AUCAN LOGISTICS SPA

TRANSPORT OPERATION

SUMMARY AUDIT REPORT

FOR THE

INTERNATIONAL CYANIDE MANAGEMENT CODE

JUNE 2022

BP Cyanide Auditors

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Operation General Information

Name of Transport Operation:	Aucan Logistic SPA
Name of Facility Owner:	Aucan Logistic SPA
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Operation Location Detail and Description

Aucan Logistic SPA (Aucan) is a sodium cyanide transporter from ports to mines in Chile. It currently operates with headquarters in the city of Copiapó. Aucan directly handles the operation of land transportation of sodium cyanide in Chilean territory with trucks granted as consignment / rental by the transport company C & C, who is transfers total administration of its 8 vehicles and their drivers to Aucan Logistics SPA. The auditor reviewed the agreement between these transporters that at the same time is a commitment of purchase and sale with administration of units, dated from April 8, 2022, where this modality of operation is established.

Aucan transports cyanide to different mining operations within Chile in sealed containers, from the ports of Mejillones and San Antonio. Cyanide is transported directly to the mines, without stopping at secondary storage facilities.

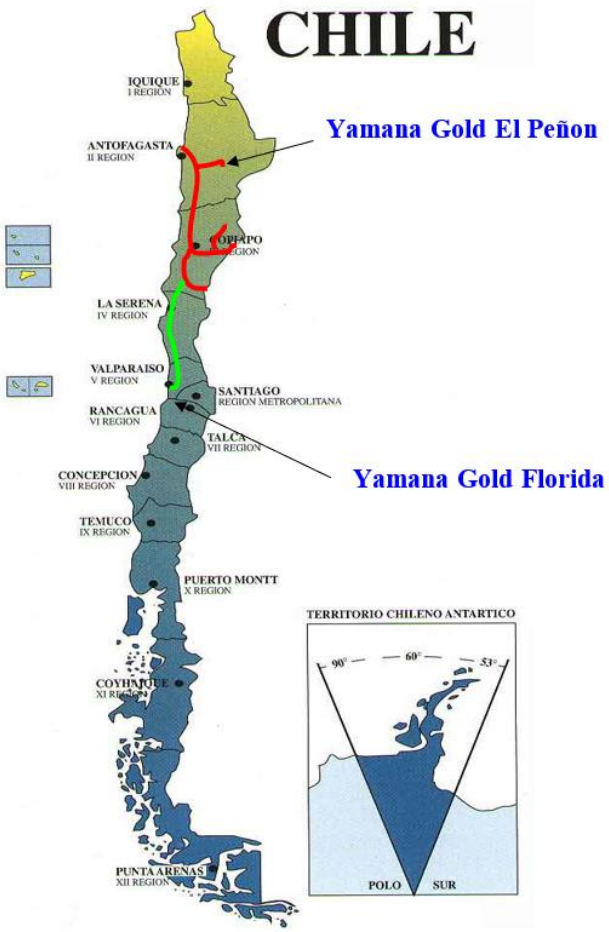
Cyanide is transported to Chile by ship. Unloading of the cargo ships is performed by the Port Authority which releases the container by placing it on a truck's platform. At this point, the cyanide becomes the responsibility of the transporter. The preferred ports are those with the shortest route to the mines. They perform services from ports to mining sites, through convoys of trucks with escort.

Cyanide is packaged by the producers in on ton super-sacks within a polyethylene bag to protect the material from water and humidity and placed in a wooden box. No less than 20 boxes are placed in a standard 20-foot shipping container; an exact number of boxes are

placed to prevent boxes' lateral movement in the container. In addition, blocking and bracing is applied to the cargo. The manufacturers seal the container with a tag with serial number at the production facility to prevent material losses. These seals are only removed at the mine.

The scope of this initial certification audit comprises the cyanide trucking transport operations from the ports to the mine sites as in Chile. No interim storage is considered in this transport operation.

Freight transport route



Auditor's Finding

This operation is

✓ **in full compliance**

☐ in substantial compliance

☐ not in compliance

with the International Cyanide Management Code**.**

This operation has not experienced any compliance issues or significant cyanide incidents since began transporting cyanide.

Auditor Information

Audit Company:	BP Cyanide Auditors S.A.C.
Lead Auditor:	Bruno Pizzorni
Lead Auditor Email:	bpizzorni@cyanideauditor.com
Transport Technical Auditor:	Bruno Pizzorni
Names and Signatures of Other Auditors:	----
Dates of Audit:	June 27 to 29, 2022

Auditor Attestation

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

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

Principle 1 | TRANSPORT

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

Transport Practice 1.1

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

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

Aucan Logistics (Aucan) has the written procedure Sodium Cyanide Ground Transportation from Ports in Chile to Mining Companies P1-01, where is included an evaluation procedure for selecting transport routes to minimize the potential for accidents and releases. The procedure requires to evaluate alternative transport routes and to the extent practical, select the one that minimizes both the potential for accidents and releases and the potential impacts of such accidents and releases if they do occur.

The evaluation procedure considers issues as natural hazards (landslides, flooding, volcanic activity, etc.), security issues, population density, existing infrastructure conditions of the roads, pitch and grade and areas with presence of water bodies and visibility due to weather conditions. The transporter works together with the mining customer to determine the safest and best route for transport. The procedure calls for driver feedback and routes are re-evaluated when driving conditions change, or when driver feedback suggests that this is necessary.

Records were available to demonstrate that all current routes were assessed and approved. The auditor reviewed evidence that such a selection process was used. This include the written procedure that calls for such an evaluation, and routes evaluations performed from Puerto Angamos (Mejillones) with El Peñón mine, and between San Antonio port to Florida mine, showing that the procedure was used in selecting the routes used by the transporter, and the results of the selection process. In all cases, the evaluation and selection of the routes was limited by the actual availability of road alternatives and the jurisdictional designations required routes for transport of dangerous goods

The procedure for cyanide ground transportation from ports to mine sites, includes evaluation of the selected route to determine if extra precautions are necessary at points along the route. Areas posing increased risks are identified and the necessary precautions, such as reducing vehicle speed, are documented for driver training. The procedure establishes to perform a risk analysis and the steps to follow for the preparation of

roadmaps for all routes covered by the organization during the execution of the transport service. Once identified the risks is required to establish the necessary control measures to manage these risks.

The procedure requires to prepare and update the roadmap when there is a new route, modification of conditions or a request from the customer recording the aspects related to: unsafe conditions (road condition, weather conditions and traffic), speed of handling by sections, signs and prohibitions of the road, heights of bridges, tunnels, ridges of hills, water, population density, mist zones and other aspects of transport safety. Mine customer input is considered when routes are determined.

The auditor reviewed the transporter's procedure and completed routes evaluations to ensure that the risks of selected routes are evaluated, confirming the necessary extra precautions are documented, and that drivers received appropriate training.

The procedure also requires to periodically reevaluate the route used for cyanide transport to confirm that no new risks have developed. This is a formal administrative review along with the driver reports on route conditions by mean of a WhatsApp group and also by periodic inspection of the routes.

The procedure states to evaluate routes annually, or when changes are identified by drivers travelling a route. Also, require the drivers to provide feedback on the route conditions. When feedback from a driver suggests that a route needs to be revised, the company revise the route and communicates latest information to drivers. Records showing that Aucan shipping routes are maintained up to date with current information were reviewed during the audit.

Interviews with drivers and management personnel were used to confirm that feedback about driving conditions is communicated. Special conditions noted by customers are noted and communicated to all drivers assigned to the route.

Records were available to show that Aucan periodically performs route risk assessment and participates in meetings with the mine customer.

The cyanide transport procedure addresses to document the risks identified along the selected routes and to be available in writing both for driver training and as a reference. Features such as sharp turns, areas of proximity to surface water and high population density require special precautions.

Route evaluations were complete, and records were available for review. Each route segment is evaluated for risks associated with population density, infrastructure, pitch & grade, proximity to water bodies, and likelihood of encountering poor driving conditions. Routes are also evaluated for security issues and for cell phone coverage.

Aucan was required to document the specific control measures for the risks identified in the route assessment. After the audit, Aucan sent a complete hazard identification matrix, risk assessment on routes and the stablished control measures taken. No additional information was required to find this in full compliance.

The procedure includes provisions requiring the transporter to seek input from emergency response providers and local authorities along the route to accurately evaluate potential routes for their relative risk, identify the risks that exist along the chosen route, and determine the measures necessary to manage this risk. By mean of the performed routes assessments, the transporter showed records to demonstrate that input has been sought and acted on as appropriate.

The procedure states to communicate of its cyanide carriers to hospitals and firefighters along the transport routes. Letters have been sent to firefighters, police, and medical centers to communicate their roles in case of any emergency and to open communication channels between the transporter and the emergency support providers.

As stated in the cyanide procedure for ground transportation and in the Sodium Cyanide Transport Emergency Plan P1 -02 procedure, Aucan transports cyanide in convoys. The convoy may include one or more pick up vehicles with Aucan personnel as escort as safety and security measures to control and mitigate identified risks along the route, and according to the mine´s client requirements. The escort carries the emergency response equipment and materials to respond emergencies. The transporter´s procedures stablish cyanide transportation must be performed only during daylight hours and that talks on sodium cyanide handling must be given by the convoy leader before the start of each day of the trip. The talks must be attended by all personnel in the convoy. An exception for transport during daylight is stablished for Antofagasta Port. Since the municipality of Antofagasta, restricts the circulation of dangerous loads during daylight hours and high congestion, has arranged that if necessary to transport dangerous loads through the city, it is done between 00:00 am to 05:00 am hours. To comply with legal regulations, Aucan has arranged that containers loaded at the Port of Antofagasta could be mobilized at night.

By interview to management personnel and pictures of the cyanide convoys, the auditor confirmed that cyanide transport operations is performed in convoys escorted, carrying all necessary equipment and implements for communications, first aid and spill containment equipment.

The convoy leader is trained in emergency management and emergency response procedures. Prior to the departure of the convoy, the leader will make a meeting with all the personnel of the convoy, explaining the characteristics of the route, as well as issues related to safe movement, being the instructions of the convoy leader the only ones that the drivers must abide by. During the journey, the convoy must be stopped as deemed by

the convoy leader or at the request of the drivers for various needs.

In occasion of the audit, Aucan was not hiring other entities to conduct any of the activities required in this Transport Practice, but in the future it plans to do so, according to the carrier's management declarations, with the purpose to optimize transport distances due to the Chilean territory extension. They indicate that after the first shipment of cyanide with third parties, they will comply with informing the ICMI and that they will request the evaluation of the transporter with the ICMI Transport Protocol, in accordance with the ICMI regulations and deadlines.

Transport Practice 1.2

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

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

Aucan was able to demonstrate that personnel operating its trucks and trailers were trained, qualified and have the specific license to operate the trucks category, as required in its jurisdiction. The transporter does not use handling equipment as forklifts and cranes in his cyanide transport operation.

The auditor reviewed the drivers' database where, for each driver, information is kept on their driving experience, training, license to drive, and if they are authorized to transport dangerous loads and cargo in general. Through this database they have control over the expiration dates of driver's licenses and training requirements. The auditor verified that all drivers had a professional driver's license type A5, which requires training in defensive driving, vehicle mechanics, cargo loading and off-loading and hazardous material training, among others, according to local regulations.

The procedure for sodium cyanide ground transportation requires drivers must have the respective driver's license that enables them to use the type of truck to use and that will have a pre-trip talk.

All personnel operating the trucks for cyanide transportation are trained to perform their assigned tasks in a safe and environmentally sound manner. The procedure for sodium cyanide ground transportation requires drivers must be trained by Aucan or third parties in "Sodium cyanide Emergencies", before being assigned to cyanide operations. All drivers have been trained on the procedures for loading and off-loading their trucks, as part of their

job function. Also, they are trained on Hazardous Materials (HAZMAT) which covers the appropriate issues of cyanide transportation, and in general cargo. All drivers and personnel involved in the cyanide transport operation have been trained on cyanide safety prior to being dispatched or the first shipment.

The auditor verified completed training records in the emergency procedure for cyanide transportation and training in the procedure of transporting cyanide with analysis of the route from the port of San Antonio to La Florida mine, dated from march 8, 2021, confirming that such training has been provided and it includes the elements appropriate for the nature of the transport and responsibilities of the operator as the standard operating procedures, as well as training records and sign-off sheets.

Interviews with drivers, dispatch, management, and maintenance personnel were used to confirm that they were trained in the cyanide transport operation to perform their jobs safely and appropriately.

In occasion of the audit, Aucan was not hiring other entities to conduct any of the activities required in this Transport Practice, but in the future it plans to do so, informing in a timely manner to the ICMI.

Transport Practice 1.3

Ensure that transport equipment is suitable for the cyanide shipment.

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

Aucan has records documenting the load-bearing capacities of its trucks and trailers detailing its maximum cyanide load weight. The transporter performs maintenance activities specific to ensure that its transport equipment retains a load-bearing capacity adequate for the anticipated load. This include periodic planned maintenance and inspections.

The auditor reviewed the procedure for cyanide transportation, addressing the responsible practices for sodium cyanide transportation to ensure that safety standards are met and maintain the integrity of the packaging throughout the journey. Also reviewed documentation of the load capacities as evidence of compliance, reviewed maintenance records and interviewed maintenance personnel to verify that the transporter's procedures are followed. The trucking company commissions preventive maintenance activities with external workshops, depending on the area where trucks are working. Aucan personnel has

extensive experience on trucks and platforms maintenance requirements and is in permanent contact with these contractors to receive any assistance required.

The auditor interviewed Aucan managers to verify its compliance with this provision. Shipment records were reviewed to confirm that standard weights within the capacity of the tractors, trailers and containers were being shipped. Weight capacities and the fulfillment of cargo inspection requirements were reviewed during the audit and were found to be compliant. Shipping records were available to demonstrate that equipment is not being overloaded.

The procedure for sodium cyanide ground transportation requires trucks and trailers assigned to the service of sodium cyanide must be suitable for the transport of containers and authorized to circulate on public roads, must be under a preventive maintenance program.

In addition to ensuring that the manufacturer's rating of the loading capacity of the transport equipment is adequate, the transporter also verifies that the load bearing capacity of its equipment is adequate by inspecting and testing its equipment to identify signs of stress or overloading. This is done as part of the transporter's preventive maintenance inspection program. The auditor reviewed evidence of completed inspections performed before each shipment service and also interviewed the truck drivers in evaluating compliance with this provision.

The procedure for sodium cyanide ground transportation describes the maximum loads allowed to transport on each type of truck and trailer and requires verifying the adequacy of the equipment for the load it must bear. The equipment is subjected to weighing of heavy equipment (scales) where the total weight of the transported cargo is verified, ensuring that it does not exceed the permitted.

The procedure cyanide ground transportation requires to ensure that equipment is not loaded in excess of its design. It states each trailer will transport one 20 feet intermodal sea container and each truck can only drag one trailer secured the container to the anchors of the trailer. Aucan manages standard amounts of cyanide in sea containers with 20 Intermediate Bulk Containers (IBCs) boxes with known weights to load into its trailers. This procedure states drivers for no reason must not accept to transport a load that exceeds their equipment design limits.

Records of cyanide shipments were checked against weight capacities and weight limit regulatory information. The equipment is capable of transporting loads more than the maximum loads shipped. The regulatory limits on truck weight are typically the limiting factor that dictates the maximum amount of cyanide that can be transported. Aucan

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

In occasion of the audit, Aucan was not hiring other entities to conduct any of the activities required in this Transport Practice, but in the future it plans to do so, informing in a timely manner to the ICMI.

Transport Practice 1.4

Develop and implement a safety program for transport of cyanide.

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

Aucan´s procedure for cyanide transportation includes directives for the receipt, load, transport, and unloading of solid cyanide. The procedure and formal pre trip checklist are used to ensure that the integrity of cyanide packaging is maintained during shipment, as well as during loading and unloading, although it is not the transporter's responsibility. The procedure establishes that the drivers cannot open the container. The containers received in the port are placed on platform trailers hauled by trucks without opening the container. A visual inspection is performed by the transporter´s personnel at the port when authorities release the cargo. Once received the cargo, the transporter performs a detailed inspection with the checklist, which includes checking integrity of the tags placed in the ocean container's locks at the manufacturing facility containers. The containers are loaded with standard blocking and bracing configurations.

The auditor reviewed the procedure, inspection records of cyanide shipments and interview equipment operators confirming compliance with this provision.

The procedure for sodium cyanide ground transportation requires to review the condition of the containers to ensure they are suitable for the trip, without holes and with complete identification United Nations (UN) label of solid sodium cyanide (1689) and for Maritime Pollutant.

Aucan use placards and signages to identify the shipment as cyanide, as required by local regulations DS-298 and international standards. The UN number 1689 for solid sodium cyanide placards is displayed on all four sides of the containers and trucks. The pre-trip checklist includes provisions to verify signage is complete. Although in occasion of the audit there was no cyanide shipment, the auditor reviewed pictures of the cyanide convoys to

identify placards announcing the presence of cyanide on transport vehicles and also saw spare placards of UN 1689 in the transporter's headquarters base finding the transporter in compliance with this provision.

The transporter procedure for cyanide transportation addresses formal safety vehicle inspections before each shipment. Roles and responsibilities are clearly defined. Section 6.6 requires the convoy leader, together with the driver, to inspect the trucks before being loaded with the container or immediately after the container has been loaded and ensuring that the resulting information is as displayed on the check list. The Auditor reviewed completed records of the Vehicle Inspection Form, which includes both the truck and the trailer, finding this in conformance. Aucan is responsible for inspections of the sea containers once loaded into the truck platform before each departure but is not responsible of the sea containers maintenance.

Confirmation was made during interviews to company´s drivers and management personnel that the transporter performs preventive maintenance to their vehicles according to a stablished schedule, depending on the truck brand and road conditions. By mean of the work sheet Truck Kilometers Control, Aucan keeps track of the mileage traveled by each truck and trailer which feeds the Vehicle Maintenance Plan. The trucks are Scania brand from years 2020 and 2021, which are maintained at authorized shops though the Chilean territory. The auditor reviewed maintenance records from Scania, according to scheduled. Trailers receive preventive maintenance every six months.

According to procedure for sodium cyanide ground transportation, drivers must have rested before the start of the trip as well, drivers may not drive more than 12 hours per day. By local regulations, for every 5 hours of driving corresponds to 2 hours of rest, equipment review, feeding and active stops. The carrier controls in an Excel sheet the data obtained from the vehicle´s GPS, where they report the driving hours of each driver. This allows them to control the hours allowed for safe driving. Since the municipality of Antofagasta, restricts the circulation of dangerous loads during daylight hours and high congestion, has arranged that if necessary to transport dangerous loads through the city, it is done between 00:00 am to 05:00 am hours. To comply with legal regulations, Aucan has arranged that containers loaded at the Port of Antofagasta could be mobilized at night.

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

According to cyanide transport procedure, the convoy displacement will be dependent on

weather conditions; the Convoy Leader will evaluate the safety of the route in each case, being able to stop the convoy if the conditions do not allow an insurance transit. Weather conditions in are constantly monitored, and deliveries are postponed if a route is considered to be unsafe. Drivers are empowered to stop a delivery if the conditions are considered to be unsafe.

A drug abuse prevention program is implemented in Aucan, drivers are required randomly to pass alcohol tests. The procedure for cyanide transportation requires that driver´s health is compatible with the work to be done Professional driver's license requires medical examination is performed to obtain it, the frequency will be indicated by expiration noted in the professional driving document. The alcohol analysis is performed in each transport. The auditor reviewed several completed Alcohol Test registers where is indicated the date, name of the driver, results of the test performed, and signs of the driver and the Convoy leader, who performs the test.

Records were available documenting that the above activities have been conducted, as inspection and maintenance records, spreadsheets to control drivers' hours, pre-trip inspections to prevent loads from shifting, procedures to suspend the trip if travel unfavorable conditions are encountered, and alcohol tests records.

In occasion of the audit, Aucan was not hiring other entities to conduct any of the activities required in this Transport Practice, but in the future it plans to do so, informing in a timely manner to the ICMI.

Transport Practice 1.5

Follow international standards for transportation of cyanide by sea.

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

No shipments are made by sea on this transportation operation. The transporter receives the cyanide shipments upon release of the cargo by the port authorities and deliver it to the mining sites by truck.

Transport Practice 1.6

Track cyanide shipments to prevent losses during transport.

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

All drivers and the Convoy Leader are provided with handy two way radios provided by the transporter and their own cellphones to communicate with the transport company, the mining operation, and emergency responders, as appropriate. According to the procedure for cyanide transportation, all trucks must have communication equipment, the convoy leader is responsible of communications.

The transporter was required to establish how do they verify the correct functioning of the communications equipment before the trip. This item was found in substantial compliance. After the audit, the transporter sent a reviewed version of the cyanide transport procedure and completed vehicle inspection checklists, where it was included the requirement to check the correct functioning of the communications equipment before the trip. No additional information was required to find this item in full compliance.

Cell phone black-out areas in the different routes from ports to the mine sites have been identified by the transporter during the routes risk analysis. The Convoy Leader carries different companies' cellphone chips to cover communications blackout areas. By review of the routes risk analysis performed, interviews and equipment review, the auditor confirmed this practice.

The Cyanide transport procedure requires the Transport Coordinator to send via mail after leaving the Port, an itinerary of the convoy's trip to the contacts agreed with the mining company. A copy of this itinerary will be sent to the cyanide provider. In this same email is required to indicate the names of the drivers, the convoy leader, and the plate´s number of each vehicle. The auditor reviewed the Convoy Monitoring and Control worksheet, where the communications of the Convoy Leader with the Transport Coordinator are recorded. This is carried out every 2 hours, where the convoy leader communicates via WhatsApp the progress in the itinerary. This information is preserved in the Travel Itinerary Folder, consisting of the Convoy Monitoring and Control worksheet, the vehicle and the emergency inspection forms, the alcohol test record, the record of attendance at the pre-trip talk, general instructions on any route due to changes and the dispatch guides.

The dispatch of cyanide is carried out directly from the port to the mine without opening the containers, for which the seals are controlled through pre-trip inspections and after each stop en route. Drivers, in accordance with the requirements of the cyanide transport procedure, must always carry the dispatch guides indicating the amount of cyanide in transport, the shipping paperwork, including chain of custody requirements, to ensure that cyanide shipments arrive at their destination intact. Among others, a waybill accompanies the cyanide shipments which includes chain of custody data such as container numbers, waybill numbers, shipping documentation, bill of lading, customs declarations and shipper guide. The auditor reviewed this documentation completed during the course of several shipments and through interviews with operators. Shipping paperwork was found to be conformant to the Code requirements.

The transporter showed completed shipping records indicating the amount of cyanide transported in each truck. The procedure for cyanide transportation requires this documentation must accompany every cyanide shipment. All cyanide shipments are accompanied by shipping papers identifying the amount of cyanide in the load and by Safety Data Sheets describing the necessary precautions for handling of cyanide. The auditor reviewed the transporter's procedure confirming that this information accompany each cyanide shipment and verified its implementation by interviewing operators and reviewing this documentation from performed cyanide shipments.

In occasion of the audit, Aucan was not hiring other entities to conduct any of the activities required in this Transport Practice, but in the future it plans to do so, informing in a timely manner to the ICMI.

Principle 2 | INTERIM STORAGE

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

Transport Practice 2.1

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

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

Interim storage activities in this transportation operation, as defined by ICMI, do not take

place. Cyanide shipments are sent directly from the ports to the mine sites. This Transport Practice does not apply to Aucan cyanide transport operation.

Principle 3 | EMERGENCY RESPONSE

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

Transport Practice 3.1

Prepare detailed emergency response plans for potential cyanide releases.

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

The transporter has developed the written plan Emergency Procedure During Sodium Cyanide Transport v3 (ERP), for responding to emergencies that may occur during its cyanide transport activities, a specialized document addressing cyanide only. This is a detailed document that includes, among other information, the emergency response team organization chart, emergency phone directory, communication channels guidelines, emergency scenarios, and instructions to attend specific and general emergency scenarios.

The ERP reflects the issues presented by the particular transport route and the method of transport. The emergency scenarios described are specific to the delivery routes taken, the condition of the road, the physical and chemical form of the cyanide handled, and the transport vehicles used. The auditor reviewed the Plan verifying that it appropriately considers these factors in identifying potential emergency scenarios and necessary response actions. The document was found to be up-to-date and appropriate for this solid sodium cyanide transportation operation.

Emergency scenarios have been identified as result of the route assessment matrix and emergency response actions have been addressed. The plan provides information regarding the packaging and transportation characteristics of the product, the container and the transportation unit. All emergency scenarios developed are related to ground transportation: incidents without injuries, mechanicals problems, collision, rollover with and without spill, fire during transportation, fall of the load and collision with hurt persons.

The transporter was required to include in the ERP, scenarios and emergency response for

cyanide exposure. This item was found in substantial compliance. After the audit, the transporter sent the latest version of the Emergency Response Plan where this requirement was fulfilled and also sent training records on this addition to the Plan. No more information was required to find this item in full compliance.

The Plan describes the nature of the response actions to be taken for the types of emergency situations identified. The level of detail is adequate to the nature of the potential emergencies identified in the Plan and the available response capabilities. The immediate response will be conducted by the convoy personnel, a spill of greater proportions will be collected with the help of the firefighters of Chile specialized in hazardous materials (HAZMAT).

The transporter has included detailed actions, particularly for potential releases in locations along the route that have been identified as presenting increased risks, including notifications to downstream authorities for a release that occurs as cyanide is transported near a river. The auditor reviewed the ERP verifying that it describes specific response actions to be taken for the types of potential release scenarios identified.

The transporter ERP scenarios of traffic accidents involving cyanides consider in most cases will be small and can be handled locally. However, if the accident is larger and cannot be controlled by the driver and convoy manager, outside help is needed. It includes the Chilean HAZMAT firefighters as external responder. The auditor reviewed the transporter's ERP verifying this external responder is identified. Descriptions of the roles of the firefighters are included in the plan.

The ERP states the Convoy Leader will communicate by telephone with Aucan headquarters; if he cannot call personally, must request the police or firefighters or a third party to do it for him. The carrier will inform the supplier about the accident, giving all the details and adopting the preventive measures indicated. The police department will be called to keep the area clear of people and vehicles. In case of fire with danger of spillage, it is required that the firefighters must not use water, but if any, to be aware water does not run into the sewers, streets, canals or irrigation ditches. It must be requested to the firefighters' personnel to make containment dams with earth, sand or any absorbent materials to prevent the product from running freely.

The plan also requires transferring persons injured and intoxicated by cyanide to a hospital, must take note of the order of who moves to the hospital (name and rank of the official), who transfers it (ambulance, patent, private vehicle, etc.) and where is the closest hospital.

Transport Practice 3.2

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

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

The procedure for cyanide transportation requires all drivers to be trained by Aucan or third parties in Sodium Cyanide Emergencies, before being assigned to cyanide operations, in addition to training in the cyanide transport procedure. All personnel involved in the transportation of this material must be trained within the calendar year. The Emergency Response Plan states that since sodium cyanide requires special care, any person handling it will be instructed in this matter and will be familiar with safety operational procedures. However, given its dangerousness and the confidence of the human being when no incidents occur, states it is necessary to refresh knowledge annually. In the case of the authorities, they will be given information on the emergency treatment with sodium cyanide, at least once every 3 years.

The transporter provides initial and periodic refresher training to its personnel with designated responsibilities for responding to emergencies during transport of cyanide as drivers and Convoy Leader and any personnel providing escort services to convoys and Supervisors, all persons constituting the first emergency response. Aucan is also committed to provide training in emergency response to group of persons constituting the second response, the firefighters and authorities that require this training, depending on the needs of the mining company.

The auditor reviewed completed training records in the ERP and in the cyanide transport procedure, provided to its personnel. The training addresses all anticipated response activities including calling for assistance, use of personal protective equipment and first aid for cyanide exposure. The elements of these training are documented in training materials, and records including the individuals trained and the nature and date(s) of training are retained. The auditor reviewed this documentation and interviewed designated response personnel verifying compliance with this provision. Training records were available and complete.

The specific duties and responsibilities of response personnel are identified in the Emergency Response Plan. The expectations are clear and there is a basis for training of

these personnel. In the event of an emergency, accident or breakdown en route, the manufacturer, the carrier, the cyanide supplier will provide support and provide the clarifications requested by the public authorities, as required by local regulations. The Plan specifies the responsibilities of the drivers and the convoy escort for first emergency response, the firefighters as the second emergency responder entity, the police to control traffic and access to the area, the cyanide supplier and the mining companies to provide specialized support and to facilitate communications with stakeholders, if necessary.

The transporter has a complete list of the emergency response equipment in Section 4.3 of the ERP and the same list as a checklist Emergency Kit Inspection form in the procedure for cyanide transportation, for inventorying the equipment. It includes all the necessary emergency equipment that must accompany the cyanide load along the transport route.

The transporter has available and documents that the necessary emergency equipment is ready to use for each cyanide shipment by mean of a checklist. The ERP requires the emergency equipment and materials to be checked prior to each cyanide delivery. The auditor reviewed completed emergency equipment checklists, observed the equipment and interviewed the transporters personnel as a driver, the planning responsible and the health and safety responsible, verifying compliance with this provision.

The list includes among others, lime, commercial bleach, a gas detector for cyanide hydrogen (HCN), bottle with oxygen, mask and AMBU (Artificial Manual Breathing Unit (ventilation)), a bag used to give rescue breaths for victims, used along with a face mask (bag and mask ventilation).. No cyanide antidote is included in the emergency equipment. According to the emergency response plan, on any emergency due to cyanide exposure in the route, the victim would be treated with oxygen therapy until they reach the medical center closest to the port or mine, since they are short routes, one mine is 120 km away and the other 168 km away from the respective ports. The auditor recommended Aucan to consider acquisition of a cyanide antidote kit in view they could be traveling longer distances with new clients and Aucan agreed with this, committing to count in short-term with cyanide antidotes.

The transporter also carries Tyvek overalls, leather gloves, rubber boots, goggles or safety glasses, waterproof gloves, hazard tape roll, lanterns, fabric sealing tape, dust masks, shovels, delimitating tape, safety cones, emergency light, polyethylene bags, empty buckets and tarpaulin. . The auditor reviewed the transporter’s documentation verifying compliance with this provision and that it includes equipment appropriate for the activities that are called for in the Emergency Response Plan.

During the audit it was found the oxygen bottle with low pressure and the cyanide gas detector needing calibration. After the audit, Aucan sent the oxygen invoice recharge for the bottle and picture of the pressure meter showing full charge. Also sent a certificate from

the equipment dealer showing that the HCN detector was calibrated to 4.7 and 10 ppm. No additional information was required to find these issues in full compliance.

The emergency response equipment is identified in the transporter's ERP and tested regularly so that it will be available in good working order when needed for use. The emergency response procedures require to check emergency equipment as part of the pre-trip inspection process. Among the control measures adopted, the transporter addresses to perform inspections to the emergency equipment before loading the truck. The checklist is used to verify that it is available prior the convoy's departure and it is kept in the operation file. The auditor reviewed these records verifying that they check the equipment to be in good working order during transport of cyanide.

In occasion of the audit, Aucan was not hiring other entities to conduct any of the activities required in this Transport Practice, but in the future it plans to do so, informing in a timely manner to the ICMI.

Transport Practice 3.3

Develop procedures for internal and external emergency notification and reporting.

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

The transporter has procedures and current contact information in the ERP for necessary internal notification and external notifications in the event of a cyanide emergency during transport or interim storage. Current contact information list includes names and telephones number of the transporter personnel, the shipper, the receiver (mining clients), regulatory agencies, medical facilities, ambulances, police, firefighters and potentially affected community's information.

In case of an emergency, the convoy leader or the driver will immediately communicate with the transporter´s headquarters, who in turn will give notice to the mining company. Likewise, they will communicate the places and telephone numbers of the emergency responders' agencies such as firefighters, hospitals and police delegations. The auditors reviewed the transporter notification and contact information verifying compliance with this provision.

The transporter has a system in place to ensure that emergency contact information is kept current. This is a provision in the ERP for annual or more frequent review of the entire plan,

and a specifical requirement to periodic updating of contact information by mean of testing each contact number on a regular basis. The auditor reviewed the plan verifying its implementation through review of documentation as updated telephone list and by mean of interviews with the transporter's personnel.

The transporter's ERP requires to notify the ICMI in case of cyanide emergency that constitutes a "significant cyanide incident" as defined in the Code's Definitions and Acronyms document. No such notifications have been done until the audit occasion, as there was no significant cyanide incident requiring its notification to the ICMI.

Transport Practice 3.4

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

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

Section 5.6 of the ERP addresses an emergency response scenario due to a cyanide spill over dry soil, describing procedures for remediation, such as recovery or neutralization of solutions or solids, decontamination of soils or other contaminated media and management and/or disposal of spill clean-up debris. In Section 5.8 emergencies are addressed by cyanide spillage in water / snow, with cleaning and decontamination main actions. The truck transporter will be directly involved with the cleanup and remediation of a small cyanide spill that occurs during transport. Cleanup of major releases that occur during transport would be performed by the Chilean firefighters' brigades specialized in HAZMAT as is identified in the transporter plan to provide this service. The auditor reviewed emails between Aucan and the firefighters to carry out cleaning and remediation activities, verifying they are available to provide this service and that have procedures to provide safe and environmentally sound remediation and management and disposal of cyanide waste materials.

Section 5.8 of the carrier's ERP explicitly prohibits the use of chemicals such as sodium hypochlorite, ferrous sulfate and hydrogen peroxide to treat cyanide that has been released into surface water. The auditor reviewed the transporter's ERP and interviewed the Convoy Leader, confirming their knowledge with this provision.

Transport Practice 3.5

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

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

The transporter´s Emergency Response Plan states and is reviewed, evaluated and updated as necessary to account for changes in potential release scenarios and necessary response actions that can vary over time for a variety of reasons, including changes to transport routes, changes to the form of cyanide transported, and changes to the types of transport equipment used. The auditor evaluated the process and its implementation reviewing the Plan versions v1 from December 2021, v2 and v3, the actual version of the Plan updated in July 2022. All changes are documented and confirmed through interviews with the Operations Manager.

Section 7.5 of the ERP states to perform annually a mock emergency drill and may be theoretical or practical, with the purpose of evaluating the effectiveness of the plan and correcting the anomalies found. It requires a report to be issued after each drill describing the exercise itself, who participates, the type of scenario, the basic actions taken, strengths and weaknesses. Within the same report, a sequence of actions is described based on the time recorded, serving this report as a mean of continuous improvement of the plan.

Since first cyanide shipment in August 2021, the transporter did not conduct drills. The auditor understands that the state of emergency due to the COVID-19 pandemic declared as of the following year did not lead to the realization of drills, however the carrier was required to perform an emergency drill and to submit a report that includes identifying opportunities for improvement and corrective actions (ongoing or completed). This item was found in non-compliance. After the audit, the transporter performed a desktop communications emergency mock drill in Copiapó, the transporters headquarter, simulating a cyanide spill without exposures. The drill was evaluated to determine if the communications response procedure was adequate, response equipment was appropriated, and if the personnel trained.

The drill report informed that the communications equipment was working properly where one of the members in charge of the convoy was remote in the Valparaíso area, who confirmed after the drill that they indeed had all the necessary equipment and material to collect the cyanide spill. They also found opportunities for improvement such as acting more

calmly and improving the order of the information to provide first to be clear about the incident, as to inform there is an emergency situation, who is reporting, to indicate the place where the accident occurred and how many injured personnel they have. After a refreshing training on emergency communications reporting an on route incident, the correction action was closed. There was no need to make changes to the emergency procedures.

No additional information was required to find this item in full compliance.

The Plan states it should be reviewed and evaluated following any incident that triggers its activation. No revision has been done in this regard as no cyanide transportation emergency was reported to date.