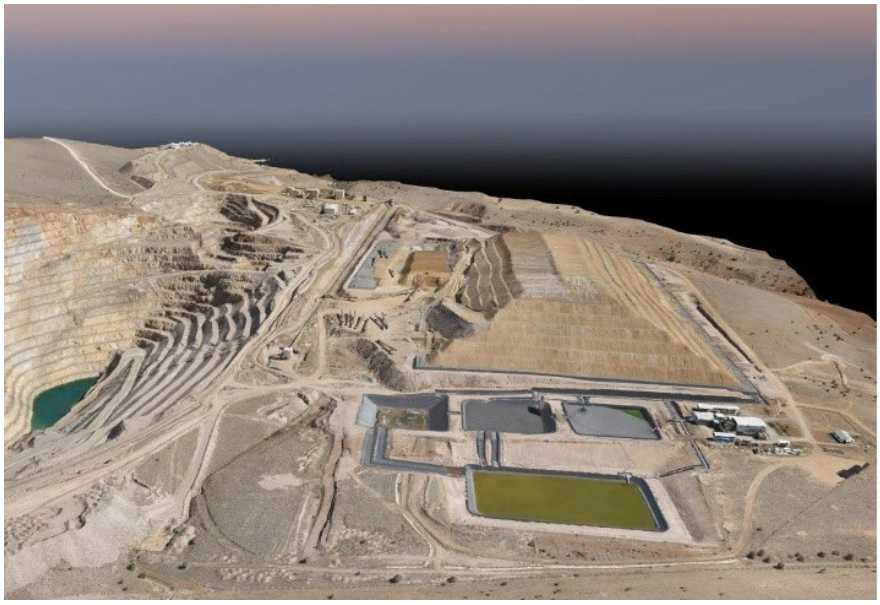
SUMMARY AUDIT REPORT

for the December 2023
International Cyanide Management Code Certification Audit



Prepared for:
Demir Export A.Ş.

Bakirtepe Gold Mine

Submitted to:
International Cyanide Management Institute
1400 "I" Street NW, Suite 550
Washington, D.C. 20005

Final
8 August 2024

Lambert Environmental

3 Aylestone Rise, Aylestone Hill
Hereford, Herefordshire, HR1 1AG, United Kingdom

SUMMARY AUDIT REPORT

Name of Mine: Bakirtepe Gold Mine

Name of Mine Owner: Demir Export A.Ş.

Name of Mine Operator: Demir Export A.Ş (Demir Export)

Name of Responsible Manager: Mr. Ayhan Bahçeli

Address (Mine): Bakırtepe Altın Madeni İşletmesi
Eğricek Köyü Mevkii 58900
Kangal – Sivas, Türkiye

Telephone: +90-312 415 45 00
Fax: +90-312 418 01 51

E-mail: ayhanb@demirexport.com

Address (Headquarter): Demir Export A.Ş
Merkez Ofis
Izmir Caddesi Koc Han No: 25/7
Kizilay/Ankara, Türkiye

Telephone: +90-312-415 45 00
Fax: +90-312-418 01 51

E-mail: info@demirexport.com

Location detail and description of operation:

The Bakirtepe Gold Mine is an open mine gold mine and heap-leach facility (HLF) operation located approximately 10 km southeast of Çetinkaya village in Kangal district of Sivas (Türkiye) province. Access to the mine site is provided by an asphalt road 40 km away from Kangal and 130km away from the Sivas city centre. The mine began development in 2013 and achieved its first gold pour in March 2016. The mine currently has a team of 170 employees which together with contractors provides jobs for 350 people. Approximately 46,000 ounces of gold are produced per year. Eğricek village, located approximately 1.2 km south of the process area, is the closest settlement to the operation.

The area is characterized by steep mountainous topography with altitudes between 1,598-1,890 m above sea level and consists primarily of natural steppe which have locally been modified for agriculture. The region has a continental climate with temperatures ranging from -6°C (average) and -36.2°C (minimum) in January and 18.6°C (average) and 41°C (maximum) in July. The annual precipitation is 418 mm, and the monthly maximum precipitation is 48.8 mm. The closest surface water is the seasonally flowing Köşerellik Stream located about 200 m southeast of the HLF. This flows into the Han (Dişlik) Stream located approximately 2 km to the south of the leach pad.

Demir Export only uses solid cyanide briquettes packed in Intermediate Bulk Container (IBC) boxes received in marine shipping containers twice a year and stored in a dedicated cyanide warehouse that is accessible only to approved personnel.

Ore processing comprises crushing and screening, agglomeration, Heap Leach and adsorption, desorption, and regeneration (ADR) operations. The ore is initially passed through primary and secondary crushers to achieve an optimal size of 8 mm diameter and then conveyed to an agglomerator where lime is added prior to the ore being conveyed on mobile conveyors (grasshoppers) and placed on the leach pad. The heap leach pad initially comprised 10 cells independently configured and designed to be stacked to a final height of 130 m. In 2022 the pad was expanded by extending 5 cells north and addition of cells east of the original HLF footprint. The facility manages solution with three process ponds. Barren solution is pumped from the barren leach solution pond or new barren leach solution pond that was installed as part of the HLF expansion, and applied to the pad via a drip emitting system and pregnant solution is collected at the base of the leach pad via a drainage collection system above composite impermeable liner. The solution is directed to a pregnant leach solution pond from where it is transferred to the ADR plant that comprises a train of six (FLSmidt Design) carbon-in-column (CIC) adsorption units, an additional train of five (Scotia Design) CIC units (New CIC) recently installed as part of the HLF expansion, a desorption system and carbon regeneration unit, as well as a cyanide mix plant and solution holding tank. The precious metal is finally separated from the stripping solution by electrowinning and refining.

The mine is managed as a zero-discharge operation and the levels of solution in the process ponds are maintained to provide sufficient remaining capacity to retain a maximum design storm event, plus HLF drain down without overtopping. The process ponds are configured with an overflow system to a storm pond which serves as additional protection to prevent discharge to the environment during an extreme storm event.

The Bakirtepe Gold Mine became a signatory to the International Cyanide Management Code (ICMC) on 9 September 2022.

Figure 1: Location of Bakirtepe Mine, Türkiye

SUMMARY AUDIT REPORT

Auditors' Finding

The operation is: in full compliance

■ in substantial compliance* (see below)

not in compliance

with the *International Cyanide Management Code.*

*The Corrective Action Plan to bring the operations currently noted as being in substantial compliance to full compliance status is attached (Attachment A). The Corrective Action Requests (CARs) in the Plan must be fully implemented within one year of the date of this audit.

Audit Company: **Lambert Environmental**
3 Aylestone Rise, Aylestone Hill
Hereford, Herefordshire, HR1 1AG, United Kingdom

Audit Team Leader: John Lambert, EP(CEA)
e-mail: lambertenvironmental@gmail.com

Names and Signatures of Other Auditors

Technical Auditor: Ata Akcil, PhD
e-mail: ataakcil1@gmail.com

Date(s) of Audit: 10 December through 15 December 2023

I attest that I meet the criteria for knowledge, experience and conflict of interest for Code Certification Audit Team Leader, established by the International Cyanide Management Institute and that all members of the audit team meet the applicable criteria established by the *International Cyanide Management Institute* for Code 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 Mining Operations Verification Protocol* and using standard and accepted practices for health, safety and environmental audits.

Bakirtepe Gold Mine — Name of Mine

Signature of Lead Auditor

8 August 2024 — Date

SUMMARY AUDIT REPORT

1. PRODUCTION **Encourage responsible cyanide manufacturing by purchasing from manufacturers who operate in a safe and environmentally protective manner.**

Standard of Practice

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

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

Summarize the basis for this Finding/Deficiencies Identified:

Demir Export purchases cyanide from the Cyanco International LLC. Houston Production Plant in Alvin Texas, United States (Cyanco), and the Lučební závody Draslovka a.s. Kolín production plant in Czech Republic (Draslovka). Both these facilities are certified to the Code.

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

Standards of Practice

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

The operation is:
- ■ in full compliance
- in substantial compliance
- not in compliance…with Standard of Practice 2.1.

Summarize the basis for this Finding/Deficiencies Identified:

Demir Export maintains records of the cyanide shipments including purchase orders, Bills of Lading, packing lists, booking confirmations, and marine shipping documents. The records confirm that the cyanide was transported via the following supply chains to Mersin Port, Türkiye:

- International Cyanide Management Institute (ICMI) Transportation Verification Protocol, Summary Audit Report, Action Resources, Inc, 2021 Re-certification Audit, 28 February 2022.

Action Resources certification includes transport of cyanide between Cyanco's production plant in Alvin, Texas to the Port of Houston.

- ICMI Transportation Verification Protocol, Summary Audit Report, Cyanco Global Ocean Supply Chain, CN Auditing Group, 2022 Re-Certification Audit, 6 June 2022.

Cyanco's Ocean Global Supply Chain did not however include the Port of Mersin. Subsequent to the field component of the audit, Cyanco completed a due-diligence audit of Port of Mersin which was approved by ICMI. Port of Mersin is now included within Cyanco's certified Global Ocean Supply Chain.

At the time Draslovka's cyanide shipment in September 2023, Draslovka did not have a certified supply chain to the Port of Mersin. In recognition of this Draslovka applied for a trial shipment of cyanide from its Kolin plant to the Port of Mersin based on using existing certified transporter C.B. Sped for transport within Europe, and the Draslovka certified Global Ocean Supply Chain that includes marine shipping companies but not the port of departure from Europe or Ports in Türkiye. ICMI allowed Draslovka to complete the trial delivery and stated that the trial shipment will not cause any compliance issues with the mining operation receiving the trial shipment. Since the field component of the ICMC Certification Audit the Draslovka Kolin Plant has become a certified transporter using the following supply chains:

- Draslovka -Czech Republic Supply Chain No 1, ICMI Certification Summary Report, Whatton Consulting Limited, July 2024.

- Draslovka -Czech Republic Supply Chain No 2 – Sea Shipping from Ports in Germany to Sea Ports in Turkey, ICMI Certification Summary Report, Whatton Consulting Limited, July 2024.

Although C.B. Sped a.s., was not included as a transporter within Draslovka's Chain No 1 supply chain between the Kolin Plant and German sea ports, C.B. Sped has been independently certified since 19 September 2012 as currently certified as verified by the following report:

- ICMI Transportation Verification Protocol, Summary Audit Report, C.B.Sped a.s., Czech Republic, MSS Code Certification Service, 10 February 2024.

The cyanide containers from both Cyanco and Draslovka are trucked to the mine site by Zafer Tank Taşima Ulus Nakliyat Turizm Ticaret Ltd. Sti (Zafer) headquartered in Gebze/Kocaeli,

Turkiye. Zafer was ICMC certified on 27 December 2023 as verified by review of the following report posted on the ICMI website:

- ICMI Cyanide Code Summary Audit Report, Certification Audit, Cyanide Transportation, Zafer Tank Tasima Ulus Nakliyat Turizm Ticaret Ltd. Sti., prepared by Lulu Intelligent Organization, Germany, dated 3 and 13 November 2023.

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

Standards of Practice

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

The operation is:
- ■ in full compliance
- in substantial compliance
- not in compliance…with Standard of Practice 3.1.

Summarize the basis for this Finding/Deficiencies Identified:

Cyanide is delivered only as dry briquettes in non-returnable bag-in box delivery form to a dedicated cyanide warehouse located near the ADR Plant. The unloading, storing and cyanide mix facilities have been designed and constructed in accordance with sound and accepted engineering practices. The detailed design of the ADR plant including the cyanide warehouse and cyanide mix plant was undertaken by ÇH Machinery, Engineering & Consultancy Ltd. (ÇH Makina), Ankara, Türkiye under an Engineering, Procurement and Construction (EPC) contract with Demir Export. This company has an extensive history of designing and constructing gold mine processing facilities. Quality assurance/ quality control (QA/QC) records formed part of the completion handover report and Demir Export representatives were trained by ÇH Makina to operate the ADR plant as part of the commissioning and handover of the project.

Offloading and handling of cyanide boxes during delivery and cyanide mix activities are undertaken within the warehouse and cyanide mixing concrete containment areas. The warehouse, mix plant and holding tank are well within the security perimeter of the site, approximately 1.6 km away from administrative buildings, 800 m away from maintenance workshops, and 1 km from Eğricek, the nearest community to the mine property. The nearest surface water channel is an ephemeral stream located approximately 450 m south of the ADR plant.

The warehouse is located within a fenced and locked compound. The compound is concrete

paved, has a perimeter curb to provide containment and a perimeter drain that directs precipitation or potential spillage to the pregnant solution pond.

The cyanide preparation and holding tanks are interconnected at a high level to provide additional containment in the event of one of the tanks being overfilled. In addition, the holding tank is fitted with a high-level sensor that triggers an audible alarm if the tank level exceeds 80% capacity. Prior to a cyanide mix the operator must confirm that the cyanide preparation tank is empty and if not, transfer any solution in the tank to the holding tank prior to filling the tank with process water. A digital display shows the volume of solution in the holding tank and a transparent observation hose is observed by the operator at half-hour intervals when the newly mixed cyanide solution is transferred to the holding tank. The maximum capacity of the holding tank is 45,000 L (i.e., 90% of the tank volume). The high-level sensor and audible alarm on the holding tank are on a monthly preventative maintenance schedule.

The cyanide preparation and holding tanks are located within the ADR process building which has a reinforced concrete floor and concrete perimeter berm. The preparation and holding tanks are founded on 200 mm thick concrete plinths set on the ADR floor. The ADR plant is constructed with 150 mm, thick reinforced concrete floors over compacted engineered fill over 150 mm reinforced concrete that is underlain with a high-density polyethylene (HDPE) impermeable liner. The floor is bounded by a concrete berm which provides containment within the ADR. The ADR is drained by a series of interconnected trench drains that flow to a sump equipped with a pump that discharges back to the process or to the barren solution pond. Although the concrete floor showed some local evidence of surface concrete flaking, no significant cracking was observed that would compromise the integrity of the containment.

The cyanide warehouse has a concrete floor and is fully enclosed with a metal-clad roof and walls. The exterior pavement drains away from the building to prevent the potential for water to enter the warehouse. Passive ventilation is provided by a series of openings at regular intervals along the sides and rear of the warehouse to prevent the buildup of hydrogen cyanide (HCN) gas. Each opening is covered by a louvered grill to prevent precipitation entering the building. The cyanide preparation and holding tanks are located outside and therefore are naturally provided with adequate ventilation to prevent the build-up of hydrogen cyanide (HCN) gas. The warehouse and cyanide preparation area are monitored with fixed HCN sensors fitted with audible alarms that trigger if HCN levels reach 4.7 ppm.

The warehouse and cyanide preparation area are located within separately fenced securely locked compounds located within the mine site which has a fence monitored by security to prevent unauthorized public entry. Access to the warehouse compound is limited to authorized personnel only. The compound and warehouse are monitored with security cameras.

The cyanide warehouse compound is dedicated for cyanide storage. The cyanide preparation and holding tanks are physically separate from areas where incompatible materials such as acids, strong oxidizers and explosives are stored. Signage posted at the entrance to the compound prohibits open flames, smoking, drinking, and eating within the warehouse compound. Similar signage is posted on the entrance to the warehouse and ADR building.

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

The operation is:

- ■ in full compliance
- in substantial compliance
- not in compliance…with Standard of Practice 3.2.

Summarize the basis for this Finding/Deficiencies Identified:

Procedures are in place to prevent empty cyanide containers from being used. After a mix, super-sack, plastic liner and used coveralls are placed in the empty plywood box, that is then temporarily stored in the cyanide warehouse. The waste is periodically collected by Ali Ağ Öz-Metal Scrap Industry, a hazardous waste recycling company using ATIKO Waste Management and Logistics Ltd Company. At the Ali Ağ Öz hazardous waste recycling facility the plastic packaging is separated from the wooden boxes and washed, crushed, screened, packaged and sold as raw material stock to various production facilities. The wooden boxes are transported to ITC Invest Trading & Consulting AG, a Class I licenced hazardous disposal facility, and incinerated. No cyanide containers are returned to the vendors for reuse.

Procedures are in place to prevent exposures and releases during cyanide unloading and mixing activities. In addition, operators are required to complete a Job Safety Assessment (JSA) prior to every cyanide mix. Prior to a mix, procedures require all valves in the cyanide preparation area to be checked for leakage or damage, the preparation tank to be empty, and the tank vent opened. The mix procedure details the sequence of valve and pump operation for filling the preparation tank and transferring the solution to the holding tank. Pipelines and valves are also checked during shift inspections and monthly work area maintenance inspections, and annually as an integral part of independent engineering contractor process tank inspection and maintenance. The pre-mix JSA reviews the risks and mitigation measures associated with each step of handling cyanide boxes with a forklift during a cyanide mix, including risk of injury to work crew, impacting the warehouse door or other equipment, tipping over, and dropping/damaging a cyanide box and personnel exposure to HCN gas. The stacking height of cyanide boxes in the cyanide warehouse is limited to 2 or 3 depending on the weight limit posted on the boxes provided by different cyanide suppliers.

Minor spillage within process area containments is flushed to the trench drain and sump from where it is conveyed back to the process or to the barren leach solution pond pond. Instructions are in place for addressing liquid and solid cyanide spills. These instructions, include following personal protective equipment (PPE) requirements, use of absorbents and neutralizing chemicals, and disposal of contaminated soil and debris.

Procedures requires operators to don appropriate PPE when unloading and mixing cyanide, including full face mask with ABEKP3 filter, and chemical resistant rubber gloves, boots and disposable Tyvek coveralls. Three workers are required for a cyanide mix, comprising two operators to conduct the mix and an observer located at a safe distance. In the event of difficulty, the observer is equipped with a radio to call for emergency assistance. In addition to fixed HCN detectors located in the cyanide preparation area, the operators and observer are equipped with portable HCN detectors.

Colourant dye is incorporated into the reagent cyanide solution during the mix process. The dye is included in each plywood box at the production plant and dissolves in the solution when the cyanide briquettes are released into the preparation tank.

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

Standards of Practice

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

The operation is:

- ■ in full compliance
- in substantial compliance
- not in compliance…with Standard of Practice 4.1.

Summarize the basis for this Finding/Deficiencies Identified:

Demir Export has developed and implemented an integrated Environmental, Social, and Health and Safety management framework for its operation and maintains the following International Standards Organization (ISO) certifications: ISO 14001:2015 (Environmental Management System), ISO 45001:2018 (Occupational Health and Safety Management System), and ISO 10002 (Quality Management System). Within the management system, Demir Export has implemented operating plans, procedures, and instructions, and associated forms to identify and mitigate risk and safely manage the operation. These documents are controlled through the document management procedure, which defines roles, responsibilities, and procedures for document numbering, format, approval process, revision, and archiving of documents.

Plans and procedures identify the assumptions and parameters on which the facility design was based and specify operating requirements to prevent cyanide releases. The facility is designed and operated as a zero-discharge operation. The level of solution in the three process ponds and the storm pond are managed to retain a minimum level of 1 m and 1.5 m freeboard, respectively to provide sufficient capacity to retain a 500-yr, 24-hour design storm event and 24-hr drain down of the HLF. Process ponds hold barren and pregnant solution with cyanide concentrations greater than 50 mg/l and are therefore covered with bird balls and secured by perimeter fencing to protect wildlife. The competence of the fencing is inspected monthly.

The plans, procedures, and instructions define the scope of the tasks, potential hazards, required PPE and tools, roles and responsibilities, and detailed instruction to undertake the tasks. At the time of the site audit ADR shift inspections being conducted but were undocumented. Prior to submission of this audit report Demir Export developed and implemented a documented shift inspection program. The HLF operators conduct documented shift inspections or piping for leakage, irrigation flow, potential ponding, and condition of the diversion channel. Shift inspections are supplemented by monthly safety work area inspections conducted by management and safety department to check equipment and workplace safety. Identified deficiencies are documented and corrective actions tracked to completion through an online tracking system. There is a preventative maintenance program that includes a monthly inspection and preventative of critical equipment.

The operation is designed as a zero-discharge facility and a water management procedure is in place to ensure sufficient capacity is maintained in the ponds to retain a 500-year, 24-hour design storm plus 24-hour drain down of the HLF. The storm water pond is sampled monthly to ensure cyanide levels are maintained below 10 mg/l weak acid dissociable (WAD) cyanide and the leak detection ports for each of the process ponds are monitored monthly and any solution analyzed to check the pond integrity.

Demir Export has developed a change management procedure that applies to organization, personnel, process, equipment, hazardous materials, facilities, and environmental and safety changes. The procedure defines and provides examples of changes associated with each category. The procedure excludes changes with the same or exchange with like, or to equipment changes of the same of similar brand, model, capacity, or operating method. A total for five changes involving cyanide were completed in the 12 months preceding the audit.

The proposed change is reviewed by a change team that includes senior representatives of the Environmental Department, Safety department, and responsible unit(s). At the time of the field audit there was no requirement for approval and sign-off from the Environmental Department. Subsequent to the field component of the audit Demir Export updated the procedure to require sign-off by a senior representative of the Environmental Department as well as the Safety Department and Unit Manager of the unit to document approval, before a change can proceed.

Demir Export has cyanide management contingency procedures for non-standard operating situations. These include a process solution and water recycling procedure that provides detailed instruction on solution management including upset situations that may present risk of exceeding pond design capacities; maintaining 15,000 m^3 of fresh water in the storm pond to provide dilution in the event of overtopping from a process pond; ensuring that there is pump redundancy and that solution can be pumped 24/7 to lift solution to the HLF; maintaining solution pressures greater than 2 bar to prevent freezing of drip pipes in winter, and managing the pond freeboard in the winter months to address pipe freeze-up situations.

Demir Export has a comprehensive inspection and monitoring program to identify potential for cyanide exposures and releases. Deficiencies are corrected immediately when possible or otherwise tracked to completion. Spill response procedures are in place to address potential cyanide leaks and spills. Demir Export also has a Cyanide Decommissioning Procedure that addresses both permanent and temporary closure from cessation of operations either outside or within the mine management's initiative. Activities planned if the cyanide operation is put under care and maintenance include, consuming the remainder of reagent cyanide in the tanks, maintaining free flow of solution between the ponds and the HLF, ceasing addition of replacement water to ponds and ensuring pond levels are maintained to prevent overflow in the event of a design storm event; and continuation of leak detection monitoring, environmental monitoring, and inspection programs to ensure integrity of facilities including fencing around the ponds.

Documented inspections and monitoring programs are in place to safety monitor and manage plant and operations. The integrity of process tanks is checked each shift, during monthly workplace inspections, and monthly maintenance inspections. Tanks also undergo annual inspection by a third-party contractor, and non-destructive testing is conducted on all process tanks to monitor wall thickness. The integrity of concrete containments and geomembrane liners are inspected daily. The leak detection ports on each of the process ponds are checked monthly and any solution encountered is collected and analyzed for pH and cyanide to check for potential leakage. Pipelines, pumps and valves are inspected for deterioration and leakage during shift inspections, and monthly work area and maintenance inspections. The integrity of lines on the HLF are also checked by leach pad operators each shift. Pond levels are monitored and recorded each shift.

During the audit, housekeeping was observed to be good, and except as noted below, no corrosion, leaks or salt-deposits were evident, and the facilities appeared to be functioning safely. Lockouts were in place on critical valves. Safety labelling was generally good, containment areas generally clear and trench drains were free of debris, litter and slurry that could compromise effectiveness of drainage. Three exceptions were observed; a small leak at a solution composite sampling cabinet and another at the junction of the solution sampling return line with the solution pipeline, and a salt deposit was noted on a pump in the ADR. These issues were addressed immediately by Demir Export. Based on the overall condition of

the plant, it is the auditors' opinion that the inspection and maintenance programs are conducted at a frequency sufficient to assure and document that cyanide facilities are functioning within design parameters.

Inspections are documented and include the date of inspection, name of inspector, and any observed deficiencies. Corrective actions are recorded on the inspection record or tracked to completion on an online database. Hard copies of inspection records are maintained in binders.

Preventative maintenance at the operation is scheduled and tracked using SAP® software. Routine inspection and maintenance on critical cyanide equipment is conducted monthly by the maintenance department. In addition, there is a three month or 400-hour inspection and maintenance schedule for the generators. The electrician also conducts annual inspection of electrical systems (including inspection of generators, motor control centre (MCC) cabin, cables, outdoor lighting at the CIC, ponds and HLF, electrical relays and connections, and cleaning of motors).

External contractors are retained to conduct non-routine or specialist work as well as annual maintenance inspections of mobile equipment, cranes and hoists, tanks, compressors, and the standby generators. Records for 2023 show annual integrity inspections were conducted by an external contractor on the cyanide preparation tank, holding tank, CIC tanks, carbon transfer tank, stripping tank and acid wash tank. They also completed annual inspections of the Manitou forklift and hoist used for handling cyanide boxes, and the three standby generators.

Electrical power for the operation is supplied by Türkiye Elektrik İletim A.Ş (TEİAŞ) through the national grid high voltage transmission system from where it is stepped down to 400 volts for distribution and use in the operation. Backup power is provided by three Caterpillar diesel generators located next to the ADR which kick in automatically in cases of power failure.

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

The operation is:
- ■ in full compliance
- in substantial compliance
- not in compliance…with Standard of Practice 4.2.

Summarize the basis for this Finding/Deficiencies Identified:

Not applicable as there is no mill operating at the Bakirtepe Gold Mine.

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

The operation is: in full compliance

■ in substantial compliance

not in compliance…with Standard of Practice 4.3.

Summarize the basis for this Finding/Deficiencies Identified:

Demir Export has an operational water balance that is managed through a procedure used to track the volumes of solution in the process ponds and water in the storm pond and regulate the application of solution to the HLF, to ensure sufficient capacity remains in the ponds to accommodate precipitation and HLF drain down in the event of a design storm and so prevent discharge to the environment. A 100-year 24-hour storm event plus 24-hour drain down of the HLF was used as the design storm criteria; however, Demir Export conservatively uses a 500-year 24-hour storm event and 24-hour drain down in its operating procedure to establish the capacity to be maintained in the ponds to prevent overtopping and discharge to the environment. The probabilistic design storm event, derived using historic precipitation data from Kangal meteorological station located approximately 40 km from the site was determined to be 0.059 m.

The model is considered comprehensive as it includes solution application rates, stacking rates, seasonal and extreme variations in precipitation, run-on, and potential power outages.

Solution applied to the HLF includes water carried in ore from the agglomerator and barren solution applied to the pad. The barren solution application rates per cell and finger of the HLF are tracked hourly by leach pad operators. A 500-year 24-hour storm event (0.059 m) is used to manage ponds such that sufficient capacity remains to prevent overtopping and discharge to the environment. Such a storm would produce a total 21,199 m^3 over the catchment area comprising the HLF, pipeline channels, stormwater and process ponds, and run-on from the new CIC plant and ADR/warehouse yard, as well as drain down from the HLF during a 24-hour power outage. The ponds are interconnected and would overflow by gravity into the adjoining pond and ultimately into the storm pond in the event of a major storm event. The ADR/HLF are operated as a closed system with no discharges to surface water.

Please refer to DE-ICMC-CAR-01: The operational procedure for managing the water balance does not specifically address potential influence from freezing and thawing conditions on the accumulation of precipitation or on potential solution losses from evaporation. Also, the maximum probable design storm is based on 22 years of historical data (1988 to 2010) and may no longer not represent current conditions.

Because Demir Export conservatively uses a 500-year 24-hour storm event and 24-hour drain down in its operating procedure rather than the 100-year 24-hour storm used in the facility design, and the ponds are carefully managed to prevent overtopping, it is the auditors

judgement that this deficiency will not present an immediate or substantial risk to health, safety or the environment during the implementation of this CAR.

The operational water balance procedure requires a minimum freeboard of 1 m to be maintained in each of the process ponds and 1.5 m freeboard in the storm Pond to ensure sufficient capacity is maintained to retain the maximum design storm event without overtopping to the environment.

The ponds are closely monitored, and their levels recorded each shift. The operational water balance procedure is used to adjust pond levels and manage irrigation rates on the HLF to ensure that the freeboards in the process ponds and storm pond are greater than the minimum established by the procedure. In addition, the diversion channel around the ADR and leaching area is routinely inspected by the leach pad operators to ensure it is maintained to prevent run-on from the upgradient watershed entering the ponds.

Demir Export does not have a weather station onsite, but tracks precipitation recorded at the Kangal meteorological station located approximately 40 km away to monitor for unusual trends that may warrant modification of their current pond management practice. The records to date have not shown significant variations in seasonal precipitation for the operation to warrant changing current pond management practices.

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

The operation is:
- ■ in full compliance
- in substantial compliance
- not in compliance…with Standard of Practice 4.4.

Summarize the basis for this Finding/Deficiencies Identified:

The solution in the two barren solution ponds and pregnant leach solution pond are covered with bird balls and enclosed with perimeter fencing to restrict access by wildlife. The integrity of the fencing is checked during weekly control inspections and monthly workplace inspections and any defects corrected. There are no open solution collection channels at the heap leach pad. To prevent contact to wildlife pregnant solution collected at the base of the HLF is conveyed to the pregnant solution pond along two buried primary perforated corrugated HDPE pipelines located within the HLF HDPE liner footprint.

The stormwater pond is the only open water body in which water with less than less 50 mg/l WAD cyanide and the pond is sampled monthly for WAD and total cyanide and pH and when process solution needs to be discharge to the pond to check. The results for February and March 2024 show that WAD cyanide concentrations in the Storm Pond were 0.158 mg/l and 0.078 mg/l, respectively. The operation maintains 15,000 m^3 of water in the pond to

provide dilution if solution containing cyanide needs to be directed to the pond during an upset or emergency.

All wildlife mortalities are required to be reported to the security department and unit heads. Training in this procedure is given to new employees and refresher training is provided to all employees and subcontractor company managers once a year. Records indicate that there have been 14 wildlife mortalities since 2017. Seven of these were associated with the ponds and included dogs, rabbits and a fox, with the remainder being birds in the ADR and CIC plants. No mortalities have been reported on the HLF. Since Demir Export installed fences around the ponds in 2022 there have been no mortality incidents associated with the ponds. In the past year the only mortality incident was a bird found in the ADR. The records indicate that the bird-balls and fencing are effectively protecting wildlife.

The operation has designed and constructed an effective leach solution application system and implemented procedures to minimize the potential for solution ponding on the HLF. This is achieved by agglomerating the ore to reduce breakdown and maintain porosity, ripping the surface to maximize porosity, and burying drip lines to reduce ponding and prevent freezing in the winter. The leach pad is a relatively small operation and the areas under irrigation are easily monitored for leaks in the solution lines or ponding, so ponding is quickly addressed. Procedures are in place to check for ponding and address measures to mitigate ponding on the leach pad. No sign of ponding was evident on the leach pad during the audit site visit.

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

The operation is:
- ■ in full compliance
- in substantial compliance
- not in compliance…with Standard of Practice 4.5.

Summarize the basis for this Finding/Deficiencies Identified:

The Bakirtepe Gold Mine operation is designed and operated as a closed circuit and does not directly discharge to surface or groundwater. The closest surface water is the seasonally flowing Köşerellik Stream located about 250 m southeast of the HLF. This flows into the Han (Dişlik) Stream located approximately 2 km to the south of the HLF. Monthly surface sampling is conducted to monitor surface water quality upstream and downstream of the mining operation. The results of analysis show total cyanide was less than 0.005 mg/L (indicating free cyanide less than 0.005 mg/l) in samples collected between April and July 2023 when there is flow.

There are no known indirect discharges of cyanide to surface water. The HLF pad is underlain with a 2 mm thick impermeable HDPE geomembrane liner installed over a geosynthetic clay

liner over 0.3 m of compacted low permeable structural fill. An underdrain is constructed beneath the HPDE liner to monitor for and capture any leakage through the liner. The underdrains flow to seepage collection sumps located along the down gradient side of the HLF. The seepage collection sumps are monitored monthly by a third-party laboratory, and any discharge detected is analyzed for total and WAD cyanide. Results available for 2022 show all parameters to be less than 0.005 mg/l.

The three process ponds are double lined and underlain by 0.3 m thick layer of compacted clay. A leak detection system comprising sand fingers and 100 mm diameter perforated piping is constructed between the two liners that drains to a leak detection sump. The leak detection ports on each of the three process ponds are sampled monthly by an accredited laboratory and any discharge detected is analyzed for total and WAD cyanide. The leak detection program began in March 2024. The results for March and April indicate WAD cyanide concentrations equal or less than 1.7 mg/L in samples collected at the pregnant solution pond and 2.59 mg/l and 2.59 mg/L in the barren pond. No solution was detected in either the barren solution pond or new barren solution pond in April.

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

The operation is:

- ■ in full compliance
- in substantial compliance
- not in compliance…with Standard of Practice 4.6.

Summarize the basis for this Finding/Deficiencies Identified:

Demir Export has implemented solution management and seepage control systems at Bakirtepe to protect groundwater beneath and downgradient of the operation. The cyanide warehouse and ADR plant are constructed with thick reinforced concrete floors underlain by and layer of compacted engineered fill and reinforced concrete constructed over a HDPE impermeable liner. Concrete perimeter berms provide containment and prevent seepage beneath the areas of operation, and spills are directed via a floor drain to a sump for return to the process, or discharge to the pregnant pond. The cyanide reagent tanks are constructed on concrete plinths within the ADR containment area. The New CIC plant is also constructed with a reinforced concrete floor and has perimeter concrete berms to prevent seepage. Spillage is directed to a sump and pumped back to the process or flows via concrete pipeline channels to the pregnant pond. All cyanide lines are located within the containment areas, concrete containment channels, or over HPDE liner. There are no buried lines.

As discussed in Section 4.5 the HLF and process ponds are underlain with impermeable HDPE liner, geosynthetic clay liner and compacted low permeable structural fill designed to prevent seepage, and leak detection systems and monitoring programs are in place to detect and manage potential seepage.

The cyanide facilities are inspected and maintained to ensure the integrity of containment systems and prevent potential seepage.

There are no water bodies in the vicinity of the mine that would support aquatic life. There are no beneficial uses for groundwater other than a source of drinking water. The water quality standards established for the project are <0.01 mg/l for total cyanide for protection of drinking water. This standard is below the Turkish standard of 0.05 mg/l for drinking water.

A sampling and analysis program is in place for monitoring surface water and groundwater quality. This program includes monthly sampling of groundwater monitoring wells downgradient of the ADR and HLF as well as sampling a water resource spring (near the community of Eğricek downgradient of the HLF. This sampling program includes the analysis for total cyanide and WAD cyanide. The results of monthly groundwater monitoring from 2018 to October 2023 show total and WAD cyanide were less than 0.005 mg/l at all the above noted sampling locations.

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

The operation is:

- ■ in full compliance
- in substantial compliance
- not in compliance…with Standard of Practice 4.7.

Summarize the basis for this Finding/Deficiencies Identified:

Spill containment measures are in place for all process tanks and pipelines to prevent discharge to the environment. The cyanide warehouse, ADR plant and new CIC column are constructed with reinforced concrete floors with containment berms, which provide containment in the areas of the operation where cyanide is stored and used. Thecyanide preparation and holding tanks are founded on solid reinforced concrete plinths founded on the reinforced concrete floor within the ADR providing an impermeable barrier between the tank bottoms and the ground. The CIC columns and other cyanide process tanks are constructed clear of the concrete floor on steel frames and any leakage would be captured within the ADR containment. The ADR containment has a trench drain that flows to a sump equipped with a manually operated pump that allows spillage to be directed back to the process, or to the barren solution pond. The containment for the new CIC column is equipped with a sump that allows spillage to be directed back to the process or alternatively allowed to flow through a pipeline opening and along a pipeline containment trench to the pregnant pond. The containments were observed to be clear of solution, sludge, or debris. Although the floors showed some local evidence of surface concrete flaking, no significant cracking was observed that would compromise the integrity of the containment. Instructions are also in place to

address solid and liquid spills and spill kits comprising absorbent pads and socks are strategically located at the Warehouse and ADR.

The cyanide preparation tank and holding tank are 10,000 L and 50,000 L capacity, respectively, and together with other smaller capacity process tanks that contain cyanide process solution are located within the ADR containment area. The FLSmidt CIC tanks each have a capacity of 7,700 L and are in a concrete containment that joins with the ADR concrete containment. Based on review of engineering drawings the ADR/CIC containment covers an area of over 740 m^2 and is bounded by a concrete berm of 0.2 m or more depending on location. The containment size is therefore sufficient to hold a volume greater than that of the largest tank within the containment and any piping drain back to the tank, as well as additional capacity to hold the 0.059 m design storm event.

The New CIC plant has a dedicated concrete containment. As the containment design allows overflow through a pipeline opening and along a pipeline containment trench to the pregnant leach solution pond, the containment is therefore sufficient to hold a volume greater than that of the largest tank within the containment, any piping draining back to the tank, as well as the 0.059 m precipitation from a 500-year design storm event.

The warehouse compound is concrete paved with a perimeter curb to provide containment. A trench drain located in the yard between the warehouse and the ADR building directs precipitation, or potential contaminated water, to the pregnant solution pond.

All cyanide lines are located within the containment areas, containment channels, or over HPDE liner. Cyanide pipelines in the ADR and new CIC column are located within concrete containments, except for two overhead carbon transfer pipelines located between the ADR and new CIC concrete containments. These pipelines are provided with secondary containment trays that drain to the concrete containment. The barren and pregnant pipelines within the HLF are all located above the HLF HDPE liner. Where these lines run between the HLF and ADR and ponds, they are located over HDPE liner or within concrete containment channels that drain into one of the process ponds.

All cyanide mixing, holding, and solution tanks are constructed of carbon steel. Cyanide solution pipelines and piping system components are constructed of HDPE or carbon steel: materials compatible with cyanide and high pH conditions.

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

The operation is:

- ■ in full compliance
- in substantial compliance
- not in compliance…with Standard of Practice 4.8.

Bakirtepe Gold Mine — Name of Mine

Signature of Lead Auditor

8 August 2024 — Date

Summarize the basis for this Finding/Deficiencies Identified:

The design and construction of the cyanide facilities was executed under Engineering, Procurement and Construction (EPC) contracts. ÇH Makina were contracted for the design, construction, and QA/QC management of the ADR. The original HLF, two process ponds and storm pond were designed by GBM Minerals Engineering Consultants Ltd. (GBM), based in London, United Kingdom. GBM were the construction managers for the ponds and HLF cells 5 through 10. VİA Mühendislik Müşavirlik Ltd. Şti. were the construction managers for HLF cells 1 through 4. Savra Construction Machinery Engineering Environmental Consultants Ltd. Sti., (Savra) were the design engineers and construction managers for the HLF expansion and New barren solution pond construction. Yilmaz Proses Teknolojileri Ltd. Sti. (YPT), based in Ankara, were retained to undertake the engineering design, procurement, and construction of the ADR expansion that included the New CIC plant and mechanical infrastructure for the new barron pond. Subcontractors included ULUOVA Construction and Mak. San. Ltd. Sti for earthworks, ORE mineral Drilling Construction Engineering for compaction control, EngeoTek for geomembrane placement, and SENSOR DDS (SENSOR) for geomembrane integrity testing.

QA/QC verification was undertaken during construction and installation of equipment and components, to ensure work was carried out in accordance with engineering specifications, drawings, applicable codes and regulations and materials used meet the design specifications. The HidroGrup Water Structures and Inspection and Engineering Services Ltd. (HidroGrup) provided full time construction monitoring of the original HLF and ponds on behalf of the Ministry of Environment and Urbanization. HidroGrup provided detailed monthly progress reports of construction including photographs, construction details, and QA/QC records. The reports were signed by each of the HidroGrup inspectors. Su-De Su Yapilari Denetleme Ltd STi (Su-De) provided full time construction monitoring on behalf of the Ministry of Environment and Urbanization for the HLF expansion, and new barren pond construction and prepared progress reports signed by the inspectors that detailed construction and included photographs and QA/QC records. ÇH Makina managed the QA/QC for the original ADR construction. YPT were overseen by Demir Export senior project managers and engineers.

A selection of QA/QC records were reviewed. For civil, mechanical, and electrical construction works, QA/QC records show these verifications included materials specifications, excavation inspections and ground compaction testing, concrete delivery and slump tests tank material certification, steel quality and certification, welding inspection and certification, surface blasting and paint application of steel structures, fabrication inspections and electrical wiring and equipment quality. For water management structures, including construction of the HLF and storm and process ponds, verification records included excavation and ground compaction monitoring, rockfill quality testing, geosynthetic liner specification testing, geomembrane placement monitoring, and geomembrane field integrity and weld testing.

Demir Export indicated that all final engineering design drawings, completion reports, commissioning, and handover documents, were provided to them on completion of each of the construction contracts. These documents and associated QA/QC records are stored on Demir Export's SharePoint system database. The database includes signed and stamped civil and mechanical drawings showing plant design and arrangement, process flow diagrams, and instrumentation and piping diagrams for the ADR, HLF, ponds, New CIC and HLF expansion. The audit team did not view all engineering drawings and QA/QC records on file; however, Demir Export was able to easily retrieve samples of records requested by the auditors to demonstrate such records are retained on the database.

Senior representatives of the engineering companies responsible for the EPC contracts for Demir Export approved final engineering drawings and signed the construction completion reports that the facilities were built as proposed. Full time construction monitoring of the water management structures (HLF and ponds) was conducted on behalf of the Ministry of Environment and Urbanization and Climate Change (MEU&CC) by HidroGrup or Su-De. Senior field inspectors from these companies approved the construction works and signed the completion reports that the facilities were built as proposed.

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

The operation is:

- ■ in full compliance
- in substantial compliance
- not in compliance…with Standard of Practice 4.9.

Summarize the basis for this Finding/Deficiencies Identified:

An Environmental Management Plan is in place that outlines the applicable standards, procedures and guidelines for monitoring and reporting, roles and responsibilities of Demir Export personnel and contractors, and a monitoring program to meet the commitments of the Environmental Impact Assessment (EIA) approved for the project. This Plan includes a site map showing monitoring locations and tables listing the quality criteria for each of the parameters monitored. A wildlife monitoring program is in place. All employees and contractors complete initial and annual training in wildlife awareness and protection in the workplace and must report wildlife sightings and any mortalities. Mortalities are recorded on a wildlife mortality registry.

SRK Consultancy and Engineering Inc., Ankara, specialists in mining and water resources, prepared the water management and monitoring program for the operation. The monitoring program was approved by the MEU&CC as an integral part of the permit and licence conditions of the mine. Demir Export retains SEGAL Çevre Ölçüm ve Analiz Laboratuarı (SEGAL) a Turkish Accreditation Agency (TURKAK) and MEU&CC accredited (no. Y-06/203/2022) environmental laboratory based in Ankara to conduct the monitoring. SEGAL Environmental

Technicians have Water and Waste Water Sampling Training certificates and follow sampling standards based on sampling guidelines developed by the MEU&CC.

Demir Export has retained SAG Consultancy Madencilik San. and Trade. Inc. (SAG) to provide hydrogeological advisory services, including review and modification of the surface and groundwater monitoring program as needed. The environmental monitoring program is currently overseen by a senior environmental engineer with experience overseeing environmental monitoring programs, preparing monthly reports, and staff training. He is a MEU&CC Certified Waste Water Treatment Supervisor and a Certified Environmental Officer qualified to oversee the operations regulated environmental sampling and monitoring programs.

SEGAL uses a MEU&CC Sampling Report Form to record the sampler's name, date of sampling, sample number, field conditions (temperature, weather, etc.) during sampling and any information that may affect the sampling. Also recorded is the sample quantity, container size and type, and signatures of the sampler and a site representative.

The operation is designed to minimize the potential for a cyanide release to the environment through provision of secondary containments in all areas where cyanide is stored, handled, and used in the heap leaching, pregnant solution collection and the gold recovery process. Records show that cyanide (total, WAD or free) has not been detected in surface water or groundwater, and therefore it is the opinion of the auditors that the monthly groundwater and surface water monitoring program is reasonable considering the operational management and analytical record.

Records available since 2017 document 14 wildlife mortalities. Seven of these were associated with the ponds and involved dogs, rabbits, and a fox, with the remainder being birds in the ADR and CIC plants. No mortalities have been reported on the HLF. Since Demir Export installed fences around the ponds in 2022 there have been no more mortality incidents associated with the ponds. The records indicate that the bird-balls and fencing are effectively protecting wildlife. Based on the recent absence of mortalities at the ponds since the installation of the fencing, and the vigilant management of solution application on the HLF, it is the auditor's opinion that the wildlife monitoring program adequately characterizes the effectiveness of wildlife protection measures in place at the mine site.

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

Standards of Practice

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

The operation is:

- ■ in full compliance
- in substantial compliance
- not in compliance…with Standard of 5.1.

Summarize the basis for this Finding/Deficiencies Identified:

Demir Export retained WSP Danışmanlık ve Mühendislik Ltd. Şti. to prepare a Cyanide Decommissioning Plan (dated February 2024) for the operation's cyanide facilities. The plan includes procedures to decommission cyanide facilities, an approximate schedule, and a cost estimate to complete the decommissioning tasks. The decommissioning tasks include, depleting all remaining stock of cyanide, decontamination and industrially cleaning plant machinery, equipment, pipework, concrete, geomembrane, and other components prior to removal off site for permanent disposal, construction of a water treatment plant to treat rinse water, rinsing the HLF and treatment of the rinse water over an estimated 2.5 years, and cleaning the ponds and placing any sediment/sludge generated onto the HLF. The plan considers decontamination of plant, equipment and the HLF complete when WAD cyanide concentration in the rinse water is less than 0.5 mg/l.

The implementation schedule for the proposed decommissioning activities is described in text. The total duration of the decommissioning of cyanide related facilities is estimated to be five (5) years (presented in a conceptual Gantt Chart).

As stated in the Demir Export's Cyanide Management Plan the Cyanide Decommissioning Plan will be reviewed every 3 years and the financial costs allocated accordingly.

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

The operation is:

- in full compliance
- ■ in substantial compliance
- not in compliance…with Standard of Practice 5.2.

Summarize the basis for this Finding/Deficiencies Identified:

The Cyanide Decommissioning Plan includes a cost estimate to complete implementation of the cyanide-related decommissioning measures. The costs were estimated using the Standard Reclamation Cost Estimator (SRCE) model developed by the Nevada Department of Environmental Protection, Bureau of Mining Regulation and Reclamation. The costs include dismantling of the ADR Plant, decommissioning the process ponds and management of the HLF solution to the point where the WAD cyanide is less than 0.5 mg/L. The report lists the assumptions made in the estimate and states that the closure activities will be performed by

third party contractors using unit rates provided by Demir Export that include contractors profit and overhead. The decommissioning costs will be review at least every 3 years.

As there is no established financial assurance mechanism in Türkiye to cover estimated costs of cyanide related decommissioning activities, Demir Export is in discussion with financial institutions to establish a financial guarantee to cover the cost for the cyanide related decommissioning.

Please refer to DE-ICMC-CAR-02. Demir Export is pursuing financial institutions to provide insurance to cover the cost for the cyanide related decommissioning, however, due to a recent large heap leach failure incident in Türkiye they have to date been unable to establish a financial guarantee to cover these costs.

This deficiency is administrative in nature and therefore in the judgement of the auditors not considered to present an immediate or substantial risk to health, safety or the environment during the implementation of this CAR.

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

Standards of Practice

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

The operation is:
- ■ in full compliance
- in substantial compliance
- not in compliance…with Standard of Practice 6.1.

Summarize the basis for this Finding/Deficiencies Identified:

Demir Export has developed a Cyanide Management Plan that describes the steps and procedures implemented at the Bakirtepe Gold Mine for safe management of cyanide. The Plan references Safe Working Procedures and Standard Operating Procedures as well as an Emergency Action Plan that provide step by step requirements for undertaking specific cyanide related tasks. The operating procedures include instructions for cyanide delivery and unloading, cyanide mixing, and plant operations. In addition, Demir Export has implemented procedures for decontamination of plant and equipment with clean water prior to maintenance and confined space entry. These operating procedures and instructions describe the risks associated with specific work tasks and the precautions and safety equipment required to safely complete tasks. Procedures and instructions have been maintained as controlled documents since 2016 as is evidenced by the tracked revision updates recorded on procedures together with the date and approved sign-off.

Demir Export has mandatory workplace requirements for all employees and contractors. Operating procedures specify the PPE required to be worn in the workplace as well as other equipment required to safely undertake the task. There are also requirements detailed in operating procedures to wear additional items of personal protection as well as use of portable HCN meters when undertaking specific tasks or when working in specific areas where there is a risk of exposure to cyanide. PPE requirements are also posted in areas of the plant where specific PPE is required.

Workplace inspections are undertaken at the start of each shift to check operation of shower/eyewash stations, integrity and pipes, valves, tanks, and secondary containments for signs of leakage. Pre-work inspections are conducted prior to cyanide unloading and mixing operations. These inspections include a visual inspection of PPE condition, the proper operation of the forklift and shower/eye wash stations. Pre-work inspections are also required as part of confined space entry, work permit requirements, and JSA/Safe Working Procedures when undertaking non-routine tasks.

Employees are encouraged to seek ways to continually improve workplace safety; this ethic was noticeable in the audit with respect to workforce attitudes and general housekeeping practices. In addition to casual discussions among operators, supervisors, and managers, there are several formal approaches for workers to have an opportunity to communicate and provide input into the development and evaluation of health and safety procedures.

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

The operation is:

- ■ in full compliance
- in substantial compliance
- not in compliance…with Standard of Practice 6.2.

Summarize the basis for this Finding/Deficiencies Identified:

The importance of maintaining appropriate pH within the leach circuit is described in the Cyanide Management Plan. Demir Export has also developed a calculation for the quantity of caustic to be added to the leach circuit, depending on the supplied source of cyanide, and maintains pH above 13 during cyanide mixing as required under the written procedure for preparation and storage of cyanide. To prevent the generation of HCN gas and optimize the efficiency of the sodium cyanide in the leach process, Demir Export maintains pH in the heap leach circuit at between 10.5 and 11.5 and has set 10.5 as a minimum pH for the barren solution. In the stripping and neutralization processes and procedures specify that pH is checked and adjusted with caustic as needed to ensure pH is 12 and 13, respectively for these operations.

Demir Export has installed stationary HCN detectors (a total of 10) in areas where there is a potential for HCN gas generation and requires use portable HCN detectors (a total of 22) when conducting tasks where there is a potential for HCN gas. The HCN portable and fixed detectors alarm at 4.7 ppm and 10 ppm. The fixed detectors are fitted with both audio and visual alarms. HCN gas is also monitored each shift at designated locations of the ADR plant, leach pad, and process ponds using a portable HCN detector, and records are maintained.

Operating procedures specify those tasks where portable HCN detectors are required to be used. The Emergency Response Action Plan (ERAP) provides actions to be taken in the event of a HCN release. If HCN concentrations exceed 4.7 ppm, workers must exit the work area and proceed to a designated muster area outside the laboratory. If HCN concentrations exceed 10 ppm, plant operators trained in the use of self-contained breathing apparatus (SCBA) would investigate, except in an emergency where there is a man-down, in which case the investigation would be undertaken by three emergency responders wearing SCBA and chemical suits. Nine filtered full-face respirators (ABEK2P3) rated to be protective up to 10 ppm HCN have been placed within the ADR Plant and the Gold Room for use in the event of emergencies.

All fixed and portable gas detectors are calibrated on site. The technical service of the supplier company (Dräger) calibrates each fixed detector semi-annually and records are maintained by the Safety Department. For portable gas detectors, each department is responsible for their detectors and calibration is tracked by the Occupational Health and Safety (OHS) Department. Portable gas detectors are also calibrated semi-annually by Dräger. All calibration records are maintained for a minimum of three years.

Cyanide warning signage appeared to be well maintained. Signage is clearly posted at entrances to the ADR, mixing area, ponds, cyanide storage warehouses and includes cyanide hazard warning signs; prohibitions on open flames, smoking, eating, and drinking; restricted entrance to authorized persons only; PPE requirements, and a colour coding key for pipelines and tanks. Cyanide hazard warning signs are also posted on fencing around the cyanide facilities. Pipelines are labelled to identify the cyanide solutions in lines and pregnant and barren solutions in the ADR. Instructions for actions to be undertaken in the event of HCN releases and alarm triggers are prominently posted at locations around the ADR plant, cyanide warehouse and CIC tanks.

Since the 2022 Demir Export has received solid cyanide from Cyanco and Draslovka. Both suppliers provide a dye sachet in each cyanide box. The dye is then dissolved with the solid briquettes in the mix tank during the mix operation.

Shower and eye-wash units are located in strategic areas of the process plant where there is a potential for exposure to hazardous materials, including cyanide. Showers and eye wash stations are checked weekly for flow, condition, mechanical and visual control, and access.

Fire extinguishers in the cyanide use areas are all mono ammonium phosphate dry chemical powder extinguishers. The fire extinguishers are inspected weekly by the departments, monthly by the OHS Department and serviced, and inspected together with the fire detection systems by an outside contractor every three months.

The plywood cyanide boxes are stored inside the warehouse with their original packing signage and labelling that includes United Nations (UN) identification and safety data sheets (SDS) information. The tanks and piping in the cyanide mixing area and leach area including CIC tanks are clearly labeled with cyanide warning signs. Cyanide piping is colour-coded to identify contents, and a colour-coding key, and cyanide warning signage is posted on the access gates at the ADR and leach area. Solution pipelines at the ADR, ponds and leach units were clearly labeled with name and flow direction. SDS manuals containing hard copies of SDS are strategically located at the warehouse, ADR, Emergency Response Team (ERT) Station, ambulance, and laboratory. All signage, first aid procedures, SDS and other information materials are in Turkish, the primary language of the workforce.

Demir Export has not experienced any cyanide exposure incidents since operations began in 2016. In the event of an incident, Demir Export has systems in place to investigate through Incident Investigation, Root Cause Analysis and Reporting Procedure. The procedure provides instruction and guidance to ensure that investigations (including those that involve cyanide) are completed and applies to all employees and contractors. Investigation results and corrective actions are communicated to workers through daily meetings or other means. Corrective action tasks are subject to follow-up through an Action Tracking Process and may include additional training requirements, or modification of current operating procedures.

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

The operation is:

- ■ in full compliance
- in substantial compliance
- not in compliance…with Standard of Practice 6.3.

Summarize the basis for this Finding/Deficiencies Identified:

Shower/eyewash facilities are located at strategic areas of the site, including near areas where cyanide is handled, to provide immediate access to workers in the event of contact to cyanide. Eyewash solution, first aid kits, and oxygen resuscitator kits are available in the Plant Site. The units are inspected monthly by clinic personnel. In addition to clinic staff, all ERT members are trained to administer medical oxygen. Demir Export has 3 packs of hydroxocobalamin (Cyanokit) available at the medical clinic in the event of a cyanide first aid emergency. The Cyanokits are kept at room temperature in a cabinet as written in prospectus. The expiry date on each kit is clearly marked and all kits were within the manufacturer's expiry date. The clinic is responsible for replacing the kits prior to expiry. The

clinic also maintains a supply of activated carbon powder and liquid for oral ingestion in the event of cyanide ingestion.

Communication is through radio, cell phone, or fixed phone. All workers including security personnel are equipped with radios for use in the field and plant. Light vehicles are equipped with hands-free systems for cell phones.

Demir Export has developed plans for responding to cyanide leaks and spills. These are set out in the ERAP and Crisis Management Procedure (CMP) and scenarios for responding to cyanide spills within and outside of the mine boundary, medical emergencies from cyanide contact or HCN gas, HCN emissions on or outside the mine, fires involving cyanide, heap leach slope instability, overtopping of ponds containing cyanide solution, cyanide solution leaks from the HLF or ponds, and temporary process shutdowns or equipment failures. First aid instruction is also in place to respond to cyanide exposure through ingestion, inhalation and absorption through the skin and eyes.

Demir Export has the capacity to respond to most medical emergencies at the site. The site operates a clinic staffed with an occupational physician, a nurse and four paramedics who provide 24-hour medical support. The medical staff members receive cyanide awareness training and instruction from the Occupational Physician on the application of medical oxygen and intravenous use of Cyanokits. Workers are trained to recognize the symptoms of cyanide poisoning and first response actions in the event of cyanide exposure; however, they are not expected to apply medical first aid. The responsibility of the worker is to immediately report the emergency directly to security, ensure his/her own safety and make other personnel in the area aware of the situation. Security is responsible to ensure the clinic is notified and to initiate the emergency call-out procedures. The ERT members, many of which are plant operators, are trained to provide cyanide first aid including use of medical oxygen pending arrival for the nurse or Occupational Physician. At the time of the audit there were 19 first aid responders including the ERT from Demir Export, and 18 trained first aiders from subcontractors. Demir Export has an all-wheel drive ambulance stationed about 10 minutes journey from the ADR Plant, that can be tracked via a Vehicle Tracking System located at the OHS Department, in readiness for an emergency. The clinic has in-house capability to treat cyanide exposure cases, and transport cases to a hospital. If additional resources are needed, arrangements have been made with the Kangal State Hospital; and Sivas Regional State Hospital in Sivas, 90 km (approximately 45 minutes) by paved highway.

Demir Export has communicated with the Ministry of Health Department and Hospitals (Emergency Units) in Kangal and Sivas. Technical communications have been made to the nearest hospitals including medical services that may be requested in the event of an accident. While Demir Export is confident that hospitals can provide intensive medical care, it is recognized through discussion with the hospitals that the expertise in the application of Cyanokits and first response to cyanide exposure resides with Demir Export's medical staff who would accompany any patient should hospitalization be required.

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

Standards of Practice

7.1 Prepare detailed emergency response plans for potential cyanide releases.

The operation is:
- ■ in full compliance
- in substantial compliance
- not in compliance…with Standard of Practice 7.1.

Summarize the basis for this Finding/Deficiencies Identified:

The ERAP and CMP identify the emergency management organization, emergency reporting structure, emergency response protocols, roles and responsibilities, evacuation procedures and emergency communication details, contact information of external support, ERT equipment and drill scenarios, cyanide exposures and symptoms, first aid rules, use of the cyanide emergency medical kit and further treatment, and methods for emergency response to cyanide spills.

The specific procedures that describe the standard actions to follow in the event of an unplanned release of cyanide or cyanide related emergency are presented in the ERAP. Cyanide related emergencies are also addressed in the Cyanide Management Plan. The ERAP is representative of the current operational situation at the site.

Demir Export has identified and periodically evaluates possible emergency response scenarios and provides detailed protocols for responding to scenarios of cyanide emergencies in the ERAP. These include responding to cyanide spills within and outside of the mine boundary, medical emergencies from cyanide contact or HCN gas, HCN emissions on or outside the mine, fires involving cyanide, heap leach slope instability, overtopping of ponds containing cyanide solution, cyanide solution leaks from the heap leach pad or ponds, and temporary process shutdowns or equipment failures. Each scenario identifies the specific actions and the steps, and roles and responsibilities of various personnel during an emergency.

The cyanide transporters are responsible to respond to emergencies that involve the transport of cyanide to the site. Cyanco and Draslovka are responsible for responding to emergencies that may occur along their supply chains to Mersin Port (Türkiye), and Zafer is responsible for emergencies between Mersin Port and the mine site. Zafer has contracted emergency response services to Hidra Emergency Response Company (Hidra). Hidra have developed an emergency action plan and have emergency response vehicles that accompany the cyanide trucking convoy between the port and the mine.

The Demir Export ERAP classifies emergencies as per the level of response required.

- Level One emergencies are no injury, insignificant financial loss and low or non-environmental impacts.
- Level Two emergencies are first aid injuries (discomfort, minor injuries), low financial loss and low environmental impacts.
- Level Three emergencies are injuries requiring medical treatment (injuries that require care and treatment after first aid), moderate financial loss and medium environmental impacts.
- Level Four emergencies are restricted work injuries which are injuries resulting in some restrictions of duty, high level of financial loss and high environmental impacts.
- Level Five emergencies are injuries resulting in loss of workforce (lost time injuries), very high level of financial loss and serious - irreversible environmental impacts.

A person discovering an emergency is required to report the emergency to the Security Supervisor to initiate action. The relevant department head and OHS Specialist are also notified. The responsible staff assess the situation and notify the Operation Manager who immediately notifies the General Manager if the emergency is a Level Four or Level Five. The ERT is activated by the Event Controller (ERT Team Leader) under order of Emergency Controller (Operation Manager) to respond to all cyanide related emergencies Level two and above.

The ERAP and CMP include protocols that present specific response actions to be followed for various cyanide emergency scenarios including notifying potentially affected communities. In the event of an onsite emergency, personnel are required to evacuate to one of six designated emergency rallying points. Site layouts show the locations of first aid stations, assembly points, fire stations and related vehicles and other facilities including emergency shower and eyewash stations, first aid stations, assembly points, and fire and rescue stations.

The ADR and warehouse areas are bunded with concrete containments to control potential spills or releases of cyanide. Secondary containment volumes have been designed to contain the largest tank volume within the containment and a design storm event. Spill kits and heavy-duty mobile equipment is available to quickly respond and contain and recover cyanide spills and releases. Ferrous sulphate and sodium hypochlorite are available as neutralizing agents to address small cyanide spills.

7.2 Involve site personnel and stakeholders in the planning process.

The operation is:
- ■ in full compliance
- in substantial compliance
- not in compliance…with Standard of Practice 7.2.

Summarize the basis for this Finding/Deficiencies Identified:

Demir Export provides several avenues where the workforce can provide input into emergency response planning. These include monthly worker Health and Safety (H&S) committee

meetings, quarterly H&S meetings, toolbox talks, employee engagement program meetings, desktop simulations, departmental risk assessment updates, and preparation of JSAs. Mutual Medical (Mutual) operates the onsite clinic. The medical staff provides input into emergency response planning, developed the first aid procedure for cyanide exposure, provides first aid training, and participates in emergency response mock drill exercises.

Demir Export has a policy to actively involve local communities, and public and private stakeholders to address questions and concerns on the use of cyanide in mining, and response to transportation accidents or other types of emergencies involving cyanide. Quarterly community meetings in open forum formats are held that permit participants to ask questions or voice concerns including those regarding management of cyanide. Current versions of emergency response plans include procedures for communicating with the various stakeholders during an emergency. The ERAP and CMP include requirements for notification of external stakeholders in case of emergencies. Semi-annual meetings are conducted with the attendance of Private Administration Office, disaster and emergency management presidency, police and gendarme chiefs, sub-governors, village leaders, mayors and local fire and hospital representatives to provide information about cyanide and discuss response to possible cyanide emergencies. The Social Impact Manager has had formal communications with external stakeholders and has responsibilities that extend beyond the Bakirtepe Gold Mine to the other stakeholder interests.

Demir Export has developed the capacity to respond to all probable emergencies within the mine comprising personnel and equipment. If additional support is required, medical and emergency response assistance can be requested from the fire departments and hospitals of Kangal and Sivas, and regular dialogue with these services is maintained by Demir Export. All contact numbers are included in the ERAP and CMP. Involvement with potential responders such as hospitals and fire departments are maintained through the meetings and dialogue.

External stakeholders (Gendarmerie - Disaster and Emergency Management Authority (AFAD) are directly consulted to provide input when updating the ERAP. Off-site emergencies associated with transportation within Türkiye are the responsibility of Zafer; the only stakeholder with direct involvement/responsibility in the ERAP. Zafer are notified of any changes in the plan and provides Bakirtepe Gold Mine a copy of their emergency action plan when changes are made. Cyanco and Draslovka only transport cyanide "cost, insurance, and freight" (CIF) to the Port of Mersin so are not responsible stakeholders under the ERAP.

7.3 Designate appropriate personnel and commit necessary equipment and resources for emergency response. site personnel and stakeholders in the planning process.

The operation is: ■ in full compliance
in substantial compliance

Bakirtepe Gold Mine — Name of Mine
Signature of Lead Auditor
8 August 2024 — Date

not in compliance…with Standard of Practice 7.3.

Summarize the basis for this Finding/Deficiencies Identified:

The local incident and emergency teams are designated in the ERAP with roles and responsibilities for initial response in a cyanide related emergency. For Level one, two and three incidents, the Emergency Control Group (ECG) members, primarily composed of Demir Export managers, are delegated with roles and responsibilities as ECG chair, ECG Coordinator, Site Coordinator, Communication Coordinator and Security Coordinator, to fulfil these roles during an emergency. Their alternates are also defined in the ERAP. Demir Export has a total of 24 (52 in total) ERT members (fire and rescue team members) from different departments, distributed in multiple shifts. Contact information of ERT Members is included in the ERAP and available to related personnel. The distribution of the ERT among the shifts is communicated via monthly e-mail to all departments. The Emergency Response Coordinator (ERC) has a safety expertise certification issued by the government and coordinates all the training needs of the ERT. ERT members are trained according to an annual training plan. Demir Export's 24-hour security service manage the call out procedures for relevant coordinators and ERT members. An up-to-date list of emergency contacts and telephone numbers is maintained by security at the main security office. Roles and responsibilities of employees and emergency response personnel are defined in the ERAP. Demir Export has extensive emergency response equipment and personal gear on site to respond to cyanide related emergencies. The fire and rescue station equipment are listed in the ERAP. Emergency response equipment is inspected monthly and checklist records are maintained. The ERAP provides contact information for outside responders, medical facilities, and communities to be notified in emergencies. With exception of the Disaster and Emergency Management Presidency, outside responders will be under the direction of ERT, if contacted to provide assistance during an emergency.

Meetings held with stakeholders including hospitals, fire departments, government and civil service representatives, gendarme and army representatives, and communities through semi-annual community meetings; provide awareness to outside entities about potential emergency situations where outside emergency response assistance may be requested. Changing regulation sets out requirements by companies to conduct mutual emergency response exercises with outside entities.

In accordance with Türkiye regulations, Demir Export is currently undertaking a site assessment aligned with the European Union (EU) Seveso Directive for control of major accident hazards. An outcome of this assessment was the development of an ERAP which was shared with AFAD and may include enhanced requirements for joint responses in the event of a major accident potentially including cyanide release.

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

The operation is: ■ in full compliance

Bakirtepe Gold Mine — Name of Mine
Signature of Lead Auditor
8 August 2024 — Date

in substantial compliance
not in compliance…with Standard of Practice 7.4.

Summarize the basis for this Finding/Deficiencies Identified:

The ERAP provide lists of contact information for regulatory agencies, outside responders (i.e., fire and ambulance), hospitals, as well as call out procedures and other emergency response protocols and detail on the communication chain. The ERAP places responsibility on the Manager of Social Impact to coordinate and communicate with the local and provincial government including the Sivas Governor who in turn would contact the relevant regulators including the Environment and Urban Directorate, General Directorate of Mining and Petroleum (MAPEG) Affairs and General Directorate of Labour and Social Security.

The CMP defines which communities the Crisis Management Group will notify in the event of a cyanide emergency. Communities will be notified through communications with village and public leaders that will be conducted by Demir Export Social Impact staff. CMP provides detailed information on media statement preparation, next of kin notification, and spokesperson/news briefing procedure.

The ERAP includes procedures for notifying ICMI of significant cyanide incidents, as defined in ICMI's Definitions and Acronyms document. Initial notification will be provided within 24 hours of the incident and would include the date and nature of the incident, and the name and contact information of a company representative to contact for additional information. Further salient information, such as root cause, health, safety and environmental impacts, and any mitigation or remediation is requested to be provided within seven days of the incident. No such significant cyanide incidents have occurred or been reported to ICMI.

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

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

Summarize the basis for this Finding/Deficiencies Identified:

The Cyanide Management Plan, and its protocols address recovery and neutralization of cyanide solution and solid cyanide spills. Ferrous sulphate and sodium hypochlorite are two neutralizing agents selected for use and form part of the spill response kit. Sodium Hypochlorite would be used for residual trace cyanide concentrations and for washing equipment and personal protective equipment. The agents are stored in drums in the Emergency Response Kit Cabinet in the Cyanide Warehouse compound. Instruction is

provided on the percentage of agent to water mix for preparing the solution for use as a neutralizer. ERAP clearly states that use of sodium hypochlorite and ferrous sulphate for cyanide neutralization is strictly prohibited where there has been a release into a natural surface water body due to the toxic nature of those chemicals to aquatic life.

If needed, contaminated soil will be excavated from the area and placed in sealed plastic barrels and transported to the HLF as the first appropriate location for disposal under instruction of the Environment Department. Spills of cyanide solution or liquids are captured with absorbent pads or vermiculite and the soiled pads then placed in containers for disposal.

Spill clean-up procedures detail sampling requirements after the residue has been cleaned up to confirm that remediation has been completed. For cyanide spill response, soil samples would be collected from the contaminated area and analysed by an accredited third-party laboratory. The procedure defines the sampling locations, sampling frequency, sampling quantity and reference values according to Turkish regulations. Clean-up standards set by regulations published by MEU&CC, requires WAD Cyanide to be less than 10 ppm. A water quality monitoring program is also defined, including sampling locations, sampling frequency, sampling quantity and reference values (total cyanide concentration of 0.1 mg/l according to Turkish regulations) and 0.022 mg/l free cyanide for protection of aquatic life as per the ICMC standard for cases where cyanide solution enters surface water.

Because of the hydrogeology and distance, there is a low risk of cyanide impacting drinking water supply lines for surrounding villages. The water supply wells are private for the operation and have negligible impact on the drinking and utility water of the settlements in the region.

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

The operation is:

- ■ in full compliance
- in substantial compliance
- † not in compliance…with Standard of Practice 7.6.

Summarize the basis for this Finding/Deficiencies Identified:

Demir Export maintains ISO 45001: 2018, ISO 14001:2015, ISO 10002: 2018 accreditation which require management procedures and plans to be reviewed and maintained up to date to account for changes in operation, procedures, and legislation. As a requirement of the integrated management system all procedures are reviewed on at least an annual basis to ensure they are up to date and reflect changes in operations, legislation, and procedural improvements. The ERAP and Cyanide Management Plan are living documents and modified as required to incorporate any improvements identified during an incident or mock drill.

The ERAP requires that simulation exercises are undertaken annually to test the understanding of the ECG roles and responsibilities and adequacy of the Plan. The ECG Coordinator coordinates the simulations which may be in the form of a table-top exercise or mock drill. In the past three years Demir Export has undertaken 10 mock drills involving cyanide or related emergency situations. These have involved the simulation of a cyanide release in the cyanide warehouse that required the rescue of an injured worker from a HCN gas impacted area, two drills involving simulation of cyanide spill accidents, and several drills within the ADR Facility including a HCN gas poisoning drill. The ERAP states that a least two mock drills are to be conducted annually.

Procedures require evaluation of drill results and development of appropriate action plans for addressing deficiencies identified during a drill. The mock drill reports include a description of the scenario; a list of participants; a diary of the response actions; a debriefing meeting (positive and negative observations); and an action plan to implement improvements to minimize future potential for such an incident and improve response.

Demir Export has not experienced any major cyanide related emergencies requiring implementation of the ERAP and CMP. However, procedures require that the ERAP, CMP and Cyanide Management Plan are reviewed following an emergency and updated as required. The Emergency Response Coordinator is responsible for conducting this review which is completed as part of the debriefing and critique undertaken by the ECG.

Demir Export maintains a formal incident reporting and investigation program which categorizes incidents as lost time, restricted work injuries, medically treated injuries, first aid injuries, property damage, spills, and near-misses. For any incident, including, a cyanide related incident, an investigation is required to be undertaken to identify the root causes and corrective actions implemented to prevent a reoccurrence.

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

Standards of Practice

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

The operation is:

- ■ in full compliance
- in substantial compliance
- not in compliance…with Standard of Practice 8.1.

Summarize the basis for this Finding/Deficiencies Identified:

Cyanide training is mandatory for all new employees and contractors prior to working in cyanide facilities. The Induction safety training is a 3-hour program that includes topics such

as site policies, procedures, site safety, signage, workplace hazards, PPE, SDS, alarms, emergency response, incident reports and safety meetings. Additionally, prior to being permitted on the mine site, all contractors and workers are required to attend induction training which includes site policies, procedures, workplace health and safety, workplace and chemical hazards, PPE, signs, equipment/piping colour coding, alarms, emergency response plans and actions, incident reporting and safety meetings.

Visitors to the operation receive a basic induction which includes cyanide awareness and information on cyanide hazards. For visitors, an induction video is watched in Turkish with English subtitles, and a short exam is applied. This program includes instructions on cyanide awareness and cyanide management including the ERAP, CMP, ICMC, cyanide properties, exposure symptoms, hazards, usage, and safety systems.

Prior to undertaking cyanide related tasks, all workers receive further training on management systems and JSA Work procedures including those specific to cyanide tasks. Each new worker receives pre-work training for a minimum of two hours specific to the department or area of work. New employees to the ADR plant receive on-the-job training from experienced operators under supervision of the day shift supervisor for at least two months.

The ERT members are trained in specific responses to cyanide emergency situations including symptoms of cyanide exposure, hazard recognition, responses to emergency situations and the appropriate use of PPE, spill kits and neutralizing agents.

Cyanide refresher and awareness training is a part of a 3-hour session on chemical awareness that forms part of a 16-hour health and safety refresher training program (Long - Period OHS training) that is periodically required by all workers including contractors. Cyanide awareness/refresher trainings portion of the program is about 1 hour in length and is given by Process department/Safety department trainers. The cyanide awareness/refresher training addresses cyanide awareness, risks of cyanide, cyanide handling procedures and emergency response, and includes an examination (threshold 70 points).

Employees specifically working or engaged on cyanide related tasks are required to complete additional refresher training on specific cyanide related operating procedures. These include emergency procedures, cyanide offloading and mixing procedure, cyanide storage, oxygen resuscitation kit operation, CyanoKit and CarboSorb awareness, expiry dates for HCN gas canisters, cyanide facility inspections, working on cyanide pumps/valves/pipelines/tanks, and wet and dry sodium cyanide decontamination.

All induction and refresher training records are retained by the Safety Department Office. Review of a sample of records for workers in the ADR Plant confirmed that records have been retained since 2016. Review of training records for selected operators and managers confirmed that records were available and complete. Paper copies of the training attendance sheets are filed in the Safety Department Office.

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

The operation is:
- ■ in full compliance
- in substantial compliance
- not in compliance…with Standard of Practice 8.2.

Summarize the basis for this Finding/Deficiencies Identified:

Demir Export maintains a detailed training program for cyanide related tasks and related health and safety procedures. All workers that undertake cyanide related tasks are required to complete cyanide awareness training as well as task specific training. As per a legal requirement, plant operators must also receive "Occupational Certification" before being permitted to work. Certification is gained through a 5-day program provided by government trainers. The program provides a general understanding of process operations. Prior to undertaking tasks without direct supervision, workers must complete training in standard operating procedures.

There are general operating procedures for non-cyanide specific mine site operating tasks that all workers are required to be trained. In addition, workers that have job tasks involving cyanide are required to complete training in specific procedures for each of the applicable cyanide related tasks conducted as part of their job role. This task training includes training in cyanide unloading, storage and mixing operations, cleaning screens, preparation of stripping solutions, and operations with other hazardous materials. The training requirements program identifies the safety and monitoring equipment in-place, warning signage, PPE requirements, and procedures to be followed to minimize risks associated with task related hazards.

A training matrix is used to track cyanide related requirements and there is one management plan, eight routine operation procedures, and 33 instructions that address transport, unloading/loading, storage, mixing, preparation of stripping solutions, cleaning of pits/tanks/screens, sample collection, disassembly of cyanide boxes, and other production and maintenance tasks. All procedures contain instructions to be followed for each task, the hazards identified, PPE to be used, and precautions to be followed for safe working.

Operating procedures and instructions form the basis of the written materials for training. These address the information on the primary hazards of the task, required PPE, step by step instruction on performing the task, and reference to related safety and operating procedures. Training requirements associated with the operational procedures and instructions applicable to each area/process in the plant must be completed to the satisfaction of the training supervisor before a worker can work unsupervised in that area or process. All staff receives cyanide awareness and Long - Period OHS training (OHS Training, Physical and Chemical Risk

Factors, Major Industrial Accidents, SDSs, Emergency Procedures, PPE Training, Health Training, Fire Training) which is updated annually.

Employee task training is undertaken by supervisors or managers who are experienced in cyanide process operations. This training is supplemented by monitors assigned in each area who have been trained to provide cyanide training. In general, the supervisor of an area is assigned the role of monitor. New employees are on a four-month trial period. Employees are monitored and work with an experienced employee for a minimum of two months and after passing this probationary period, the worker is allowed to undertake assigned tasks without being monitored by an experienced employee and shift supervisor.

All personnel are required to attend induction training which includes cyanide awareness and hazard training. All employees that may encounter cyanide in the workplace have been trained in cyanide hazard recognition and refresher training has been provided annually. Each new worker also receives pre-work training specific to the department or area of work. Cyanide induction and refresher training is evaluated through examination using a multiple-choice test paper. The pass mark is 70% and additional instruction and examination is required for trainees that do not make the grade. Trainees are required to take training again if the exam's pass mark is not achieved.

Records for cyanide training are retained throughout an individual's employment. Records are in the form of signoff sheets; that include the training topic(s), trainers name and signature, date of training, and sign-off by each attendee. The course materials are either videos and power point presentations, as in the case of induction training and cyanide awareness refresher training, or the actual standard operating procedures in the case of task training.

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

The operation is:

- ■ in full compliance
- in substantial compliance
- not in compliance…with Standard of Practice 8.3.

Summarize the basis for this Finding/Deficiencies Identified:

Cyanide unloading, mixing, process and maintenance personnel are trained in the requirements of operational procedures as well as relevant cyanide management procedures, including emergency response procedures. All employees that work with cyanide complete induction and refresher training in cyanide awareness. Employees undertaking cyanide specific tasks receive task specific training on standard operating procedure(s) for that task as well as procedures to follow in the event of a cyanide exposure.

Depending on the shift at least two or three members of the ERT are always present at the ADR Plant during the shift. The pipeline irrigation team on the heap leach pad has at least one ERT member present per shift. The ERT members have been trained to apply first aid including the use of medical oxygen and advanced medical first aid. Medically trained personnel from the mine's clinic provide further assistance such as administering Hydroxocobalamin (Cyanokit). Since 2016, the ERT members have completed chemical response, firefighting, and refresher trainings.

The ERT conducts monthly emergency response training exercises. These exercises have included a cyanide solution spill and HCN release in the ADR; solid cyanide spill with release of HCN, a man-down cyanide exposure scenario, pond overflow and etc. These exercises include the ERT, security and medical personnel from the clinic.

The Bakirtepe Gold Mine has the resources to handle all probable emergency situations through an onsite team of well-trained emergency brigade personnel, emergency response container and equipment, and medical capability available from mutual on-site paramedics, nurse and doctor. The mine meets annually with local community stakeholders and has communicated with local government agencies regarding additional services and support that may be requested in the event of an accident. There is one well-equipped ambulance onsite that contains medical oxygen and nurse/paramedic/doctor emergency kits that also contain cyanide antidotes.

Cyanide awareness is a specific topic in the training sessions and includes evacuation drills, hazardous materials handling, fire extinguisher use, basic firefighting, vehicle extraction, cyanide management, basic first aid and mock drill rehearsal. Additionally, the ERT members take part in annual desk-top emergency scenarios in accordance with the CMP and ERAP. The ERT participates in the emergency training sessions which periodically include hazardous materials training including cyanide, and mock drills that involve cyanide exposure and release scenarios.

Records of emergency response training are retained by as hard copies by the OHS Department. Review of a selection of these records for ERT members confirmed that they document the names of the employee and trainer, the date of training, the topic covered and the results of testing to demonstrate trainee understanding of the training materials.

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

Standards of Practice

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

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

Summarize the basis for this Finding/Deficiencies Identified:

Demir Export has implemented plans and procedures to engage with local government, Non-Government Organizations (NGOs), media, and the press. The Social Impact Department (SID) is responsible for engaging with governmental offices and local people affected by the mine's activities. The SID meets with interested local stakeholders at least twice a year (e.g., bi-annual community consultancy meetings) and physical meetings have continued since 2016, including throughout the Covid-19 pandemic. Demir Export's general policy of "open door policy and open visitor access" is to be as responsive and open as possible with respect to questions or requests for information, including those concerning the management of cyanide.

Since 2016, Demir Export has attended many unplanned and planned meetings with villagers at their villages and with other stakeholders. SID provides cyanide information trainings to visitors that attend community relations organized meetings with villagers and stakeholder groups. Demir Export organizes quarterly community meetings in open-forum formats that permit participants to ask questions or voice concerns regarding the management of cyanide. Also, all employees are made aware of cyanide and related issues including the Cyanide Code.

A grievance procedure is in place to handle proposals/complaints received from outside parties. All complaints, requests or proposals received from the communities of interest or local people are recorded on a registration form, entered ino a database, and examined by the SID. Where necessary, discussions are held with other concerned departments and responses are communicated back to the relevant party in person or by telephone/on-line. The enquiry or complaint is provided to the General Manager or other departments depending on the nature of the complaint, and the response, and any actions tracked to completion. Grievance records show that Demir Export received four complaints during last 3 years related to issues around damage to the field, and water supply. There have been no grievances regarding cyanide to date. The Demir Export's web page https://www.demirexport.com/ contains information on the mines operations and provides contact forms where issues of concern can be raised for action by Demir Export's management or the Social Impact Department.

Demir Export continues to communicate with communities and stakeholders through periodic meetings that engage public officials, police and gendarmerie commanders, sub-governors, village leaders, mayors, and local fire and hospital representatives to seek their continued support to maintain an up-to-date and effective CMP.

Demir Export engages with communities in mock drill scenarios to provide them with awareness on actions to be taken in the event of a cyanide emergency. During these

engagements, discussions are also held around topics of cyanide management within plant operations. The Mock Drills have been performed with the transportation HAZMAT Response Service Company for management of the cyanide transportation. The Mock Drill findings and emergency hazards are discussed, and these discussions include review of community awareness.

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

The operation is:
- ■ in full compliance
- in substantial compliance
- not in compliance…with Standard of Practice 9.2.

Summarize the basis for this Finding/Deficiencies Identified:

Demir Export has various types of informative audio-visual tools, flyers, leaflets and brochures including a General Visitor Brochure (includes cyanide awareness), PowerPoint presentations tailored for specific audiences, website/press releases (Sustainability Report 2021-2022), company internal magazine and televised presentations for stakeholder groups, local communities, and meeting purposes, that describe the use of cyanide in mining, the Cyanide Code, and the management of cyanide during production, transportation and operations. Management Plans have been prepared for internal (employees) distribution. Demir Export maintains a strong community outreach program and engages with community stakeholders weekly, and community leaders, majors, public officials, police and gendarmes, AFAD, and local fire and hospital representatives, annually during which information about cyanide management and mine operations are provided.

Regular mine tours are arranged throughout each year during which cyanide awareness and management information is provided. In addition to appropriate verbal presentations, all site visitors are provided a brochure that presents basic information on site safety and the use of cyanide in mining, and a video presentation (Turkish with English subtitles) giving a basic overview of the use of cyanide in gold mining and the precautions taken in the production, transportation, storage, and use of cyanide. Community visits have been arranged since 2016 with the most recently in 2023. A total of 185 interviews, mine tours, focus groups, public information sessions, face to face meetings have been conducted.

As literacy around the local population is extremely high, illiteracy is not considered a significant issue (average rate: 98% as per 5 villages). The site has developed a descriptive video of site operations; however, and all visitors to the site are provided verbal briefings in a visual presentation format.

There have been no reported cyanide releases on or off the Bakirtepe mine that have resulted in adverse environmental effects or exposure incidents. However, if such an environmental or

cyanide exposure incident were to occur, the Operational Manager in Bakirtepe will inform the General Manager in Ankara, who would in turn take the lead in informing regulators and government authorities in both regions. The Emergency Management Team and Contact Group for the incident would coordinate with the Social Impact Manager and General Manager to ensure that 1) responsible regulatory agencies and officials are immediately notified; 2) ICMI is notified; and 3) the causes of the incident and associated `corrective/preventive action are discussed in subsequent meetings with communities and regulatory authorities. In case of emergency, communication on incidents would be with all related Government Agencies, especially Sivas Governorship and local authorities and executive members of surrounding villages.

Demir Export is a signatory to the UN Global Compact and annually prepares a Sustainability Report that contains general information on cyanide management, company commitments to ICMC compliance, and environmental and health and safety performance. In accordance with Global Reporting Initiative guidelines, information on incidents would be separately identified for Bakirtepe mine in this report and the report would be posted on the company website in conformance with Demir Export's "open, effective, honest and transparent communication" approach declared in the Demir Export Social Management, thereby reaching a global audience.