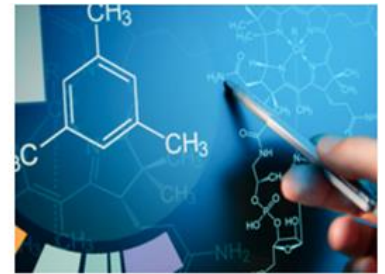


# ICMI Transportation Verification Protocol (Revision June 2021)

Summary Audit Report

## Transportes Verasay Ltda.

2021 Re-Certification Audit



Submitted to:

The International Cyanide Management Institute  
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USA

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## Operation General Information

<b>Name and location of Operation:</b>	Transportes Verasay Ltda. Copayapu #5751 Copiapó, Región de Atacama, Chile
<b>Names and contact information for this facility:</b>	Carlos Malefante Cruz Administration and Finance Manager Phone: +56 522543417 cmalefante@verasay.cl

## Operation Description


Transportes Verasay Ltda. (Verasay) is a sodium cyanide transporter to mines in Chile and was founded in the 1950s. The original focus was the transport of minerals in the South American region. In the 1960s, Verasay extended its transport coverage to Santiago, Copiapó and other intermediate cities. Verasay has been providing professional transport of hazardous materials for decades. Verasay currently operates with its headquarters in the city of Copiapó. Verasay's processes are certified to ISO 9001:2015, ISO 14001:2015, and the ICMI Cyanide Code.

Transportes Verasay has a large range of trucks and tractors with different capabilities, selected specifically for each of the services they perform. Verasay transports cyanide to different mining operations within Chile in sealed containers, from the ports of Valparaiso, Mejillones, Antofagasta and San Antonio. Cyanide from the port of Antofagasta is transported by Verasay to an interim storage located at La Negra, a 30 minutes' drive from the port. An on-site audit of the La Negra interim storage location was part of this audit. Cyanide from other ports is transported directly to the mines, without stopping at secondary storage facilities. Verasay transports cyanide produced by Draslovka Mining Solutions (previously The Chemours Company), among others.

Interim storage of sodium cyanide in maritime containers is managed by Verasay in an open yard of its property. According with the client requirement, the containers with cyanide are sent to the mine operations. No container is opened at any moment. The interim cyanide storage is located in the commune of Antofagasta, specifically in the industrial neighborhood La Negra, Lot PA-470, 17 km SE of the Port of Antofagasta at the intersection of the Routes 28, B-475 y 5. The facility is used periodically, depending on the client's needs of sodium cyanide, the general length of time containers are stored in the facility is less than a month. In occasion of the audit, there was no cyanide storage.

Cyanide is transported to Chile by ship. Unloading of the cargo ships is performed by the Port Authority which releases the container by placing it on a truck's platform. At this point, the cyanide becomes the responsibility of the transporter and the consignor. The transport routes from Chile's Ports to the different mines are from 163 to 1,232 km long. The preferred ports are those with the shortest route to the mines. They perform services from ports to mining sites, through caravans of trucks with escorts.

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## Audit Implementation and Conclusions

The re-certification audit of Verasay was conducted on December 9-11, 2021. Although the recertification audit was delayed due to pandemic-related international border crossing issues for auditors, the audit was performed an alignment with ICMI extension requirements.

The audit was performed by an independent third-party auditor who was pre-approved by the ICMI as a Lead Auditor and Technical Expert for Cyanide Code audits of transporters.

Cyanide transportation management practices for Verasay were evaluated against the Cyanide Code requirements documented in the ICMI Cyanide Code, ICMI Cyanide Code Transportation Protocol, and the ICMI Auditor Guidance for Use of the Cyanide Transportation Verification Protocol. Verasay internal Standards, Policies, Practices, and Procedures regarding the management of the Cyanide Transportation Supply Chain were reviewed. The audit was conducted through discussions and interviews with multiple individuals in cross-functional roles, including drivers, operators, and management at Verasay. Trucks and cyanide containers as well as the interim storage truck yard were evaluated on-site. Additionally, records for the recertification period were randomly sampled and found to be acceptable.

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## Auditor's Finding

Verasay is in **FULL COMPLIANCE** with the International Cyanide Management Code.

The Verasay cyanide safety performance for the re-certification period was excellent, there were no cyanide-related safety incidents, accidents, spills, or exposures. The cyanide management practices for Verasay were evaluated for Cyanide Code compliance using the 2021 version of the *ICMI Cyanide Transportation Verification Protocol*. Verasay internal standards, policies, practices, and procedures regarding the management of the cyanide operations were reviewed.

The auditor found that the overall level of preparedness and understanding of ICMI Cyanide Code requirements was excellent. Management systems upon which the operation is based are mature, and requested records were readily available for review.

The results of this re-certification audit demonstrate that Verasay cyanide-related distribution and transportation activities are in **FULL COMPLIANCE** with International Cyanide Management Code requirements.


## Compliance Statement

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

## Auditor Information

<b>Audit Company:</b>	MSS Code Certification Service, a Division of: Management System Solutions, Inc. <a href="http://www.mss-team.com">www.mss-team.com</a> Email: <a href="mailto:info@mss-team.com">info@mss-team.com</a>
<b>Lead / Technical Auditor:</b>	Bruno Pizzorni
<b>Date of Audit:</b>	December 9-11, 2021

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### 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 Verification Auditors.

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

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## Standards of Practice - Cyanide Transportation 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 procedure "Route Evaluation Procedure" describes the considerations to take into account the population density, infrastructure of the roads including construction and conditions, the pitch and grade and prevalence and proximity of water bodies and fog, among others, which may result in poor driving conditions.

The auditor reviewed routes assessments performed from Chilean port Mejillones - La Negra - Mina Florida and El Peñón mine; San Antonio - Santiago - Mina Florida (Yamana Gold), also reviewed the route reevaluation report Copiapó to Mina El Refugio. The evaluation and selection of routes are limited and approved by the local transport authorities with the authorization RCH (Environmental Qualification Resolution, for its acronym in Spanish), to transport dangerous goods through roads and cities. Routes selection is also limited because by the route authorized by the clients, the mining companies.

The routes evaluation and selection reports include a general guide map of the evaluated route, a guide map by main segments describing for each segment the distances, travel time, maximum speed allowed, the type and conditions of the road, the population centers and location of water bodies. It includes a list of the telephone contact the numbers for emergencies, the segment conclusions, general recommendations, and safe places to stop. Also includes a detailed risk assessment whereby means of photographs and symbols identify the hazards of the route and the controls necessary to minimize them.

Records of completed route risk assessments and approvals were found to be acceptable for all documented routes. In many situations, there is only one truck route possible. Verasay management personnel performs the risk ranking with input from truck drivers, road information available through the internet and personal knowledge of the routes. When options exist, the route with the lowest risk is chosen to minimize the potential for accidents and/or releases. Interviews confirmed that drivers adhere to designated routes and request authorization prior to deviating from the established routes.

Verasay's procedure for route evaluation includes two appendices Route Evaluation and Risk Assessment. Risks such as pitch and grade of roads, traffic congestion, seasonal traffic issues, and proximity to water bodies were considered during the development of the routes. In some cases, the pitch and grade of the roads are significant and transit through cities is a lower risk. Stakeholder input (cyanide producer, mine customers, and local authorities) is considered when routes are determined. Appropriate risk mitigation measures are used. Weather conditions are constantly monitored, and deliveries are postponed if a route is unsafe.

The routes are evaluated prior to the first delivery and again formally thereafter periodic intervals. In

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In addition, routes are evaluated after each cyanide delivery by means of the Convoy Leader Report. The driver submits a trip report where road and vehicle conditions, as well as any incidents, are reported. Trip report records were reviewed for cyanide routes and were found to be acceptable. Confirmation was made through a review of shipping records that the mines being serviced were included in the route risk evaluation process.

Through this process, drivers have regular access to Verasay management and provide feedback about driving conditions, as needed. Information provided by customers about special conditions is noted and communicated to all drivers assigned to the route. The routes driven by Verasay vary in length.

Risk mitigation measures are noted on the route document "Verification List – Cyanide Code Transport Practice," where applicable. The dispatch orders indicate the routes. Risk mitigation measures focus primarily on the avoidance of social unrest, high traffic times of day and the avoidance of roads that are dangerous in poor weather conditions. Drivers were interviewed and showed good awareness of risk mitigation measures necessary for driving through populated areas and parking overnight en route to a customer site.

The route planning procedure shows what considerations are made when planning a route. Interviews demonstrated that drivers, managers, and other stakeholders are involved in the selection of routes and the implementation of risk mitigation measures. Extensive interaction occurs between Verasay, the cyanide producer, and the mine customers as conditions at mine sites change and routes to the mine sites need to change. Interaction with authorities, is by means of the RCH approval, among other communications.


Any interaction with the communities is in charge of the mining clients according to their request. Drivers were interviewed and showed good awareness of the need to stay in close contact with the operation manager and dispatchers regarding such matters.

The transport procedure establishes all shipments from the ports to the mine sites to be performed in convoys with at least one safety escort vehicle (with a convoy leader). It is also required to transport during daylight hours and only allowed to stop at previously authorized places due to their ample capacity for parking and availability of food and security. On each stop drivers pass inspection to the trucks to ensure that everything is in order. Then they can continue to the mine site. The auditor the convoys checklist controls and interview drivers and management personnel confirming all the controls mentioned above are in place to transport sodium cyanide.

Verasay does not contract any portion of its cyanide transportation operations. The transporter owns the vehicles, the drivers are Verasay's employees.

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	Standard of Practice 1.1
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**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.

All Verasay drivers are licensed to operate the transport equipment according to jurisdictional requirements. They have a professional A-5 class driver's license that allows to drive articulated vehicles weighing more than 3,500 kg. Verasay has around thirty drivers licensed to transport cyanide. All drivers transporting cyanide have an initial intensive two-day training which includes hazardous materials transport, defensive driving in high mountains, risk evaluation, safety standards in management of cyanide. During the hiring process, drivers must also go through a process of medical examinations, including psychological tests. Requirements are detailed in the procedure Identification, Description and Job Profile.

Operational training is given upon hire and there is a skills evaluation process to ensure that drivers are competent to perform their jobs and able to drive the designated route prior to their first solo delivery. Drivers are trained in the loading and unloading procedures of their trucks. Safety-related training is given at defined intervals to ensure that all personnel operating cyanide transportation equipment can perform their jobs in a manner that minimizes the potential for cyanide releases and exposures. The training is carried out using videos, computer-based training, and classroom sessions. Drivers were interviewed and were found to have an appropriate level of knowledge and safety awareness.

The auditor verified that such training has been provided and that it has included elements appropriate to the nature of the transport and the responsibilities of the operator. Specific training records reviewed included: cyanide transport, emergency response, first aid, dangerous goods with an emphasis on cyanide, defensive driving, alcohol and drug prevention policy, and chemical handling safety. The auditor reviewed training material including the cyanide transportation work procedure, and the reach stacker operator certificates and attendance records made up of signature sheets. The auditor also interviewed the operators of the equipment verifying that they have received the training. Training is refreshed periodically, and testing is performed to confirm competency.


Verasay does not subcontract any portion of its cyanide transportation operation.

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	Standard of Practice 1.2
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**Transport Practice 1.3:** Ensure that transport equipment is suitable for the cyanide shipment.

Verasay have a fleet of Mac and Scania brand trucks, the standard is 380 cv power trucks. The trucks that go to the mine must be less than 10 years old, those that pick up loads from ports up to 15 years old. To ensure the load capacity of their vehicles, they visually inspect the tractor and the cart, including in an

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external workshop if warranted. They record their vehicle inspections on a checklist, which is a document required by local regulations and required by the mine.

Equipment labels were reviewed during the audit. Verasay has 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 by Verasay is 30 t and larger; the gross weight of an ocean container fully loaded with cyanide is approximately 22.5 t. No other equipment is used. The loading of containers onto trucks is performed by the port operator and the unloading of cyanide boxes is performed by the mine. Prior to every cyanide transport operation, every vehicle is checked for visible potential failures and loose parts. Also, after each trip, the drivers submit a trip report where any vehicle failure, or part needing attention, is reported to the maintenance area.

The Hyster brand reach stacker used at the interim storage facility is designed to handle 45 tons. It is maintained within the loads it handles.

The auditor reviewed the technical specifications of the vehicle's manufacturers confirming their load capacity. Fleet specification files were available for review during the 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.

Truck inspections and preventive maintenance actions are performed regularly to ensure that the equipment is safe to operate and that it can continue to carry the loads for which is it designated.

In addition to ensuring that the load capacity of their transport equipment indicated by the manufacturer is adequate, the carrier also verifies that the capacity of that equipment is adequate by inspecting and testing their equipment to identify signs of stress or overload, including a checklist to verify the adequacy of the reach stacker for the loads it must bear. For this purpose, it uses a routine preventive maintenance inspection program. The auditor reviewed completed inspections records and through interviews with maintenance personnel and equipment operators confirmed compliance with this provision.

Verasay is responsible to verify the adequacy of the equipment for the load it must bear according to their procedures, performing inspections regularly before departing the cyanide convoy.

The maintenance program is well organized, defined checklists showing all necessary maintenance activities are used and records were available to demonstrate that equipment is checked regularly. Regulatory-required inspections are scheduled, tracked, and documented. Each tractor and trailer has its own file that is maintained. The file shows all preventive maintenance activities, repair activities, and inspection activities that were performed on the truck and/or trailer over time.

The transportation procedures establish that the convoy leader must inspect every truck and platform prior to departure. A checklist, which includes questions about the truck's condition, the driver, the required documents, and truck accessories, is used to document the inspection. A checklist form is completed for each truck in the convoy.

The transport procedure establishes that each platform will be loaded with only one container and that

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each truck can only haul one platform trailer. This is consistent with the information included in the inspection checklist and was confirmed during interviews with convoy leaders and drivers.

Loading is done by the port operator using scales to confirm the shipment weight. The loads being hauled are standard loads that do not vary in weight. Records 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 weights are typically the limiting factor that dictates the maximum amount of cyanide that can be transported. Office personnel and drivers showed awareness of weight capacities and regulatory requirements pertaining to maximum truck weight allowed.

Shipping paperwork and Verasay's 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.


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	Standard of Practice 1.3
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**Transport Practice 1.4:** Develop and implement a safety program for transport of cyanide.

Procedures and formal checklists were available to demonstrate that the transporter manages several these requirements. The procedures describe the administrative, operational and safety measures for the proper transportation of sodium cyanide. 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. Verasay transports only solid cyanide in sealed containers. Normal safe driving procedures and unloading procedures ensure that the truck and the trailer are not damaged during transit.

Verasay's drivers perform pre-trip inspections validated by the leader to ensure that trailers are locked and secured and that placards are on all four sides of the trailers. The interview with the convoy leader confirmed that the load is not removed from the container. The procedures were found to be compliant with the Cyanide Code requirements.

Shipments of cyanide are identified with the plates and signage required by the local regulations and international standards. The auditor inspected the plates and signs used to identify the presence of cyanide in transport vehicles and concludes that this provision is complied. Verasay requires all sea containers to have appropriate placards showing UN 1689 (solid cyanide) displayed on all four sides of the sea containers. Also, it is required drivers visually inspect the containers prior to each movement. This is verified through the vehicle inspection checklist. The convoy leader has additional placards in case the container is missing one or more. The operation files were reviewed, and the presence of the placards was

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verified through the checklist. Equipment markings were found to be adequate and conformant.

The carrier has safety programs that address the various elements required for safe cyanide transportation. The programs reasonably consider each of the topics identified by ICMI as necessary to ensure the safety of cyanide transport and considering the specific circumstances presented by the transport route.

Drivers conduct pre-trip inspections before the vehicle departs to the port facility for loading (documented through the vehicle inspection checklist). Issues that would affect safety and/or legal compliance are resolved prior to movement off-site. 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, that they perform preventive maintenance to their vehicles according to a stablished schedule. Drivers were also interviewed and demonstrated good understanding of the process for performing pre-trip inspections. Drivers perform a driver vehicle inspection at the end of each day of operation. Pre-trip inspection checklists were reviewed and found to be acceptable.

Verasay has developed and implemented a procedure for preventive maintenance of its vehicles and platforms Maintenance and Repair of Units, Equipment, Trucks and Compressors P2-02. Frequency of maintenance activities is as specified by the vehicle manufacturer and as scheduled; it informs the various areas weekly to make the vehicles available for maintenance, and reported weekly to operations on the operating hours of the vehicles. Pre-defined checklists showed the required maintenance tasks are used to record actions. The incoming and outgoing condition of the equipment is recorded on the checklists and associated repair orders.

Preventive maintenance for the tractors that are under the manufacturer's warranty is carried out in the brand's authorized workshops. There is a full services maintenance contract. This contract stipulates that the maintenance of the equipment is carried out every 40,000 kilometers, in 4 maintenance intervals for the chassis and 5 intervals for the engine system every 40,000 km.

For vehicles out of warranty, the repairs and maintenance are carried out in the Verasay's headquarters workshops in Copiapó. The maintenance for the reach stacker is carried out by the transporter in the temporary warehouse facilities. The maritime containers are inspected upon receipt of the sodium cyanide in the port, any damage to these is recorded and reported to the port, the cyanide consignor and the mining client and according to this a decision is made about to transport the product or not. Verasay does not maintain the maritime containers.

The auditor reviewed maintenance records including records of completed work orders and interviewed employees determining that this provision is being complied with. Records were sampled for tractors and trailers covering the recertification period and were found to be acceptable. Records indicate that the maintenance is being conducted as scheduled. The preventive maintenance program was found to be compliant.

Verasay limits the drivers' hours of operation. The Safety Program includes limitations on drivers' hours

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in accordance with local regulations and states that drivers transporting cyanide only drive during day light hours. Drivers are informed of the legal requirements regarding limits on driving hours. Operators must rest at least 8 hours prior to a trip, should not drive for over twelve consecutive hours, and must take a 10-minute break approximately every two hours. Breaks are at pre-selected stop points where the risk has been assessed and ranked as low. The convoy leader ensures that these are the only pre-established stops. The fulfillment of these requirements was confirmed through the operation logs Convoy Control and Monitoring, and the procedure P2-21 Fleet Monitoring via GPS Rev.10, and interviews with the drivers and the convoy leader.

Verasay's transport procedure requires drivers to perform pre-trip inspections validated by the convoy leader to ensure that trailers are locked, and containers secured. Trailers have pins where the container is embedded preventing it from shifting. Cyanide travels in sealed containers, which are secured to the platform safely, minimizing the possibility of displacement during transport. The transport procedure establishes that load shifting within the container is not considered possible as all containers are filled with twenty boxes and block and brace is applied at the cyanide production plant to prevent load movement.


Drivers and convoy leaders are empowered to pull over whenever weather, fatigue or other conditions are unsafe to continue a trip. In such instances the convoy leader is to call into the office. Prior to departure, the convoy leader assesses the weather conditions and gets information about political issues on the road. If he deems it necessary, he can postpone the trip and this decision is communicated to the mine and the cyanide provider. This information is recorded in the convoy control vehicle and follows the format included in the operation file. This policy was reviewed and confirmed through driver interviews.

The transporter has a drug abuse prevention program which includes drugs as well as alcohol. Prior to the departure of every shipment the drivers are given an alcohol test (blow tests were documented in the convoy leader report). The auditor reviewed several alcohol testing registers for the re-certification audit period. The records were found to be acceptable.

Records were available to demonstrate that the requirements of each of the above-mentioned safety program for the cyanide transport had been fulfilled. Records are maintained in hard and electronic copy at the office. Record retrieval was found to be acceptable.

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	Standard of Practice 1.4
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**Transport Practice 1.5:** Follow international standards for transportation of cyanide by sea.

Verasay does not ship cyanide by sea or by air. This section of the Cyanide Code does not apply to the operation.

The operation is:  In full compliance with  In substantial compliance with  Not in compliance with Standard of Practice 1.5

**Transport Practice 1.6:** Track cyanide shipments to prevent losses during transport.

The carrier has cellphones assigned to the drivers and escorts of the cyanide convoy, also satellite phones when required. The trucks have radios to communicate inside the convoy, they have a list of emergency contacts where the numbers of the control center are indicated and as it appears in the emergency response plan. The convoy leader also has a radio, and he is responsible for communicating any emergency.


Cyanide shipments are tracked using a GPS tracking system that is monitored by Verasay. The operation logs Convoy Control and Monitoring Drivers into the system to communicate the status of the delivery the mine and the cyanide consignor. The convoy leader is provided with a cellular phone and a satellite phone. Verasay drivers also have cell phones as a back-up means of communication.

The auditor verified that the transport vehicles and drivers have means of communications such as radio and cell phone, carry written procedures and a checklist where the necessary equipment for each shipment is reviewed. Vehicle operators have the contact information for emergency notification to appropriate individuals and organizations and entities along the route as needed to mobilize appropriate response capabilities.

The communication and tracking equipment is part of the pre-trip inspection and is maintained along with the formal preventive maintenance program for each tractor. Each truck has a GPS. A demonstration of real-time tracking capability was observed during the audit. The system is used each day and correct operation of the system is confirmed at that time. Communication equipment is tested prior to the departure of the convoy. The test is part of the vehicle inspection checklist. The auditor reviewed completed pre-trip inspection records checking that these include fields allowing to review the correct operation of the communications equipment.

According to the interview with the convoy leader, there are areas with no cellular coverage; however, the convoy leader carries a satellite phone which has coverage all along the route. In addition, trucks have a two-way radio transmitter. Trucks are monitored along the route in real time, and any delay will be

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immediately notice at the control board. The auditor interviewed the operators and inspected the travel records verifying that the procedure is applied.

Verasay uses GPS units throughout its fleet and a full-time operator continuously monitors the location of the convoy. The convoy leader communicates with Verasay's Traffic Coordinator upon dispatch, upon arrival at the customer sites, and after unloading is complete. The procedure establishes that the convoy leader must report the progress of the convoy at pre-selected points. The progress report is provided by phone to the base which informs the interested parties of the convoy's progress by email. A tabular report is generated with the estimated and actual time of arrival to the selected stop points. Any incident is reported immediately to Verasay and to the interested parties.

Personnel responsible for tracking the shipment status from Verasay were interviewed, the GPS system was demonstrated, and logs showing that shipment status were reviewed and were found to be complete. Verasay's procedure for tracking of a shipment's status was reviewed during the audit and found to follow current practices.

The transport document (Customs Dispatch Guide) issued by the cyanide provider is carried by each driver and a copy is carried by the convoy leader. The transport document includes the number of the container and net weight. The mine stamps the transport document as received when it arrives. This document is used for invoicing and to document the chain of custody and is signed upon delivery of the product to the customer. The amount of cyanide delivered is carefully monitored in person by the driver and remotely through the Verasay dispatch office.


Drivers were interviewed regarding this process of monitoring amounts delivered and maintaining control over the shipment. Awareness and process knowledge was excellent.

Shipments that involve interim storage utilize a chain of custody procedure by means of the Customs Dispatch Guide with a sign-off upon receiving the cyanide in the interim storage yard and when delivering it to the mine site. The procedure includes inspection of locks or seals on sea containers. many situations. The auditor reviewed its implementation through inspection records if the Dispatch Guides completed during the course of the shipments and through interviews with operators.

Shipping paperwork is conformant to Cyanide Code requirements, including chain of custody requirements. A waybill will accompany the transportation which includes chain of custody data such as 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. The drivers have an on-board file that includes copies of his/her training, licenses, and the cyanide SDS. The convoy leader confirms that these documents are available prior to travel. The amount of cyanide delivered is carefully monitored in person by the driver and remotely through the Verasay office.

The operation is:  In full compliance with  In substantial compliance with  Not in compliance with Standard of Practice 1.6

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## Principle 2 | INTERIM STORAGE

Verasay has interim storage of sodium cyanide in maritime containers in an open yard. Cyanide from port of Antofagasta is transported in maritime containers to an interim storage located at La Negra, a 30 minutes' drive from the port. According with the client requirement, the containers with cyanide are sent to the mine operations. No container is opened at any moment.

The interim cyanide storage is located in the commune of Antofagasta, specifically in the industrial neighborhood La Negra, Lot PA-470, 17 km SE of the Port of Antofagasta at the intersection of the Routes 28, B-475 y 5.

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.

Personnel working near cyanide during temporary storage have been alerted to the presence of cyanide and are reminded of the various relative prohibitions and personal protective equipment necessary for its handling. Signs have been installed in visible places warning about the presence of cyanide, about the prohibition of smoking, generating open flames, eating and drinking in that area. The Personal Protective Equipment (PPE) to be used is also specified, in accordance with the general safety program in the staging facility and the training that personnel receive.

Cyanide is stored securely, without access to the public, within a fenced area, with limited access to the area. Only authorized personnel entry to this area. The temporary storage area is controlled and monitored 24/7 with a guard and closed-circuit TV. The auditor verified that the measures are appropriate through an inspection of the site.

Verasay takes into account the separation of incompatible materials as a common practice in the handling of hazardous materials and is a specific consideration when it comes to the storage of cyanide, keeping it away from incompatible products such as acids, strong oxidants and explosives. During the site visit, the auditor verified that storage of cyanide is carried out in accordance with what is indicated in the standards of material compatibility tables. Also checked the flow pathways that the released materials might follow, to verify that the releases coming from separate storage areas will not mix in a drain or containment common to both storage areas, finding everything compliant.

Cyanide is only stored in 20-foot sea containers, which is a closed structure to avoid contact with rain, although the Antofagasta region is considered an arid area. Antofagasta is considered to have a desert climate. Throughout the year, falling almost without rain in Antofagasta. Annual precipitation here averages 148 mm.

There is no water piping system for drinking use in the area; the safety shower that is present in the vicinity

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of the cyanide storage area is designed in such a way that potential water leaks do not come into contact with the cyanide containers. The auditor inspected the storage facility to determine that requirements have been met.

Cyanide is stored in an open yard and therefore they have sufficient ventilation that prevents the accumulation of cyanide dust and hydrogen cyanide gas. The auditor inspected the staging facility confirming compliance with this provision.

The floor and surrounding walls of the storage yard provide sufficient secondary containment for trucks with the cyanide shipments. Verasay has established measures to control any release of solid cyanide, such as procedures, trained personnel, materials and tools to collect any cyanide release.

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	Standard of Practice 2.1
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### 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.

Verasay has a written Emergency Response Plan (ERP): Procedure Action in Emergencies for Transport of Sodium Cyanide to respond to emergencies that may occur during its cyanide transport operation. The ERP addresses all the Code requirements for the transportation of cyanide. The most recent version of the plan was found to be acceptable. The convoy leader's emergency response role is mainly notification and isolation of the area. Once notification has been made management of the emergency is directed and carried out by emergency responders, and/or mine personnel (if the emergency happens at a mine site). Drivers have hazardous materials training, emergency response security training, and they keep a copy of the ERP with them at all times during transport. Verasay only transports cyanide via truck and all scenarios considered in the plan are related to truck accidents. Solid sodium cyanide (the only physical form transported), roadway infrastructure differences, and the roles of the different emergency responders are discussed in the plan.

The ERP was found to be acceptable for the Verasay defined routes and for the solid cyanide that is transported. Verasay drivers only have a first response and notification role in emergency response. The ERP includes the contact names and phone numbers for the mines and describes the most likely emergency scenarios on each route based on the route assessments. General scenarios based on the relevant variables of injured persons, spilled cyanide, spilled and wetted cyanide, and presence of wind are included in the ERP. The specific actions to be taken by the convoy leader and each of the convoy members in case of an emergency (only for the first response) are also included. The emergency action

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plan was also found to be acceptable for the interim storage yard.

The only form of cyanide that is transported is solid cyanide. The more detailed information regarding the chemical form of the solid cyanide is on the Safety Data Sheets (SDS) that are always kept in the truck. All drivers have emergency response training. Awareness of the steps that would need to be taken in the event of an emergency was confirmed during this re-certification audit.

The only mode of transportation is by truck, which is addressed by the ERP. All emergency scenarios that appear in the ERP are related to ground transportation of cyanide. Scenarios include spilled cyanide in dry conditions, spilled cyanide that meets water, and with the presence of wind.

The differences in infrastructure for the defined routes are addressed in the ERP. As there are not multiple modes of transportation, the different road types such as highway, public, private, and rugged mine site were considered. Drivers showed good awareness of the need to use different routes depending on weather conditions.


The ERP describes the design of the transport vehicle. The emergency response actions outlined in the ERP are primarily notification actions. Professional emergency responders together with technical guidance from the cyanide consignor would be responsible for addressing issues involving the way in which the structure of the container should be managed in an emergency.

The emergency response plans designate appropriate response personnel and commit necessary resources for emergency response. The plans describe the nature of the response actions to be taken for the types of emergency situations identified. The level of detail is appropriate to the nature of the potential emergencies identified in the plans and the response capabilities available. In all cases, the immediate response – first response – will be carried out by transport personnel – drivers and escorts – and brigades.

The carrier has included any details that may reasonably be presented in the event of possible leaks at locations on the route that have been identified as being of greatest risk. The response to a spill that occurs during the transport of cyanide to open water such as a river establishes notifying the authorities of the lower part of the river to alert the surrounding populations to refrain from using the water of the river. The auditor reviewed the ERPs verifying that, to the extent possible, it outlines the specific response actions to be taken for the types of potential spill scenarios identified.

Verasay has an agreement with a commercial contractor specialized in environmental remediation and adequate final disposal of contaminated materials and debris. The ERP identifies the roles of outside responders as police, firefighters and the second responder in case of a cyanide release. Combined emergency response drills are held with mine sites, local emergency responders, and the cyanide consignor personnel to ensure that all parties understand their roles and responsibilities in the event of an incident or accident.

The operation is:	<input checked="" type="checkbox"/> In full compliance with	Standard of Practice 3.1
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	<input type="checkbox"/> Not in compliance with	

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**Transport Practice 3.2:** Designate appropriate response personnel and commit necessary resources for emergency response.

Verasay provides emergency response training to drivers, convoy leaders and supervisors. Training on emergency response is given periodically according to the 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, which include the persons trained, the nature and dates of the training. Administrative personnel, drivers and escorts were interviewed, and awareness of emergency procedures and documentation was confirmed.

The ERP clearly establishes the responsibilities for the members of the response team (convoy leader, operations base, traffic controller, and other internal roles during the emergency). The convoy leader is responsible for notification of and first response to the emergency while the Emergency Coordinator takes over once notified that there has been an incident.


Verasay has defined the materials required for emergency response during transportation along the route including spill response equipment in the ERP. The list of equipment includes Tychem suits, leather and impermeable gloves, PVC boots, safety goggles, area isolating tape rolls, HCN detector, water analysis kit, disposable respirators, amyl nitrite, oxygen, shovels, sweeps, polyethylene bags, calcium carbonate, sodium hypochlorite and empty containers, among others. The HCN monitors have been calibrated during the recertification period according to the manufacturer's recommendations. The amyl nitrite ampoules were found stored following the manufacturer's recommendations. The oxygen tank is checked for the volume of oxygen of 1 m3, as required in Section 15 of the Emergency Response Plan.

The auditor reviewed completed checklist of the equipment and materials to maintain available and ready for use as required in the Emergency Kit, covering the recertification period.

The convoy leader transports all the emergency equipment listed. The contents of the emergency equipment is listed on a checklist. The content is checked prior to each cyanide delivery. The emergency equipment is transported in the safety escort vehicle (including PPE, safety equipment, etc.). Drivers also carry PPEs in the trucks. In addition, amyl nitrite ampoules and a cyanide gas detector are transported inside the safety escort vehicle. A checklist is used to verify that it is available. The checklist is part of the operation files.

The ERP defines what equipment must be available in the convoy leader's vehicle and what extra personal protective equipment is in the trucks. When trucks are brought in for maintenance and inspections, a procedure is used on a regular basis to inspect the emergency equipment boxes. The transport procedure establishes that the emergency response equipment must be carried by the convoy leader in the safety escort vehicle and/or in one of the trucks. A checklist is used to verify that it is available prior to the

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convoy's departure. The checklist is kept in the operation file. The audit confirmed that emergency equipment was in place, readily available and the checklists were being completed and followed as outlined in the ERP.

Verasay does not subcontract any portion of its cyanide transportation operations. Cyanide Code requirements pertaining to subcontractors are, therefore, not applicable to the organization.

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	Standard of Practice 3.2
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**Transport Practice 3.3:** Develop procedures for internal and external emergency notification and reporting.

The carrier has in its plans procedures and flowcharts of communications for emergencies, as well as updated contact information for the necessary internal notification and external notifications in case of a cyanide emergency during transport and interim storage. The notification procedures described include the flow of communication and the names of people to contact in the event of an emergency. The notification call list is checked for accuracy once per year when the plan is reviewed and tested. The interim storage facility maintains current contact information for notifying appropriate entities in case of an emergency.

The auditor reviewed the notification procedures and the carrier's contact information telephone list verifying compliance with this provision. It is listed current emergency numbers for local hospitals, and for ambulance, fire, environmental responders, and up-to-date contact information of the mine sites.

The carrier developed written provisions in its emergency response plans and implemented them to ensure that emergency contact information is kept up to date. These are provisions for the annual or more frequent review of the entire plan, a procedure focused specifically on the periodic updating of contact information that includes testing each contact number on a regular basis. The ERP is reviewed and tested (by means of a drill and/or tabletop exercise) once each year. During this activity, the phone numbers are checked for accuracy. Records were available to show that this is done. Also, the ERP establishes that it must be reviewed whenever modifications are required. The auditor reviewed the procedure and verified its application by reviewing the documentation and interviews.

The ERP states that any cyanide emergency that constitutes a "significant cyanide incident, as defined in the Code Definitions and Acronyms document, requires notification to ICMI. This was found to be in full compliance with the Cyanide Code. No cyanide incidents have been reported to the ICMI during this audit cycle as the transporter has not had cyanide incidents during transportation or cyanide interim storage in this recertification period.

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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	Standard of Practice 3.3
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**Transport Practice 3.4:** Develop procedures for remediation of releases that recognize the additional hazards of cyanid treatment chemicals.


Verasay has its emergency brigade plus the external contracted services for emergency care and remediation company. There is a contract between companies. The ERP addresses exposure scenarios such as transportation incidents, spills, and exposure to cyanide (through inhalation, absorption, skin contact and ingestion). In addition, the ERP describes procedures for decontamination, evacuation, emergency contact information, cleaning measures and reporting requirements, and other. The contaminated materials will be disposed, through its contractor, in sanitary landfills for hazardous waste. Neutralization chemicals are not allowed to be used in or near surface water bodies.

The auditor reviewed the remediation elements included in the ERP. The auditor also verified that the remediation contractor has procedures in place to provide safe and environmentally appropriate remediation and handling and disposal of cyanide waste materials.

Verasay would not be directly involved in the remediation of a cyanide spill. The ERP, however, does address the requirement that no chemicals such as sodium hypochlorite, ferrous sulfate, or hydrogen peroxide be used to treat a release to surface water. The remediation contractor's procedures do prohibit the use of chemicals such as sodium hypochlorite, ferrous sulfate, and hydrogen peroxide to treat cyanide that has been released into surface water.

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	Standard of Practice 3.4
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**Transport Practice 3.5:** Periodically evaluate response procedures and capabilities and revise them as needed.

The carrier has a process in place to ensure that the emergency response plans are reviewed, evaluated, and updated as needed to account for changes in potential spill scenarios and necessary response actions that may vary over time such as transport routes, the form of cyanide transported and the types of transport equipment used.

The auditor reviewed these provisions contained in the ERP, assessing the process and its implementation by reviewing the documentation of the various versions of the Plan and through interviews with staff. Verasay's ERP states to periodically review the emergency procedures and to evaluate the plans adequacy. The Plan reviewed was maintained as latest version and under formal document control. Records were available to show that this is done. Interviews and written procedures confirmed that the plan would also be reviewed after any deployment.

The carrier has provisions for cyanide emergency drills as hands-on response training to familiarize personnel with the necessary procedures. The provisions contained in the ERP state that the carrier must perform emergency drills that simulate transport-related cyanide exposures and releases, in order to be better prepared in the event of actual exposures and releases.


Drills were carried out in 2019 and in 2022, following this audit. The gap in the running of emergency drills was attributed to the pandemic and no additional actions were deemed necessary. The operation was found to be compliant.

The drills have been evaluated to determine if the response procedures are adequate, the response team is appropriate, and the staff is properly trained. The written documentation of these assessments is used as a basis for any changes in procedures, equipment or training that may be required. The auditor reviewed the drills reports performed during the recertification period and interviewed the relevant staff confirming compliance with this provision.

There are provisions for reviewing the plan after deployment. No spills or emergencies occurred during the recertification period that required this type of review, but the ERP was completely reviewed and revised in early 2022 as part of this recertification process.

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	Standard of Practice 3.5
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