

Transportes Meridian S.A.C.

Summary Audit Report for the

International Cyanide Management Institute

July 2023

Author: Bruno Pizzorni - Lead Auditor



Parque Federico Blume 142, Miraflores, Lima - Perú

Tel +51 947 259 440 | Email bpizzorni@cyanideauditor.com | Web CYANIDEAUDITOR.COM

Table of Contents

- Operation General Information 3
- Auditor’s Finding 4
- Auditor Information 4
- Auditor Attestation 4
- TRANSPORT VERIFICATION PROTOCOL 5**
- Principle 1 | TRANSPORT 5
 - Transport Practice 1.1 5
 - Transport Practice 1.2 7
 - Transport Practice 1.3 8
 - Transport Practice 1.4 10
 - Transport Practice 1.5 13
 - Transport Practice 1.6 13
- Principle 2 | INTERIM STORAGE 14
 - Transport Practice 2.1 15
- Principle 3 | EMERGENCY RESPONSE 15
 - Transport Practice 3.1 15
 - Transport Practice 3.2 17
 - Transport Practice 3.3 19
 - Transport Practice 3.4 20
 - Transport Practice 3.5 21



Operation General Information

Name of Transport Operation:	Transportes Meridian S.A.C.
Name of Facility Owner:	Transportes Meridian SAC
Name of Facility Operator:	Transportes Meridian SAC
Name of Responsible Manager:	Javier Espinoza Sarmiento – Integrated Management System Manager
Address:	Av. Oquendo Mza. H-L, Ex Fundo, Oquendo, Callao
State / Province:	Callao
Country:	Perú
Telephone:	+51 1 626 -1000
Email:	javier.espinoza@tmeridian.com.pe

Operation Location Detail and Description

Transportes Meridian S.A.C. (Meridian) is a trucking company with BASC Certification (Business Alliance for Secure Commerce) dedicated to the provision of transport and land distribution services of containers, loose cargo, heavy, oversized and extra-long machinery, covering all types of services such as dangerous cargo, cyanide, chemical inputs, controlled goods and explosive. They are responsible for the transport from ports to extra-port terminals and vice versa, as well as transport to the warehouses of various clients with traceability of their merchandise online locally and nationally through their transport website. Its movement in this type of operation is approximately 18,000 containers per year for both import and export.

Meridian was first certified in the Cyanide Code in year 2016 and then recertified in 2020. The scope of this audit is the transport operation of solid sodium in sea containers between Callao Port to warehouses in Callao and to mining clients.

Solid sodium cyanide is transported in Intermediate Bulk Containers (IBC) inside poly-propylene super-sack filled up to 1 ton and placed inside a polyethylene bag and wooden box, and in metal cylinders containing 50 kg of cyanide. Around 20 tons (t) of cyanide is placed in standard 20-foot shipping containers. IBCs and cylinders are placed in a way to prevent lateral movement within the container. Containers are received locked and tagged.



Auditor's Finding

This operation is

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

with the International Cyanide Management Code.

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

Auditor Information

Audit Company: BP Cyanide Auditors S.A.C.
Lead Auditor and Transport Technical Auditor: Bruno Pizzorni bpizzorni@cyanideauditor.com
Dates of Audit: May 18 and 19, 2023

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.



TRANSPORT VERIFICATION PROTOCOL

Principle 1 | TRANSPORT

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

Transport Practice 1.1

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

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

Transportes Meridian (Meridian) has evaluated alternative transport routes and selected the ones that minimizes the potential for accidents and releases and the potential impacts of such accidents and releases if they do occur. The evaluations consider the population density, road infrastructure, pitch and grade, proximity of water bodies and fog, as well as any others that may affect the relative risks of the various routes being evaluated, such as natural hazards as landslides and security issues.

The procedure P-TRA-009 Sodium Cyanide Transport requires an assessment of the route before transporting cyanide to a new location, using the procedure Annex I, register F-TRA-008 Route Risk Assessment.

Route evaluations are carried out by the monitoring and controlling routes chief, together with the head of the SIG (Integrated Management System). During their route assessment they consult with the local authorities if they can pass through the villages, talk with the police and if available a fire department, they present their emergency response plan, with the presence of local authorities and residents, if applicable.

The auditor reviewed route evaluations made both for local routes as from the Port of Callao to Contrans Warehouse in Callao and for distant mining operations such as routes from Callao to the La Zanja, Coimolache, Shahuindo and La Arena mines. Thea assessments include allowed hours for transport, police controls, check points, bridges, proximity to water bodies, road slopes and condition, population density and foggy areas, among others. In many cases, the routes evaluated and selected are limited by the availability of alternatives, jurisdictional designations and required routes for transport of dangerous goods. The auditor took these restrictions into account, determining the transporter’s process effectively addresses this Transport Practice requirement.

The transporter procedure P-TRA-009 Sodium Cyanide Transport requires an evaluation of the selected route to determine if extra precautions are necessary at points along the route. By mean of the route risks evaluation format F-TRA-008, they collect field information, interview people, measure the width of the roads, including risks and control measures. Areas posing increased risks including areas prone to



theft and social disturbances have been identified and are subject to additional control measures, such as communications with the monitoring and controlling personnel at the company headquarters, before entering this areas, establishing preplanned alternative routes. Safety measures are documented for driver training.

The auditors reviewed the transporter procedure confirming that the risks of selected routes are evaluated, necessary extra precautions are documented, and drivers receive appropriate training.

The transporter has resumed the process to periodically reevaluate routes. Before the COVID-19 pandemic this evaluation was done annually, currently the annual frequency is being resumed. It is established in the procedure for cyanide transportation that route evaluations must be done annually or when there is any change or by feedback from drivers to the Meridian monitoring center. Additionally, they have asked mining customers to provide feedback to any change in the route. These changes or conditions are recorded in the travel reports. Additionally, an annual tour is made by those in charge to update the F-TRA-001 Road Risk Assessment format.

The auditor reviewed recent route evaluations and by interview with drivers and management personnel confirmed that feedback about driving conditions is communicated. Special conditions noted by customers are noted and communicated to all drivers assigned to the route.

Meridian documents the risks identified along the selected routes in the procedure P-TRA-009 Sodium Cyanide Transport and in the completed evaluation form F-TRA-008 performed for each route. These documents are available in writing both for driver training and as a reference. Features such as sharp turns, safety issues and high population density are addressed with special precautions. These control measures have been assigned to specific sectors of the road identified by kilometer markings. These controls include speed reduction, experienced drivers only, escorts, specialized training, among others. The auditor reviewed the transporter documentation addressing management of risks along the selected routes.

During the route assessment, Meridian interacts with the police and/or authorities of the major population centers along the route, as appropriate. During these visits they interact and receive information on the route. They also showed up and reported to the hospitals on the route. These consultations help the transporter to evaluate potential routes for their relative risk, identify the risks that exist along the chosen route, and determine the measures necessary to manage this risk.

The auditor reviewed records of meeting minutes along the routes with firefighters in the towns of Chaclacayo, Chosica, La Oroya, Huacho, Trujillo, Laredo, Pacasmayo and Chimbote, among others, confirming that input has been sought and acted on as appropriate. The transporter considers consultation on route details a sensitive issue because of the possibility of robbery or vandalism.

Meridian uses convoys with a pickup truck escort for mine routes, where road conditions are poor, where there could exist security concerns and due to their remote locations the need for immediate emergency response is relatively high.

Typical configuration of cyanide convoys are at least 3 trucks + 1 escort vehicle The convoy is



accompanied by a pickup truck with an escort supervisor equipped for first aids, equipment and material to contain and collect cyanide spills. They have established the safe places where can rest at the night. In addition to the Global Positioning System (GPS) of the vehicle, they install GPS to the cyanide containers, protected by anti-vandal boxes, which transmit about 5 hours with independent battery. Meridian has a 24/7 monitoring center all year round. The convoy may require one or more vehicles as an escort at the client's request; all this according to its emergency response plan D-TRA-001 Sodium Cyanide Transport Emergency Response Procedure V3.

Cyanide shipments between Callao Port to local Contrans warehouse is performed by individual trucks without escort, but constantly GPS monitored. Contrans along with Meridian have implemented administrative controls for the route between the port and the warehouse due to safety (robbery) concerns. Before departing, each transporter communicates its departure to its base and to the cyanide consignor. Follow up of the cyanide shipment is closely made with (GPS) and constant cellphone communications by both companies to its respective control centers.

Occasionally, the transport in Callao could be accompanied by guards depending on the security conditions of the area, this at the request of the client. By interview to management personnel, the auditor confirmed that cyanide transport operations are closely followed up since its departure until its arrival to Contrans warehouse.

Meridian performs all cyanide transport operations with its own trucks and drivers. The company do not subcontract any of the cyanide handling or transport.

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 | <input checked="" type="checkbox"/> in full compliance with
<input type="checkbox"/> in substantial compliance with
<input type="checkbox"/> not in compliance with | Transport Practice 1.2 |
|------------------|---|------------------------|

Meridian demonstrated that personnel operating its cyanide transport vehicles have been properly trained and have a specific license to operate with hazardous materials and the trucks with platforms for containers.

Among the requirements that drivers need to work in cyanide transport operation are a complete college education, having an A3-C driver's license; require Special A license to transport Chemical Inputs and Controlled Goods (IQBF) where it indicates any restrictions. To enter to the port services they must have basic courses in ISPS (Ship Security and Port Facility)

To recruit drivers Meridian requires a minimum of 3 years' experience driving semitrailers. First they must pass a driving test with the Meridian monitor, who evaluates the practice and theoretical exam. If



they pass, follows interviews with the immediate boss or the operation and interview with the psychologist. Later they go to the medical center according to the protocol established by the doctor. Finally, the Human Resources Area manages a compliance matrix where they continuously review whether their licenses and exams are updated and current.

The auditor reviewed the transporter’s documentation verifying that its drivers are properly trained and licensed for transport of cyanide.

Meridian drivers operating trucks have been trained to perform their assigned tasks in a safe and environmentally sound manner. Truck drivers have been trained on the procedures for loading and off-loading their trucks as required in the procedure P. TRA-005 Cargo Security, Lashing in Containers, Machinery and Equipment. The procedure includes instructions in safe management of hazardous materials and loads during transport of cyanide shipments. Meridian does not operate reach stackers or forklifts, only operates its trucks..

Drivers receive training from both Meridian and mining customers as a requirement to enter the mining operation. They receive cyanide-specific training, emergency response plan, and conduct cyanide emergency drills. They have a record of each training received by the driver. All take an 8-hour defensive driving course taught by the Meridian driving monitor. Drivers with special A driver's license carry basic training in Hazmat.

The auditor reviewed the records of attendance at the trainings, including on cyanide held on April 17 of this year with 42 participants; cyanide spill drill; Emergency response plan and cyanide transport procedure. They take a comprehension test at the end of each training. Training records are kept by the human resources area in each driver's file. The auditor interviewed the drivers verifying that they have received the specified training.

Transport Practice 1.3

Ensure that transport equipment is suitable for the cyanide shipment.

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

Meridian has records documenting the load-bearing capacities of its transport equipment and its maximum cyanide load weight. This documents were available for the auditor's review. They use tract trucks with 440 and 480 horsepower which are appropriate to haul cargo through the Andes mountains. The standard cyanide load is around 20 tons, which is transported on trailers with a load capacity of 35 tons. They transport only one container per trailer. The auditor reviewed quality certificates from the local manufacturers Fenesa and Famesi brand trailers, declaring load capacity and quality of materials and manufacturing.

Meridian has implemented maintenance activities specific to ensuring that its transport equipment



retains a load-bearing capacity adequate for the anticipated load. This is addressed in the procedure P-MAN-002 Maintenance of Transport Units.

Vehicles are inspected by the driver prior to departure. Any concerns are addressed prior to the vehicle being permitted to depart. Records of these inspections are documented on pre-use check lists. Records were available for the past three years and showed completion of a vehicle inspection checklist and sign-off by the driver.

Trucks more than 3 years old should be evaluated by an independent mechanical service provider to be declared in conformance. In addition, vehicles must pass mechanic inspections by a third party inspector prior to issuance of a vehicle permit to transport hazardous goods.

Fleet specification files were available for review during the 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.

Meridian has developed and implemented the procedure P-MAN-002 Maintenance of Transport Units S to establish the activities, controls, registers and necessary indicators to execute the transport service. The procedure P-TRA-009 Cyanide Transport includes procedures to verify the adequacy of the equipment for the load it must bear. As stated in the procedure, on reception of the service requirement, the Transport Analyst reviews among others, the type of merchandise, load and quantity of containers to ensure the vehicle adequacy. With this information assigns the transport unit and the driver that would comply with the service requirement. Pre-trip inspections of the truck are formally performed by the transporters as part this procedure.

Meridian manages standard amounts of cyanide in 20 feet ocean containers with known weights that load into its transporter's trailers. The procedure for secure cargo includes load instructions, loading diagrams and inspection forms to ensure the load is correctly transported. The transporter train its operators to inspect the trailers prior to loading.

To prevent overloading of the transport vehicle, Meridian has established in the cyanide transport procedure that each platform will load only one sea container limiting to 20 the number of cyanide Intermediate bulk containers (IBC) that can be loaded on each sea container. Also, each truck can only haul one platform trailer. This is consistent with the information included in the inspection checklist and was confirmed during the interviews.

The load made by the port operator is weighed to confirm 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. Meridian office



personnel showed awareness of weight capacities and regulatory requirements pertaining to maximum truck weight allowed.

Transport Practice 1.4

Develop and implement a safety program for transport of cyanide.

The operation is in full compliance with
 in substantial compliance with
 not in compliance with

Transport Practice 1.4

Meridian procedures include visual inspection of the transport units to ensure during the loading operations, that the sea container has been adequately positioned on the trailer and they are secured with the padlocks. Checklists inspections require checking doors are closed, have seals and container secured with padlocks. The seals are checked at designated points during transportation: on receipt at the Port of Callao; on arriving to Contrans warehouse; at the start of transport to the mines; after every stop on route and on arrival to the mine site storage.

During transport, the containers are secured to the trailer bed using locking clamp mechanisms that are part of the trailer. The clamps are located at fixed positions on the trailer so that the container is balanced during transport.

The transport procedures establishes that the load cannot be altered during the transportation process. The containers received in the port are placed on platform trailers hauled by trucks without the need of changing the packaging. No shipping can be fractioned. Cyanide cargo is not being removed or distributed into other containers from the maritime container until arriving to a warehouse or to the mining client. Per the interviewed personnel, the load is not removed from the container during Meridian's transport operation.

Meridian procedure for cyanide transport and procedure for cargo securing and lashing in containers, address inspection procedures to ensure that the integrity of cyanide packaging is maintained during the cyanide cargo loading and unloading. Meridian do not handle cyanide as exclusively transports sealed cyanide containers loaded and unloaded by thirds, as the Callao Port operator, Contrans warehouse and the mining clients. Anyway the procedures address the appropriate precautions to supervise these operations.

Meridian performs pre-trip inspections to ensure, among others, that that placards identifying the shipment as cyanide are on all four sides of the containers as required by the Peruvian jurisdiction through which it will pass. Each cyanide container is labelled to meet International Maritime Dangerous Goods (IMDG) Code labelling requirements. This labelling is posted on each side of the container and includes identification of solid sodium cyanide by United Nations (UN) number (1689) and the skull and crossbones marker used for Class 6.1 toxic substances, along with the Marine Pollutant marker.



The auditor inspected the placards and signages used to identify the presence of cyanide on the shipment verifying compliance with this provision.

Meridian has implemented a safety program for cyanide transport that includes:

- a) Prior to truck departure, an inspection sheet is completed and signed by the driver prior to the vehicle leaving its base. Prior to departure of a convoy, the driver and the convoy leader conduct a pre-trip inspection of the vehicle and both sign that the truck is in good operating condition. Any issues that could affect safety or the operation of the vehicle are resolved prior to departure.
- b) Meridian has developed and implemented a preventive maintenance program for its vehicles. Maintenance for each vehicle is tracked through the Excel spreadsheet Maintenance Table per Unit. There are weekly meetings with the Maintenance Technician to review next preventative maintenance according to the program. Records for trucks and also for trailers were reviewed and Meridian was able to demonstrate complete vehicle serving over the past three years.

Divemotors, the vehicles dealer, is the authorized workshop for the maintenance of new transport units under warranty. According to the preventive maintenance plan, it is done every 25,000 and 40,000km, depending on the brand of the vehicle and the route it covers. Monthly, the maintenance operator updates the mileage of each unit.

The trailers are preemptively maintained every 10,000 km or 6 months. The auditor reviewed the maintenance plan which also includes the trailers. They carry programming control of units for preventive maintenance separately tractors and trailers. A weekly report is sent by email to the interested parties on vehicles that need maintenance. Divemotors have services in provinces in major cities, which allows maintenance to vehicles without having to return to Lima, Callao where the Meridian headquarters is located. The detail of the work to be done appears in the respective work order, they have a software developed internally by Meridian with a module of work orders.

They also have tire management, they track their directional position or traction or if it is spare, all is coded. At 4 mm of tread depth, the tire is changed, exceeding the national regulations being 3 mm. Tire retreading is only applied to tractors, through the contractor Renova. The auditor reviewed the tire inspection sheet, where they measure the pressure and remaining footprint and condition of the tire. They control about 2,600 tires of 117 units using an electronic tool that measures the footprint by recording the code of each tire.

They have a pre-use checklist of the F-Man-007 V1 vehicle that must be made by the driver and delivered at the Meridian exit checkpoint to be able to leave. They also do random inspection for the trailers. The auditor reviewed Divemotors' maintenance records. In the Meridian warehouse they have spare parts such as belts, spotlights, cables and tires among others, controlled by SAP software. The maintenance of the trailers carts is done by third parties.

- c) Meridian has established limitations on drivers' hours. They are contractually limited to an "on-



duty” workday to 12 hours. During hazardous material transportation, drivers must perform 15 minutes active pauses every 2 hours. The procedure for cyanide transportation establishes driving hours is during daylight. It is also required drivers have rest at least 8 hours before driving.

- d) To prevent loads from shifting Meridian procedure for securing cargo and leashing calls for the securing of the containers to the trailer bed using the clamping mechanisms that are part of the trailer itself. The integrity of the clamping mechanism and the attachment point on the container is checked during a pre-trip inspection prior to the departure of the truck or the cyanide convoy. There are specific locations on the trailer that will accept the container, thereby eliminating the possibility of unbalanced load. For transport to the mines, the containers are secured with chains and a bar is crossed on the container doors to make ensure they cannot be opened.
- e) Procedures by which transportation can be modified or suspended if conditions such as severe weather or civil unrest are established in the cyanide transport procedure. Meridian Safety Coordinator and convoy leaders are responsible for evaluating weather and road conditions and determining what actions should be taken. Convoy Leaders are senior personnel, experienced with weather and road conditions, and adept at making decisions regarding the need to suspend a shipment or to modify any convoy plans. In addition to weather forecasts, regular reports are received from the Monitoring Central, including cases of civil unrest.
- f) Meridian has a drug abuse prevention program. Before each trip, Meridian drivers must undergo alcohol testing and periodically disclose evidence of drug use. Violation of this policy will result in the separation of the worker from the organization. Meridian maintains drug and alcohol abuse prevention policies, which were reviewed during the audit. In addition, the transporter has a program managed by an occupational doctor called Addictions Prevention.

Meridian calibrates its breathalyzers annually. At Meridian’s headquarters, upon entering to work, all personnel must go through breathalyzer control both administrative and operational personnel or drivers. Control for drugs such as marijuana and cocaine is random. Every new worker must go through all these controls. The auditor reviewed the Addiction Prevention Program, as well as training records on alcohol and drug policy, saw the reagents used by the occupational physician to analyze urine samples. In case of testing positive there are sanctions according to the internal work regulations, the third time that positive for alcohol the worker is separated from the company, for drugs the first time.

- g) Records documenting all the above are maintained in hard and electronic copies at the transporter’s office. The auditor reviewed random records for the last 3 years, verifying compliance.



Transport Practice 1.5

Follow international standards for transportation of cyanide by sea.

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

Meridian does not ship cyanide by sea or by air. This section of the International Cyanide Management Code (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
 in substantial compliance with Transport Practice 1.6
 not in compliance with

Meridian has assigned a cell phone to each vehicle, which always remains there. Apart drivers have their personal phone. In the vehicles exterior they have installed stickers with the list of emergency phones to communicate with the transport company, the mining operation, the cyanide consignor (s), distributor and with emergency responders. Meridian use also WhatsApp groups to communicate any news or incident on the route. They have portable base radios on each truck to communicate with the convoy leader.

During the audit, it was not possible to verify that the carrier regularly tested the proper functioning of its communications equipment. Following the audit, Meridian added this requirement for inspection of mobile phones and base radios to be performed prior to each trip in its cyanide transportation procedure. It also developed and implemented the checklist TRA-025 Mobile Phone and Base Radio Inspection Record and sent the auditor the records completed during the past month. The items included in this checklist include checking if the equipment turns on correctly, if it has a charger and charges correctly, if the screen of the equipment does not have cracks that prevent the vision of it, and that the touch system of the equipment works correctly. No additional information was required to find this in full compliance with the Code requirements.

Communication blackout areas along the transport routes have been identified during routes risk assessments performed by Meridian convoy leaders. On approaching to these areas the convoy leader communicates its position to the Monitoring Central. Trucks are continuous monitored by GPS along the route in real time, and any delay will be immediately notice at the Monitoring Central.

Meridian has mapped the cell phone signal of different providers of this service and has chosen for each



route the one that has better coverage. In the monitoring center they have identified the areas without communications coverage, establishing geofences for the GPS tracking system and alarms in case the vehicle's signal does not appear again in a certain time.

Transportes Meridian has satellite-based GPS systems to track trucks during transport. They use GPS and software systems that visually tracks truck locations on computers and cell phones. Communications with the base are performed upon dispatch, upon arrival at the customer sites, and after unloading is complete. The Safety Monitoring Supervisor, responsible for tracking shipment status in Meridian was 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. Meridian procedure for tracking of shipment status was reviewed during the audit and found to follow current practices.

All tractor units and even cyanide containers have GPS provided by the contractor Tecnología Motriz, who also provide the tracking platform to the Meridian monitoring center. They inform by mail those who Meridian indicate, as indicated in procedure P-TRA-004 Monitoring of Land Cargo Transportation Service.

The transporter has a system to ensure that cyanide shipments arrive at their destination intact. A waybill accompanies the cargo for transportation which includes in addition chain of custody data such as container numbers, waybill number and customs declarations, among others. This paperwork is used to document the chain of custody and is signed upon delivery of the product to the customer. Meridian's shipment completed with no stops or they require confirming that the initial inventory arrives in full and intact at the destination.

Meridian handles printed and electronic remission guides for cyanide shipments, indicating the name of the product and the quantity transported. It is confirmed that the load arrives complete with the customer's conforming reception. Meridian receives the closed container, it is not handled or opened. The driver informs the monitoring center that he delivered the cargo without observations. The remission guide receives a stamp of conformity and the service is closed.

The auditor reviewed this documentation completed during the course of several shipments and through interviews with Meridian's supervisors. Shipping paperwork was found to be conformant to the Code requirements.

All shipments of cyanide are accompanied by shipping papers identifying the amount of cyanide in the load and by Safety Data Sheets describing the necessary precautions for handling of cyanide. The transporters procedures for cyanide transportation requires that this information be available during transport. The auditor reviewed the transporter's procedure requiring that this information accompany each cyanide shipment and verified the implementation by interviewing operators and observing this documentation. The bills of lading and shipping papers reviewed clearly indicates the number of packages and amount of cyanide transported.

Principle 2 | INTERIM STORAGE

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



Transport Practice 2.1

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

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

Meridian does not operate cyanide trans-shipping depots or interim storage sites in its transport operation. 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 Meridian trucking company from Callao Port to warehouses in Callao and to mining clients within Peru without any interim storage. Therefore this Transport Practice does not apply to the operation.

Principle 3 | EMERGENCY RESPONSE

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

Transport Practice 3.1

Prepare detailed emergency response plans for potential cyanide releases.

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

The trucking company has a written plan for responding to emergencies that may occur during its cyanide transport activities. The Emergency Response Plan (ERP) D-TRA-001 Sodium Cyanide Transport Emergency Response Procedure v3 involves Meridian’s convoy personnel in using its capabilities, training, equipment and resources to manage first response to accidents involving release of sodium cyanide briquettes and first aids in case of cyanide exposure to persons. The ERP includes contact information to notify local authorities, outside emergency response providers, and company operations and safety management.

The Emergency Response Plan is appropriate and considers the following:

- a) The ERP reflects the issues presented by the particular transport route, the method of transport, the transport facilities and equipment. The Plan states what actions are to be taken in the event of a cyanide incident during transit. The document was found to be appropriate for the sodium cyanide transport operations. Emergency scenarios have been identified as result of the route assessment evaluation and emergency response actions have been addressed.



- b) The ERP considers the physical and chemical form of the sodium cyanide, with detailed explanation of its characteristics and toxicity based on the safety data sheet (SDS). Emergency response procedures address actions to be taken in response to this type of sodium cyanide spills. The SDS for solid sodium cyanide is readily available in the convoy to ensure that chemical-specific information is readily available at all times. The emergency scenarios consider the solid state of cyanide.
- c) Meridian's Plan considers the trucking transport to the final destination. The emergency response actions in the emergency plan are appropriate for this type of product and method of transportation. The document provides information regarding the packaging and transportation characteristics of the product, the container, trailer and truck tractor. All emergency scenarios developed are related to ground transportation.
- d) Meridian's emergency response plan considers the different transport road infrastructure including conditions of the roads (highway, secondary and mine roads) and urban areas. The plan considers existing water courses, bridges conditions and danger of landslides on the route, among others. The plan address the emergency response to events that could occur in relation to these risks and hazards.
- e) Meridian's Plan considers the trucks and trailers design, including a detailed description of the vehicle. The document defines 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 or of the low bed type. The procedure indicates cyanide will be transported in shipment containers. The ERP is appropriate for this type of transport vehicle.

During the review of the Plan, the auditor noted that it was necessary to identify the probable emergency scenarios for cases of a spill on dry soil, on wet soil, water, poisoning and theft, although the response actions for these cases were included. After the audit, Meridian sent a revised version of the ERP identifying the possible emergency sceneries in the Plan. No additional information was required to consider these aspects in full compliance with the Code.

The Plan describes the nature of the response actions to be taken for the types of emergency situations identified. The level of detail is adequate to the nature of the potential emergencies identified in the Plan. It includes emergency response actions against collision or rollover, spillage to water sources and landslides. The Plan also establishes the logical line of actions that the leader and convoy drivers must take when irregularities arise during transport of sodium cyanide, including civil commotion and adverse conditions.

The auditor found the role the police which is considered in the ERP, was not identified in the emergency response procedures. After the audit Meridian its emergency response procedures clarifying the role of the police will be to divert traffic and prevent outsiders from approaching the scene of the accident.



In case of fire, the firefighters, if available, on arrival will take control of the emergency, advised by the trucking company personnel regarding not using water on cyanide. Meridian, as a hazardous material transporter, has an agreement with external contractor Zolix for transport, processing and final disposal of hazardous materials in accordance with current national legislation. Environmental monitoring will be in charge of a company Gehsima SAC, specialized to carry out the monitoring when the spill has had contact with the ground or water.

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

Meridian trains its personnel according to the Annual Training Plan. Every new worker must go through an induction process in the company before being allowed to start his work. The transporter provides emergency response training to all his personnel involved in the transportation operation as drivers, convoy leaders, managers, convoy mechanics, maintenance shop, logistics and dispatch personnel, among others. They receive an appropriate level of training to fulfill their role in emergency response. Formal emergency response training is refreshed annually.

Training records were available for the recertification period and were complete. Meridian provided last presentational training to its staff in the Emergency Response Plan (ERP) on April 28, 2023 with about 100 participants. In October and November 2022 they also provided this training with 45 attendees on each session. The auditor confirmed this training was given periodically through interviews with drivers, reviewing records, material, and training given by the SIG Head and the Health, Safety and Environment (HSE) Supervisor.

During the review of the Plan, the auditor noted that the drivers' responsibilities were not clear regarding their involvement in the collection of a minor cyanide spill. The auditor asked Meridian to clarify this issue in the Plan since by interview with supervisors, they indicated that drivers were trained and would participate in the first response by recovering a cyanide spill in route. After the audit, Meridian sent a revised version of the ERP stating that drivers would participate in the first response to a cyanide spill accident en route. No additional information was required to consider these aspects in full compliance with the Code.

The specific duties and responsibilities of the convoy personnel and emergency response are clearly identified in the ERP, the auditor reviewed the transporter's Plan verifying that this information was included.

The transporter has a list of the emergency response equipment that must accompany the cyanide load



along the transport route. The list is part of the Emergency Response Plan and also is maintained separately as a checklist for inventorying the equipment. During the review of the Plan, the auditor noted that the ERP equipment list was different to the equipment list of the checklist. The auditor asked Meridian to reconcile these lists, which was done after the audit and verified in the new version of the ERP and the equipment checklist sent to the auditor. No additional information was required.

Meridian has a complete emergency response equipment list in his ERP, which should be available during transport in the Convoy Leader vehicle, who must inspect the medical and emergency kits prior to the departure of the convoy. The list includes cyanide gas detector, Tyvek suits, leather and impermeable gloves, PVC boots, safety goggles, full face masks, disposable respirators, oxygen, lime, bleach, Ambu (airway mask bag unit), isolating tape rolls, shovels, sweeps, polyethylene bags, empty containers, plastic blanket, medical oxygen 1 m³ cylinder with mask and reservoir bag and Cyanokit.

The auditor reviewed the emergency equipment, finding that the transporter had one oxygen bottle of 1 cubic meter which would not be enough to support a victim with oxygen therapy until arrival to the medical center frequently at 2 hours or more due some remote locations of mine sites. On an emergency, considering that the oxygen administration flow required for these cases is around 15 liters per minute, the balloon of 1 cubic meter would last one hour of oxygen administration to support the victim. Also, found the portable HCN (hydrogen cyanide) gas monitor needing to calibrate alarms to activate at 4.7 ppm (parts per million) and 10 ppm as required by the Code. They were also required to have commercial bleach to neutralize the cyanide as well as a supply of water to rinse the skin in case of contact with cyanide.

After the audit Meridian sent pictures and the invoice of the additional oxygen bottle acquired with its respective manometer and mask. The transporter also sent the recent calibration certificate for its HCN gas monitor with alarms set as required and pictures of the provision of water and commercial leach . No additional requirements were asked to find this in compliance.

They have the Cyanokit antidote with current date and stored at the right temperature. The auditor reviewed the emergency equipment checklists, inspected the emergency equipment including personal protective equipment that is available during transport and interviewed the HSE Supervisor verifying compliance with this provision.

The ERP requires the Convoy leader to perform the inspection of the safety and medical emergency kit but does not indicate when. In practice, it is done prior to the departure of the convoy, however, given that there are periods in which cyanide is not transported, and also as is not a good practice to check the equipment just before the departure of the convoy since if there is lack of oxygen, for example, its replacement could not be immediate. The auditor requested that a frequency of review of the kits be established to ensure their availability in the future, thus allowing any replacement. with the necessary time. After the audit Meridian included this requirement in the ERP stating biweekly inspections. Meridian also sent copies of completed inspection checklist records. The emergency response equipment identified in the transporter's Plan is being inspected and tested regularly so that it will be available in good working order when needed for use. No additional information was required to find



this issue in full compliance with the Code.

The operation has designated in its Plan other entities to conduct emergency response actions as Zolix for transport of hazardous materials and Gehsima SAC for environmental remediation and monitoring.

In case of a cyanide spill, external contractor Zolix will be in charge of transporting any hazardous material for its proper final disposal to an authorized landfill for hazardous substances. Zolix is an authorized entity registered as Companies Providing Solid Waste Services (EPS-RS) by DIGESA (General Directorate of Environmental Health) for transport, treatment and final disposal in accordance with current national legislation.

For remediation and environmental monitoring after a cyanide spill incident, external contractor Gehsima SAC, a company specialized to carry out remediation and environmental monitoring, will intervene when the spill has had contact with the ground or water.

The auditor confirmed by documented information via emails, that both entities are aware of their responsibilities and are in compliance with the applicable provisions of this Transport Practice.

Transport Practice 3.3

Develop procedures for internal and external emergency notification and reporting.

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

Meridian has procedures and current contact information for necessary internal notification and external notifications in the event of a cyanide emergency during transport. The auditor reviewed the transporter notification procedure and contact information to verify compliance with this provision.

The notification procedures, including telephone numbers, are described in the Emergency Response Plan. The Plan includes procedures and current contact information for notifying regulatory agencies and potentially affected communities of an emergency. It lists current emergency numbers for local hospitals, ambulance, firefighters, police and environmental responders. The auditor reviewed the transporter notification and contact information verifying compliance with this provision.

The transporter has the procedure in place P-SIG-001 v3 Document and Records Control stating the entire ERP including the emergency contact numbers, among other documents, must be updated on an annual basis or when there are changes in the background and form, in terms of procedures, persons, telephone numbers, routes, equipment, methods, or any other consideration that allows more efficiency and effectiveness. This is also stated in the ERP.

The auditor reviewed the procedure verifying its implementation through review of documentation and



interviews. On occasion of the audit there was evidence of Meridian having revised the ERP since they showed the different versions of the Plan corresponding to the previous years.

The Emergency Response Plan includes a requirement and details to notify the International Cyanide Management Institute (ICMI) of any significant cyanide incidents, as defined in ICMI's Definitions and Acronyms document. The Plan states that Meridian as a Code signatory company, must notify ICMI of the occurrence of any significant incident involving sodium cyanide, must describe the nature and extent of such incidents, as well as the response of the operation and the measures that have been taken to prevent its recurrence. The operation has not experienced any cyanide incidents during the past three-year audit cycle, so no such incidents were reported to the ICMI.

Transport Practice 3.4

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

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

The auditor required Meridian to detail in the ERP the first response actions: if the drivers will participate to pick up the spill; if such, to describe in detail how they will do it; where do they will temporarily dispose the material recovered and contaminated materials; how would be the remediation procedure and at what value of cyanide will the environment be considered decontaminated. Also to detail who will transport the contaminated material and where will be taken for proper final disposal.

After the audit, the transporter included in the ERP the required information specifying that all the convoy personnel will participate on the spill recovery detailing how this will be done and that the contaminated material will be temporarily stored at Contrans warehouse. All contaminated material is placed in red bags for hazardous waste, labeled and temporarily stored at the temporary storage point of Contrans, so that its final disposal is then carried out by Zolix, an external contractor registered as Companies Providing Solid Waste Services (EPS-RS), authorized and registered by DIGESA (General Directorate of Environmental Health) for transport, treatment and final disposal in accordance with current national legislation.

Environmental monitoring will be in charge of the external contractor a company Gehsima SAC specialized to carry out the monitoring when the spill has had contact with the ground or water. Meridian has adopted the acceptable values for free cyanide content in soil and water to consider the environment decontaminated as required by local regulations. National Environmental Quality Standards (ECA) for Soil establish 0.9 mg/kg (milligrams per kilogram) in dry weight of free cyanide for agriculture and residential soil and for commercial industrial/extractive land areas, 8 mg/kg free cyanide. For water, the



acceptable value is 0.02 mg/l. No additional information was required to find this in full compliance with the Code

Both Contractors Zolix and Gehsima SAC are identified in the transporter’s Emergency Response Plan, the auditors verified that they are available to carry out remediation activities. The auditor also verified that the remediation contractors have procedures to provide for safe and environmentally sound remediation and management and disposal of cyanide waste materials.

Merian’s ERP specifically prohibits the use of chemicals such as sodium hypochlorite, ferrous sulphate and hydrogen peroxide for the treatment of cyanide spilled into surface waters. The contractor’s response procedures also include this same prohibition.

Transport Practice 3.5

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

- in full compliance with
- The operation is in substantial compliance with Transport Practice 3.5
- not in compliance with

Meridian’s procedure P-SIG-001 v3 Document and Records Control states the entire ERP must be updated on an annual basis or when there are changes in the background and form, in terms of procedures, persons, telephone numbers, routes, equipment, methods, or any other consideration that allows more efficiency and effectiveness. This is also stated in the ERP. The auditor reviewed the procedure verifying its implementation through interviews with the HSE Supervisor and review of the different versions of the Plan corresponding to the previous years. The plan reviewed was maintained as latest versions and under formal document control. Records were available to show that this is done.

The ERP states to perform annually mock emergency drills, with the purpose of evaluating the effectiveness of the Plan and correcting the anomalies found. The truck transporter has established to conduct on an annual basis mock emergency drills that simulate transport-related cyanide exposures and releases so they are better prepared in the event that actual exposures and releases occur.

On October 28, 2022 and on March 18, 2023 Meridian performed emergency mock drills simulating a cyanide spill during its route between the Port of Callao to Contrans warehouse. The drills have been evaluated to determine if response procedures are adequate, response equipment is appropriate, and personnel are properly trained. Written documentation of these evaluations has been retained for the past years and used as a basis for whatever changes to procedures, equipment or training are necessary

The auditor reviewed this documentation and interviewed the HSE Supervisor to determine compliance with this provision. The auditor asked Meridian to perform an emergency mock drill involving cyanide exposure to personnel, so they can practice the first aids procedures stated in the ERP.



After the audit, on June 22, 2023, Meridian carried out a new emergency drill, this time it was an accident during the transport of cyanide, where there was a cyanide spill with exposure of one of the drivers when trying to recover the spill. They applied their first-aid procedure using medical oxygen. It was identified during the drill that it was missing training in the administration of oxygen. After a period of time, they sent the records and photographs of the training performed in the application of medical oxygen carried out by an occupational medicine physician. No additional information was required to find this in full compliance with the Code.

During the audit it was not found the transporter has a procedure or statement in place to evaluate the Plan's performance after its implementation. After the audit, Meridian included into its ERP a statement establishing the Plan will be evaluated on its performance after its implementation and revise it as needed. Such reviews have not been conducted during this recertification period as no emergency occurred needing to activate the emergency response plan.

