

Riskom International Pty Ltd

ABN 60 097 769 189

INTERNATIONAL CYANIDE MANAGEMENT CODE CYANIDE TRANSPORT OPERATIONS

ORICA Australia Pty Ltd

New Zealand Supply Chain ICMI Certification Audit
Summary Audit Report

August 2022



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SUMMARY AUDIT REPORT

OPERATION GENERAL INFORMATION

Name of Transport Operation

ORICA Australia Pty Ltd New Zealand Supply Chain

Name of Facility Owner

Walters Transport

Name of Operating Company

Walters Transport

Name of Responsible Manager

Raghu Pathireddy LEAD - WAREHOUSE & DISTRIBUTION

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Contact

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OPERATION LOCATION DETAIL AND DESCRIPTION

Orica is the consignor and subcontracts Walters Transport from the ports in New Zealand to Oceana gold mine at Waihi. Mainfreight (Owens Transport) was the carrier for this operation until September 2020; Walters Transport took over the contract in October 2020.

This transport operation is limited to approximately 20 journeys per year. The cyanide may be in solid (briquettes) in IBCs in freight containers or in sparge tanks. Approximately half the journeys are returning nominally empty tanks to the port for return to Australia. Freight containers are cleaned at the mine before being returned. Cyanide arrives in New Zealand at one of three ports and is transported by the most direct route to the Oceana gold mine at Waihi. Nominally empty tanks are returned to the departure port along the same route. The transport routes are:

- Port of Auckland to Oceania Gold Baxter Rd Waihi.
- Port of Tauranga to Oceania Gold, Waihi
- Northport, Marsden Point, to Oceania Gold, Waihi

Orica contracts out all road transport to Walters Transport.

AUDITOR'S FINDING

This operation is:

- in full compliance
- in substantial compliance
- not in compliance

with the International Cyanide Management Code.

Compliance Statement

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

Auditor Information

Audit Company: Riskom International Pty Ltd

Lead Auditor: Ken Price

Lead Auditor Email: ken@riskom.com.au

Date(s) of Audit

Inclusive of the period from 7 May 2022 to 10 May 2022

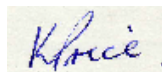
AUDITOR ATTESTATION

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

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

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

ORICA Australia Pty Ltd New Zealand Supply Chain



14 October 2022

Name of Operation

Signature of Lead Auditor

Date

PRINCIPLE 1 – TRANSPORT

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

Standard of Practice 1.1

Select cyanide transport routes to minimize the potential for accidents and releases.

in full compliance with

The operation is in substantial compliance with Standard of Practice 1.1

not in compliance with

Basis for this Finding/Deficiencies Identified:

Orica is in Full Compliance with Standard of Practice 1.1.

Orica ensures that cyanide is Transported in a manner that minimizes the potential for accidents and releases.

This transport operation is limited to approximately 20 journeys per year, half with empty tanks. Cyanide arrives in New Zealand at one of three ports and is transported by the most direct route to the Oceana gold mine at Waihi. Nominally empty tanks are returned to the departure port along the same route. The transport routes are:

- Port of Auckland to Oceania Gold Baxter Rd Waihi.
- Port of Tauranga to Oceania Gold, Waihi
- Northport, Marsden Point, to Oceania Gold, Waihi

Orica contracts out all road transport to Walters Transport. Walters Transport is not a signatory to the code but works under the Orica system

Orica has guidance for all contractors to follow with respect to route selection and the guide addresses: population density; infrastructure; road construction, condition, pitch and grade; prevalence and proximity of water bodies and fog.

Orica checks Walters Transport against their application of the guide by periodic site visits and also drives the route. Walters Transport has a Journey Management Plan (JMP) that reflects the guidance - Orica's JMP development procedure.

The selection of routes and development of risk management measures has been done by Orica and Walters Transport with appropriate consultation with outside bodies. Orica engages with the applicable governmental agencies, communities and other stakeholders in the selection of routes and development of risk management measures: fire brigade, hospitals.

Walters Transport use the most direct route for most transport. In this case, there are very limited options to deviate from the most direct route from the port to the mine. This route does not present special safety or security concerns sufficient to warrant convoys or escorts.

The routes do not present special safety or security concerns and the transporter does not use convoys or escorts. Walters Transport is a general carrier and has vehicles driving the route daily and drivers report routinely on road conditions. Walters Transport has the ability to leave containers at the port for up to three days in the event of a need for additional safety precautions on the route.

Walters Transport documents the measures taken to address risks identified with the selected routes in the form of the JMP. Walters Transport's journey management plan for the transport route is checked by Orica as part of its periodic reviews.

Walters Transport is a general carrier and has vehicles driving the route daily and drivers report routinely on road conditions. Walters Transport has the ability to leave containers at the port for up to three days in the event of problems on the route.

All vehicles are fitted with GPS: NAVMAN GPS, which tracks vehicles and records movements. All vehicles are equipped with radio telephones and mobiles.

Orica has meetings with carriers to assess ongoing issues. Meetings are scheduled around vessel arrival dates, actions are identified and recorded.

Walters Transport does not subcontract any of its operations.

Standard of Practice 1.2

Ensure that personnel operating cyanide handling and transport equipment can perform their jobs with minimum risk to communities and the environment.

in full compliance with

The operation is in substantial compliance with Standard of Practice 1.2

not in compliance with

Basis for this Finding/Deficiencies Identified:

Orica is in Full Compliance with Standard of Practice 1.2.

Orica has taken action to ensure that personnel operating cyanide handling and transport equipment can perform their jobs with minimum risk to communities and the environment.

All drivers must have the relevant heavy vehicle driver licence. Drivers are Dangerous Goods Certified by external accredited trainers and licensed by NZ Transport Authority (NZTA).

Drivers of cyanide vehicles have attended the Orica Cyanide Safe Use and Handling Awareness program.

Drivers are not involved with any cyanide transfer operations.

Walters Transport does not subcontract any of its operations.

Standard of Practice 1.3

Ensure that transport equipment is suitable for the cyanide shipment.

in full compliance with

The operation is in substantial compliance with Standard of Practice 1.3

not in compliance with

Basis for this Finding/Deficiencies Identified:

Orica is in Full Compliance with Standard of Practice 1.3.

Orica ensures that transport equipment is suitable for the cyanide shipment.

Vehicles work to a permit system issued by NZTA which is valid for two years, after which time it must be renewed. Vehicles are subject to random inspections by the NZ commercial vehicle inspection unit (CVIU). Orica inspects Walters Transport vehicles prior to departure.

Vehicles transporting containerized cargos such as Portable Tanks and cyanide in IBCs must comply with the 0.35g rollover threshold requirement which is certified by truck or trailer manufacturer for any combination vehicle.

The loads of cyanide originate at the Australian production facility in Yarwun, Queensland and are standardised. The Australian Dangerous Goods (ADG) Code sets specifications for containers (Sparge tanks, Portable Tanks and freight containers) and all Orica containers (sparge tanks and Portable Tanks) are built and maintained to the Container Safety Convention (CSC) and appropriately plated.

For solid product Orica leases freight containers where needed. At the time of loading at Yarwun, containers are checked to ensure the CSC compliance.

Walters Transport does not subcontract any of its operations.

Standard of Practice 1.4

Develop and implement a safety program for transport of cyanide.

in full compliance with

The operation is in substantial compliance with Standard of Practice 1.4

not in compliance with

Basis for this Finding/Deficiencies Identified:

Orica is in Full Compliance with Standard of Practice 1.4.

Orica has ensured that a safety program for transport of cyanide has been developed and implemented.

Orica consigns cyanide from Australia in company owned sparge tanks and Portable Tanks. Orica also consigns cyanide from Australia in IBCs packed into freight containers from Yarwun.

Vehicles work to a permit system issued by NZTA which is valid for two years, after which time it must be renewed. Vehicles are subject to random inspections by the NZ commercial vehicle inspection unit (CVIU).

Vehicles transporting containerized cargos such as Portable Tanks and cyanide in IBCs must comply with the 0,35g rollover threshold requirement which is certified by truck or trailer manufacturer for any combination vehicle.

The loads of cyanide originate at the Australian production facility in Yarwun, Queensland and are standardised. The Australian Dangerous Goods (ADG) Code sets specifications for containers (Sparge tanks, Portable Tanks and freight containers) and all Orica containers (sparge tanks and Portable Tanks) are built and maintained to the Container Safety Convention (CSC) and appropriately plated.

For solid product Orica leases freight containers where needed. At the time of loading at Yarwun, containers are checked to ensure the CSC compliance.

All containers are sealed at the factory and only Waihi is authorised to unseal.

Orica routinely meets with Walters Transport and inspects the relevant transport vehicle prior to departure to ensure that the cyanide is transported in a manner that maintains the integrity of the producer's packaging.

Vehicle placarding requirements for transporting cyanide are prescribed in the New Zealand Land Transport Rule: Dangerous Goods 2005 and New Zealand Standard 5433 Transport of Dangerous Goods on Land.

Walters Transport drivers must complete a review of the consignment before departure and check placards, securement of load, seal numbers and integrity.

Walters Transport has a safety program for cyanide transport that includes:

- a) **Vehicle inspections prior to each departure/shipment.** Walters Transport allow 15minute while starting truck to check fuel, oil, tyres, radiator, lights, indicators. If trucks have defects that need attention, they either send truck to workshop or workshop staff come to site. In the case of serious issues, truck would be parked up and another unit used. When uplifting a container at ports, drivers conduct a check of the container confirming container number and that seals are intact. Any damage has to be reported to the road office and a Damaged Equipment Report filled out. Placarding and signage is part of the drivers set up when carrying dangerous goods (DG), Drivers are given DG paperwork and safety data sheet (SDS) before they uplift cargo. Drivers on this work must have a DG licence and have completed customer site inductions and courses/modules;
- b) **A preventive maintenance program.** Vehicles are subject to the application of a routine preventive maintenance system with various levels of work to be done depending on the distance travelled (A, B and C level services). In addition, drivers can report defects or other problems. These are documented in triplicate and must be closed out by the workshop foreman.
- c) **Limitations on operator or drivers' hours.** Driver hours are regulated through the NZTA. All drivers run a log book and these are monitored by Walters Transport. Operations staff monitor drivers' hours on a daily basis, when assigning jobs, to make sure drivers don't go over their legal hours. Hours are checked and time sheets signed the following morning. Drivers are required to hand in their log book page with their time sheet and dockets every day.
- d) **Procedures to prevent loads from shifting.** All cyanide is transported in ISO standard containers with standard twistlocks.

- e) **Procedures by which transportation can be modified or suspended if conditions such as severe weather or civil unrest are encountered.** Walters Transport is a general carrier and has vehicles driving the route daily and drivers report routinely on road conditions. Walters Transport has the ability to leave containers at the port for up to three days in the event of a need for additional safety precautions on the route. All vehicles are fitted with a gps system, NAVMAN GPS, which tracks vehicles and records movements. All vehicles are equipped with radio telephones and mobiles.
- f) **A drug abuse prevention program.** The drug abuse prevention program is in place. All drivers agree to the drugs monitoring program at the start of their employment, however no sampling occurs either by Walters Transport or at the Oceana mine. Drivers are put through an induction when they start with the company, Drug and alcohol policies are covered in the induction and they sign off as acknowledging. Drug and alcohol policy is also in the employment agreements. In addition, there is automatic testing after any incident, reasonable cause and pre-employment tests. The drugs program is supplemented with help and rehabilitation processes in place.
- g) **Retention of records documenting that the above activities have been conducted.** Records are maintained to demonstrate the effective operation of the system. Records for all the relevant areas of the safety program were sighted.

Walters Transport does not subcontract any of its operations

Standard of Practice 1.5

Follow international standards for transportation of cyanide by sea and air.

in full compliance with

The operation is in substantial compliance with Standard of Practice 1.5

not in compliance with

Basis for this Finding/Deficiencies Identified:

Orica New Zealand operations is Not Applicable to Standard of Practice 1.5.

Transport by sea is covered by Orica's maritime supply chain which is audited and accredited to ICMI

Orica does not consign cyanide by air.

Standard of Practice 1.6

Track cyanide shipments to prevent losses during transport.

in full compliance with

The operation is in substantial compliance with Standard of Practice 1.6

not in compliance with

Basis for this Finding/Deficiencies Identified:

Orica is in Full Compliance with Standard of Practice 1.6.

Orica has systems in place to track cyanide shipments to prevent losses during transport.

All vehicles are fitted with gps: NAVMAN GPS, which tracks vehicles and records movements. Navman is an active system which is continually monitored. Drivers can't leave base if the gps is not working.

All vehicles are equipped with radio telephones and mobile phones.

There are no black spots / communication blackout areas on the transport route.

Every consignment of cyanide has shipping documentation which clearly identifies the container (freight container with individual boxes identified or Portable Tank). Each container is sealed and seal numbers are recorded and checked at all points along the route. Portable Tanks and IBCs are recorded by identifying number into and out of the mine storage area. Walters Transport personnel do not open any containers.

Safety Data Sheets are provided at the mine processing plant. Drivers are provided with Emergency Procedure Guides as required by New Zealand transport laws in lieu of Safety Data Sheets.

Walters Transport does not subcontract any of its operations.

PRINCIPLE 2 – INTERIM STORAGE

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

Standard of Practice 2.1

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

in full compliance with

The operation is in substantial compliance with Standard of Practice 2.1

not in compliance with

Basis for this Finding/Deficiencies Identified:

Orica is in full compliance with Standard of Practice 2.1.

Orica ensures that cyanide is stored in a manner that minimizes the potential for accidental releases.

Orica supplies cyanide to Oceana Gold's processing plant at the Waihi mine. Deliveries are made by Walters Transport whose drivers simply deliver Portable Tanks or freight containers of IBCs which are unloaded by Oceana Gold personnel. This is not strictly interim storage according to the transport code, however the site was examined in passing.

Warning signs are clearly posted at the entrance to the storage and sparging areas alerting workers that cyanide is present; that smoking, open flames, eating and drinking are not allowed and that personal protective equipment must be worn in various circumstances (sparge operations, solid dissolution).

Security measures are in place to prevent unauthorized access to cyanide. It was not possible to examine a Portable Tank, however the solids store was a locked shed. All mine operations are protected with 24 hr security with security gates and fences. The mine is 24 hr operation.

All cyanide in storage and use is separated from incompatible materials. There are no acids or oxidisers within 40 m of the cyanide tanks, all storage and mixing tanks are fully bunded. Explosives are in dedicated magazines, well removed from all mining and processing operations.

All cyanide is stored in a manner designed to minimize the potential for contact of solid cyanide with water. All tanks and IBCs of solid are in a shed with sound roof and appropriate ventilation. Portable Tanks are kept on the transport trailer in the open air pending and during unloading.

PRINCIPLE 3 – EMERGENCY RESPONSE

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

Standard of Practice 3.1

Prepare detailed emergency response plans for potential cyanide releases.

in full compliance with

The operation is in substantial compliance with Standard of Practice 3.1

not in compliance with

Basis for this Finding/Deficiencies Identified:

Orica is in Full Compliance with Standard of Practice 3.1.

Orica ensures that detailed emergency response plans are prepared for potential cyanide releases.

Orica has a generic Emergency Response Plan Guide which has been adapted to specifically apply to New Zealand transport operations.

Orica's Emergency Response Plan Guide is a general guide applicable to all transport operations. The guide has been adapted to specifically apply to New Zealand transport operations and includes:

- management of the physical and chemical form of the cyanide
- the method of transport (truck) or storage
- all aspects of the transport infrastructure (e.g., condition of the road, railway, port)
- the design of the transport vehicle (e.g., single or double walled, top or bottom unloading) or storage facility
- descriptions of response actions, as appropriate for the anticipated emergency situation and
- the roles of outside responders, medical facilities or communities in emergency response procedures

Walters Transport has a comprehensive Emergency Response Plan based on Orica's New Zealand emergency response guidance document.

Walters Transport supplements the Orica emergency response guide with transport Emergency Procedure Guides. Their emergency response information for cyanide is based on Orica's New Zealand emergency response guidance document.

In addition to the guide, Orica has developed a specific plan that:

- includes descriptions of response actions, as appropriate for the anticipated emergency situation;
- identifies the roles of external responders, medical services or communities in emergency response procedures; and
- advises responders or other stakeholders of their roles.

The plan is supplemented with emergency response drills with the Waihi mine.

Standard of Practice 3.2

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

in full compliance with

The operation is in substantial compliance with Standard of Practice 3.2

not in compliance with

Basis for this Finding/Deficiencies Identified:

Orica is in Full Compliance with Standard of Practice 3.2.

Orica ensures that appropriate response personnel are designated, and necessary resources committed for emergency response.

Walters and Orica provide initial and refresher emergency response training to appropriate personnel.

There are descriptions of emergency response duties and responsibilities of personnel in Orica's emergency response guidebook and Walters Transport has prepared guidance for drivers in the form of Emergency Procedure Guide for transport. Walters Transport has no additional responsibilities for emergency response beyond their vehicle recovery

Orica has an online cyanide awareness program and drivers have completed it. Training records are kept.

Orica's emergency response guidebook includes responsibilities for cyanide specific support functions applicable to the transport contractor, Orica management and technical personnel and emergency response equipment. Orica and Walters Transport manage these responsibilities, through liaison with the New Zealand fire and emergency response authorities, in accordance with New Zealand's national emergency response procedures.

Walters Transport provides vehicles and drivers, to collect and deliver containers of cyanide. The drivers have minimal duties or responsibilities in emergency response.

Walters Transport provides drivers with a basic emergency response safety bag containing PPE such as masks, filters, overalls. Walters Transport have contracts with Ace Transport and Southern towing for vehicle recovery. Walters Transport keeps a list of the items and Orica periodically checks the contents when reviewing vehicles prior to a shipment.

Monitor of the performance of the emergency response is through biennial emergency response drills.

Fire Emergency New Zealand meet periodically with Orica and Walters Transport to review the compatibility of equipment.

Standard of Practice 3.3

Develop procedures for internal and external emergency notification and reporting.

in full compliance with

The operation is in substantial compliance with Standard of Practice 3.3

not in compliance with

Basis for this Finding/Deficiencies Identified:

Orica is in Full Compliance with Standard of Practice 3.3.

Orica ensures that procedures for internal and external emergency notification and reporting are developed and implemented.

Walters Transport have a simple procedure on their Emergency Procedure Guide to notify Orica in an emergency.

Orica's emergency response guidebook includes responsibilities for cyanide specific support functions applicable to the transport contractor, Orica management and technical personnel and emergency response equipment. Orica and Walters Transport manage these responsibilities through liaison with the New Zealand fire and emergency response authorities in accordance with New Zealand's national emergency response procedures.

Orica's emergency response guidebook includes local procedures and current contact information for notifying appropriate entities such as the customer, regulatory agencies, external response providers, medical facilities and potentially affected communities of an emergency.

The emergency response plan requires 6-monthly table top drills, that include notification and reporting procedures are current.

Walters Transport have a simple procedure to notify Orica of any cyanide incident. It has been put into effect when needed.

Orica have a procedure for notifying ICMI of incidents and all appear to have been reported.

Standard of Practice 3.4

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

in full compliance with

The operation is in substantial compliance with Standard of Practice 3.4

not in compliance with

Basis for this Finding/Deficiencies Identified:

Orica is in Full Compliance with Standard of Practice 3.4.

Orica ensures that procedures for remediation of releases that recognize the additional hazards of cyanide treatment chemicals have been developed and implemented.

Walters Transport have no role in recovery, remediation or neutralisation other than vehicle recovery. Walters Transport refer to Orica's emergency response service line.

Recovery and remediation activities are carried out by the New Zealand fire and emergency response authorities in accordance with New Zealand's national emergency response procedures.

Orica's emergency response guide includes guidance on remediation, recovery, neutralization, or decontamination and management and/or disposal of spill clean-up debris, with specific procedures applicable to cyanide transport in New Zealand.

Orica's emergency response guide specifically prohibits the use of chemicals such as sodium hypochlorite, ferrous sulfate and hydrogen peroxide to treat cyanide that has been released into surface water.

Standard of Practice 3.5

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

in full compliance with

The operation is in substantial compliance with Standard of Practice 3.5

not in compliance with

Basis for this Finding/Deficiencies Identified:

Orica is in Full Compliance with Standard of Practice 3.5.

Orica ensures that response procedures and capabilities are periodically evaluated and revised as needed.

Orica's Emergency response Guide states in Section 4 that it shall be reviewed, as a minimum, on a biennial basis and following incidents where the Guide is utilised. The revision history in the document indicates that Orica is adhering to this policy.

Orica's New Zealand Emergency Response Plan has provision for drills at various levels at six-monthly intervals:

- Desktop drills biannually
- Equipment deployment annually
- Full response activation biennially.

Equipment deployment and full response activation drills have included both releases of cyanide and exposures to cyanide, with participation by fire brigade and medical personnel.

The latest drill was on 11 August 2022; Orica and Walters Transport were involved and the Emergency Response Plan has been submitted to New Zealand Fire and Emergency Department for review. F&E fire crews are organizing a site visit that allows our crews to become familiar with hazards and plan for emergency actions.

Prior to 2022, drills were in 2017 and 2018 and involved Mainfreight and the New Zealand Fire and Emergency Department.