

SUMMARY AUDIT REPORT

Texas Bunkering Supply & Services Cyanide Transport Operation

***For The
International Cyanide Management Code***

April 2021



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Information on the audited operation

Name of the Transport Operation:	Texas Bunkering Supply & Services	
Name of the Company Ownership	Texas Bunkering Supply & Services	
Name of Operating Company:	Texas Bunkering Supply & Services (TBSS)	
Name of Responsible Manager:	Keren H. Acosta – Administrative Manager	
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Location detail and description of operation

Texas Bunkering Supply & Services (TBSS) has the role of the cyanide consignor in Honduras during the trucking transport operation of Cyanco's solid sodium cyanide from *Cortes* port in the Caribbean, *Cortes* department, to *San Andrés* mine, operated by *Compañía Minerales de Occidente* (MINOSA), 269 km by road, in Copan department, according to the route shown in the map.

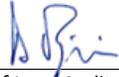
Texas Bunkering Supply & Services (TBSS) as the cyanide consignor, delivers sea containers with solid sodium cyanide within Honduras from the Cortes port to the mine sites, through the local trucking company Transportes MacGyver S.R.L. de CV (MacGyver), which is included in the scope of this audit.

MacGyver is a trucking company dedicated to transport diverse cargo, included hazardous materials with headquarters in Cortes port. No interim storage is considered in this transport operation.

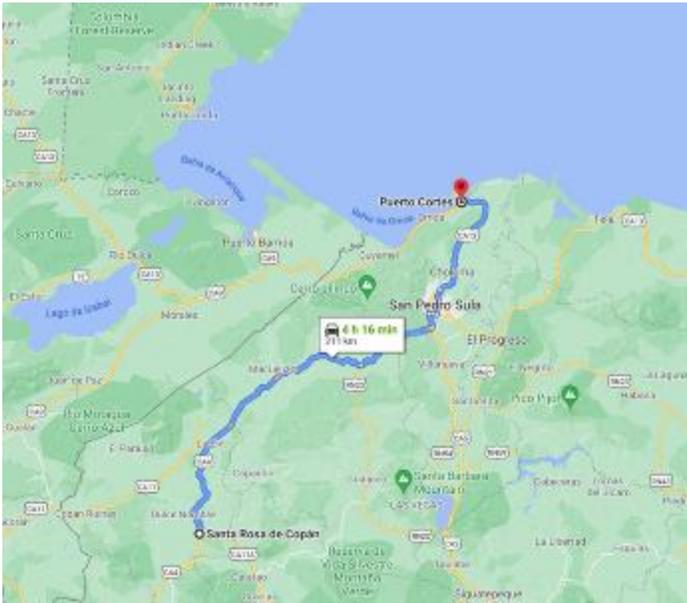
The transportation route from Cortes port to San Andres mine has an approximate distance of 269 km. The shuttle schedule is from 5:00 a.m. to 6:00 pm, up to 6 containers may be transported on each convoy, more than that must be organized in another convoy which may be transported alternately with different escort and supervision.

With this purpose, TBSS contracts the trucking company MacGyver to transport sodium cyanide in 20 foot sea containers to the mine site. Transport is performed by mean of convoys, with the escort of TBSS Administrative Manager who is also the Health and Safety (H&S) Supervisor and a second escort from the transporter, which comprises a mechanic, tires fixer and a driver who is also able to replace a truck driver.

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TBSS was established in 2005 and since 2008 has been providing coordination, reception, supervision and transport services of sodium cyanide in sea containers to its mining clients. Since 2013 has been providing cyanide to MINOSA.

TBSS maintains procedures to select carriers and closely monitors all aspects of ICMC compliance of its supply chain, also maintains a formally documented policy that only ICMC certified transportation partners will be used for cyanide shipments. It's employees are in attendance during all deliveries from port to mine sites; supervisors confirmed that drivers and equipment are fit for duty prior to each delivery and that shipments are tracked continuously. TBSS personnel supervise all functions related to product transport and emergency response in the event of an unplanned event.

All the stevedoring activities at Cortes port is performed by the port operator Empresa Nacional Portuaria. The scope of this audit covers the ground transportation operations from the moment cyanide is released from the container terminal at the port, until their arrival to the mine.

Depending on weather, cargo types, journey length, customs clearance and other operational matters, the Cortes port operator may unload the cargo at the terminal facility to temporary set down. Once formalities are

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complete, the cyanide containers are collected by the respective road transporter for continuation of the cargo delivery. Such temporary storage will not occur within TBSS Supply Chain. TBSS has no control over when and where this happens. Cortes port is included in Cyanco's Global Ocean Supply Chain, last Code certified was in January 11, 2018. According to this audit report, a due diligence report confirms the port operator undertakes the necessary measures to properly store the product in accordance with the requirements of the Code requirements and in a professional and safe manner. At no stage along the TBSS Supply Chain, cyanide is removed from the containers prior to unloading at customer mine site.

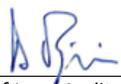
MacGyver, the trucking company, is a growing company with the capacities required to carry out the transport of hazardous materials between main cities and to different destinations throughout the Honduras geography. The transporter has a fleet of trucks and trailers, which are driven by certified drivers and are supported by a demanding control and maintenance program.

The transporter performs route risk assessments. Loading activities are performed by the port operator, unloading activities are performed by the mining clients upon arriving to the mine sites. Transport in convoy an escorts provide immediate emergency response support, as necessary. TBSS maintains all necessary emergency response equipment in case there is an on-route emergency. In the event that there is a transport emergency, it would be managed by TBSS with the collaboration of MacGyver, the supervision of MINOSA and the cyanide supplier.

The audit was conducted at MacGyver headquarters in Cortes port, Honduras, through a review of procedures and records and interviews with the TBSS Administrative Manager and MacGyver personnel as the Health and Safety Manager, Convoy Supervisors, drivers and the Maintenance Superintendent.

The audit was based on a sampling of information and therefore deficiencies may exist which have not been identified. The audit was performed by an independent third-party auditor who is pre-approved by the ICMI as a Lead Auditor and Technical expert for ICMC audits of cyanide transportation, production plants and mining operations. All supply chain components noted above were included in this ICMC Certification Audit. Each organization noted in this report was found to be in compliance with ICMC requirements.

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Auditor's Finding

This operation is

- in full compliance with with the International Cyanide Management Code
- in substantial compliance with
- not in compliance with

This operation has maintained full compliance with the International Cyanide Management Code throughout the previous three-year audit cycle.

During the previous three-year audit cycle, this operation did not experienced non-compliance with Code requirements, or significant cyanide incidents, cyanide exposures or releases requiring notification to ICMI.

Audit Company:	BP Cyanide Auditors SAC
Audit Team Leader and Technical auditor Email:	Bruno Pizzorni bpizzorni@cyanideauditor.com
Dates of Audit:	April 26, 27, 2021

Código de campo cambiado

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

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

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Verification Protocol

1. **TRANSPORT:**

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

Transport Practice 1.1

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

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

Texas Bunkering Supply & Services (TBSS), as the cyanide consignor, has implemented the Cyanide Transport Procedure, where in Section 5 it describes in detail the procedure to be followed to select the transport route so that the risks of accidents and spills during the transport of cyanide can be minimized, a process in which it takes into account the population density through which the trucks circulate, the conditions of the roads, the slope and degree of the roads, as well as the prevalence and proximity of water bodies and areas where there is usually fog.

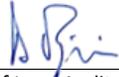
Although there are not many options in the national territory for the routes to be traveled, the provisions of the national regulations regarding the routes allowed to transport hazardous materials are taken into account. The responsibilities the transportation company MacGyver are described in the agreement with the contractor, TBSS. The consignor has overall accountability for the route planning.

As a result of the risk assessment, TBSS issues the roadmap, where the necessary controls have been established to mitigate the risks identified during the journey. TBSS indicates to the carrier MacGyver the route to use, according to the evaluation carried out, accompanying the carrier in each shipment of cyanide. The roadmap is part of the Emergency Response Plan (ERP).

TBSS evaluates the risks of the selected cyanide transport route and take the measures necessary to manage these risks by mean TBSS route evaluation. The Cyanide Transport Procedure establishes to perform a risk analysis and the steps to follow for the preparation of roadmaps for all routes covered by the organization during the execution of the transport service. Once identified the risks is required to establish the necessary control measures to minimize and manage these risks.

TBSS requires in its procedure to prepare and update the roadmap when there is a new route, modification of conditions or a request from the customer recording the aspects related to: unsafe conditions (road condition, weather conditions and traffic), speed of handling by sections, signs and prohibitions of the road,

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heights of bridges, tunnels, ridges of hills, water, population density, mist zones and other aspects of transport safety. Before each departure of the cyanide convoy shipment, TBSS reviews with the transporter’s drivers and escort personnel, the details of the previous route report, so as to be aware of the risks of the route. TBSS Administrative Manager escorts every cyanide shipment to the mine site. The auditor reviewed TBSS route analysis documents from Cortes port to San Andres mine site, confirming controls are established to manage the risks identified.

After each shipment of cyanide, TBSS issues a route report to the mine, where, accompanied by photographs, it informs the customer about the status of the route and any incidents along the way. Also, before each departure of the convoy with cyanide, TBSS reviews with the transporter’s drivers and escort personnel, the details of the previous route report, so as to be aware of the risks of the route.

In addition, TBSS formally updates each year the identification of road risks, TBSS route analysis documents were reviewed. Route evaluations were available for the San Andrés mine destination. These route analyses considered all ICMC criteria when determining the routes.

TBSS and MacGyver personnel were interviewed, and confirmation was made that risks and risk mitigation measures are detailed for the route. They meet to discuss risks and risk mitigation measures before departing in each trip. Records of the reports issued by TBSS after every cyanide shipment were reviewed during the audit, where the consigner informs the client about the status of the route and any incidents along the way, showing that TBSS shipping routes are maintained up-to-date with current risk and risk mitigation information.

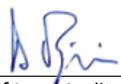
MacGyver, the truck carrier, uses TBSS formally documented procedure for the selected routes. Route evaluations for the transportation routes used for shipments were complete and records were available for review. Routes are also evaluated for security issues and for cell phone coverage.

In occasion of the initial route selection and evaluation between Cortes port to the San Andrés mine in 2013, TBSS interacted with the different stakeholders along the route in order to seek their feedback in terms of risk management on the route. He visited the Red Cross, port firefighters and police on route reporting on their activities and giving them a copy of the SDS.

During this recertification period TBSS has been interacting with those stakeholders as needed. Interaction with communities along the transportation route is performed by MINOSA, the mine operator. The auditor reviewed emails of meeting minutes between TBSS and the mine, where incidents are shared, learned lessons learned, an action plans are made.

TBSS transports sodium cyanide in convoys of six trucks, with two pickup trucks as escorts. The leading escort is from TBSS with the presence of a driver and the Administrative Manager which is also the H&S

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Supervisor. MacGyver’s escort goes at the back of the convoy with a mechanical, a responsible for fixing tires and a driver.

The interviewed management personnel from TBSS and MacGyver confirmed that the cyanide transport operations are performed in convoys escorted by vehicles with the necessary mechanical parts and implements of communications. First aid and equipment to contain spills travels in TBSS escort vehicle.

Trip reports and recommendations are provided by convoy supervisor in the report issued for each trip. The interviewed drivers confirmed all the cyanide operations are performed in convoys. Trip reports and recommendations are provided by TBSS supervisor after each cyanide shipment delivered to the mine site.

TBSS coordinates with Cortes Port Operator (OPC) regarding emergencies on route who in turn coordinates with the Cortes Fire Brigades in case of any emergency of a cyanide spill in route. In addition there are fire brigades and medical centers at towns on route, at Cucuyagua and Santa Rosa, this last at 30 minutes’ drive to the mine site. The client, MINOSA, do not approves to coordinate with the police due to a confidentiality issue. All these emergency external responders and with support of the mine, have been informed about their role and mutual aid during an emergency response. There is evidence of the request for support to transportation to related entities such as firefighters, and hospitals along the route. The auditor reviewed coordination meeting minutes during the recertification period.

TBSS as the cyanide consigner contracts with MacGyver trucking company for cyanide transportation. No portion of the operation is subcontracted to other transporter. Tractors and trailers are owned by MacGyver.

Transport Practice 1.2

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

- The operation is in full compliance with Transport Practice 1.2
- in substantial compliance with
- not in compliance with

TBSS maintains a policy to only utilize ICMC evaluated transporters and collaborates with its transporter to ensure that all drivers will be qualified and trained in the operation of cyanide transport equipment, cyanide safety, and emergency response procedures.

MacGyver trucking company maintains formal training procedures and programs and use trained, qualified and licensed drivers. The auditor reviewed examples of MacGyver’s drivers personal files, where for each driver, information is kept on their driving experience, professional license to drive, and if they are authorized to transport dangerous loads and cargo in general. Through this files they control over the

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expiration dates of driver's licenses. As part of the pre-selection process of its drivers MacGyver conducts interviews, reviews criminal judicial records, the driver's license, medical examination and prepares a technical file of each one of them.

TBSS trains MacGyver personnel. In September and October 2019 they provided training in cyanide transportation risks and hazardous material (Hazmat), in November 2019 they did an emergency response drill. In 2020 given the pandemic the TBSS Annual Training Program was not done. In 2021 they did training on prevention and control of fires and the use correct fire extinguishers. The auditor reviewed TBSS's 2021 annual training program where the Administrative Manager who is also the H&S supervisor in the convoys, is a certified defensive driving instructor trained in Panama. She also is licensed to apply injectables, has a first aid course diploma issued by the Red Cross in 2016.

MacGyver's driver's and convoy leaders were interviewed and were found to have an appropriate level of knowledge and safety awareness. Confirmation was made that drivers have driver's licenses that permit the transport of hazardous materials.

TBSS requires transporters to maintains a formal training program for its employees that ensures that relevant procedures on cyanide safety and emergency response, among others, to be completed prior to working with cyanide. Requires training is refreshed at least annually and testing is performed to confirm competency.

TBSS selected MacGyver after a careful process where, among others, it considered his history, his accident records and supplier profile, among others. MacGyver is a company with 24 tractor units and 28 chassis or trailers. Has emergency plans, training in defensive driving, in first aids and practices against fires.

MacGyver provides operational training to its personnel upon hire and there is a skills evaluation process to ensure personnel is competent to perform their job prior to their first delivery. Safety-related training is given at defined intervals to ensure that all personnel can perform their jobs in a manner that minimizes the potential for cyanide releases and exposures. Training records were reviewed and found to be acceptable. All drivers assigned to the cyanide transport operation have been trained on cyanide safety.

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Transport Practice 1.3

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

The operation is in full compliance with Transport Practice 1.3
 in substantial compliance with
 not in compliance with

TBSS works closely with MacGyver to ensure that all transport equipment is suitable for the transport of cyanide. MacGyver uses trailer loading checklists to ensure that trailers are suitable for transportation prior to loading cyanide, and use formal procedures and checklists to ensure that loads are evenly loaded as well as blocked and braced.

Fleet specification files were available for review during MacGyver’s verification audit. The tractors and trailers were found to be capable of carrying the loads for which they were being used. Tractor and loaded trailer weights are carefully monitored to ensure that trucks are not overweight. The transporter has formal preventive maintenance program to ensure that its tractors and trailers are safe for transport.

MacGyver’s trucks and trailers were reviewed during the audit. All available tractors and trailers have been checked and were rated for weights that exceed maximum loaded weights. The load capacity of the platforms used is larger than the gross weight of an isotank or a maritime container fully loaded with cyanide which is approximately 22 t.

The auditor reviewed the preventive maintenance records of MacGyver, which is also supervised by TBSS. All vehicles have an operating permit issued by the Honduran Institute of Ground Transportation, where they certify that the transportation units are qualified for that use. Each vehicle has a sticker with a QR code (Quick Response code) when scanning it, the authority knows if that vehicle is inserted within the permit. The auditor reviewed several files for each year of the recertification period with the vehicles’ maintenance history. The mileage is used only for oil changes purposes. MacGyver has established preventive maintenance every three months and before leaving for operation, a total revision of the vehicle is carried out. Any failure of the vehicle is reported to the motorist through WhatsApp.

Although MacGyver is responsible to verify the adequacy of the equipment for the load it must bear, TBSS according to their procedures, performs inspections regularly before departing the cyanide convoy. TBSS H&S Supervisor and its assistant the escort driver, are present to ensure that the transporter operates according to recognized H&S standards and are experienced in the handling of hazardous goods. Both TBSS and MacGyver trailers are reviewed every 3 months according to the checklist “Chassis Inventory” where conditions of the trailer area recorded such as the condition of the tires, lights, brakes, suspension, and

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check for any failure of the structure. The carrier uses 20-foot expandable trailers, which allows him to accommodate the position of the load in such a way that it adapts to the conditions of the terrain.

MacGyver manages standard amounts of cyanide with known weights to load into its transporters trailers. Loading instructions with loading diagrams are maintained by the transporter, including instructions to verify the adequacy of the equipment for the load it must bear. The transporter train its operators to inspect the trailers prior to loading. Pre-trip inspections of the truck are formally performed by the transporter and by TBSS.

To prevent overloading of the transport vehicle, TBSS has established that each platform will be loaded with only one cyanide 20 foot sea containers and that each truck can only haul one platform trailer. This is consistent with the information included in TBSS's and MacGyver's inspection checklists and was confirmed during the interviews.

The load made by the port operator is weighed to confirm the weight of the shipment and recorded by mean of the DUCA (Centro American Unique Declaration) system, which allows TBSS to ensure the weight of the shipment. The loads being hauled are standard loads that do not vary in weight. Records of cyanide shipments were checked against weight capacities and weight limit regulatory information. The equipment is capable of transporting loads more than the maximum loads shipped. The regulatory limits on truck weight are typically the limiting factor that dictates the maximum amount of cyanide that can be transported.

MacGyver office personnel showed awareness of weight capacities and regulatory requirements pertaining to maximum truck weight allowed. Shipping paperwork and TBSS policies and procedures were reviewed and the transporter personnel interviewed to confirm that appropriate practices are used. Shipping records showed that cargo amounts and weights were within the normal weight capacity of the equipment in use.

Transport Practice 1.4

Develop and implement a safety program for transport of cyanide.

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

As the cyanide consignor, Texas Bunkering has developed and implemented procedures for safety receipt, load, transport, and unloading of maritime containers with solid sodium cyanide. Procedures and formal checklists were available to demonstrate that the transporter manages several of the Transport Practice 1.4 requirements in addition to these requirements being met by the trucking company. Formal procedures and

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contracts are in place to ensure that roles and responsibilities between Texas Bunkering and the transporter MacGyver are clearly defined.

MacGyver along with Texas Bunkering personnel perform pre-trip inspections to ensure that trailers are locked and secured and that placards are on all four sides of the trailers. The procedures describes the administrative, operational and safety measures for the proper transportation of sodium cyanide. The procedure was found to be compliant with this requirement during this ICMC certification audit.

Solid cyanide is only transported in Intermediate Bulk Containers (IBCs) within sealed 20 foot sea containers. Normal safe driving procedures and unloading procedures ensure that the truck and the trailer are not damaged during transit. The transport procedures establishes that the load cannot be altered during the transportation process. To ensure this, tags are placed in the sea container's locks at the manufacturing facility. These tags can only be removed at the mine. The containers received in the port are placed on platform trailers hauled by trucks without the need of changing the packaging. Per the interviewed personnel, the load is not removed from the container.

As the cyanide consignor, Texas Bunkering requires all sea containers to have appropriate placards showing UN 1689 (solid cyanide) are displayed on all four sides of the sea containers. Also, it is required drivers visually inspect the containers prior to each movement.

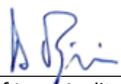
TDM transporter procedures establishes that placards with UN number, poison and marine pollutant signs must be placed on all sea containers to identify the product; this is verified through the vehicle inspection checklist. Containers carrying cyanide are marked with easily identifiable placards and signage. This signage identifies the shipment as containing cyanide and warns of the presence of a toxic chemical as required by local regulations and international standards. Per the reviewed operation files, the presence of the placards is verified through a checklist.

Both the cyanide consignor and the transporter are directly responsible for pre-trip inspections. Texas Bunkering H&S Supervisor and MacGyver escort personnel and drivers regularly inspect the cyanide convoys departing to the mine sites. Pre-trip checklists performed were reviewed and found to be complete. Pre-trip checklists showed that escort and transport vehicles are in optimal condition, that load capacity is reviewed, that weights to be transported conform to the vehicular configuration, and that characteristics of the transport unit (lights, brakes, chassis, container among others) are without cracks or flaws.

Texas Bunkering requires in its procedures that the cyanide transporter in the supply chain must have formal safety procedures for the receipt, load, transport, and unloading of solid cyanide to ensure that all ICMI requirements are fulfilled. Roles and responsibilities between the cyanide consignor and its transporter are clearly defined contractually.

Confirmation was made during the interviews with the trucking company management that perform pre-trip inspections to ensure that trailers are locked and secured and that placards are on all four sides of the trailers,

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that they perform preventive maintenance to their vehicles according to a established schedule. Also, was confirmed that the transporter maintains drug and alcohol abuse prevention policies, which were reviewed during the audit.

According to the transporter's procedures, the transport will only be carried out during daytime hours. In the same way, drivers must rest at least eight hours before departing on the trip. The drivers working day traveling with sodium cyanide may not exceed twelve hours a day discontinuous, allowing stoppings every two to three hours for ten minutes or more for equipment review, feeding and active stops.

The load shifting within the sea container is not considered possible as all containers are filled with 20 IBCs and block and brace is applied at the cyanide production plant to prevent load movement. At the same time, trailers have pins where the container is embedded preventing it from shifting. Cyanide travels in sealed containers, which are secured to the platform safely, eliminating the possibility of displacement during transport.

According to the procedures, the convoy leader (Texas Bunkering H&S Supervisor), reports the state of progress of the operation and in any unsafe event can stop the convoy. Transport can continue only if the leader of the convoy has provided the relevant conditions. It also indicates that if something happens.

Transport Practice 1.5:

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

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

This supply chain do not ships cyanide by sea and air. This section of the ICMC does not apply to the operation.

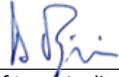
Transport Practice 1.6:

Track cyanide shipments to prevent losses during transport.

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

All drivers and escort vehicles are provided by with cell phones, and radios to communicate internally between the vehicles. They carry a telephone contact list including 911 number, the Honduran government number that connects depending on the emergency, with the firefighters, traffic police, national risk

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management system and with COPECO (the permanent committee of contingencies). Texas bunkering requires that the transporter have its own communications systems. The Convoy Leader will communicate with the mine client and with the emergency responders in case of an emergency.

TBSS cyanide transport procedure requires that the communications equipment be checked before the convoy's departure. These include the GPS, the radios, and checking that the cell phones are charged and operational. Monitoring personnel from MacGyver checks that the GPS are reporting on the control screen prior to the convoy departing. The procedure indicates that the check list must be carried out to review the availability of the communications equipment.

TBSS communication system is part of the pre-trip inspections and requires is maintained along with the formal preventive maintenance program. They also prove their communications and actions to be taken through the drills performed.

The auditor reviewed completed pre-trip inspection records checking that these include fields allowing to review the correct operation of the communications equipment.

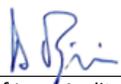
Communication blackout areas along the planned transport route have been identified during the routes risk assessments performed both TBSS and MacGyver. As these areas are minimal, they consider there is no need to implement a special procedure for the blackout areas. Trucks GPS equipment have a "panic button" which is considered to be actioned in an emergency. Also, trucks are monitored along the route in real time, and any delay will be immediately notice at the control board.

Difficult communication happens about 18 km before reaching the mine because it is a mountainous area. However, they maintain radio communication between the convoy vehicles. To better cover all communications along the transport route, the Convoy Leader maintains two cellphones lines with two different companies in such a way that they cover the entire route to the mine.

The transport operation has systems and communications procedures to track the progress of cyanide shipments. GPS tracking system allows continuously monitoring of the location of the convoy. The cyanide transporter communicates the mine client and the transporter upon dispatch, upon passing through principal cities and town along the route, on arriving to the mine site, and after unloading is complete. Personnel responsible for tracking shipment status from MacGyver were interviewed, the GPS system was demonstrated, and logs showing that shipment status, other than cyanide, was being recorded were reviewed and were found to be complete. TBSS procedure for tracking of shipment status was reviewed during the audit and found to follow current practices.

TBSS has inventory controls and chain of custody documentation to prevent loss of cyanide during shipment. This paperwork is used to document the chain of custody and is signed upon delivery of the product to the customer. Shipping paperwork is conformant to ICMC requirements, including chain of custody requirements. A waybill will accompany the transportation which includes chain of custody data such as

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container numbers, the amount of cyanide delivered, waybill number, shipping documentation, Safety Data Sheets (SDS), packing list, bill of lading, customs declarations and producer invoice, among others. Additionally, the containers are locked and tagged at the manufacturer's facilities and these tags are only removed at the mine.

When leaving the port in Puerto Cortés, the cyanide shipment goes with a cargo manifest, a commercial invoice from Cyanco indicating the number of containers, the weight and the containers seals number of each container. Once the cargo leaves the port, the TBSS Convoy Leader verifies that the container seals are correctly placed and intact. Upon arrival at the mine, the product is weighed and after its approval proceeds to receive it.

The auditor reviewed the trucks cyanide shipment bill of lading matching the port scale reports, coinciding the weights always.

A waybill accompany the cyanide transportation in TBSS, which includes chain of custody data such as container numbers, the amount of cyanide delivered and the SDS, among others. The transport document, the SDS, and emergency response information are carried by each driver. The drivers have an on-board file that includes copies of its, licenses, and the cyanide SDS.

2. INTERIM STORAGE

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

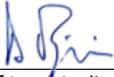
Transport Practice 2.1

Store cyanide in a manner that minimizes the potential for accidental

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

TBSS does not operate cyanide trans-shipping depots and interim storage sites in the supply chain. If a delivery is interrupted, loaded cyanide trucks would be stored in a secure location. The scope of this audit is for the ground transportation operations performed by TBSS as the cyanide consignor and MacGyver trucking company from Cortes Port to mining clients without any interim storage. Therefore this Transport Practice do not apply to the operation.

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3. **EMERGENCY RESPONSE:**

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

Transport Practice 3.1

Prepare detailed emergency response plans for potential cyanide releases.

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

TBSS has the Emergency Response Plan (the Plan) against potential accidents and releases during the transport operation, called "Emergency Plan for the Ground Transportation of Sodium Cyanide as a Hazardous Material", dated from January 2021.

The responsibilities of the transport company involved in this supply chain are in the contractual agreement. TBSS, as the consignor, has overall accountability for the supply chain, but the trucking company is involved in the emergency response in his transport segment.

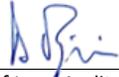
The Plan is appropriate for the supply chain to respond to potential releases of cyanide during transport. It includes details regarding the responsibilities of each actor of the cyanide supply chain, communications procedures to be used in case of incidents and an updated list of notification numbers for emergency responders. The Plan identify possible emergency situations as sodium cyanide release to road, land, surface water, robbery during transportation.

The Plan was reviewed and personnel interviewed. Leadership understanding of consignor ICMC responsibilities was good. All personnel demonstrated a high level of commitment to ensuring that cyanide shipments are made in compliance with ICMC requirements.

The Plan considers the physical and chemical form of the cyanide, solid sodium cyanide. In addition it includes the sodium cyanide SDS where is defined the physical and chemical form of cyanide: solid white granular cyanide and specific information regarding the hazardous material to be transported. Emergency response procedures address actions to be taken in response to a solid sodium cyanide spill. The Plan was found in compliance.

The Plan reviewed considers the method of transport by truck to the mine site. No other methods of transport is used in this supply chain. TBSS Plan considers the transport of cyanide in MacGyver's trucks and appropriately addresses the emergency response actions. The Plan was found appropriate for the selected transport route, based on a review of the hazards and risk assessments after the completion of the route

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sheet. The emergency response actions in the Plans are appropriate for this type of product and method of transportation.

TBSS's Plan considers all parts of the transport infrastructures including conditions of the roads, urban areas, existing water courses, bridges conditions and danger of landslides on the route, among others. The Plan addresses the emergency response to events that could occur in relation to these risks and hazards.

The Plan define the appropriate trucks and chassis to use to transport cyanide. It states that must follow local regulation and that trailers must be of conventional type. The procedure indicates cyanide will be transported in 20 feet shipment containers. The Plan considers the trucks design of the transport vehicle in their emergency response procedures, it describes the appropriate trucks and chassis to use to transport cyanide.

TBSS's emergency response plan includes detailed response actions for each case, including spills in both current and standing open water bodies and for the other risks identified on the routes. The Plan considers a series of instructions covering the potential hazards that could occur during the loading, transportation and unloading of the cyanide cargo, including emergency response actions against collision or rollover, spillage of dry cargo to water sources, on the road and landslides.

The plan also establishes the logical line of actions that the Convoy Leader and drivers must take when irregularities arise during transport of sodium cyanide, including civil commotion, adverse conditions, bad weather, traffic congestion and unplanned stops.

The Plan defines steps from starting of emergency to finalizing the emergency situation. The detail response actions, responsibility and relevant external responder are clearly defined.

TBSS's Plan clearly outline the roles and responsibilities of internal and external responders, the customer, the medical facilities, fire fighters and local government. The emergency telephone number 911, which is the Honduran government emergency number, connects depending on the emergency, with the firefighters, traffic police, national risk management system and with COPECO (the permanent committee of contingencies).

The police will provide support and safety to the transport units during the passage through cities and towns medical facilities and will take control of traffic routes in case of an accident. In case of fire, the firefighters on arrival, will be advised by the trucking company personnel regarding prohibition of water on cyanide.

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Transport Practice 3.2

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

The operation is in full compliance with Transport Practice 3.2
 in substantial compliance with
 not in compliance with

Both TBSS and MacGyver provide emergency response training to drivers, convoy leaders and supervisors. Training on emergency response is given periodically according to an Annual Training Program. Personnel is trained in appropriate emergency response in safe cyanide management (spill and intoxication), firefighting, first aid, hazardous materials. Training is provided by internal staff and external companies as workouts which are renewed annually complying with the training plan and verifying compliance with specific skills. The auditor reviewed several training records in hard copies. Administrative personnel, drivers and escorts were interviewed, and awareness of emergency procedures and documentation was confirmed.

The Plan describes the emergency response duties and responsibilities of the consignor and the transport personnel involved in this supply chain. The Plan has detailed descriptions of the specific emergency response duties and responsibilities before, during and after an incident / accident or an emergency of situation for the managers, transport coordinator and the Convoy Leader, among others. The roles and responsibilities of relevant internal and external personnel are clearly described. The information in the Plan was found to be acceptable.

TBSS Plan describes all the emergency response equipment and materials required for emergency response during transportation along the route including spill response equipment. The emergency equipment and Personal Protection Equipment (PPE) includes Tyvek suits, leather and impermeable gloves, PVC boots, safety goggles, area isolating tape rolls, HCN detector, cyanide antidotes, disposable respirators, oxygen, shovels, sweeps, polyethylene bags, and empty containers.

The Plan defines what equipment must be available in each truck and extra personal protective equipment available. Equipment is checked as part of the pre- trip inspection process.

TBSS's pickup truck leading the convoy has a complete emergency response equipment, including personal protective equipment, spills containment kit, and a CYANOKIT (hydroxycobalamine) as cyanide antidote. PPE's, spill containment tools and materials is also transported in each truck, and mechanical items among others, is transported by MacGyver's escort pickup truck. A checklist is used to verify that it is available, these were reviewed and found to be appropriate.

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The portable HCN gas detector was calibrated according to the alarm values required by the Cyanide Code. The capacity of the medical oxygen cylinder carried by the convoy is sufficient to attend to a victim due to exposure to cyanide during the time required to reach the nearest hospital.

TBSS personnel receives initial and periodic refresher training in emergency response procedures including Emergency Response Plan, and was confirmed during the on-site audit. Training includes initial safety training inductions, safety briefings and scheduled formal training in emergency response.

MacGyver provides its drivers with appropriate level of training to enable them to fulfill their role in emergency response. The transporter has provided formal training in cyanide emergency response to its personnel involved in the cyanide transport operation. Records were checked during interviews and awareness of emergency procedures was appropriate. Prior to each cyanide transport operation, TBSS provide MacGyver drivers with refresher training regarding cyanide handling and emergency response. This training session is provided by TBSS's Convoy Leader prior to the start of the convoy.

TBSS ensures through contractual terms and periodic review that the emergency response equipment maintained by its trucking contractor is available at all times. TBSS conducts periodic inspections to its first aid kits and emergency equipment, according to his procedures. Inspection records were reviewed.

MacGyver ensures that the emergency response equipment is inspected and maintained to have it available when needed. Emergency equipment is checked as part of the pre-trip inspection process. This practice was confirmed through interview with their managers and drivers. Among the control measures to adopt for the transportation of hazardous materials, the trucking company addresses to perform inspections to the emergency equipment before loading the truck. A checklist is used to verify that it is available prior the convoy's departure and it is kept in the operation file. Completed checklist were reviewed during the audit.

Transport Practice 3.3

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

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

TBSS has developed procedures and maintain current contact information for notifying regulatory agencies, outside response providers, medical facilities and potentially affected communities of an emergency. The notification procedures, including telephone numbers, are described both in the emergency response plan. It is listed current emergency numbers for local hospitals, and for ambulance,

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fire, and environmental responders. Phone lists also included up-to-date contact information for the mine site, TBSS and MacGyver personnel, regulatory agencies, and potentially affected communities.

TBSS supply chain emergency response plan requires that internal and external emergency notification and reporting procedures are kept current. According to the requirement in the plan, the reporting procedures must be reviewed periodically. Contact numbers and reporting information is reviewed at least annually, or as needed. During this activity, the phone numbers are checked for accuracy to ensure that internal and external emergency notification contacts are kept current. Records were available to show that this is done. TBSS has procedures to update the emergency contact list. The Plan details the frequency and how the emergency contact list will be updated.

Transport Practice 3.4

Develop procedures for internal and external emergency notification and reporting.

The operation is in full compliance with Transport Practice 3.4
 in substantial compliance with
 not in compliance with

The procedures for remediation such as recovery and neutralization of solutions and cyanide solids and decontamination are sufficiently detailed. TBSS's emergency response plan describes how will neutralize cyanide and the recovery will take, the decontamination of soils, or other contaminated media and how these wastes are managed. Descriptions of necessary action steps depending on the incident scenario are outlined in the documents. MacGyver convoy personnel will provide first response in case of small spills amounts.

Although the emergency response plan prohibited the use of chemical substances, among others they indicated that the use of hypochlorite was prohibited. Following the auditors request to specify what type of hypochlorite the prohibition was about, the new version of TBSS's emergency response plan, specifies the prohibition of sodium hypochlorite for use in surface water. No additional information was necessary for this question to be fully compliant with the Code .

TBSS's emergency response plan specifically prohibit the use of chemicals such as sodium hypochlorite, ferrous sulfate and hydrogen peroxide for treating a cyanide spill into surface water. The plan address that the use of these chemical substances in any incident for the treatment of solid sodium cyanide spilled in surface waters is prohibited. Neutralization chemicals are not allowed to be used in or near surface water bodies.

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Transport Practice 3.5

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

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 in substantial compliance with
 not in compliance with

The Plan states to periodically review the emergency response procedures and to evaluate the plan adequacy. The Plan reviewed was maintained as latest versions and under formal document control. The plan states to be reviewed once each year. Records were available to show that this is done.

The Plan establish that mock drills must be carried out periodically. Also, that the practices will be scheduled in coordination with the client, to keep the personnel permanently prepared for an emergency.

In September 2020 TBSS and MacGyver performed a cyanide emergency mock drill simulating a cyanide spill. Among the 11 participants in the drill, were 4 drivers, H&S, operations and management personnel. They found improvements opportunities as refresher training needs in the emergency response plan, which was done.

In September 2019 performed a drill simulating cyanide spill (5 kg) over humid soil and cyanide exposure, finding needing training to emergency response and additional PPEs. In July 2018 they performed another emergency mock drill simulating a cyanide spill.

All drills reports were reviewed, finding them to be effective.

During the review of the emergency response plan, no directive was found establishing that the plan should be reviewed after an emergency that has required its activation, so this Protocol Question resulted in Substantial Compliance. After the audit TBSS sent the auditor the new version of the emergency response plan where it was included that the plan will be revised for this reason, resulting this Protocol Question in Full Compliance.

The Plan requires to be evaluated after any emergency that required its implementation. Such reviews have not been conducted during this recertification period as no emergency occurred needing to activate the Plan.

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