dynamic Leaching Plant

Sonora, Mexico

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

2025 Audit Cycle

15929 Avenida Venusto, Apt. 225,
San Diego,
CA, 92128, USA
www.smartaccess.us

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Mining Operation: Dynamic Leaching Plant La Herradura Mine

Mine Owner: Fresnillo Plc

Mine Operator: Minera Penmont S. de R.L de C.V

Name of Responsible Manager: Martin Rochin, General Manager

Address and Contact Information:
Minera Penmont S de R.L. de C.V.
Callejon Sin Nombre 209 Oeste Entre Ave. N y P
Col. Centro, C.P. 83600
Heroica Caborca, Sonora, Mexico
Email: mrochin@fresnilloplc.com.mx
Tel. + 52 637 373-2204

Location and description of the operation

The location of the La Herradura mine Dynamic Leaching Plant is presented in the picture below.

La Herradura is operated by Minera Penmont which is fully owned by Fresnillo Plc (Fresnillo). La Herradura is in the Altar Desert approximately 80 kilometers (km) northwest of the city of Caborca and 20 km from the coast of the Gulf of California in the state of Sonora, Mexico. The nearest village (Ejido Juan Alvarez) is located approximately 5 km to the northeast of La Herradura. The Altar Desert is extremely arid and there is no surface water.

Exploration at La Herradura dates to 1987. La Herradura is an open pit mine with two separate processing operations:

- Heap leach facility (HLF) with a Merrill Crowe Plant (MCP-HLF), pregnant pond, contingency ponds, and associated piping. These facilities began construction in 1997 and operation in 1998.

- Dynamic Leaching Plants (DLP) with a separate Merrill Crowe Plant (MC-DLP) and a Tailings Storage Facility (TSF). These facilities began construction in 2014 and one train of the DLP began operation in 2015 while the second train began operation in 2018.

There is no physical connection between the HLF operation and the DLP operation. Therefore, Penmont decided to certify the DLP operation separately from the HLF operation. The HLF operation has been certified since 2008, and this is the third certification for the DLP operation.

La Herradura receives solid cyanide via isotainers from Draslovka. The isotainers are offloaded in a cyanide preparation area consisting of a dilution tank, a storage tank, and a distribution tank before the cyanide is distributed to the DLP. Offloading is completed by solid-liquid sparging with closed connections between the isotainer and the dilution tank.

The DLP consists of two trains of crushing, grinding and leaching, serviced by the MC-DLP and the TSF. In each train, ore is delivered to a crusher for crushing followed by grinding in a semi-autogenous grinding (SAG) mill and further grinding in a ball mill. The ore in both trains is sent to a thickener, the leaching tanks and the countercurrent washing (LCC, by its acronym in Spanish) circuit. Reagents, including cyanide, and oxygen are added in the leaching tanks. After the LCC circuit, underflow (tailings) is pumped to the geomembrane-lined TSF and the pregnant solution reports to the MCP-DLP. The MCP-DLP was constructed with two process ponds, but they have been disconnected, and flow goes directly from the LCC circuit to the MCP-DLP without intermediate storage. Reclaim water from the TSF is returned to the leach tanks.

In the MC-DLP, the pregnant solution first passes through a sedimentation tank (hopper) followed by further removal of solids in clarifiers. After clarification, the pregnant solution is subject to a vacuum in the deoxygenation circuit to eliminate dissolved oxygen. Reagents are added to precipitate gold and silver which are filtered out in filter presses. The resulting sludge is sent to the onsite refinery for smelting in the induction furnaces to produce doré. The barren solution is returned to the leaching tanks.

The scope of the recertification audit includes the following cyanide facilities: The Dynamic Leaching Plant (DLP) including two trains of Semi-Autogenous Grinding (SAG) mills, ball mills, thickeners, leaching tanks (where cyanide is added to the process), and countercurrent washing circuit, a Merrill Crowe Plant (MC-DLP); a Tailings Storage Facility (TSF); pipelines for transport of tailings to the TSF and return of decant water back to the DLP; and a cyanide preparation area consisting of a dilution tank, a storage tank, and a distribution tank.

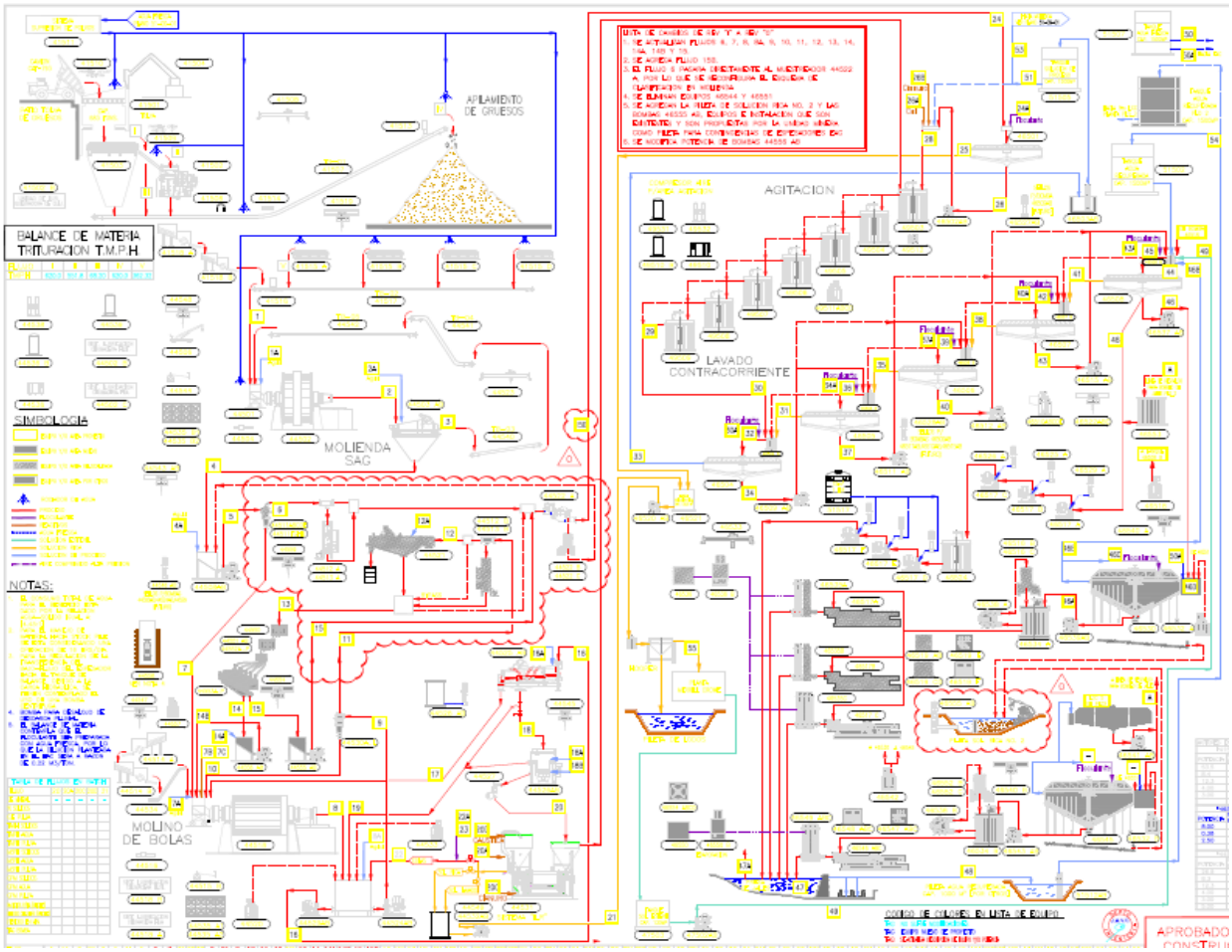
The intensive leaching circuits (ILR) for both DLP 1 and 2 trains are outside the scope of the audit as they were not in use for the recertification period. There is no cyanide treated water discharges at La Herradura.

No new facilities have been constructed and operated since the 2022 recertification audit.

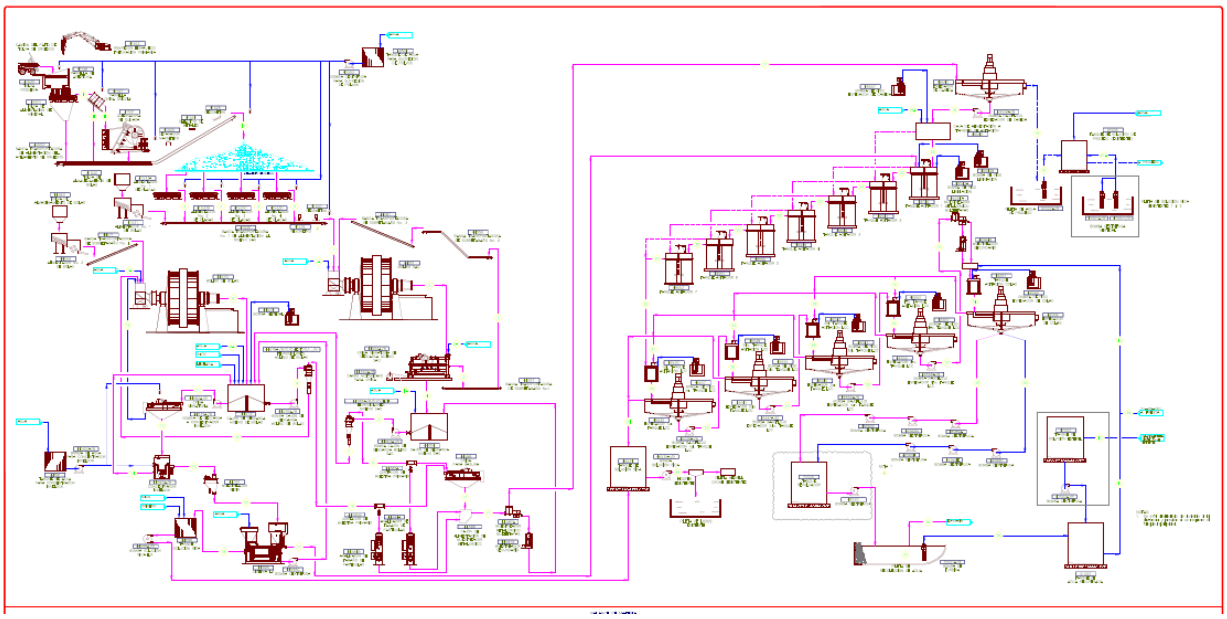
Sodium cyanide is transported to La Herradura DLP in solid briquettes in an 18-ton isotainer truck. The isotainer is connected to the mixing tank; freshwater is added and recirculated between the isotainer and the tank until the solid cyanide is completely dissolved.

The DLP ore processing flowsheets are presented below:

DLP-1



DLP-2



Auditor's Finding

The International Cyanide Management Institute (ICMI) approved Audit Team verified that La Herradura Mine Dynamic Leaching Plant operation is in **FULL COMPLIANCE** with ICMI Cyanide Code requirements for Gold Mining operations.

This operation has not experienced any compliance issues during the previous three-year audit cycle.

La Herradura Mine Dynamic Leaching plant has experienced zero significant cyanide incidents during this 3-year recertification audit cycle.

This operation was determined to be in FULL COMPLIANCE with the International Cyanide Management Code.

Auditor's Attestation

Audit Company:	SmartAccEss Socio Environmental Consulting, LLC
Lead Auditor:	Luis (Tito) Campos E-mail: titocampos@smartaccess.us
Mining Technical Auditor:	Bruno Pizzorni Email: bpizzorni73@gmail.com
Date(s) of Audit:	September 8th – 11th, 2025

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

I attest that this Audit Report accurately describes the findings of the verification audit. I further attest that the verification audit was conducted in a professional manner in accordance with the International Cyanide Management Institute for Mining Operations Verification Protocol and using standard and accepted practices for health, safety and environmental audits.

La Herradura Mine Dynamic Leaching Plant		Jan 27th, 2026
Name of Operations	Signature of Lead Auditor	Date

Minera Penmont S de RL de CV
La Herradura Mine Dynamic
Leaching Plant

Jan 27th, 2026

Signature of Lead Auditor

SUMMARY AUDIT REPORT

1. PRODUCTION AND PURCHASE: Encourage responsible cyanide manufacturing by purchasing from manufacturers that operate in a safe and environmentally protective manner.

Standard of Practice

1.1 Purchase cyanide from certified manufacturers employing appropriate practices and procedures to limit exposure of their workforce to cyanide, and to prevent releases of cyanide to the environment.

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 1.1

Discuss the basis for this Finding/Deficiencies Identified:

La Herradura sources its cyanide supply from Covoro Mining Solution Mexicana, S. de R.L. de C.V. (Covoro), a subsidiary of Draslovka Mining Solutions, previously known as The Chemours Company. During this recertification period, the mine exclusively used sodium cyanide manufactured at the Draslovka US Production and Packaging Operations, delivered in isotanks by Covoro. These transactions are governed by an established agreement between Draslovka and Minera Penmont S. de R.L. de C.V., the operator of La Herradura. The supply and transportation contract covers the cyanide needs for both its Heap Leach Facilities (HLF), which include a Merrill Crowe Plant (MCP-HLF), as well as the Dynamic Leaching Plants (DLP). This contract remains in effect from 2022 through December 2026. During the site audit, the auditors confirmed through the ICMI website that the certification of Draslovka US Production and Packaging Operations under the International Cyanide Management Code (Cyanide Code) is valid until May 24, 2026. The auditing team also reviewed the purchasing agreement with Draslovka, alongside purchase orders and shipping documentation from the recertification period, verifying full adherence to required standards.

2. TRANSPORTATION: Protect communities and the environment during cyanide transport.

Standards of Practice

2.1 Require that cyanide is safely managed through the entire transportation and delivery process from the production facility to the mine by use of certified transport with clear lines of responsibility for safety, security, release prevention, training and emergency response.

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 2.1

Discuss the basis for the Finding/Deficiencies Identified:

The mine purchasing process guarantees the meticulous upkeep of chain-of-custody documentation to monitor all transporters and supply chains involved in transferring cyanide from its production point to the operational site. Throughout this recertification phase, contracts, purchase orders, and shipping records underwent comprehensive examination. Draslovka continues to be the exclusive supplier for the mine, with cyanide produced at its US Production and Packaging Operations facility. The product is then transported by rail and truck to the Draslovka Hermosillo Bag-to-Bulk Transloading Facility, before being delivered in isotankers to the La Herradura Dynamic Leaching Plant.

Each transporter was individually identified as certified in accordance with the Code or confirmed as part of a certified supply chain. Detailed chain of custody records were meticulously reviewed, documenting every transporter and participant in the supply chain responsible for moving cyanide from the producer to the operation site. The evaluation confirmed that all entities within the transport network are either individually certified or function as part of a certified supply chain. Cyanide begins its journey from the Draslovka US Production and Packaging Operations facility in Memphis Plant, where it is transported by rail to the U.S./Mexico border. The Canadian National Railway oversees the movement of rail boxcars from the Memphis manufacturing site to the railhead in Memphis. From there, Union Pacific Railroad takes over, delivering the boxcars to Nogales, Arizona, at the U.S./Mexican border. This segment of the transport process, known as the Draslovka U.S. Supply Chain, is certified under the Code, with its most recent recertification finalized on June 13, 2025. At the border, Ferrocarril Mexicano Railroad (Ferromex) assumes responsibility for transporting cyanide-laden boxcars to the Draslovka Hermosillo Bag-to-Bulk Transloading Facility in Sonora, Mexico. These boxcars contain flobins and packaged cyanide, which are then received at the facility managed by Intermodal Mexico, S.A. de C.V. This portion of the operation, referred to as the Draslovka Mexico Supply Chain, is likewise Code certified, with its latest recertification on June 13, 2025. Once at the Hermosillo Transloading Facility, cyanide is transferred into isotankers for final highway transport to La Herradura. The transloading facility maintains its Code certification, having undergone recertification on March 11, 2025. For the final stage of delivery, Transportes Especializados Segutal, S.A. de C.V. (Segutal), Draslovka's dedicated transportation provider, handles the highway logistics. Segutal manages the delivery of solid cyanide briquettes in isotankers from

Hermosillo to La Herradura. Having undergone audit and Code certification, Segutal operates as an integral component of the Draslovka Mexico Supply Chain.

3. HANDLING AND STORAGE: Protect workers and the environment during cyanide handling and storage.

Standards of Practice

3.1 Design and construct unloading, storage and mixing facilities consistent with sound, accepted engineering practices, quality control/quality assurance procedures, spill prevention and spill containment measures.

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 3.1

Discuss the basis for this Finding/Deficiencies Identified:

The unloading, mixing, and storage facilities for reagent-strength cyanide at the La Herradura Dynamic Leaching Plant have been meticulously designed and built to meet stringent standards. Previous ICMI audit reports validate their compliance with the Code's requirements. Detailed design and construction documentation clearly demonstrate adherence to recognized engineering practices for such uses, supported by evidence such as design specifications and as-built drawings stamped by certified professional engineers. During the current recertification audit, auditors confirmed that La Herradura's PLD Plant Special Projects Department continues to maintain an organized archive of comprehensive construction records in hard copy at the mine site. These records are systematically managed to allow easy access and reference. It was further verified that no modifications have been made to these facilities since the last certification audit. An inspection of the reagents area revealed it to be in excellent condition.

La Herradura has placed the reagents area of the PLD, designated for cyanide unloading, mixing, and storage, at a location far removed from populated zones and surface water sources. There are no offices or communal worker spaces in the vicinity. The nearest settlement is the village of Juan Alvarez, located approximately 5 kilometers to the northeast. Due to the extreme arid conditions of the Sonoran Desert, surface water is absent in and around the mine area. Any surface water present is transient, as there are no permanent sources such as springs, streams, rivers, or lakes nearby.

The cyanide offloading area at the PLD plant consists of a reinforced concrete slab-on-grade, incorporating elements like pads, curbs, parapets, footings, and tank foundations. This design

effectively prevents seepage. An onsite verification audit confirmed that the concrete surfaces are well-maintained and in good condition. The isotank station area is equipped with a perimeter gutter system that directs runoff into the secondary containment tank located within the cyanide solution preparation zone. In the event of a spill, the sump pump activates automatically, transferring the spilled material to the reactive cyanide storage tank for containment.

La Herradura has developed and built an isotanker offloading ramp at the Dynamic Leaching Plant specifically designed to contain, recover, and address any leakage effectively. The isotanker is stationed on a concrete ramp equipped with a grated-concrete channel and a raised concrete barrier at one end to prevent spillage. Leakage is directed into the grated-concrete channel, which is connected to a sump featuring a pump for efficient recovery. The offloading process takes place in a designated cyanide preparation area that includes a dilution tank, storage tank, and dosification tank. Cyanide is then distributed from this area to Dynamic Leaching Plant 1 and 2. Both the storage and dosification tanks utilize automatic level control mechanisms to prevent overfilling. These systems undergo routine testing and maintenance by the operational team to ensure optimal function. Auditors noted that all components were in excellent condition during their evaluation.

No changes have been made to the cyanide mixing and storage tanks at this plant since the previous certification audit. The cyanide mixing tank, storage tank, and distribution tank are situated on a sturdy pedestal made of reinforced concrete, integrated into the concrete floor of the entire offloading area. These tanks are positioned on a metal grate above the solid concrete floor of the secondary containment. The auditors noted that all the concrete foundations and containment structures were in good condition.

Secondary containment systems for cyanide mixing, storage, and distribution tanks at the Dynamic Leaching Plant are constructed using concrete to serve as an effective barrier against leakage. The containments were found to be intact, with no cracks or breaches that could undermine their ability to securely contain any potential releases. Additionally, the containment area is equipped with a sump pump designed to return any collected solution to the holding tank. Observations by the auditors confirmed that the concrete in all secondary containment areas was in excellent condition.

La Herradura does not store solid sodium cyanide. Instead, the cyanide solution storage tanks at the Dynamic Leaching Plant (DLP) 1 are located outdoors, ensuring proper ventilation to prevent hydrogen cyanide (HCN) gas accumulation and reduce the risk of excessive HCN buildup.

The DLP is enclosed within a secure area that features fencing and locked gates to restrict unauthorized access. Prominent signage is in place to enforce safety guidelines. Cyanide-related operations, including mixing, storage, and distribution, are conducted in designated tanks

separate from incompatible materials to uphold safety measures. Furthermore, no chemicals are stored near the offloading zone.

3.2 Operate unloading, storage and mixing facilities using inspections, preventive maintenance and contingency plans to prevent or contain releases and control and respond to worker exposures.

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 3.2

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Discuss the basis for this Finding/Deficiencies Identified:

La Herradura receives cyanide in isotankers and does not handle empty containers. Once the isotankers are emptied, the operation cleans any cyanide residues from the hose connections and couplings using water, then incorporates the rinse water into the cyanidation process. The site adheres to the Standard Operating Procedure PO-PL-19 for Cyanide Preparation. Specifically, Section 5.8 of the procedure mandates rinsing the upper part of the isotanker with water upon completion of offloading, while Section 5.7 requires closing the valves and verifying that the isotanker is no longer pressurized. Auditors confirmed compliance with these steps through interviews with personnel responsible for carrying out the tasks. Additionally, auditors observed the beginning of an offloading event at the reagent area and reviewed the completed checklist afterward to ensure all procedural steps were correctly followed.

La Herradura has established detailed written procedures for activities related to the unloading of cyanide and the preparation of cyanide solutions. These procedures include Standard Operating Procedures (SOPs), training materials, and checklists, all of which are implemented and documented. Their application was verified through observations and interviews with the personnel assigned to these tasks. For cyanide solution preparation, the procedure provides clear step-by-step instructions for operating and maintenance of all valves, couplings used for mixing solid cyanide, and pumps on both the dilution tank and the isotanker as the mine operation is responsible for this maintenance. A checklist accompanies this process, requiring signatures from both the isotank driver and the mine operator. Auditors reviewed completed checklists and observed an offload during their site visit to confirm adherence to these procedures. Handling cyanide containers without rupturing or puncturing in this case is not a concern as isotanks are not handled and are built of high grade steel plates. Isotanks are not stacked, as soon as they arrive at the mine, it is unloaded and then begins the journey back to its base in Hermosillo. Procedures have been implemented to mitigate risks of exposure and environmental release during cyanide unloading and mixing. These measures include timely clean-up protocols for any spills during isotanker offloading. Operators are required to wear personal protective equipment (PPE), such as a face shield over safety glasses, hard hat, respirator, Tychem suit, steel-toe

rubber boots, and rubber gloves. Additional equipment includes a safety harness for working at heights, a radio, and a portable hydrogen cyanide (HCN) monitor. The offloading process is monitored by a second operator from a designated observation room adjacent to the site. To facilitate easy identification of the cyanide solution and distinguish it from other substances such as rainwater, Draslovka incorporates red dye into isotankers when loading briquettes. La Herradura has adopted this practice, ensuring that the final high-strength cyanide solution is dyed for clear visual recognition and effective differentiation.

4. OPERATIONS: Manage cyanide process solutions and waste streams to protect human health and the environment.

Standards of Practice

4.1 Implement management and operating systems designed to protect human health and the environment including contingency planning and inspection and preventive maintenance procedures.

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 4.1

Discuss the basis for the Finding/Deficiencies Identified:

The scope of the recertification audit includes the following cyanide facilities: The Dynamic Leaching Plant (DLP) including two trains of Semi-Autogenous Grinding (SAG) mills, ball mills, thickeners, leaching tanks (where cyanide is added to the process), and countercurrent washing circuit, a Merrill Crowe Plant (MC-DLP); a Tailings Storage Facility (TSF); pipelines for transport of tailings to the TSF and return of decant water back to the DLP; and a cyanide preparation area consisting of a dilution tank, a storage tank, and a distribution tank.

The operation has established comprehensive management systems, plans, and procedures to ensure the safe operation of its cyanide facilities at the Dynamic Leaching Plant (DLP), prioritizing the protection of workers and the environment. For cyanide solutions with a concentration of 0.5 mg/L or higher of Weak Acid Dissociable (WAD) cyanide, the following facilities at La Herradura DLP are specifically included in the management scope: Cyanide preparation area (reagents area); Semi-autonomous grinding (SAG) mill and ball mill, comprising two processing trains that utilize process solutions; DLP system, consisting of two trains with thickening, agitation, and countercurrent washing (LCC) circuits; Contingency pond for the DLP; Merrill Crowe Plant at the Dynamic Leaching Plant (MCP-DLP), which includes components such as a sedimentation vessel (Hopper), clarification unit, deoxygenation tower, filter presses, zinc

cone, and barren solution tank; Process water and reclaim water storage tanks ; Re-pulping tank located near the Tailings Storage Facility (TSF) Geomembrane-lined TSF; Pipelines, pumps, valves, and associated equipment tied to these facilities. La Herradura has implemented robust management systems addressing cyanide safety as well as environmental and occupational health risks. These practices aim to prevent environmental releases and minimize exposure risks for workers and neighboring communities. The operation adheres to certifications such as ISO 14001 for environmental management, ISO 45001 for occupational health and safety management, and the Clean Industry program. Auditors evaluated the mine's plans and Standard Operating Procedures (SOPs), conducting interviews with plant operators, maintenance teams, environmental staff, and supervisors. These evaluations confirmed the operation's thorough understanding of cyanide management practices designed to avoid environmental releases and safeguard workers and the community. The Operation, Maintenance and Surveillance Manual (OMS) for the TSF updated version includes parameters for tailings transport and disposal, pipeline maintenance and operation, updates to the project's lifespan, and adjustments to the deposit area in line with the new authorization. Additional considerations included parameters for equipment, accessories and chutes, as well as appended safety instrumentation requirements for tailings storage facilities, among others.

The mine's process flow diagrams, engineering designs, drawings, operating plans, and standard operating procedures (SOPs) establish the assumptions and parameters integral to the design, while addressing applicable regulatory requirements for preventing cyanide releases and exposures. These frameworks ensure the operation adheres to precise plans. Key parameters detailed in the operating plans and procedures include: lime addition at the SAG mill set at 2.5 kilograms per ton of ore; a minimum pH threshold of 10.2 for cyanide solution preparation and 10.0 for DLP and MCP-DLP to mitigate HCN gas release; cyanide concentration levels specified as follows: approximately 200 mg/L free cyanide for SAG and ball mills and thickening, agitation between 260 to 350 mg/L free cyanide, LCC ranging from 130 to 200 mg/L free cyanide, ILR at 15-20% free cyanide, and MCP-DLP between 100 to 200 mg/L free cyanide; WAD cyanide concentration in open water within the tailings facility restricted to less than 50 mg/L; a mandatory freeboard of 2 meters for the tailings facility; cyanide discharge limits into surface water compliant with relevant Mexican regulations; stormwater containment designs accommodating a 100-year, 24-hour storm event for impoundments. During the audit, various plans and procedures, including SOPs such as PO-L-19 (Cyanide Preparation), PO-PL-28 (Agitation and Leaching in Reactors), and PO-PL-23 (Management of Cyanide and Solution Cyanide in DLP and MC-DLP), were reviewed. These SOPs, among others, outline the foundational assumptions and operational parameters of the facility. Interviews with personnel responsible for operations and maintenance revealed a solid understanding of program requirements.

The Standard Operating Procedures (SOPs) of the operation focus on ensuring the protection of workers, communities, and the environment by addressing critical aspects of operations. These procedures include specific guidelines for water management, such as maintaining required storage capacity in tailings facilities through proper handling of tailings solutions. Additionally,

the SOPs cover inspection programs targeting cyanide facilities like process tanks, pipelines, and tailings impoundments. Preventive maintenance for essential equipment is systematically organized, with work orders generated automatically via Maximo software. At La Herradura, inspection and preventive maintenance programs have been established and implemented for all cyanide-related facilities, including unloading, mixing, and storage areas, as well as DLP trains, ILR, MCP-DLP, and TSF. Inspection activities occur daily to monthly depending on the facility and type of inspection required. The Maximo software is employed to manage tasks such as identifying needs, assigning responsibilities, scheduling activities, and tracking their completion. Furthermore, La Herradura regularly reviews and updates its SOPs every two years to ensure compliance and effectiveness. Auditors examined these SOPs to confirm adherence to the required protocols.

La Herradura follows a structured procedure to manage modifications in production processes or operating practices. Section 6.5 of SOP PS-HE-01, focusing on the Identification and Evaluation of Environmental Aspects, Hazards, and Risks and the Establishment of Control Criteria, mandates that changes undergo assessment with a risk matrix to analyze potential impacts on health, safety, and the environment. This process specifically evaluates alterations to the facility or operational methods that could heighten the risk of cyanide exposure and worker hazards. Prior to implementation, changes are reviewed and addressed accordingly through the written procedure PS-HE-01-R03 Change Management Form, which requires notification to environmental and safety personnel and approval from these departments before proceeding. The health, occupational safety, and environmental matrices are managed by the Safety and Environmental Department. The auditor reviewed a comprehensive process of adjustments carried out in August 2024 regarding the change of the anti-fouling agent. Additionally, another process from November 2022 was examined, which involved the expansion of the positive displacement pump sump dedicated to transferring tailings to the TSF. Verification included an examination of the procedure and signed-off forms by environmental and health and safety teams during the current recertification period, confirming compliance with Code requirements.

The management system for operations incorporates contingency plans to address non-standard operating conditions. These plans outline specific actions to be taken in response to issues identified through facility monitoring or inspections, as well as temporary closures or halts in operations due to factors such as work stoppages, shortages of essential materials, economic constraints, civil unrest, or regulatory or legal interventions. These contingency measures are integrated into the operating plans and standard operating procedures (SOPs), ensuring preparedness for potential disruptions. The operation has the cyanide procedure for non-standard operating situation PO-PL-33 Temporary Stoppage of Areas of PLD and Merril Crowe PLD for a temporary closure or cessation of operations due to diverse situations such as work stoppages, lack of ore or other essential materials, economics, civil unrest, or legal or regulatory actions. This operating procedure is for the temporary shutdown of operations of the operational areas of PLD 1, PLD 2 and MC-PLD: primary crushing, milling operation, reactors, thickeners and countercurrent scrubber, Knelson concentrator, cyanide preparation and storage area, MC-

PLD and tailings deposit. The procedure includes step-by-step instructions for the safe shutdown and maintenance of cyanide facilities. These include management of cyanide on site, including cyanide solution within tanks, vessels, pipelines, ponds and impoundments. It also includes conducting ongoing facility inspections and required maintenance, water monitoring activities, draining tanks and piping of process solutions. La Herradura has established detailed contingency procedures to manage deviations, upset scenarios, and temporary operational shutdowns. Section X, Analysis of Risks and Consequences, from the TSF Operation, Maintenance, and Surveillance Manual includes a Failure Modes Effects Analysis (FMEA). This analysis details contingency measures for various risks, such as pump failures, power outages, valve malfunctions, human error, and external events like earthquakes or severe storms. Specific protocols are in place for scenarios such as emergency pond overtopping for the DLP, providing clear actions if such situations arise. Similarly, procedures for halting and restarting the MCP-DLP outline responses to power outages, equipment malfunctions, column failures, pipe ruptures, and pump issues during temporary stoppages. Additionally, contingency sections are included in the procedures for grinding, milling, thickening, agitation, LCC, and ILR systems to address disruptions caused by power or equipment failures. Lastly, protocols governing the temporary suspension of the DLP and MCP-DLP cater to both temporary closures and operation cessation scenarios.. The operation's referenced protocols sufficiently address how cyanide would be safely managed during long-term shutdowns or cessation of operations

The operation carries out inspections of various cyanide facilities to ensure their structural integrity and operational efficiency. These assessments are performed at regular intervals to maintain optimal functioning. Inspection forms guide inspectors to review specific elements, providing comprehensive details on what to examine and the acceptable conditions. La Herradura performed inspections at the unloading, storage, mixing, and process areas as detailed: a) Ultrasonic testing was carried out on tanks and vessels at the DLP (both trains) and the MCP DLP. The resulting reports confirmed that all containers were fit for continued operational use. The operations department conducts weekly inspections of the infrastructure of tanks containing cyanide using the PO-OL-15-R01 recording format. The inspection also covers the piping connected to these tanks, including connections to the isotank, storage tanks, dosing systems, thickeners, and reactors. Team members check their work areas after the RIT (start-of-shift meeting). Any findings are reported to the facilitator, who forwards them digitally to maintenance and the rest of the shift team for follow-up. b) Daily inspection forms (PO PL 15 R08) were used to evaluate tank infrastructure, including checks on secondary containments and collection pumps for fluid presence and their available capacity. c) This was deemed not applicable since the DLP, MCP-DLP, and TSF do not have leak detection systems installed. d) Daily inspection forms (PO PL 15 R08 and PO-PL-15 R09) were utilized to review pipelines, pumps, and valves for any signs of wear, damage, or leakage. e) Daily inspection forms (PO PL 15 R09) included monitoring water surface elevation in the TSF using staff gauges placed at five specific locations. La Herradura updates the site's water balance monthly by re-running the 100-year, 24-hour flood scenario to confirm that the minimum freeboard is maintained. Additionally,

inspections of surface water diversion structures, addressing potential run-on from adjacent watersheds, are performed annually due to the region's arid climate. During a site visit, auditors conducted field inspections to verify the condition of tanks, secondary containments, pipelines, pumps, and valves. These evaluations also encompassed cyanide unloading, mixing, and storage facilities. Relevant records of the inspections carried out by the mine on its cyanide facilities were reviewed by the auditors, who documented their findings.

Operational inspections are carried out regularly to detect potential issues before they pose a risk of cyanide release or exposure. The auditors have determined that the frequency of these inspections is adequate to confirm and document that the equipment and systems essential for safe cyanide management are operating within their intended design parameters. At La Herradura, daily inspections are performed at the DLP, MCP-DLP, TSF, and related infrastructure, with records maintained using designated forms. In addition, the site conducts monthly leadership inspections across all areas and fulfills legally mandated monthly safety and hygiene assessments. To ensure compliance, the auditors reviewed samples of completed daily inspection records from the certification period alongside a tracking spreadsheet and examples of monthly inspection reports.

Facility inspections are recorded on forms that detail the inspection date, the inspector's name, and any identified deficiencies. Maintenance records document the type and date of corrective actions taken. The auditor examined the operation's inspection and maintenance records to confirm that this information is properly documented. La Herradura retains these records, which were reviewed by the auditors to ensure compliance.

The operation follows a preventive maintenance program for its cyanide facilities, aimed at mitigating the risk of failures that could lead to cyanide releases or exposures. Maintenance activities are organized and tracked using Maximo software, which records schedules and the justification for maintenance intervals. These intervals are determined based on factors such as operational hours and predetermined time frames between servicing. Maintenance tasks are classified within the software into four categories: preventive, unprogrammed, corrective, and basic. The basic category includes routine daily inspections of the area conducted by maintenance personnel. The process workflow encompasses work orders, scheduling, execution, task completion, and closure. To confirm compliance, auditors reviewed maintenance records for randomly chosen equipment associated with the DLP, MCP-DLP, and TSF cyanide-related systems. These included items such as a cyanide transfer pump, sump pump, filter clarifier, positive displacement tailings pump, peristaltic dosing pump, and an LCC pump. They also evaluated maintenance histories for fixed cyanide monitors, pH monitors, and some tank level sensors. Through facility inspections, maintenance record reviews, and employee interviews, the auditors determined that the operation aligns with this requirement.

The operation is equipped with emergency generators to power pumps and other critical equipment, ensuring prevention of accidental releases and exposures in case the primary power

source fails. La Herradura has specifically installed backup generators to support the agitation and LCC circuits in the DLP, safeguarding against unintended releases and exposures during power interruptions. Each DLP train is fitted with its own backup generator. These generators undergo regular maintenance and testing in accordance with a documented procedure. Staff at La Herradura confirmed that neither the MCP-DLP nor the TSF systems have backup generators because fluid movement ceases entirely in the event of a power outage. Auditors reviewed relevant procedures and maintenance records to confirm compliance, and they observed the generators on-site to verify that the equipment is maintained and tested as needed to ensure it remains operational when required.

4.2 Introduce management and operating systems to minimize cyanide use, thereby limiting concentrations of cyanide in mill tailings.

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 4.2

Discuss the basis for this Finding/Deficiencies Identified:

The mine has established ongoing programs to evaluate whether the standard cyanide dosage in the ore-processing facility is both adequate and precise, aiming to optimize gold and silver recovery without exceeding necessary levels. Auditors confirmed that the operation actively implements these programs. The procedure identifies expected variations in the characteristics of the ore fed into the mill and adjusts the cyanide addition rate accordingly. Additionally, the operation conducts sampling and analysis of tailings to monitor residual cyanide levels, facilitating real-time adjustments to dosing rates for optimal efficiency. La Herradura employs both manual and automated strategies for cyanide addition control. The manual approach involves sampling various process points—including the thickener, seven agitation reactors, and LCCs 1 and 5—every four hours, followed by laboratory analysis onsite. The automated method for the first train of the DLP incorporates a CyanoProbe sampler, which regulates a variable-speed pump for cyanide addition at the first agitation reactor. At the time of the site visit, a CyanoProbe installation for the second train of the DLP was still pending. Auditors reviewed operator log sheets along with CyanoProbe output spreadsheets to confirm compliance. La Herradura initiated a comprehensive assessment to establish suitable cyanide addition rates for milling processes and periodically re-evaluates these rates when ore types vary. As noted in the most recent audit report, bottle roll testing conducted in 2011 initially determined a cyanide addition rate of 250 grams per ton, supporting a target concentration of 300 mg/L free cyanide in agitation circuits. Further testing in late 2018 focused on the sulfide portion of the ore body and suggested the potential need for increased cyanide addition rates for future processing. During this audit period, auditors interviewed the process plant advisor and examined laboratory report spreadsheets to verify adherence to these established practices. The mine's internal

laboratory frequently conducts analyses to assess gold content and ore mineralogy, alongside bottle tests to determine recovery rates. Based on these findings, plant advisors recommend optimal cyanide dosage levels. Samples are taken every four hours to analyze pulp cyanide concentrations, targeting operating values between 300–350 parts per million. Standard operating procedures (SOPs) PO-PL-28-Reactor (Agitation-Leaching) and PO-PL-29-Thickener-Wash-Countercurrent specify sampling methods for reactors, thickeners, and countercurrent washing to monitor free cyanide quantities. If cyanide concentrations are overly high, dosing rates are reduced accordingly. Complementary checks are performed in the titration area to assess cyanide levels in specific samples, although current material variability has proven relatively low.

4.3 Implement a comprehensive water management program to protect against unintentional releases.

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 4.3

Discuss the basis for the Finding/Deficiencies Identified:

The auditors verified that the operation has developed and implemented a water balance that adequately incorporates relevant factors. They also confirmed that the site carries out necessary measures to continuously maintain this balance, thereby preventing the overtopping of the TSF. La Herradura's operational water balance operates on a monthly time step and is thorough, taking into account critical aspects such as tailings deposition rates, precipitation, evaporation, seepage rates, and undiverted run-on from upgradient areas. The model is probabilistic, addressing uncertainties and variabilities in predicting precipitation patterns. It factors in the frequency and distribution of precipitation, including extreme events and seasonal fluctuations. Additionally, the model incorporates scenarios for significant conditions, such as the 100-year 24-hour storm, probable maximum precipitation, and wet year occurrences. The auditors reviewed the associated spreadsheet to ensure compliance with these evaluations.

The fundamentals of the water balance at La Herradura remain unchanged since the last certification audit, as there have been no alterations to the operating conditions. Nonetheless, the model is periodically updated using on-site meteorological data. The following aspects are considered relevant for the facility and its surrounding environment: a) The water balance model is updated monthly, incorporating measured tailings inflow rates, as well as estimates of solids and water volumes based on the total slurry volume. The operation includes a weather station located in the TSF viewpoint area that transmits data online. This allows the mine to maintain a meteorological database, which is used to contribute monthly to the water balance managed by the TSF sector of the plant department. Among other uses, this water balance is employed to

estimate the TSF's lifespan and to assess the impact of increasing milling volume based on the available recovered water. b) The default scenario within the model accounts for a 100-year, 24-hour storm with 184 millimeters of precipitation. During interviews, La Herradura also provided results for scenarios involving a 100-year, 24-hour storm during a wet year and a probable maximum precipitation event of 342 millimeters. Monthly updates to the model include rerunning the 100-year, 24-hour flood scenario to ensure a minimum freeboard of 2 meters is maintained. These scenarios, along with the consistent updates, demonstrate the ongoing evaluation of potential overtopping risks for the TSF. c) As detailed in the prior audit report, historical precipitation data from a government-operated weather station in Sonoita, Sonora (approximately 78 kilometers from the site) were calibrated with on-site precipitation records to establish a dataset spanning from 1948 to 2018 for water balance purposes. Evaporation rates are calculated based on solar radiation, wind, and temperature readings from the site's weather station, both of which reflect local conditions. In 2020, the mine installed a Campbell Scientific automated weather station on-site, streaming real-time meteorological data to enhance the precision of precipitation and evaporation measurements in representing actual conditions. d) Run-on from stockpiles located north of the TSF is included in the model, as it is not diverted. The runoff volumes are calculated using US Soil Conservation Service curve-number methods which account for watershed conditions. e) Freezing and thawing conditions are extremely rare in the Sonoran Desert and are therefore excluded from the model. f) Solution losses in the model primarily account for reclaim water pumping and evaporation. Evaporation losses are estimated separately for the free water surface of the decant pool and the wet tailings surface. Seepage is excluded because the TSF is lined with a geomembrane. g) The model assumes no impact from power outages since tailings flow into the TSF and reclaim water flow out would cease in such events. h) No treatment or discharge of water occurs at La Herradura. Instead, owing to the arid climate, decant water from tailings is reused. No additional design elements that could impact the water balance have been identified. Furthermore, groundwater levels are considerably deep, and the geomembrane lining of the TSF reinforces containment measures effectively.

The water balance and design documentation for the TSF were reviewed to ensure that a minimum freeboard above the design storage capacity is clearly specified. Additionally, the operation's inspection records were examined to confirm that this facility is managed with sufficient freeboard. La Herradura has both designed and operated the TSF with an adequate safety margin above its storage capacity. While Mexican regulations mandate a minimum freeboard of 1 meter, La Herradura has implemented a more conservative standard, maintaining a minimum freeboard of 2 meters. This is supported by two key reports: the Engineering Design Report for Stage 3 and the Determination of the Maximum Extraordinary Water Levels for the TSF. Furthermore, as outlined in Section VII of the Operation, Maintenance, and Surveillance Manual, monthly model updates must incorporate current data and reassess the 100-year, 24-hour storm scenario to ensure the prescribed minimum freeboard is consistently maintained.

Inspections and monitoring activities required to ensure compliance with the operation's water balance have been incorporated into its operating plans. These activities include monitoring the

freeboard and solution volume within the Tailings Storage Facility (TSF). Annual inspections are conducted on surface water diversion structures designed to manage run-on from upstream watersheds, considering the arid conditions of the region. Verification was carried out through a review of the facility's operating plans, procedures, and inspection records, confirming that the necessary inspection and monitoring tasks are being performed. La Herradura has implemented its water balance through specific operating procedures aimed at preventing TSF overtopping and unplanned cyanide solution discharges into the environment. The water balance is revised monthly using updated precipitation and evaporation data in conjunction with drone surveys of exposed tailings and water surfaces in the TSF. Water surface elevations are monitored daily with staff gages installed at five fixed locations, and the data is recorded on an inspection form. Each model update also simulates the 100-year, 24-hour flood event to ensure that the required minimum freeboard capacity is maintained.

The operation measures precipitation at the site and routinely compares it with the design assumptions used to develop the water balance model. Precipitation monitoring is conducted on-site, and related records have been made available for the auditor's review. La Herradura collects precipitation data from a weather station located at the site and an additional station at its nearby Noche Buena Mine. These records are compiled in the BD Lluvias tab of the spreadsheet model. The most recent comparison of precipitation data against design assumptions was documented in the 2017 Climatic Characterization report. This report presented a higher value for the 100-year, 24-hour storm (184 mm) compared to the most recent design report for Stage 3 of the TSF, which recorded 117 mm. Consequently, La Herradura adopts the higher value in its operational water balance model. Additionally, the 2017 report estimated the probable maximum precipitation to be 342 mm. Based on these measurements, La Herradura has adjusted its operating practices as necessary.

4.4 Implement measures to protect birds, other wildlife and livestock from adverse effects of cyanide process solutions.

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 4.4

Discuss the basis for the Finding/Deficiencies Identified:

The TSF is the sole cyanide facility at the DLP with open water. Although WAD cyanide concentrations in the TSF generally remained below 50 mg/l during the recertification period, the operation implemented additional safety measures. A barbed wire fence was erected along the property boundary, roughly 600 meters from the TSF, to limit access for wildlife and livestock. Furthermore, La Herradura installed netting over the LCC columns to prevent birds from accessing the area, despite this precaution not being mandated by the Code.

La Herradura provided the results of daily monitoring for WAD and free cyanide conducted at the TSF discharge between September 20 and October 17, 2025. The recorded WAD cyanide levels ranged between 7 and 43 ppm, with an average of 32 ppm. It is worth noting that all measured values remained below 40 ppm, except for one instance where it reached 43 ppm. La Herradura will continue monitoring WAD cyanide levels at the TSF discharge. In addition, La Herradura staff take water samples from the decant pool every two to three days to analyze WAD cyanide levels in their internal laboratory. The results from both sources consistently demonstrated that WAD cyanide concentrations remained under 50 mg/. La Herradura presented both internal and external analytical data confirming that during the recertification audit period, the open water in the TSF maintained concentrations below 50 mg/l. Monthly sampling is conducted by an external laboratory, ALS, at four tailings spigots to measure free, WAD, and total cyanide levels.

La Herradura has successfully minimized significant wildlife mortality in the open waters of the TSF by keeping WAD cyanide concentrations below 50 mg/l. While the DLP and MCP-DLP lack open waters, La Herradura conducts weekly inspections to monitor potential wildlife mortality in the DPL and MCP-DLP surroundings of isotanks discharge and reactors. For the TSF conducts daily inspections These inspections follow a documented procedure, and no wildlife deaths were reported during the recertification period. This finding was corroborated by a review of the monthly safety and environmental incident reports for the same period. The auditors determined that the implemented measures effectively prevent mortalities among wildlife, cattle, and birds.

There is no heap leach facility associated with the DLP.

4.5 Implement measures to protect fish and wildlife from direct and indirect discharges of cyanide process solutions to surface water.

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 4.5

Discuss the basis for the Finding/Deficiencies Identified:

La Herradura does not have any direct or indirect discharges to surface water. The operation annually inspects the diversions through and around the site for the presence of seeps into these normally dry channels.

4.6 Implement measures designed to manage seepage from cyanide facilities to protect the beneficial uses of groundwater.

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 4.6

Discuss the basis for the Finding/Deficiencies Identified:

La Herradura has introduced targeted water management strategies to safeguard the beneficial use of groundwater located beneath and just downstream of the operation. Concrete secondary containment structures and floors have been constructed in plant areas and pump stations, while pipelines are housed within secondary containment systems. Additionally, the Tailings Storage Facility (TSF) has been lined with geomembrane. These measures effectively reduce the likelihood of solutions seeping into the groundwater, which is situated roughly 90 to 100 meters below the surface.

The groundwater standard set by the Mexican authority PROFEPA for irrigation use establishes a limit of 0.02 mg/l for total cyanide. Although no specific point of compliance is defined, La Herradura conducts semi-annual sampling of two groundwater monitoring wells positioned downgradient of the TSF, DLP, and MCP-DLP. During the recertification period, total cyanide levels in both wells were below detectable levels at 0.012 mg/l. Consequently, the concentrations of total cyanide remained below the regulatory thresholds applicable to irrigation purposes during the years prior to the site visit.

La Herradura does not use mill tailings as underground backfill.

La Herradura does not have seepage that has caused cyanide concentration of groundwater to rise about levels protective of beneficial use and therefore no remedial activity is currently required.

4.7 Provide spill prevention or containment measures for process tanks and pipelines.

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 4.7

Discuss the basis for the Finding/Deficiencies Identified:

Secondary containments have been installed at DLP Trains 1 and 2 for tanks holding cyanide solution, including leach tanks, tailings thickeners, and other process solution tanks and vessels with WAD cyanide concentrations of 0.5 mg/l or higher. The design drawings, previously reviewed during the last audit, were confirmed to meet conformance standards. These containments are designed in such a way that, in most cases, they are interconnected, allowing

solutions to flow to subsequent containments without risking overflow and without requiring pumps. As highlighted in the previous audit report, La Herradura has provided concrete secondary containments with floors and walls for the following tanks containing high-strength cyanide and other process solutions: dilution, storage, and dosing tanks equipped with a sump and an automatic pump to return solutions to the circuit; DLP Trains 1 and 2, including thickeners, LCC vessels, and agitators, are served by sumps with automatic pumps as well as gravity-based interconnections; for DLP Train 1, the process solution tank and reclaim water tank use gravity flow to discharge into the secondary containment servicing the agitators; for DLP Train 2, the process solution tank and reclaim water tank utilize gravity flow through other containments to the Contingency Pond; the re-pulping tank at TSF features gravity overflow to the adjacent TSF; MCP-DLP incorporates a shared concrete secondary containment system with grated concrete channels leading to a sump with an automatic pump for returning solutions to the circuit; and the ILR within the mill building for DLP Train 2 is outfitted with a sump and an automatic pump.

All secondary containment systems are sufficiently designed to accommodate the volume of the largest tank within each containment area, including any solution that could flow back from associated piping, along with additional capacity for a design storm event. The containment capacity was reviewed during the most recent cyanide audit and deemed compliant. In cases where the containment for agitators is undersized, it drains by gravity into the thickeners' containment area. Together, these structures provide a surplus capacity of 176% beyond the largest vessel in either containment. To ensure compliance, auditors examined the last audit report's data on tank dimensions and assessed calculations of available containment volume, factoring in space occupied by tanks, other equipment, and associated foundations. Additionally, visual inspections confirmed that no materials stored within the containment areas compromise their capacity.

La Herradura has an established procedure outlining the management of cyanide solutions or cyanide-contaminated water collected in secondary containment areas. This procedure details how the operation assesses whether the water contains cyanide and the subsequent steps taken based on that determination. The system is equipped with sumps, along with dedicated pumps and piping, designed to redirect all such water back into the production process. Regular inspections and preventive maintenance ensure the system operates effectively. The procedure also explains the use of automatic pumps and gravity-flow interconnections within the sumps to prevent any environmental discharge. All liquids within the containment areas are treated as process solutions and are reintegrated into the process circuits.

All cyanide process tanks at La Herradura have concrete secondary containment.

The HDPE pipe leading out from the sump pump in the TK 7 leaching area at PLD 1 was found secured with ropes. This arrangement could result in a spill due to vibrations. Properly securing the pipe using accepted engineering practices was required, along with submitting photos of the completed work. Following the audit, La Herradura provided pictures demonstrating that the pipe

had been properly secured using metal components in accordance with standard engineering practices. No further action was necessary. Some cracks and fissures were detected in the secondary containment area of the leaching tanks in PLD1. It was required to continue sealing and waterproofing work on the area until achieving a competent surface to prevent cyanide solution infiltration into the subsoil. Photographs of the completed work were requested. Following the audit, La Herradura provided photos demonstrating that all waterproofing work on secondary containment areas, which had been found in progress during the audit visit, was fully completed. The images showed a well-finished surface, confirming compliance in this regard. For the tailings transport and disposal pipelines system it was observed that pipelines lacked secondary containment at the crossing point before reaching the tailings deposit. Steel pipelines carrying tailings and HDPE pipelines transporting recovered water were identified with disconnected casing segments, rendering them ineffective as impermeable channels for containing spills. Additionally, in the same area, it was noted that the casing passing beneath the crossing was obstructed by soil and vegetation, potentially causing overflow in case of any spills. Moreover, sections of HDPE pipelines without secondary containment were found in this area as well as near the water intake zone at "El Chino". It was not verified whether the pipe inspection forms for the tailings deposit included a review of the secondary containment status. Actions required included repairing the casing to form an impermeable secondary containment surface, clearing debris and vegetation from the secondary containment at the crossing entrance, providing secondary containment for all unprotected pipeline sections, and submitting photographs of the completed work. Furthermore, pipe inspections for the tailings deposit section were required to include a review of secondary containment conditions, alongside records of inspections conducted over a 30-day period. Following the audit, La Herradura provided a comprehensive set of photographs documenting the completed work on the pipeline system used for tailings transport and disposal. The images showed the installation of secondary containment for all piping, the repair of casings to establish an impermeable secondary containment system, and the removal of debris and vegetation. Additionally, La Herradura submitted a month's worth of completed inspection records related to the pipelines used for tailings transport and water recovery from the TSF. These records included details on the condition of the secondary containment, demonstrating their efforts to maintain this aspect of operation. No further information was required to confirm full compliance with this protocol question. La Herradura has implemented measures to prevent spills and contain cyanide process solution leaks, aiming to protect the environment. High-strength cyanide pipelines, running between the storage area and the addition points, are placed over metal trays or concrete for added safety. Within the DLP and MCP-DLP areas, process solution pipelines are primarily installed over concrete. The process solution pipelines connecting the DLP and MCP-DLP use a pipe-in-pipe system. Tailings and reclaim water pipelines between the DLP and the re-pulping tank are housed within two rectangular concrete launders or, where they cross an access road, in a single large metal tray. Additionally, pipelines extending from the re-pulping tank to the TSF, as well as those transporting process and reclaim water from tanks on the hill to the DLP, have been installed using pipe-in-pipe systems and are supported by concrete structures.

No pipelines associated with the DLP cross any water courses. The arid climate results in only ephemeral water courses without any perennial waters or ponds.

La Herradura has manufactured tanks, columns, vessels, and pipelines using materials designed to withstand cyanide exposure and high pH environments. The tanks, columns, and vessels were made from mild steel with industrial-grade coatings, while the pipelines were constructed using high-density polyethylene (HDPE), stainless steel, or mild steel with industrial coatings, depending on the internal pressure requirements. During the audit, these materials were observed to be in good condition.

4.8 Implement quality control/quality assurance procedures to confirm that cyanide facilities are constructed according to accepted engineering standards and specifications.

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 4.8

Describe the basis for the Finding/Deficiencies Identified:

Quality assurance and quality control (QA/QC) programs were applied throughout the construction and expansion of the cyanide facilities. Key installations, including the tailings impoundment, the DLP and associated equipment, reagent-strength cyanide tanks, as well as the concrete containments, supports, and piping for these facilities, were all completed under established QA/QC protocols. As noted in previous audit reports, the operation possessed comprehensive QA/QC documentation for facilities that had been constructed before the current audit cycle. No new facilities have been constructed and operated since the 2022 recertification audit.

La Herradura has successfully implemented QA/QC programs to evaluate material suitability, proper compaction, geomembrane liner installation, and other essential aspects. Previous audit reports have confirmed that all necessary QA/QC documentation for facilities constructed prior to the current audit cycle was available and compliant. Documents include numerous QA/QC reports encompassing material suitability, earthwork placement and compaction, laboratory testing, liner installation, and as-built drawings. The corresponding reports confirming the project's completion was available and comprehensive. Project specifications outline requirements and procedures for material selection, handling, installation/construction, and testing. The QA/QC plans sufficiently addresses the testing frequency, methodology, and minimum performance outcomes for critical earthwork and geosynthetic installation components. The final QA/QC reports includes weekly construction logs, photographic documentation of site activities, laboratory test results for soil materials used in construction, manufacturing quality

control records for geosynthetics, and field QA/QC testing, among others, for geosynthetic installations.

The operation maintains QA/QC documentation for all active cyanide facilities. Records were accessible, verifying that the operation has preserved its QA/QC information for all active cyanide facilities built before the initial Code certification audit. During the current recertification audit, auditors confirmed that La Herradura's PLD Plant Special Projects Department continues to maintain an organized archive of comprehensive construction records in hard copy at the mine site. These records are systematically managed to allow easy access and reference. They also maintain a comprehensive digital archive of the as-built engineering plans for PLD 1 and 2, which includes the QA/QC construction documents for the plants.

As outlined in the previous certification audit report, qualified engineering firms conducted QA/QC inspections and reviews throughout the construction process. They also prepared final construction reports, certifying that the facilities were built in compliance with the design drawings and technical specifications. Construction records include approvals from appropriately qualified engineers holding professional registrations and prior experience in QA/QC and construction practices.

La Herradura has as-built drawings/certification for all cyanide facilities which are properly stamped by a qualified engineer.

4.9 Implement monitoring programs to evaluate the effects of cyanide use on wildlife, and surface and groundwater quality.

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 4.9

Describe the basis for the Finding/Deficiencies Identified:

La Herradura has established documented standard procedures for monitoring wildlife, tailings, and groundwater at the site. Due to the extreme aridity of the region, surface water monitoring is not applicable. The site has implemented a formal procedure that includes daily monitoring of wildlife, along with clear guidelines for reporting any observed mortalities. During the certification period, La Herradura engaged ALS-INDEQUIM SA DE CV, an analytical laboratory based in Monterrey and a subsidiary of the ALS Laboratory Group (ALS), to conduct its monitoring activities. ALS has created a comprehensive procedure manual for analyzing various types of water, focusing on those pertinent to the site, such as tailings and groundwater.

Sampling procedures have been established by qualified operational personnel and external experts who specialize in environmental monitoring and analysis plans. This includes individuals holding degrees in relevant scientific disciplines and possessing hands-on experience in sampling and analytical techniques. The sampling plan was developed by ALS laboratory that holds accreditation from the Mexican Accreditation Entity (EMA). The two key procedures—PT-40-12 Tailings Sampling R-5 and PT-40-01 Procedure for Sampling Water and Wastewater R-11—were created by ALS's Sampling Coordinator, a registered professional with bachelor's degree in industrial chemistry along with 21 years of experience. These procedures are endorsed by ALS's Quality Manager, also a registered professional with a degree in Pharmaceutical Chemistry Biology and 30 years of expertise.

The sampling and sample handling procedures developed by the contracted laboratory, ALS, detail the essential protocols for equipment usage, methods, containerization, preservation, and shipping of samples. These procedures also include blank field forms and a blank chain-of-custody form to ensure proper documentation. ALS laboratory staff are responsible for conducting the sampling and transporting the samples to their laboratory, adhering to guidelines that specify analysis for both total and WAD cyanide. Tailings and groundwater samples are collected under the supervision of personnel from La Herradura. During the recertification audit, auditors verified completed examples of chain-of-custody forms and field forms, confirming their correct usage throughout this period. The 2025 La Herradura Environmental Sampling and Monitoring Program outlines the specific monitoring locations, which consist of extraction points in the tailings storage facility and monitoring wells situated within the site, at the process plant, and both upstream and downstream gradients. Auditors also examined a map detailing the placement of groundwater monitoring wells around the site for reference.

The operation maintains field reports that log sampling conditions potentially impacting analysis, such as weather, livestock or wildlife activity, and anthropogenic factors. ALS samplers document weather and other relevant conditions on field data sheets completed during sampling. These forms include details such as service requests, chain-of-custody information, container types, preservatives used, sampling equipment, calibration of field instruments, field parameters during purging, wellhead conditions, weather data, a list of constituents, and additional observations that may influence sample integrity. Auditors reviewed the completed field forms for tailings and groundwater sampling to confirm that the operation accurately records this information.

La Herradura carries out monitoring at intervals suitable to effectively assess the monitored medium and promptly detect any changes. Groundwater monitoring is conducted semiannually, aligning well with the nature of the site's deep groundwater. Tailings around the spigots are checked dayli, while the decant pool is assessed every two to three days. Wildlife mortalities at the TSF are monitored on a daily basis. Due to the site's extreme aridity, no surface water monitoring is required.

5. DECOMMISSIONING: Protect communities and the environment from cyanide through development and implementation of decommissioning plans for cyanide facilities.

Standards of Practice

5.1 Plan and implement procedures for effective decommissioning of cyanide facilities to protect human health, wildlife, livestock, and the environment.

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 5.1

Describe the basis for the Finding/Deficiencies Identified:

La Herradura has established written procedures for unloading and preparing cyanide solutions, supported by evidence of their practical application. These tasks are governed by Standard Operating Procedures, training documents, and checklists. Compliance with these procedures was validated through both direct observation and personnel interviews during the site visit. The cyanide preparation protocol provides step-by-step instructions for operating the valves, couplings, and pumps associated with the dilution tank and isotanker. A checklist accompanies the procedure, signed by both the isotank driver and the mine operator. The auditors reviewed completed checklists and observed an unloading operation on-site to verify adherence to these protocols. Additionally, the auditors confirmed that the operation has a comprehensive decommissioning plan. This plan, aligned with the overall closure strategy for the site, thoroughly addresses the management of cyanide facilities after production activities cease. It includes measures to handle cyanide residues and prepares the site for closure and post-closure phases, ensuring that remaining cyanide and cyanide-containing solutions do not pose risks to people, wildlife, or the environment. The plan specifies various actions tailored to cyanide facilities, including decontamination of equipment; removal of residual cyanide reagents; neutralization of process solutions, and implementation of controls for managing surface or groundwater, such as treatment systems during the closure period. These measures are integrated into La Herradura's Conceptual Closure Plan, which encompasses specific strategies for the Dynamic Leaching Plant (DLP) and related facilities. The plan, updated in 2023 by SRK Consulting, incorporates activities addressing the removal of residual chemicals and decontamination processes. It also references a 2018 SRK Technical Memorandum covering Stage 3 of the Tailings Storage Facility (TSF). Appendix D of the Conceptual Closure Plan outlines decontamination procedures, including flushing and potential use of sodium hypochlorite to reduce WAD cyanide concentrations to below 0.5 mg/L. No additional post-closure measures are proposed for

groundwater or surface water management beyond these procedures.

La Herradura showed the February 15, 2024, version of the Closure Plan prepared by SRK Consulting (U.S.), Inc. In the Scheduling section the plan outlines a general timeline of activities for the pre-closure, closure, and post-closure periods, including a table detailing the closure schedule. The pre-closure phase covers the three years leading up to the execution of the closure activities. It is estimated that mine reclamation and closure will take approximately three years to complete. The post-closure phase spans twenty years; however, this could be extended if site conditions fail to meet regulatory requirements. The decommissioning plan and procedures for the operation include a timeline outlining the sequence and duration of the proposed activities. This schedule specifies the order in which tasks will be executed and their respective timeframes, starting from when the operation discontinues production or when a particular cyanide facility is no longer active. Section 6 of the decommissioning plan states its implementation will start in 2034. Appendix D of the SRK Conceptual Closure Plan provides an overview of the general closure schedule, including decommissioning tasks. It organizes the timeline into generic years: three years are allocated for pre-closure preparations, three years for closure activities, and 17 years for post-closure processes, spanning years 4 through 20. The decommissioning efforts are conducted during the three-year closure phase.

The decommissioning plan has undergone review and updates during this certification period to ensure it remains relevant and aligned with the evolving nature of ongoing operations. The plan is updated biannually to incorporate operational changes that impact decommissioning processes, as well as revisions to planned techniques and measures. The mine's decommissioning plan includes a provision mandating its periodic review and revision. Auditors examined various versions of the closure plans, specifically those from 2018, 2020, and the most recent version from 2023, which was assessed in this audit. This review confirmed that the current plan adequately addresses all operational expansions and modifications that significantly influence the plan and its estimated costs. Section 10.5 of the plan provides a detailed comparison outlining the differences between the various versions of the plan.

5.2 Establish a financial assurance mechanism capable of fully funding cyanide-related decommissioning activities.

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 5.2

Describe the basis for this Finding/Deficiencies Identified:

The operation includes a cost estimate to ensure financial assurance. This estimate represents the expenses required to fully fund the closure plan, including hiring a third-party contractor to

mobilize, carry out the planned activities, and demobilize from the site. The cost estimate, prepared by SRK, is based on rates applicable to external contractors. It includes detailed line items for cyanide-related decommissioning activities and their associated costs. The 2023 closure plan updated by SRK provides an estimate for fully funding the third-party execution of all closure activities at La Herradura. The planning encompasses the DLP and the separately certified heap leach facilities (HLF) at La Herradura. The estimated costs specifically address cyanide-related decommissioning measures. As indicated in Section 10 of the Plan, these costs are calculated on a third-party basis, with notes in Appendix A confirming that third-party rates were applied. The estimate covers tasks such as decontamination, disposal of residual solutions, and other decommissioning efforts across all cyanide-related facilities, including the DLP, MCP-DLP, and TSF. The auditor reviewed the ARO (Asset Retirement Obligation) updated by SRK Consulting in 2023. An Asset Retirement Obligation is a legal obligation associated with the retirement of a long-lived asset as the company is responsible for safely disposing of and cleaning up the mine operation at the end of its operational life. The ARO accounts for costs related to decommissioning and environmental remediation.

Decommissioning cost estimates are reviewed and updated every two years, incorporating any changes to the plan that impact cyanide-related decommissioning activities and associated costs. Closure plan versions from 2018, 2020 and the latest from 2023 were made available for review.

The relevant jurisdiction does not require financial guarantee in the form of an approved financial mechanism.

The operation has implemented a self-insurance mechanism to fund the expenses associated with cyanide-related decommissioning activities outlined in its decommissioning strategy.

Self-insurance serves as the financial mechanism implemented by the mine to guarantee the resources necessary for mine closure. The mine presented documentation from Ernst & Young, a team of qualified external financial auditors, confirming the mine's sufficient financial capability to meet this obligation. The assessment was based on the latest audited financial information, overseen by Fresnillo plc's Finance Director, and detailed in Annex A, titled "Statements of the administration of Minera Penmont, S. de R.L. de C.V., and equipment supplier Fresne, S.A. de C.V. (henceforth 'Penmont') in relation to compliance with the requirements of Section 40 CFR 264.143 (f) of the 'Code of Federal Regulation' of the United States of America," as of December 31, 2024. On August 29, 2025, Ernst & Young delivered an attestation report to Minera Penmont' s Administration, signed by independent public accountant Alejandro Ruiz Onofre, Audit Partner at Mancera, S.C., a member firm of Ernst & Young Global. The report concluded that the calculations and declarations made within the Administration Statements section of Exhibit "A" are accurate.

6. WORKER SAFETY: Protect workers' health and safety from exposure to cyanide.

Standards of Practice

6.1 Identify potential cyanide exposure scenarios and take measures as necessary to eliminate, reduce and control them.

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 6.1

Describe the basis for the Finding/Deficiencies Identified:

La Herradura has developed operating procedures for the DLP process that describe the steps, controls and precautions to be taken in facilities where cyanide is used, that are aimed to minimize worker exposure to cyanide. These procedures provide detailed information on risks involved with each task and adequately describe safe work practices. Documented procedures have been prepared for mixing cyanide solutions; operation of the DLP trains, Merrill Crowe plant (MC-DLP); entry into confined spaces; equipment decontamination prior to conducting maintenance activities; stoppage and startup of the DLP and MC-DLP plant; among others. There are approximately 15 procedures related to cyanide management at the DLP and MC-DLP. The procedures are reviewed every two years and updated as necessary. In addition, La Herradura achieved in 2025 ISO14001:2015 recertification of its environmental management system and ISO45001 recertification for its safety management system. Both certifications are valid for three years. All procedures include a section related to Personal Protective Equipment (PPE) requirements, considerations of safety hazards, potential impacts to worker exposure and the environment, permits needed to conduct the task, and a reaction plan in case of upset conditions. Procedures were reviewed and found to be sufficiently detailed to enable safe operation and to minimize worker exposure.

La Herradura has standardized the development of procedures which includes a section with required personal protective equipment (PPE) for each activity. La Herradura developed an in-house risk matrix to define required PPE for each activity. This risk matrix, dated February 2024, meets local requirements, and is updated every two years. The procedures include the following sections: Objectives, scope, definitions, responsibilities, tools/equipment to perform the task, personal protective equipment (PPE) required for each task, considerations of safety and health risks and environmental aspects, work permits, description of the tasks, reaction plan, registers, appendices and log of changes to the procedures. Prior to conducting an activity, Job Hazard Analysis (AST, by its acronym in Spanish) for non-routine activities and pre-work inspections are completed when applicable to help identify controls and PPE needed for that activity. The

auditors verified that a pre-work inspection was completed prior to the cyanide mixing event. Pre-work inspections for cyanide mixing were reviewed for the recertification period and were found to be complete. Examples of permits for working in confined spaces were also reviewed. In addition to the use of general PPE, such as hard-hat, steel toes shoes, and safety glasses throughout the mine site, areas and/or tasks where personnel may encounter cyanide have additional PPE requirements. It was verified during the audit that several procedures require the use of special PPE in activities or tasks where personnel may come into contact with cyanide. For example, it was confirmed that hard hat, hearing protection, rubber boots, rubber gloves, chemical suits, approved full-face respirator and HCN gas monitors were in use for tasks that were performed at the cyanide mixing area. The auditors reviewed records of AST forms and pre-work inspections for the recertification period and found them to be complete.

La Herradura has implemented several mechanisms to take into account worker input for the development of health and safety procedures. Among those, the ones to highlight are: i) Beginning of Shift Meeting (RIT meetings), which consists of 5-minute safety talks, where safety and occupational health matters are discussed with the workforce prior to starting daily activities; ii) Safety weekly meetings, where workers have the opportunity to provide opinion about safe work practices and procedures; iii) Hazard Identification and Risk Evaluation (IPER, by its acronym in Spanish), which are developed and completed by the operators prior to executing a task and are reviewed by the supervisors; iv) Review/training on procedures meetings, where the supervisor discusses the procedures with workers and operators, and they have the opportunity to provide feedback before the procedure is finally approved. Workers are trained in these procedures annually. v) Procedures are reviewed and updated as necessary every two years; Incidents/accidents investigation, where operators and unionized workers participate and have the opportunity to provide feedback related to safety. The auditors reviewed evidence of these mechanisms and found them to be acceptable to promote participation of workers in safety matters

6.2 Operate and monitor cyanide facilities to protect worker health and safety and periodically evaluate the effectiveness of health and safety measures.

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 6.2

Describe the basis for the Finding/Deficiencies Identified:

La Herradura has determined the appropriate pH for limiting the generation of HCN gas during cyanide mixing and other process activities at the DLP. Specifically for the cyanide mixing activity, procedure PO-PL-19 “Cyanide unloading from isotainer” indicates that during cyanide offload the pH should be above 10.2 standard units to avoid generation of HCN gas. Observation

of the cyanide mixing event confirmed that pH in the cyanide mix tank was checked prior to initiating the activity. The pH values are monitored in the Delta V screen and from the control room. Procedures PO-PL-28 “Reactors operation” and PO-PL-29 “Countercurrent washing thickener operation” indicate that pH values in the process solution should be maintained above 10 standard units. If required, lime is added to the mill to maintain pH levels above 10 standard units. The operation has online pH probes located at key locations in the reagents area for cyanide mixing and throughout the DLP trains and the MC-DLP. The auditors observed that the pH values are displayed at each monitoring point and on a panel in the control room. In addition, La Herradura records pH values during cyanide offload events and manually measures pH several times during each shift to ensure that it is being maintained at a high enough level to prevent the generation of HCN gas. The auditors confirmed this through interviews with process personnel, and review of pH logs for cyanide mixing. The auditors reviewed time-series graphs of pH at various stages in the process on the control room panels. Historical data was reviewed showing pH levels versus HCN gas levels for the recertification period. pH meters are maintained on a monthly basis as part of the preventive maintenance program. The auditors also reviewed calibration records for the pH meters to verify that La Herradura has maintained them in proper working order. Operators are required to register pH levels in the checklist during cyanide offload events. The checklists reviewed for the last three years indicated that pH values were maintained at all times above the minimum established value of 10.2 standard units.

La Herradura has identified areas at the DLP where workers may be exposed to cyanide in excess of 10 parts per million on an instantaneous basis and 4.7 parts per million continuously over an 8-hour period. In 2018, La Herradura conducted a risk assessment at the DLP to identify the areas of potential worker exposure to cyanide and to evaluate the need for installing new fixed HCN monitors and/or relocating the existing monitors. The risk assessments were conducted using ambient air data and HCN concentration values measured with a portable HCN monitor in the areas where cyanide is used. No changes in the location of the fixed HCN monitors have been identified for the recertification period. La Herradura has installed fixed HCN monitors at areas where workers may be exposed to HCN gas (cyanide mixing area, leaching tanks at DLP1 and DLP2, MC-DLP clarifier area, and MC-DLP zinc cone area). Fixed monitors are monitored continuously in the process plant control room. In addition, portable HCN monitors are used by operators and maintenance personnel where HCN gas can be present. Fixed HCN sensor alarms are set at 4.5 ppm (notification alert) and 10 ppm (evacuation alarm). Notification means an alert in the control room and response / attendance by an operator to determine the appropriate actions. Procedures for cyanide handling during cyanide mixing and the DLP processes identify the potential for worker exposure to cyanide and require the use of the portable HCN monitors as part of the required PPE. Signage listing the PPE requirements to enter a cyanide facility has also been installed at appropriate locations.

La Herradura has a total of 14 fixed HCN monitors MSA Ultima X across the DLP1, DLP2 and MC-DLP. These fixed monitors are located at the cyanide mixing area, leaching tanks, MC-DLP clarifier area, and MC-DLP zinc cone area. Fixed HCN monitors are checked every shift by

process personnel and are calibrated every month to ensure that the equipment is working properly. According to recommendations of the manufacturer, HCN monitors should be calibrated every six months. Portable HCN monitors MSA Ultima X (49 in total at both DLP1 and DLP2) are in use during operations where cyanide is present. 43 monitors are for the use of plant operators, and the other 6 are for use by the emergency brigade and the clinic. The Instrumentation area is in charge of maintaining and calibrating these portable monitors. Personal protection equipment (PPE) requirements defined in cyanide handling procedures and maintenance procedures call for the use of a personal HCN monitor during specific operations where there is a potential for exposure to HCN gas. Operators and maintenance personnel were observed using these monitors throughout the field audit. Fixed and portable HCN monitors are set up to produce visual and sound alarms at 4.5 ppm and 10 ppm, respectively, to limit worker exposure to HCN. La Herradura has implemented a system to ensure that the portable HCN monitors used by contractors and providers (i.e. cyanide transportation company) working at the DLP are calibrated before being used in the process area.

HCN fixed and portable monitors are calibrated on a regular basis, and records are kept in the maintenance system called MAXIMO. Fixed cyanide monitors are calibrated every month to ensure that the equipment is working properly. The Instrumentation area keeps records of calibration for the MSA Serie Ultima X fixed monitors. According to the manufacturer, this monitoring equipment should be calibrated every six months. Portable HCN monitors are calibrated every month to ensure that the alarms at 4.5 and 10 ppm are set and working properly. According to the manufacturer, this monitoring equipment should be calibrated every six months. Calibration records for the fixed and portable monitors are maintained indefinitely and were available for review. The auditors reviewed maintenance and calibration records for both fixed and portable monitors and found them to be complete. This requirement was verified through review of calibration records for the recertification period and discussions with Instrumentation personnel.

Warning signs are posted in all areas where cyanide is present, advising workers that cyanide is present and that smoking, open flames and eating and drinking are not allowed, and that, if necessary, suitable personal protective equipment must be worn. The signs are in Spanish, which is the language of the workforce. The PPE requirements are also posted in each area. Pictograms indicate the required PPE. The auditors completed visual inspections of signage at the cyanide mixing area, DLP, MC-DLP, tailings pipelines and tailings storage facility and found that signage was adequate. Induction training for employees includes information on typical warning signage used at La Herradura for cyanide.

High strength cyanide solution is dyed in red color for clear identification. La Herradura uses sodium cyanide from Draslovka. Draslovka sends the dye mix inside the isotainers together with the cyanide briquettes so that during the mixing operation, the high strength (>20%) cyanide solution turn into a red color solution. This requirement was visually verified by the auditors during

the field visit and is also indicated on the checklist of the transporter Segutal before the isotank is shipped to site.

La Herradura has installed showers, eyewash stations and fire extinguishers at strategic locations throughout the DLP facilities in all areas where there is potential for exposure to cyanide. Showers and eyewash stations are inspected weekly by process personnel to ensure that they are operational and that water flows are adequate. The auditors checked showers and eyewash stations during the site tour to verify functionality and verified that they were inspected to ensure they are operational prior to cyanide mixing. The auditors also reviewed records of checklists and inspections of showers and eyewash stations. To protect against fire, dry chemical powder fire extinguishers are used where cyanide is present to prevent generation of HCN gas whilst extinguishing a fire. There are 98 extinguishers at DLP1, 63 at DLP2, 54 at MC-DLP, 18 at the crusher, and 8 at the TSF. Fire extinguishers are inspected and tested monthly by Process operators. The auditors randomly checked fire extinguishers to confirm they are an acceptable type for use with cyanide. Verification was through visual inspection of showers, low-pressure eyewash stations and fire extinguishers in areas where cyanide is used, and review of inspection records. The auditors verified that the showers and eyewash stations are functional and that water pressure in the eyewash stations are appropriate. In addition, maintenance and recharge of the fire extinguishers is conducted annually or as needed.

La Herradura has identified tanks and pipelines that contain cyanide solution to alert workers of their contents. Pipes containing cyanide are marked as containing cyanide solution, and flow direction is indicated. Labeling is typically located at places to easily identify and track the lines to identity contents. For pipelines, flow direction arrows for cyanide bearing lines are used to allow personnel to understand the flow and possible exposures and/or response requirements to leaks and/or maintenance work. Cyanide mixing, cyanide storage, cyanide distribution and process tanks are marked as containing cyanide. Signage warning of confined spaces in tanks has also been placed. The auditors followed the cyanide solution circuit from the cyanide mixing area to the DLP facilities. During the visual inspection of the DLP and interview with operators, there is evidence that workers are aware of the meaning of signage applied in the operation to identify cyanide presence. The auditors consider that signage used to identify cyanide tanks and piping is adequate.

La Herradura has available Safety Data Sheets (SDS) and first aids procedures at critical areas where cyanide is managed. Binders with this information were available at various locations where cyanide is used. The information was found to be in Spanish, the workforce language at the site. The SDS was provided by Draslovka and the auditors verified that it corresponds to the latest version provided by the manufacturer. In addition to the SDS sheets, signage is available to alert personnel from chemicals and required emergency response requirements in the high-risk cyanide areas. The auditors found evidence of SDS and first aid procedures located at the observation room by the cyanide mixing area, the control rooms at DLP1 and DLP2, leaching

tanks, the MC-DLP, and at the clinic. Verification was conducted by visual verification of material included in the binders.

Procedure PS-HE-10 “Incidents” details the process to report, investigate and evaluate all accidents and incidents, including cyanide exposure incidents. This procedure documents the requirements to report and investigate health, safety and environmental related incidents to determine the basic causes of the incident and provide corrective and preventive actions to ensure that a similar incident does not recur. Accidents and incidents/near misses are classified according to their severity. Preliminary report forms are used to initially communicate the accident/incident. The accident/incident report is distributed within management staff. The incident investigation procedure was reviewed during the audit and was found to be comprehensive. Examples were available to show that several minor incidents had been appropriately investigated, and corrective actions taken and followed up until they are closed. No cyanide related emergencies occurred during this recertification cycle requiring the implementation of the emergency response procedures, or notification to ICMI.

6.3 Develop and implement emergency response plans and procedures to respond to worker exposure to cyanide.

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 6.3

Summarize the basis for this Finding/Deficiencies Identified:

La Herradura has made available necessary safety equipment including antidote kits, fresh water, oxygen, resuscitators, radios, telephones, and alarm systems at the cyanide mixing area, DLP facilities process plant areas, and at the clinic. Cyanide kits are stored at four key locations: observation room by the cyanide mixing area, leaching tanks, MC-DLP, and at the chemical lab. The kits consist of oxygen, activated charcoal, water, masks, and gausses. Operators are required to carry a radio while performing their tasks in the most critical areas where cyanide is handled, such as the cyanide mixing facilities. Emergency notification would be via cellular phone or internal radio frequency and by telephones located within the DLP facilities. Cyanide antidote sodium thiosulfate/sodium nitrate, oxygen bottles and resuscitators are also available at the clinic. Two ambulances are also located in the clinic. Automated External Defibrillator (AED) resuscitator equipment is located at the site´s clinic and in the ambulances. The ambulances also carry oxygen bottles. The locations of the emergency equipment were deemed to be appropriate for the operation.

First aid equipment is regularly checked by both Process personnel and medical personnel. This includes inspections of cyanide antidote kits, first aid kits, eyewash stations and emergency

showers. Inspections include checks of expiration dates of cyanide antidote kits and storage at the recommended temperature range. Medical personnel periodically inspect the sodium thiosulfate/sodium nitrate antidotes. The medical area is in charge of replacing cyanide antidotes when required. Oxygen tank pressure and cyanide antidotes expiration dates were checked during the audit. Oxygen tanks were fully pressurized. At the clinic, the auditors reviewed inspection records of first aid equipment for the recertification period. The daily inspection forms included the storage temperature of the cyanide antidotes, which area maintained at the recommended range at all times. Cyanide first aid equipment (oxygen and activated charcoal) in the process areas is inspected prior to cyanide mixing events. Cyanide antidote kits, oxygen bottles and emergency kits are inspected at the clinic on a daily basis to verify that they are in good condition. Inspection records were available for review during the audit and were found to be complete.

La Herradura has procedure PO-SM-03 “Treatment of worker intoxicated with cyanide” that describes what is to be done in the event of a cyanide exposure. Specific instructions are provided to treat victims who are exposed to sodium cyanide via inhalation, ingestion, and dermal routes. Instructions detail the steps to be taken for first aid using oxygen and ambu bags (if required) and subsequent treatment of the victim with the cyanide antidotes and evaluate the need to evacuate the victim to a local hospital once stabilized. Emergency contact information is also included.

La Herradura has its own onsite capability (infrastructure, equipment and medical resources) to provide first aid and medical assistance to workers exposed to cyanide. The site has a complete medical facility (clinic) located at the mine site. Medical staff for each shift include two doctors, four paramedics and first aid personnel. There are paramedics and doctors available at the clinic 24 hours. The clinic is well-equipped for dealing with many types of medical emergencies, including cyanide exposure. The clinic has two ambulances in case victims need to be evacuated to local hospitals. Procedures are in place for treatment of cyanide exposure, for determining the need to evacuate a victim to a local hospital, and for evacuating victims using the ambulances.

Cyanide treatment is provided on-site by La Herradura medical staff at the clinic. It is expected that any victim will be treated for cyanide on-site, and once it has been stabilized, the doctor will decide if transfer to the Santa Fe Clinic in the city of Caborca is required to provide additional medical care. Two ambulances are maintained at the clinic to transfer victims if needed. Procedure PO-SM-03 “Treatment of worker intoxicated with cyanide” describes what is to be done in the event of a cyanide exposure, including determination of the need to evacuate a victim to Santa Fe Clinic (located approximately 1.5-hour drive from the mine site), and procedures to evacuate victims using the ambulances. The cyanide antidote will be transported along with the patient to the clinic. For life, critical scenarios that exceed the Santa Fe Clinic capabilities, victims could be transferred to the Hermosillo hospital, if indicated by the Caborca medical facility.

Cyanide treatment is provided on-site by company medical staff in the medical clinic. La Herradura would manage any cyanide exposures without involving offsite facilities. It is expected

that any victim will be treated for cyanide on-site, and once it has been stabilized, the doctor will decide if transfer to the Santa Fe Clinic in Caborca is required to provide additional medical care. Therefore, the offsite facilities do not necessarily treat victims directly for cyanide exposure. La Herradura has determined that its medical facilities have qualified staff, adequate equipment and expertise to respond effectively. Regardless of this, La Herradura has established formalized arrangements with the Santa Fe clinic regarding the potential to treat patients that have been exposed to cyanide. The auditors reviewed a letter from the Santa Fe clinic dated January 2025 indicating that they have qualified medical physicians, infrastructure and equipment to respond to cyanide exposures. The letter also stated that the hospital has medical and paramedic staff trained to provide care to patients with a diagnosis of cyanide poisoning and has adequate equipment to determine cyanide levels in blood. La Herradura organized in May 2025 a training session on “Medical Emergencies on Cyanide Intoxication” with participation of doctors, nurses, and paramedics from the mine site, as well as the Emergency Brigade and Process plant personnel. This training session was provided by Draslovka.

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

Standards of Practice

7.1 Prepare detailed emergency response plans for potential cyanide releases.

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 7.1

Describe the basis for the Finding/Deficiencies Identified:

La Herradura has developed an emergency response plan to address accidental releases of cyanide, that is included in procedure PS-HE-07 “Emergency Response and Preparedness” (ERP) that identifies potential emergency situations including cyanide releases, and the activities and components that must be prepared before the emergency, such as emergency brigades, training, mock drills and communications during an emergency situation. The ERP, dated April 2025, also addresses the actions to be taken, first responders, responsibilities, emergency telephone contact list with both emergency staff numbers and external support, and recovery after the emergency. The ERP applies to all La Herradura facilities, including the DLP. In addition, there is a Contingency Plan, dated August 2024, that provides detailed incident response procedures and requirements, including contact information, declaration of emergency, notifications, and other information for a number of emergency scenarios. The ERP is complemented by approximately 18 procedures of emergency response, each of them addressing a specific

emergency scenario. Cyanide scenarios considered include cyanide solution spills, solid cyanide spills and treatment of worker intoxicated with cyanide. A complete list of scenarios is included in section 6 of the ERP. These plans and procedures have been implemented through specific training to personnel working in areas where cyanide is present as well as through mock drills, and equipment checklists throughout the recertification period.

The ERP, Contingency Plan, emergency response procedures, and process plant procedures provide response procedures for all potential cyanide failure scenarios required by the Code, including catastrophic release of hydrogen cyanide, transportation accidents, releases during unloading and mixing, releases during fires and explosions, equipment failure (valve, pipe or tank ruptures), overtopping of ponds and impoundments, power outages, uncontrolled seepage, and failure of tailing impoundments. Failure of cyanide treatment systems is not addressed because La Herradura does not have a cyanide destruct circuit. Scenarios related to catastrophic releases of hydrogen cyanide from storage or process facilities are included in each DLP procedure (Section 7 – Reaction plan) and also in emergency procedure PO-BE-07 “Spill of cyanide, cyanide solution, tailings, and overflow of solution ponds”. Scenarios related to transportation accidents are covered by the ERP of Draslovka cyanide transporter Segutal. La Herradura does not assume responsibility for cyanide until it is transferred from the isotainer into the dilution tank. In case of a transportation emergency (on-site or off-site), Segutal is responsible for the emergency response as well as for the remediation and clean-up of any cyanide release. La Herradura would provide necessary assistance in coordination with the transporter; this assistance may include emergency communications, medical aid, spill containment, and clean up. The ERP includes a section that details the actions that La Herradura would take in case of an accident during cyanide transport. The ERP also indicates that La Herradura will offer and provide support to the transporter in case of any accidents occurring during transportation from the city of Hermosillo to the mine site. Releases during unloading and mixing are addressed in procedure PO-PL-19 “Cyanide unloading from isotainer”. Releases during fires and explosions are addressed in procedure PO-BE-4 “Fire at the plant”, and in the Contingency Plan. Both documents include the prohibition to use water in case of fire at the cyanide facilities to prevent generation of HCN gas. Scenarios related to pipe, valve and tank ruptures are addressed in procedure PO-PL-17 “Response to cyanide solution spills”. Scenarios related to overtopping of ponds and impoundments, such as the contingency pond in DLP2 are also addressed in procedure PO-PL-17 “Response to cyanide solution spills”. Scenarios related to power outages and pump failures are addressed in procedure PO-BE-07 “Spill of cyanide, cyanide solution, tailings, and overflow of solution ponds”. Scenarios of uncontrolled seepage are also addressed in procedure PO-PL-17 “Response to cyanide solution spills”. Scenarios related to failure of cyanide treatment, destruction or recovery systems do not apply to La Herradura as there is no cyanide destruction system at the operation. Scenarios related to failure of tailings impoundments are addressed in Section X, Analysis of Risks and Consequences, of the TSF Operation, Maintenance, and Surveillance Manual, which contains a Failure Mode and Effects Analysis (FMEA) with response actions for pump failure, power outage, valve failure, human error, and external events such as earthquakes and extreme storms.

Transportation of cyanide by truck from the Hermosillo warehouse to La Herradura is addressed in Segutal ERP. La Herradura does not assume responsibility for cyanide until it is transferred from the isotanker into the dilution tank. Segutal would have primary responsibility for a spill of solid cyanide during transportation from Hermosillo but could draw on resources from La Herradura for support if the spill occurred close to the mine site. La Herradura has a copy of the Segutal ERP, which was also reviewed by the auditors. Segutal ERP includes actions to respond to cyanide spills and intoxication. The ERP of La Herradura includes a section that details actions that the mine site would take in case of a cyanide spill during transportation.

The Emergency Response Plan, the Contingency Plan, the emergency response, and process plant procedures describe the specific actions to be taken in case of emergencies, such as the use of cyanide antidotes and first aid measures, first responders, responsibilities, telephone contact lists, call for external help, and recovery after the emergency. Any emergency that has the potential to affect the surrounding communities will trigger the notification requirements outlined in the ERP and in procedure PS-HE-09 “Internal and External Communication”. Clearing site personnel and potentially affected communities from the area of exposure is considered in the ERP where actions to be taken when an emergency arise are described. Initial response, first aid and the use of cyanide antidotes by trained medical personnel is included in procedure PO-SM-03 “Treatment of worker intoxicated with cyanide”. The ERP also provides responses to cyanide spills or leaks from the process facilities, and makes provision for initial response, first aid, and spill reporting control and cleanup. Control and mitigation measures of a cyanide related incident is covered in the ERP and in procedure PO-BE-07 “Spill of cyanide, cyanide solution, tailings, and overflow of solution ponds”. Containment measures are covered under operational procedures for the DLP as well as in the ERP and supporting emergency response procedures. La Herradura incident reporting and investigation procedure will trigger the evaluation of root causes from an incident involving cyanide release and will include preventive actions to avoid future events.

7.2 Involve site personnel and stakeholders in the planning process.

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 7.2

Describe the basis for the Finding/Deficiencies Identified:

La Herradura involves its workforce in cyanide emergency response planning. During training of the Emergency Brigade (EB), and after emergency mock drills, staff and the workforce have the opportunity to provide feedback. Workers can also provide feedback during the review of emergency response procedures in 5-minute safety talks (RIT). The auditors verified that La

Herradura maintains sufficient medical resources, infrastructure and equipment that would not require to treat exposed patients to cyanide in off-site medical facilities. It is expected that any victim will be treated for cyanide on-site, and once it has been stabilized, the doctor will decide if transfer to the Santa Fe Clinic in Caborca is required to provide additional medical care. The ERP does not provide specific functions to outside responders and communities as La Herradura has the resources, equipment and first response capabilities to deal with cyanide related releases and exposures during transportation and within the mine facility. If required, La Herradura can request support from the nearby Noche Buena operation, which is also owned by Penmont, to respond to emergency scenarios. La Herradura has made potentially affected communities aware of the nature of the risks associated with accidental cyanide releases even though these communities would not be affected by any cyanide release. La Herradura maintains regular engagement meetings with communities (ejidos) that are in the influence area of the operation such as Ejido Juan Alvarez (5 km away), Ejido Sahuaro (27 km away) and the city of Caborca (80 km away). Mine workers and contractors, many of them from Caborca, Juan Alvarez, and Sahuaro, have received cyanide-related training as part of the general training provided by La Herradura.

As mentioned above, La Herradura has made potentially affected communities aware of the nature of the risks associated with accidental cyanide releases even though these communities would not be affected by any cyanide release. These communities include Juan Alvarez, Sahuaro and Caborca. La Herradura has, however, established communication channels through community engagement meetings and through their contractors, brigade members, and workforce who live in these communities, as documented in the Contingency Plan. Communities are not expected to play any response role in case of a cyanide incident other than staying away from the area of the incident and reporting any accidents to the authorities and the mine. In case of an emergency situation, La Herradura will communicate the event to the authorities and the communities through the Industrial Relations Superintendent, who is the authorized spokesperson for such events. Mine personnel and contractors participated in mock drills conducted in the recertification period. All drills conducted in the recertification period considered only internal personnel. Some of La Herradura brigade members are also members of the Caborca Fire Department. Mine workers and contractors, many of them from Caborca, Juan Alvarez and Sahuaro, have received cyanide-related training as part of the general training required by La Herradura.

The ERP does not provide specific functions to outside responders and communities as La Herradura has the resources, equipment and first response capabilities to deal with cyanide related releases and exposures during transportation and within the mine facility. Regardless of that, La Herradura has established formalized arrangements with the Santa Fe clinic regarding the potential to treat patients that have been exposed to cyanide as it has qualified medical physicians, infrastructure and equipment to respond to cyanide exposures. The auditors verified that La Herradura maintains sufficient medical resources, infrastructure and equipment that would not require to treat exposed patients to cyanide in medical facilities off-site. It is expected that any

victim will be treated for cyanide on-site, and once it has been stabilized, the doctor will decide if transfer to the Santa Fe Clinic is required to provide additional medical care.

La Herradura ERP does not designate any responsibilities to outside responders and communities. Communities are not expected to play any response role in case of a cyanide incident other than staying away from the area of the incident and reporting any accidents to the authorities and the mine. Regardless of that, La Herradura has made potentially affected communities aware of the nature of the risks associated with accidental cyanide releases even though these communities would not be affected by any cyanide release. These communities include Juan Alvarez, Sahuaro and Caborca. The mock drills completed at the mine for this recertification period have not involved external stakeholders. However, the ERP includes current contact information for notifying regulatory agencies, offsite medical facilities, the media, and other stakeholders. As stated in the ERP, the plan is reviewed and updated every two years. The most recent update was in April 2025.

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

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 7.3

Describe the basis for the Finding/Deficiencies Identified:

The Contingency Plan includes an operational structure to respond to emergencies and is led by the General Manager, and the alternates can be the Safety and Ecology Manager for fires, rescue and hazardous materials scenarios; or the Occupational Health leader for medical attention and first aid scenarios. The Emergency Brigade (EB) responsibilities are described in the Contingency Plan and in the brigade's internal regulations document. La Herradura has a total of 44 brigade members, consisting of 12 personnel from the emergency response area and 32 from different areas of the mine, and are divided into 3 groups (one per shift). There is a minimum of 10 brigade members per shift. Some of the brigade members are firemen from Caborca. The auditors reviewed the brigade list with information for its 44 team members and other responders (doctor, paramedics, and security) including complete name, contact number, and working area. Procedure PO-HE-09-R02 "Brigade training program" includes an annual training program for the EB. It is the responsibility of the Emergency Response Leader to ensure that training is provided and maintained. The training program includes weekly training for EB members. EB members are trained in response to hazardous materials incidents, including cyanide. training. The auditors reviewed training evidence for the recertification period. The ERP includes call-out procedures. Main way of communication is by radio, which is used and available 24-hours a day. Contact information of the EB is managed and maintained up to date. The

functions and responsibilities of the Emergency Response Leader and brigade responders are detailed in the brigade's internal regulations document. There is an Integration Emergency Brigade Act dated 2018 that provides details on roles and responsibilities. This document complements general information on roles and responsibilities included in the Contingency Plan. Emergency response equipment including PPE´s is provided in the ERP. The list includes among others: clothing for fire intervention, equipment for rescue at heights, transportation and vehicle rescue, hazmat and support equipment. HCN gas monitors are also included in the emergency response equipment. Emergency response equipment is checked on a daily and monthly basis as indicated in ERP. Records of completed inspection checklists were available for review by the auditors. The ERP does not provide specific functions to outside responders as La Herradura has the resources, equipment and first response capabilities to deal with cyanide related releases and exposures during transportation and within the mine facility.

The ERP does not provide specific functions to outside responders as La Herradura has the resources, equipment and first response capabilities to deal with cyanide related releases and exposures during transportation and within the mine facility. It is expected that any victim will be treated for cyanide on-site, and once it has been stabilized, the doctor will decide if transfer to the Santa Fe Clinic on Caborca is required to provide additional medical care. Therefore, the offsite facilities do not necessarily treat victims directly for cyanide exposure. La Herradura has determined that its medical facilities have qualified staff, adequate equipment and expertise to respond effectively. Regardless of this, La Herradura has established formalized arrangements with the Santa Fe clinic regarding the potential to treat patients that have been exposed to cyanide. Current contact information for fire, police, and hospitals is included in the ERP and supporting documents.

7.4 Develop procedures for internal and external emergency notification and reporting.

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 7.4

Describe the basis for the Finding/Deficiencies Identified:

The ERP and Contingency Plan include procedures to notify management, regulatory agencies, outside response providers and medical facilities in case of an emergency. Contact information for internal personnel, outside responders and medical facilities from Caborca and Puerto Peñasco are included in the ERP. The contact list includes the names of management staff, internal first responders, security, medical services, regulatory agencies, and the Emergency Brigade. Procedure PS-HE-09 "Internal and External Communication" provides details on how to notify external parties in case of emergencies.

The ERP includes procedures to notify potentially affected communities and the media in case of an emergency. Procedure PS-HE-09 “Internal and External Communication” provides details on how to notify external parties in case of emergencies. The Community Relations department maintains contact information of the members of the local communities and the media in the management information system Borealis. In case of an emergency situation, La Herradura will communicate the event to the authorities and the communities and media through the Industrial Relations Superintendent, who is the authorized spokesperson for such events.

La Herradura has established a requirement to notify the ICMI (International Cyanide Management Institute) in case of a significant cyanide incident. Section 6 of the ERP includes the ICMI definition of a “significant cyanide incident” and states that communication to ICMI should occur within 24 hours of occurrence. The Emergency Response Leader would be in charge of such communication to ICMI. La Herradura has not had any significant cyanide related incident during this recertification period.

7.5 Incorporate remediation measures and monitoring elements into response plans and account for the additional hazards of using cyanide treatment chemicals.

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 7.5

Describe the basis for the Finding/Deficiencies Identified:

The ERP and supporting documentation include remediation measures for liquid and solid cyanide spills, including materials to be used for clean-up and for disposal of contaminated spill clean-up materials. Procedures PO-PL-03 “Clean-up of solid CN spills” and PO-PL-17 “Response to cyanide solution spills” provide details on how to clean contaminated soil. In those cases, sodium hypochlorite, that is stored in the observation room by the cyanide offloading area, will be used in a solution at 10% for neutralization purposes. Procedures PO-PL-03 “Clean-up of solid CN spills” and PO-PL-17 “Response to cyanide solution spills” and the ERP also indicates how to prepare the sodium hypochlorite solution at 10%, the depth at which impacted soil must be excavated and how samples should be taken to determine that the area is clean. The procedure also indicates that WAD Cyanide concentrations in soil should be below 0.5 mg/l to consider that the release has been completely cleaned up. All cyanide-contaminated material is disposed of in La Herradura heap leach area or in the tailings storage facility as indicated in procedure PO-PL-17 “Response to cyanide solution spills”. La Herradura confirmed that the operation only uses bottled water for drinking water supply and stated that well groundwater is brackish and undrinkable. By interview with environmental personnel, they confirmed there is no surface water at La Herradura and that the groundwater table is located at a depth of

approximately 100 meters. There are no nearby communities with water supplies likely to be affected by releases at La Herradura.

The ERP does not specifically prohibit the use of chemicals such as sodium hypochlorite, ferrous sulfate and hydrogen peroxide to treat cyanide that has been released into surface water. By interview with environmental personnel, they confirmed there is no surface water at La Herradura and that groundwater table is located at a depth of approximately 100 meters. Therefore, any use of chemicals (including sodium hypochlorite, ferrous sulfate, or hydrogen peroxide) is at no risk of release into surface waters.

Procedure PO-PL-17 “Response to cyanide solution spills” provides information on environmental monitoring in case of cyanide leakages into groundwater, including sampling and analytical methodologies to be followed, and sampling locations. La Herradura has a groundwater monitoring program including groundwater wells located upgradient and downgradient of cyanide facilities. The Environmental Department would manage the characterization, extent and remediation of a spill, and is responsible for reporting any spills to the regulatory agencies. La Herradura monitoring plan includes groundwater sampling and a regulatory reporting program that must be initiated if cyanide is detected in groundwater wells downstream of process facilities. La Herradura monitoring program includes the analysis of soil to identify the extent and effects of a cyanide release. Procedures PO-PL-03 “Clean-up of solid CN spills” and PO-PL-17 “Response to cyanide solution spills” indicates how samples should be taken to determine that the area is clean of cyanide. The procedure also indicates that WAD Cyanide concentrations in soil should be below 0.5 mg/l to consider that the release has been completely cleaned up.

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

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 7.6

Describe the basis for the Finding/Deficiencies Identified:

La Herradura ERP latest review was conducted in April 2025. The most recent Contingency Plan is dated August 2024. The emergency response procedures are dated August 2024. According to document control procedures, the ERP and other documents should be reviewed and updated every two years to ensure that information is kept up-to-date and that the plan remains appropriate for the mine. The ERP and supporting documentation are reviewed to identify any required changes, and to test and review the adequacy of emergency procedures with drills and exercises. Also, the ERP and supporting documents are reviewed after significant changes, new

projects, incorporation of new hazardous materials, new significant aspects or after a significant unwanted event occurs.

La Herradura conducts mock emergency drills according to an annual emergency drills program. The auditors reviewed evidence of emergency response drills during the recertification period which included scenarios with cyanide intoxication and cyanide releases that required testing the full hazardous materials response protocol. Drills for other identified emergency events are also completed on a routine basis to maintain an adequate level of emergency response preparedness. The emergency drill reports identified improvement opportunities, lessons learned and corrective actions. The drills reviewed included scenarios of cyanide solution releases and HCN gas exposure for 2023, 2024 and 2025, with the participation of employees and contractors. The scenarios included both cyanide spills and cyanide intoxication. All drills conducted in the recertification period considered internal personnel only. Drills are developed to include a variety of locations and exposure responses and are developed in advance and risk assessed to minimize potential impact of event unpreparedness. Drill reports including corrective actions were available for review by the auditors. Lessons learned are incorporated into its emergency response planning after a mock drill, if required.

There have been no cyanide-related emergencies during the recertification audit period requiring the implementation of the emergency response procedures. Periodic reviews of the ERP and supporting documentation are completed at least every two years. The auditors reviewed updates of the major components of the ERP, Contingency Plan and procedures, such as the emergency equipment list and its location, the names of the brigade members, and the emergency contact list. The ERP would be reviewed as part of the corrective action completed following any cyanide-related emergency. The ERP includes a requirement to evaluate and revise the emergency response procedures, as necessary, following emergency mock drills. La Herradura also conducts formal revisions of emergency responses after real emergencies scenarios, including identification of lessons learned and corrective actions.

8. TRAINING: Train workers and emergency response personnel to manage cyanide in a safe and environmentally protective manner.

Standards of Practice

8.1 Train workers to understand the hazards associated with cyanide use.

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 8.1

Describe the basis for the Finding/Deficiencies Identified:

All new hires, contractors and visitors at La Herradura receive an initial general induction training course on health, safety and environmental matters before they can start working or enter the mine. This induction includes a module called “Management and Emergency Response to Cyanide Intoxication” that provides information about the production process and the use of cyanide, its characteristics, health effects, risks, controls, storage and handling, PPE, signage, areas of risk, fires, spills, HCN monitors, symptoms, first aid, and emergency response. The auditors received this training prior to entering the mine and confirmed that the topics covered are comprehensive. There is an annual training program (training matrix) for each area of the mine that is managed by each area and includes cyanide related topics. These programs have a duration of one years and employees have to take the courses within this timeframe. The auditors reviewed the 2023, 2024 and 2025 annual training programs for the DLP to verify implementation. Training materials are available for induction training for all employees. Interviews with employees and contractors working at the DLP and cyanide mixing area, and personnel from Health & Safety, the medical clinic and emergency response were conducted, showing knowledge on cyanide management. 5-minute safety talks (RIT meetings) are also provided to workers including cyanide management and health effects of cyanide; these are provided by supervisors. Sign in sheets are used to record attendance. RIT meetings are the primary means used to provide refresher training in recognition of cyanide hazards. The annual training matrix for the recertification period was reviewed to validate training received by operators and supervisors interviewed during the field visit. During the review, the auditors verified that all critical procedures related to cyanide management were included in the training program.

Annual refresher training of the “Management and Emergency Response to Cyanide Intoxication” course is provided in La Herradura for personnel that would enter the plant site. Training includes chemical and physical properties of cyanide; hazards of cyanide; symptoms of cyanide exposure; emergency response; and first aid, including use of oxygen. The training includes a written test. Process workers also receive refresher training in cyanide management during review of operational procedures. In addition, 5-minute safety talks are provided to workers including cyanide management and health effects of cyanide. The 5-minute safety talks are the primary means used to provide refresher training in recognition of cyanide hazards. The auditors reviewed refresher training records which were offered at different times to cover all shifts, covering the recertification audit period. The auditors verified that La Herradura retains copies of training records by randomly requesting information of the workers interviewed during the field visit. Training is recorded on sign-in sheets with training records signed by both trainer and trainee.

Training records, including refreshers and cyanide hazard training for La Herradura personnel, are retained by the Process training coordinator in the form of hard copies and also in electronic

version stored in Microsoft Excel spreadsheet format. Training records were reviewed for the audit recertification period and were found to be complete. Training records identify the trainer, trainee, topics covered, date and sign off sheet. This requirement was verified through review of a sample of records for the recertification period for the workers interviewed during the field visit.

8.2 Train appropriate personnel to operate the facility according to systems and procedures that protect human health, the community and the environment.

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 8.2

Describe the basis for the Finding/Deficiencies Identified:

New employees and any contractor worker that will perform cyanide related tasks in La Herradura receive orientation training, including the course “Management and Emergency Response to Cyanide Intoxication” that covers elements specific to the handling and use of cyanide in the operation. Employee specific training includes a detailed annual program that covers operational procedures in the cyanide mixing area, DLP, MC-DLP, and tailings storage facility. Aspects such as cyanide awareness, response, process information, hydrogen cyanide monitor and alarm operation, and location of cyanide safety equipment are included. This training program covers key operating procedures: cyanide mixing, operation of DLP and MC-DLP facilities, HCN monitoring systems, among others. The annual training program (training matrix) for each area of the mine, is managed by each area and includes cyanide related topics. The Process annual training matrix for the recertification period was reviewed to validate training received by operators and supervisors interviewed during the field visit. The Maintenance annual training matrix was also reviewed. Experienced supervisors provide training on cyanide hazards, work procedures and PPE in classroom sessions and in the field using the operating procedure documents. Supervisors are trained to provide this training to workers. Refresher training on procedures is tracked, and records are signed by both the supervisor and the trainee. Refreshers training is provided according to the training program or more often if there is a change in the procedures. Workers are also instructed on the use of risk assessments and area inspections, which are carried out within work areas. The auditors reviewed these training materials and records and confirmed by means of interviews with supervisors and workers in the DLP that this training was effective.

La Herradura has developed a comprehensive list of procedures for the DLP operation that defines the steps required to complete a task that involves cyanide handling in a safe manner. The annual training program is prioritized based on tasks and risks with sign off required from both the trainer (process trainer or supervisor) and the trainee. Training elements required for a task or area are recorded on a training sheet. The auditors verified that procedures used at the

DLP operations that involve the use and handling of cyanide are included in the training program. Training elements such as required personal protective equipment (PPE) and decontamination requirements are included in the training materials used to train operators and maintenance personnel. Training materials were available for review. On-the-job training by a senior operator or supervisor is also conducted prior to allowing a new employee to work alone. The trainee receives training for 90 days prior to being approved to work at the DLP. After that, the trainee works under direct supervision of the supervisor, and once the trainee has acquired experience, is allowed to work on his own. This process can take several months. To verify that the worker is following the established procedures in the field, supervisors use the IPER coaching tool that allows to have interaction with the worker and provide feedback. The training sessions include written evaluations to verify understanding by the workers and define if they are qualified to conduct the task. Presentations, training materials, and tests were reviewed. All information was found to be complete.

Training on specific tasks is provided by the process/maintenance trainer or by supervisors or lead operators that have successfully passed a “train-the-trainers” course. In some cases, supervisors are also considered qualified to provide training based on their experience managing cyanide facilities. Draslovka provided a train-the-trainer course called “Cyanide Trainer” in June 2025. This training also included topics such as cyanide risks; health effects; cyanide controls; and emergency response; among others. Records of “train-the-trainers” training sessions for Process trainers were available for review for the recertification period. This “train-the-trainer” training is included in the annual training program matrix.

AII new employees and contractors that will work or might encounter cyanide during their tasks, are trained on cyanide before being allowed to operate onsite. Training includes cyanide awareness training and, for those that will be working within the DLP facilities, review and understanding of operating procedures related to their tasks is mandatory. Some of the aspects covered include cyanide alarms and monitors, first aid and use of cyanide safety equipment. Individual training is provided for each specific cyanide related task that an operator will perform and includes cyanide work procedures. A senior/junior on-the-job training approach is used to further training for the personnel on job activities and cyanide safety. New trainees are assigned to work under the supervision of a competent operator/supervisor. These trainees are required to work under direction of these competent operators/supervisors until they demonstrate ability to work without direct supervision in a safe and responsible manner.

Annual refresher training of the “Management and Emergency Response to Cyanide Intoxication” course is provided in La Herradura for personnel that would enter the plant site. Training includes chemical and physical properties of cyanide; hazards of cyanide; symptoms of cyanide exposure; emergency response; and first aid, including use of oxygen. The training includes a written test. Besides the annual cyanide refresher training, La Herradura also provides re-training to process and maintenance personnel on operating procedures, which includes cyanide hazards and controls. Experienced supervisors provide re-training on cyanide hazards,

work procedures and PPE in classroom sessions and in the field using the operating procedure documents. Supervisors are trained to provide this training to workers. Refresher training on procedures is tracked, and records are signed by both the supervisor and the trainee. Training records were reviewed for the recertification period. The auditors verified that La Herradura retains copies of training records by randomly requesting information of the workers interviewed during the field visit. Training is recorded on sign-in sheets with training records signed by both trainer and trainee.

Task observations by supervisors are used to evaluate competency of workers and effectiveness of training. Evaluation of the cyanide training received is by observation of tasks (IPER coaching tool) performed by workers to ensure they are following appropriate work procedures and using suitable PPE when working with cyanide. The auditors reviewed the checklist used to conduct these task observations, and interviewed supervisors of the DLP, MC-DLP and tailings storage facility. In addition, written tests are also used to evaluate effectiveness of training.

Training records documenting the training that was received are retained throughout an individual's employment. Training records include the name of the trainer, trainee, date, subject covered and are signed by both the trainer and trainee. Written and verbal tests are completed to demonstrate the employees' understanding of the training materials. Samples records were available for review and found to be complete. The auditors verified this requirement by randomly checking records of workers interviewed during the field visit. In all cases the auditors found evidence of training records and evaluations in compliance with this requirement.

8.3 Train appropriate workers and personnel to respond to worker exposures and environmental releases of cyanide.

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 8.3

Describe the basis for the Finding/Deficiencies Identified:

All process operators and maintenance personnel that conduct cyanide related tasks including cyanide mixing and production, are provided with site-specific hazard training including cyanide awareness, HCN monitoring, emergency response, recognition of cyanide exposure symptoms, cyanide exposure first aid, and actions to be taken in the event of a cyanide spill. The Emergency Brigade team members also receive training to respond to cyanide emergencies, including procedures to decontaminate a cyanide exposure victim. Response procedures are covered during hazard and awareness training and during cyanide refresher training. Operators and maintenance personnel in different areas and shifts were interviewed and demonstrated good awareness of what actions are to be taken in the event of a cyanide release. As indicated in

requirement 8.1, the auditors verified specific training records for randomly chosen workers involved in cyanide mixing, production and maintenance activities, and found La Herradura in compliance with this requirement.

La Herradura has an Emergency Brigade (EB) on site. The EB has a total of 44 brigade members consisting of 12 personnel from the emergency response area and 32 from different areas of the mine and are divided into 3 groups (one per shift). There is a minimum of 10 brigade members per shift. EB members are trained through participation in mock drill exercises as well as formal training programs. The auditors interviewed members of the emergency response team and found them to have received training on cyanide hazards and to be knowledgeable on how to manage cyanide releases, including use of response equipment. Mock scenarios and drills are regularly undertaken to test the effectiveness of the EB. The review of drill reports for the recertification period showed that the EB actively participated in emergency drills including scenarios involving cyanide emergencies. Records of training for the EB were reviewed for the recertification period and were found to be complete.

No outside emergency responders would be included in an emergency response to a cyanide release. The ERP does not provide specific functions to outside responders as La Herradura has the resources, equipment and first response capabilities to deal with cyanide related releases and exposures during transportation and within the mine facility. In case of cyanide exposures, it is expected that any victim will be treated for cyanide on-site, and once it has been stabilized, the doctor will decide if transfer to the Santa Fe clinic is required to provide additional medical care. La Herradura organized in May 2025 a training session on “Medical Emergencies on Cyanide Intoxication” with participation of doctors, nurses, and paramedics from the mine site, as well as the Emergency Brigade and Process plant personnel. This training session was provided by Draslovka. The auditors verified that La Herradura maintains sufficient medical resources, infrastructure and equipment that would not require to treat exposed patients to cyanide in off-site medical facilities.

Annual refresher training of the “Management and Emergency Response to Cyanide Intoxication” course is provided in La Herradura for personnel that would enter the plant site. This presentation provides information about the production process and the use of cyanide, its characteristics, health effects, risks, controls, storage and handling, PPE, signage, areas of risk, fires, spills, HCN monitors, symptoms, first aid, and emergency response. The training includes a written test. Additional training was also provided in May 2025 by external personnel (e.g. Draslovka). Besides the annual cyanide refresher training, La Herradura also provides re-training on operating procedures, which includes cyanide hazards and controls, and is performed in an annual training program. Refresher training on procedures is tracked, and records are signed by both the supervisor and the trainee. Personnel interviewed showed a good level of awareness of emergency response procedures in the event of cyanide exposure or release. This was confirmed through review of training records for process personnel and emergency response team members.

Training records, including refreshers and cyanide hazard training for La Herradura personnel are retained by the training coordinator in the form of hard copies and also in electronic version stored in Microsoft Excel spreadsheet format. Training records were reviewed for the recertification period and were found to be complete. Training records identify the trainer, trainee, topics covered, date and sign off sheet. This requirement was verified through review of a sample of records for the recertification period of workers interviewed during the field visit. Operators and maintenance personnel in different areas were interviewed and demonstrated good awareness of what actions are to be taken in the event of cyanide release. As indicated in requirement 8.1(1), the auditors verified specific training records for randomly chosen workers and contractors involved in mixing, production and maintenance activities, and found La Herradura in compliance with this requirement. The effectiveness of the training was verified by the auditors in several interviews with employees and staff throughout the audit process.

9. DIALOGUE AND DISCLOSURE: Engage in public consultation and disclosure.

Standards of Practice

9.1 Promote dialogue with stakeholders regarding cyanide management and responsibly address identified concerns.

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 9.1

Describe the basis for the Finding/Deficiencies Identified:

La Herradura continued implementing an “open doors” policy in terms of community engagement and continue using established mechanisms to provide opportunities to stakeholders to communicate their concerns related to cyanide management, including engagement programs, meetings, presentations, and tours to the mine site. For the recertification period, La Herradura continued with the program for stakeholders to visit the mine, including schools, universities, authorities, medical institutions, journalists, among others. The mine tours include a presentation and explanation of the production process, the use of cyanide and the controls in place to avoid groundwater contamination, which is one of the main points of concern of the surrounding communities in relation to cyanide. The mine usually conducts 5 to 6 mine tours per month. La Herradura has developed a video of the production process, including DLP facilities and the use of cyanide. This video is also presented to visitors participating in the mine tours and to new employees arriving on site. La Herradura also has a grievance mechanism in place to receive, process, manage and resolve complaints and grievances in a timely and consistent manner.

Complaints and grievances are registered and managed in the management information system Borealis. There is an office in Caborca where stakeholders can file a complaint or request information about La Herradura. There have been no cyanide related complaints for the recertification period. Every two years, La Herradura conducts a perception study in the local communities to evaluate its social management programs and includes questions about contamination and management of hazardous materials. The most recent perception study, dated November 2023, included opinions about contamination from the mine, but does not specifically reference cyanide as an issue. The Community Relations department maintains a community engagement plan, including meetings with communities and families, which represents an opportunity to raise questions about any subject, including cyanide management. La Herradura, in conjunction with its contractors, implements awareness campaigns in communities on environmental matters, such as Environmental world day, Water world day, environmental awareness campaigns in schools, among others. La Herradura also participated in technical forums at the local university to explain the production process including the responsible use of cyanide. In these campaigns and forums, La Herradura provides information about the production process including cyanide use. The Fresnillo plc corporate website provides information in English and Spanish on cyanide and the Code, as well as contact links for sustainability personnel through whom concerns or inquiries related to La Herradura use of cyanide can be addressed. This information can be found in https://www.fresnilloplc.com/sustainability/environment/case-study/. La Herradura also uses the Human App (property of Fresnillo plc) to communicate relevant information about the operation, including for example the training sessions conducted by Draslovka in 2025, the execution of cyanide mock drills, and the update on cyanide operational procedures, among others.

9.2 Make appropriate operational and environmental information regarding cyanide available to stakeholders.

The operation is: ■ in full compliance
□ in substantial compliance
□ not in compliance with Standard of Practice 9.2

Describe the basis for the Finding/Deficiencies Identified:

La Herradura has developed written and visual descriptions on how their activities are conducted and how cyanide is managed and has made these available to communities and other stakeholders. These include: Power Point presentations that are provided in the mine tours that include an explanation of the production process, including the DLP, the use of cyanide and the controls in place to avoid groundwater contamination, which is one of the main points of concern of the surrounding communities in relation to cyanide; video of the production process and the use of cyanide that are also presented to visitors during the mine tours; the Fresnillo plc website that includes information about the Cyanide Code ; presentations about cyanide (e.g. general

induction, others) to the workers and contractors that live in Caborca and close communities. The information mentioned above is made available and distributed in different engagement opportunities with communities and stakeholders in general. Written materials on cyanide management are available to stakeholders if requested. Stakeholders may pose questions or raise concerns to La Herradura directly during the mine tours, during meetings, and via contact information provided on the website, among others.

Information is disseminated in a variety of forms, including verbal form in community meetings, face to face meetings, mine tours, videos, among others. The people from the communities located around the mine speak and write in Spanish. La Herradura provides information on cyanide in visual form (i.e. process video) and verbal form (i.e. presentations provided to communities during meetings). The information provided uses diagrams, drawings and photos, and explains aspects in simple language. Records and materials of these meetings were reviewed.

Information on these five cyanide-release scenarios would be made available publicly by means of local community meetings and by reporting to regulatory agencies in Mexico. Information on cyanide releases would also be included in the annual corporate responsibility report, separately identifying any incidents occurring in La Herradura so that stakeholders would be aware of the nature and location of the release. La Herradura has provisions in place to make information publicly available regarding potential cyanide releases or exposure incidents, if any such incidents were to occur. No cyanide exposures or incidents resulting in hospitalization or fatality have occurred prior to or since the mine was first certified. In case it occurs, it will be communicated to the Mexican Institute of Social Security (IMSS) and the Work and Social Prevention Secretary (STPS). These federal agencies would make the information available to the public. No cyanide releases off the mine site requiring response or remediation have occurred for the recertification period. In case it occurs, the Environmental department will communicate it within 3 days of occurrence to PROFEPA, the Environmental agency. Information reported to PROFEPA is made available to the public though its website. No cyanide releases on or off the mine site resulting in significant adverse effects to the environment have occurred for the recertification period. In case it occurs, the Environmental department will communicate it to PROFEPA. No cyanide releases on or off the mine site requiring reporting under applicable regulations have occurred for the recertification period. In case of occurrence, the emergency procedure requires the site to communicate the incident to the PROFEPA following the established protocols, timeframes and reporting forms. No cyanide releases that are or that cause applicable limits for cyanide to be exceeded have occurred for the recertification period. In case it occurs, the Environmental department will communicate it to PROFEPA.