ICMI Transportation Verification Protocol (Revision June 2021)

Summary Audit Report

Cyanco North American Rail & Truck Supply Chain

United States, Canada, and Mexico interim storage and transport
2022 Re-Certification Audit

Submitted to:

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Operation General Information

Name of Operations Audited:	1. Cyanco Supply Chain Management (Sugar Land, Texas) – Management of individually certified operations and Signatory companies 2. Transport Nord-Ouest, Inc. (TNO) Trucking Operations and Interim Storage Operations (Rouyn-Noranda, Quebec, Canada) 3. Solurail Logistique Inc. Interim Storage Operations and Rail Head (Val-d'Or, Quebec) 4. IsoChem Logistics LLC - Interim Storage Operations (Houston, Texas) 5. Trans-Energéticos (Energex) – Mexico Trucking (Cadereita, Nuevo León and Nuevo Laredo, Tamaulipas, Mexico) 6. TSM Trucking (TSM)– Laredo, Texas - U.S. / Mexico Border Crossing Trucking 7. Rail Partners – Union Pacific Railroad (UP) and Canadian National Railway (CN) (Due Diligence assessments)
Names and contact information for this facility:	Eric Costello Canada Terminal and Sales Manager eric.costello@cyanco.com Ben Cano Global Fleet Manager-Mexico Operations ben.cano@cyanco.com

Supply Chain Description

This Cyanco North American Rail and Truck Supply Chain includes all rail and truck movements as well as interim storage throughout three countries, Canada, the United States, and Mexico. Cyanco is headquartered in Sugar Land, Texas and maintains production and distribution centers in the United States of America in Alvin, Texas (outside of Houston), Winnemucca, Nevada, and Cheyenne, Wyoming. Cyanco Distribution Center in Canada is in Rouyn-Noranda, Quebec.

In addition to the organizations listed above that were directly audited during this re-certification audit, Cyanco maintains a network of transportation companies that are individually certified to the Cyanide Code.

Cyanco's rail partners were included in the scope of this re-certification audit. At the time of this audit the rail partners were Union Pacific Railroad (UP) and Canadian National Railway (CN). Due Diligence assessments of these two rail companies were conducted as part of this re-certification activity.

Cyanco also maintains separate “Western U.S.” and Global Ocean certified supply chains that specifically addresses movements shipped from the U.S. West Coast to Alaska and ocean movements, respectively. In previous auditing cycles, Cyanco also maintained a separate Mexico Supply Chain. The Mexico Supply Chain was consolidated into the North American Rail and Truck Supply Chain during this re-certification cycle. There are currently no rail movements or interim storage in Mexico. There are only truck U.S. / Mexico border crossings and truck deliveries to customers.

Cyanco’s Winnemucca Plant has been in operation since 1990 and originally produced only cyanide solution. The plant was expanded to also produce sodium cyanide solid briquettes in 2019. The operation was one of the world’s first production facilities certified to the Cyanide Code in 2006. The product is delivered to gold mining customers in the western US from Winnemucca in bulk delivery tankers. The operation also ships product by rail to customers in Canada and other U.S. destinations via its Canadian Distribution Center in Cadillac, Quebec (Canada) and the Cheyenne Distribution Center in Wyoming (United States). Both distribution centers are audited to the ICMI Production Protocol separately and maintain individual Cyanide Code certifications.

Cyanco started producing solid sodium cyanide in the industrial park of the Chocolate Bayou Plant of Ascend Performance Materials at Alvin, Texas in September 2012. The plant was acknowledged by the ICMI as being International Cyanide Management Code (CYANIDE CODE) certified in November 2013 and has been undergoing regular recertification audits since. The plant ships product in rail sparger cars, ISO containers, and one metric ton bag/boxes packed into rail box cars and 20-foot intermodal containers.

Product manufactured at the Winnemucca and Alvin (Houston) locations is shipped by truck, rail, barge, and ocean carrier. Rail and truck shipments shipped from the Winnemucca and Alvin production facilities are within the scope of this North American Rail and Truck Supply Chain. The product is shipped in tank trailers (solution), 20-foot intermodal sea containers, or ISO containers using Cyanide Code-certified trucking companies or by rail. At the time of the audit, TransWood, Quality Carriers, TNO, and Action Resources were transporting sodium cyanide from the production facilities to either the Port of Houston, rail heads, transloading terminals, or customers. Interim storage activities are performed by IsoChem, Solurail, and TNO. All three of these interim storage locations were audited on-site as part of this re-certification audit.

Audit Implementation and Conclusions

The audit was performed by independent third-party auditors who are pre-approved by the ICMI as Lead/Technical Auditors for cyanide transportation operations. Operations were audited on-site in Canada, the United States, and Mexico.

The previous Cyanco North American Rail & Truck Supply Chain scope was expanded during this re-certification audit cycle to include Mexican truck operations. There were no Mexican rail or interim storage operations at the time of this audit.

Cyanco cyanide transportation management practices were evaluated against the Cyanide Code requirements documented in the 2021 revisions of the ICMI Cyanide Code, ICMI Cyanide Code Transportation Protocol, and the ICMI Auditor Guidance for Use of the Cyanide Transportation Verification Protocol. Cyanco internal standards, policies, practices, and procedures regarding the management of the Cyanide Transportation Supply Chain were reviewed. The audit was conducted through discussions and interviews with multiple individuals in cross-functional roles at Cyanco. Additionally, records regarding carrier selection, incident tracking, equipment maintenance, security measures, shipment tracking, cargo labeling practices, shipping documentation, community involvement, and emergency response drill records were sampled for the re-certification period and were found to be acceptable.

Auditor's Finding

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

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

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

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

Compliance Statement

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

Auditor Information

Audit Company:	CN Auditing Group www.cnauditing.com
Lead / Technical Auditor:	Ralf Jurczyk E-mail: rj@cnauditing.com
Technical Auditor – Mexico	Bruno Pizzorni
Dates of Audit:	January 25-26, February 1-3, and March 31, 2022 with Due Diligence Reviews performed in March 2022

Auditor Attestation

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

Cyanco N.A. Rail & Truck		May 30, 2022
Name of Operation	Signature of Lead Auditor	Date

Cyanide Transportation Verification Protocol

Principle 1 | TRANSPORT

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

Transport Practice 1.1: Select cyanide transport routes to minimize the potential for accidents and releases.

TNO (Canada Trucking), Energex and TSM (Mexico Trucking) all maintain documented route selection processes for transportation routes that considers population density, infrastructure, pitch & grade, proximity to water bodies, and the prevalence and likelihood of poor weather and resulting poor driving conditions. Cyanco works with each of its trucking partners and with mines to select the safest routing possible to minimize the potential for accidents and releases. Risks such as pitch and grade of roads, traffic congestion, seasonal traffic issues (winter weather and summer tourist congestion), and proximity to water bodies were considered during the development of the routes.

Interviews with drivers and management personnel were used to confirm that feedback about driving conditions is communicated daily at each of the companies audited, as needed. Interviews confirmed that special conditions noted by customers are indicated on the shipping paperwork and communicated to drivers assigned to the routes. Discussions are held if there are any concerns, feedback, or questions. Each company demonstrated that routes were re-evaluated and re-approved during the re-certification period.

Each company documents the risk mitigation measures to be taken for each route. Initially, each route was traveled by the owner of the company, a senior driver, or Cyanco. The risks and risk countermeasures were defined at that time. Records were available for each of the trucking operation and were accepted by the auditors.

Cyanco seeks input from communities, other stakeholders and applicable governmental agencies in the selection of routes and the development of risk management measures. In Canada, Cyanco interacts with Transport Canada through the Emergency Response Assistance Plan (ERAP) process. Cyanco develops the ERAP, describes the general routes and types of cyanide (solid or solution), and designates an emergency response company. The plan is approved by Transport Canada.

Records were available to show that all three trucking companies have participated in stakeholder engagements with Cyanco, mining customers, regulatory agencies, and local communities, where appropriate. During the route planning process all three companies also take into consideration input from governmental stakeholders by using route planning software that indicates which roads are either approved or banned for the transportation of hazardous materials. Energex and TSM also communicate regularly with the Federal Civil Protection agency. This information was

confirmed through interviews and a review of records.

Where routes present special safety or security concerns, all three companies use additional safety or security measures to address concerns. Weather, traffic, and security conditions 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. Interviews were used to also confirm that drivers adhere to designated routes and request authorization prior to deviating from the established routes.

Cyanco Supply Chain trucking partner companies do not contract other entities to transport cyanide or to conduct any of the activities required in this Standard of Practice. Cyanco uses contractual terms and conditions with transportation partners to ensure that cyanide is appropriately handled and transported throughout the supply chain.

Cyanco also communicates and engages regularly with its transportation partners to ensure that they are aware of applicable Code requirements and ensures that its transportation partners are assessed for Code compliance by auditors during either re-certification audits (trucking transporters and interim storage) or due diligence assessments (rail carriers).

The operation is:	☒ In full compliance with ☐ In substantial compliance with ☐ Not in compliance with	Standard of Practice 1.1

Transport Practice 1.2: Ensure that personnel operating cyanide handling and transport equipment can perform theirjobs with minimum risk to communities and the environment.

TNO, Energex, and TSM maintain procedures for the transportation of sodium cyanide. The requirement to only use qualified and commercially licensed drivers with dangerous goods qualifications is stated in the procedures. Confirmation was made during the audit that drivers at each carrier have received appropriate operational and safety training. Records were available for all current cyanide drivers to demonstrate that qualification and training requirements were met. Cyanco also requires that drivers be properly trained and qualified for cyanide transport as part of its contractual agreements with the carriers.

All three carriers train personnel operating cyanide handling and transport equipment to perform their jobs in a manner that minimizes the potential for cyanide releases and exposures. Interviews with drivers, dispatch, management, and maintenance personnel with all three carriers were used to confirm that personnel operating cyanide transportation equipment can perform their jobs safely and appropriately. Training related to cyanide and the delivery of cyanide is given by Cyanco and

carrier management personnel. Records from the re-certification period were available for review.

Cyanco Supply Chain trucking partner companies do not contract other entities to transport cyanide or to conduct any of the activities required in this Standard of Practice. Cyanco uses contractual terms and conditions with transportation partners to ensure that cyanide is appropriately handled and transported throughout the supply chain.

The operation is:	☒ In full compliance with ☐ In substantial compliance with ☐ Not in compliance with	Standard of Practice 1.2

Transport Practice 1.3: Ensure that transport equipment is suitable for the cyanide shipment.

Cyanco uses only supply chain partners with equipment designed and maintained to operate within the loads it is handling. Shipment records were reviewed to confirm that standard weights within the capacity of the intermodal containers, tractors, trailers, ISO tanks, rail tank cars and chassis were being shipped. ISO weight capacities and the fulfillment of ISO tank inspection requirements were reviewed during the audit and were found to be compliant. Cyanco uses only authorized packaging for its sodium cyanide shipments.

Auditors found transportation equipment at each carrier to be in very good condition and suitable for delivering cyanide. The tractors and trailers used to deliver to mines are enhanced with upgraded equipment and heavy-duty frames to ensure safe travel over rough terrain to the mine sites. Tires are replaced on a frequent basis and regular maintenance activities and inspections are conducted. Safety and emergency shut-off systems are designed into the delivery equipment and were found to be appropriate for mitigating the risk of chemical spill. Loading of the trucks is done by Cyanco personnel. ISO inspection records and shipping records were available for the recertification period to demonstrate that equipment is suitable and is not being overloaded.

According to interviews with Cyanco personnel, standard weights are loaded and standard blocking and bracing configurations are used for van trailers and intermodal containers. Shipping paperwork was reviewed during the audit and showed the number of packages shipped and the weight of the cargo. This information is used by transportation partners to ensure that overloading does not occur.

Shipping paperwork was reviewed during the audit and showed the number of packages shipped and the weight of the cargo. Specifications for trucks and trailers clearly show that equipment is appropriate for the loads that must be transported. Loads are driven over scales in Canada at the U.S./ Mexico border to confirm that trucks are not being overloaded. Records were available for each carrier to demonstrate that equipment is not being overloaded.

Cyanco Supply Chain trucking partner companies do not contract other entities to transport cyanide or to conduct any of the activities required in this Standard of Practice. Cyanco uses contractual terms and conditions with transportation partners to ensure that cyanide is appropriately handled and transported throughout the supply chain.

The operation is:	☒ In full compliance with ☐ In substantial compliance with ☐ Not in compliance with	Standard of Practice 1.3

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

According to interviews with Cyanco personnel, formal procedures are used by all loading operations at the Cyanco facilities. These activities are audited during the production audits of each facility. Details are contained in the respective audit reports posted on the ICMI website. Blocking and bracing of solid cyanide in intermodal containers is done by Cyanco using formal procedures and pre-shipment inspections. ISO tanks and solution tankers are also inspected by Cyanco prior to shipment.

TNO, Energex, and TSM were confirmed to have formal safety programs that clearly address all Cyanide Code safety program requirements. Formal procedures and training programs are used to ensure that cyanide is transported in a manner that is safe and protective of the transportation packaging. TNO personnel were interviewed to confirm that written procedures continue to be used in daily operations.

According to the contract for transport services between Cyanco and its carriers, its transport contractors must implement procedures to ensure that the integrity of the packaging of the cyanide they transport is maintained during handling and transport. The auditors reviewed the contract agreements to verify compliance.

Cyanco uses placards and other signage to identify the shipment as cyanide, as required by local regulations or international standards. The number UN 3414 for liquid sodium cyanide or UN 1689 for solid sodium cyanide is displayed on all packaging, ISO tanks, tank wagons, intermodal containers, and rail cars. Observations made during the audit confirmed this practice.

Vehicle inspections are done prior to every shipment and maintenance is performed approximately every 30-90 days, depending on equipment type. Maintenance records for the recertification period for all carriers were found to be complete.

Cyanco tracks when rail car and ISO tank maintenance and inspections are due and ensures that required maintenance and inspections are performed. Records for the recertification period were checked and were found to be acceptable.

Limitations on worker hours in the U.S. / Canadian / Mexican rail and trucking industries are strictly regulated and enforced by the respective governments. Cyanco also has these requirements as part of its contractual standard terms and conditions. These were reviewed during the audit and were found to be acceptable. Confirmation was made by the auditors that each carrier monitors driver hours to ensure compliance. Dispatch and delivery records for the recertification period were reviewed during the audit and were found to be acceptable.

Cyanco and carrier personnel were interviewed to confirm that intermodal containers are blocked and braced as part of the Cyanco loading process. Rail hopper cars, ISO tanks, and tank trailers are properly sealed and inspected by Cyanco prior to shipment. Carriers confirmed that attachment points for ISO tanks, trailers, and intermodal containers are inspected as part of the pre-trip inspection process. Auditors confirmed through observations that loads were appropriately secured.

Weather conditions 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. Interviews were conducted with drivers and procedures were reviewed during the audit to confirm that drivers are empowered to modify or suspend a shipment if unsafe conditions exist. Such a change in delivery plans would be done in close coordination with the carrier dispatcher, Cyanco personnel, and with the mining customer. Drivers showed good awareness of the need to adhere to designated routes and request authorization prior to deviating from the established routes or transportation plans.

Random drug and alcohol testing is done in accordance with Canadian and Mexican regulations. Records for the recertification period were available to show that all parts of the safety program, including drug testing are effectively implemented by each carrier.

Cyanco and its carriers have implemented safety programs for cyanide transport that include all Code required considerations. Safety Program records were available to show that all parts of the safety programs throughout the supply chain are effectively being implemented.

Cyanco Supply Chain trucking partner companies do not contract other entities to transport cyanide or to conduct any of the activities required in this Standard of Practice. Cyanco uses contractual terms and conditions with transportation partners to ensure that cyanide is appropriately handled and transported throughout the supply chain.

The operation is:	☒ In full compliance with ☐ In substantial compliance with ☐ Not in compliance with	Standard of Practice 1.4

Transport Practice 1.5: Follow international standards for transportation of cyanide by sea.		
This Cyanide Code requirement is not applicable to this supply chain.		
The operation is:	☒ In full compliance with ☐ In substantial compliance with ☐ Not in compliance with	Standard of Practice 1.5

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

All drivers at each of the carriers audited have communication equipment consisting of at least cell or satellite phones, and most drivers have multiple communication systems available to them at all times. This practice was confirmed through interview and observation during the audit.

All communication equipment (GPS, cell phone, satellite phone, etc.) is confirmed to be operational at the start of each trip. Cell phone blackout areas are identified by the trucking company during the route planning process. The dispatcher ensures that the driver has a working satellite phone when driving these routes. Interviews were conducted to confirm that these practices have been in place for the entire recertification period for each trucking company. Communication equipment was found to be in good working order for all three trucking companies.

Cell phone black-out areas during the different routes from the Cyanco terminal to the mine sites are determined by the trucking company during the route planning process. Satellite phones are issued to any drivers who are being dispatched on a route with a known cell phone blackout area that would otherwise leave a driver out of contact for more than a few minutes. A review of procedures and driver interviews were used to confirm this practice.

Cyanco personnel at each point of loading (production plants and distribution terminals) maintain close communications with truck drivers and trucking companies making cyanide deliveries. Depending on the location, this communication is either direct through a communication system with the driver or indirect through the dispatcher of the trucking partner.

Trucks are in contact at all times with dispatch by cell phone, satellite phone, or an onboard communication system in addition to being tracked by a Global Positioning System (GPS).

A waybill accompanies the transportation which includes chain of custody data such as container

numbers, waybill numbers, shipping documentation, SDS, packing list, bill of lading, customs declarations, producer invoice, copy of lease agreement etc.

Cyanco Supply Chain trucking partner companies do not contract other entities to transport cyanide or to conduct any of the activities required in this Standard of Practice. Cyanco uses contractual terms and conditions with transportation partners to ensure that cyanide is appropriately handled and transported throughout the supply chain.

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

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.

Interim storage activities in this supply chain, as defined by ICMI, take place at IsoChem Logistics, LLC in Houston Texas, and at the TNO interim storage facility in Rouyn-Noranda, and at the Solurail Logistique Inc. Interim Storage Operations and Rail Head in Val-d'Or, Quebec, Canada. Each of the interim storage areas is a fenced truck and/or rail yard that is designated for in-transit management of cyanide transportation containers. Solurail is primarily used for changing transportation mode from rail to truck and for shipping empty ISO tanks back to the United States via rail.

ISOChem, TNO, and Solurail interim storage operations were audited on-site and were observed to have appropriate signage. Visible signs at all three locations indicated that cyanide in either the UN 1689 (solid) or 3414 (solution) form were present. Signs at all three interim storage facilities stated in the appropriate language (either French in Quebec or English in Houston) that smoking, open flames, eating and drinking are not permitted in the immediate area where cyanide is stored. Personal protective equipment requirements for the material storage and handling activities are posted outside the cyanide storage area.

The interim storage yards are open truck or rail yards. The personal protective equipment requirements pertain primarily to visibility vests, hard hats, and steel toed shoes. Containers are not opened, and workers do not physically touch the containers, they are moved with heavy

equipment such as reach stacker container handlers.

All three interim storage facilities were found to have appropriate fencing and locking practices in place to prevent unauthorized access to cyanide.

All three interim storage facilities separate the cyanide physically from incompatible materials such as acids, strong oxidizers, and explosives. Cyanide is physically separated from incompatible materials to prevent mixing in the event of a container leak or breach. Storage practices were found to be acceptable.

In this supply chain, cyanide is stored in solution tank wagons or solution ISO tanks that are specially designed transportation equipment that minimizes the potential for contact with water and/or spill. The valves on the tank wagons are internal and the valves on the ISO tanks are on top of the containers.

Solid sodium cyanide is also stored at these facilities. Solid briquettes are packaged in water-proof 1-ton bag-in-box configurations packed into intermodal containers. The containers are not opened and they are stored off the ground on rail ties or truck chassis to ensure that the containers do not site in water. No ISO tanks or intermodal containers are opened or stored indoors where cyanide gas could build up. Transportation containers are not opened.

At the ISOChem facility, the intermodal containers are stored at the highest elevation in the outdoor container yard. Containers are maintained on a series of railroad ties to provide further protection from the risk of being exposed to standing water. Sodium Cyanide packages within the intermodal shipping containers are comprised of a bag-in-box construction that offers additional protection against water intrusion. ISO tanks are sealed and are constructed to be watertight.

The tank trailers are not opened at the TNO facility and are only parked for hours or overnight. ISO tanks and intermodal containers transferred from rail to truck at Solurail are also in storage for only short periods of time. Cyanco maintains contracts with emergency responders throughout this supply chain in the event there were to be a release event. Spill equipment is available in each of the operations audited. Storage practices were found to be acceptable at all three locations.

The operation is:	☒ In full compliance with ☐ In substantial compliance with ☐ Not in compliance with	Standard of Practice 2.1

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.

Cyanco has developed and implemented a Global Transportation Emergency Response Plan (GTERP) that is appropriate for its Global cyanide supply chains. The GTERP includes extensive details regarding the response procedures to be used in each region of the world, each mode of transportation, and type of incident. The GTERP was developed and is maintained by emergency response subject matter experts and was last updated in 2022. The notification numbers are updated every 6 months and the rest of the plan is reviewed at least annually and updated as necessary. In addition to this global plan, Cyanco also maintains a Canadian Emergency Response Assistance plan (ERAP), as required under Canadian transportation laws. The ERAP reviewed during the audit was last updated in 2020 and was re-affirmed in 2022 as still being accurate.

TNO, Solurail, ISOChem, Energex and TSM operations also each maintain emergency response plans and procedures that were reviewed and found to accurate and up-to-date. Emergency Response Plans (ERPs) and information reviewed for each of the operations were last updated in 2022.

The ERPs were found to be suitable and appropriate for the operations, routes traveled, physical form of the cyanide (solid vs. solution), method of transportation and/or interim storage, transportation infrastructure, and design of the transport vehicles/containers and design of the interim storage facility (Solurail and ISOChem).

Both liquid and solid sodium cyanide are shipped using this supply chain. Emergency response procedures address actions to be taken in response to both types of sodium cyanide spills. All emergency response plans reviewed consider the method of transport (rail or truck) to the final destination. The Cyanco emergency response plans include an appendix showing the engineering design drawings for their top unloading ISO tanks, rail tanks and 1-ton box, among others. The plan considers the cyanide transport by rail, trucks, trailers, and intermodal containers. All plans were found to be appropriate for the mode of transportation involved.

The Cyanco GTERP includes descriptions of response actions, as appropriate for the anticipated emergency situations. Cyanco also contracts with professional emergency response and remediation firms in the countries into which it ships to ensure that local emergency response is appropriate for the country involved. The Cyanco GTERP is universally applicable to all types of emergencies. All of the plans and emergency response information clearly outline the roles and

responsibilities of internal and external responders.

In addition to Cyanco internal emergency response procedures, Cyanco contracts with an emergency response company to maintain the Emergency Response Assistance Plan (ERAP), in accordance with Canadian law. Interviews were held with the contractor that maintains this information. Information was up-to-date and had been shared with relevant parties. All plans were up-to-date and were found to be acceptable.

The individual emergency response plans build on the Cyanco emergency response plans. The actions that are to take by the carriers or the interim storage facilities (primarily secure the scene, notify Cyanco, and contact authorities) are listed in the plans. Additional actions are listed in the Cyanco emergency documentation. The documentation was found to be acceptable for the operations and the supply chain.

All of the plans and emergency response information clearly outline the roles and responsibilities of internal and external responders. Cyanco has enhanced its emergency response procedures to further detail the roles of outside responders that may be needed for emergency situations in the rail/truck supply chain. Cyanco also contracts with several emergency response companies to mitigate risk and manage any significant release incident or accident that might occur. Contracts were evaluated during the audit. All regions included in this supply chain (Canada, USA, Mexico) are appropriately included in the scope of work for the emergency response companies and included in the relevant emergency response plans.

The operation is:	☒ In full compliance with ☐ In substantial compliance with ☐ Not in compliance with	Standard of Practice 3.1

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

Cyanco has provided emergency response training to transportation partners and ensures that its partners also provide additional emergency response training to their personnel. The effectiveness of the training is confirmed through on-site auditing, multi-organizational emergency response drills, and performance reviews during contractual negotiations.

Drivers, managers, and maintenance shop personnel at each organization receive an appropriate level of training to enable them to fulfill their role in emergency response. Formal emergency response training is refreshed annually. Training records were available for the recertification

period and were complete.

The roles and responsibilities of relevant internal and external personnel are clearly described in the emergency plans maintained by each part of the supply chain. The overall role and responsibility descriptions are maintained in the Cyanco GTERP and cascaded down into the individual emergency response plans, as appropriate. The Canadian ERAP also details the specific emergency responders, their role, and contact information. Interviews with personnel at each company confirmed that there was good awareness of the roles and responsibilities in the event of an emergency.

The emergency plans for each operation define what equipment must be available at the facility. TNO, Energex, and TSM additionally define what equipment needs to be in each truck and the extra personal protective equipment in each emergency bag. Equipment is checked as part of the pre-trip inspection process. Emergency equipment was confirmed to be in place and consistent with that listed in the ERPs for each operation during the audit.

Cyanco ensures through contractual terms and periodic review that emergency response equipment is inspected and maintained by the operations within its supply chain. Cyanco also conducts periodic internal audits of its supply chain to confirm that Cyanide Code requirements, including emergency response equipment requirements are met. For trucking companies, emergency equipment is checked as part of the pre-trip inspection process. This practice was confirmed through interview and observation. For the interim storage facilities, emergency equipment is defined in the ERP and is checked on a monthly basis to ensure that it is available if needed. Emergency equipment was physically observed during the audit and was found to be appropriate.

Contracts with Cyanco emergency responders and with each operation within the supply chain were reviewed during the audit. Emergency response roles and responsibilities are clearly defined and understood by all personnel interviewed during the audit.

The operation is:	☒ In full compliance with ☐ In substantial compliance with ☐ Not in compliance with	Standard of Practice 3.2

Transport Practice 3.3: Develop procedures for internal and external emergency notification and reporting.		
The notification procedures, including telephone numbers, are described in the ERPs maintained by each organization within the supply chain. Cyanco information and other emergency contact information is contained in the GTERP, the Cyanco Canada ERP, and in the Canada ERAP. The trucking company ERPs list current emergency numbers for local hospitals, and for ambulance, fire, and environmental responders. The phone lists also included up-to-date contact information for Cyanco personnel, regulatory agencies, and potentially affected communities. The emergency information in the ERPs was reviewed during the audit and was found to be up to date. Each ERP defines a frequency of not more than one year for the checking of emergency notification information and reporting procedures to confirm that the information is kept up to date. This requirement is also part of the contractual requirements Cyanco has in place with its transportation and emergency response partners. The emergency information in the ERPs was reviewed during the audit and was found to be current for all organizations audited. Any significant cyanide incident in the supply chain would be reported to Cyanco and Cyanco's emergency response partners. Cyanco procedures detail that Cyanco would notify ICMI in the event of a significant cyanide incident involving its product.		
The operation is:	☒ In full compliance with ☐ In substantial compliance with ☐ Not in compliance with	Standard of Practice 3.3

Transport Practice 3.4: Develop procedures for remediation of releases that recognize the additional hazards of cyanidetreatment chemicals.
Specific details regarding the remediation, neutralization, decontamination, and disposal of clean-up debris are contained within the Cyanco emergency response procedures. Extensive descriptions of necessary action steps depending on the incident scenario are clearly outlined in the documents. Organizations within the supply chain have basic neutralization and waste disposal information, but interviews confirmed that trucking and interim storage operations would contact Cyanco for guidance regarding the need to perform any significant clean-up or

neutralization operations in response to a cyanide spill or release.

Cyanco personnel showed a high level of awareness that the use of treatment chemicals is prohibited if cyanide spills into surface waters. Cyanco emergency response procedures specifically prohibit the use of chemicals such as sodium hypochlorite, ferrous sulfate and hydrogen peroxide for treating a cyanide spill into surface water.

The trucking and interim storage facility ERPs include text that addresses the remediation and neutralization of cyanide solutions. General information is given, and the hazards associated with using cyanide treatment chemicals are recognized. Neutralization chemicals are not allowed to be used in or near surface water bodies. There are no water bodies near the interim storage facilities.

The operation is:	☒ In full compliance with ☐ In substantial compliance with ☐ Not in compliance with	Standard of Practice 3.4

Transport Practice 3.5: Periodically evaluate response procedures and capabilities and revise them as needed.

Cyanco and the organizations periodically review their emergency response plans for adequacy. Reviews are generally performed on at least an annual basis and after incidents, drills, and tabletop exercises. Each of the ERPs reviewed during the audit had most recently been reviewed and updated in 2022.

The Cyanco GTERP has a detailed matrix of the different scenarios and combination drills and tabletop simulations that are to be conducted over a three year period.

Cyanco runs tabletop simulations at least annually and emergency response drills with each supply chain within the recertification period. Records were available to demonstrate that Cyanco has held emergency response drills with its transportation partners and client mines covering the recertification period.

Emergency drill and tabletop records were available for Cyanco and each organization audited as part of this supply chain recertification. Emergency response records were available for review for each year from 2018-2022.

Cyanco reviews and revises its emergency response plans as necessary after responding to an actual emergency and after emergency response drills. Formal “After Action” action-tracking systems are used to ensure timely and complete close-out of actions following emergency

response drills and actual emergencies.

According to the emergency procedures maintained by the trucking and interim storage facilities, emergency plans are updated as necessary after drills and actual emergencies. Evidence was available to demonstrate that a full drill critique was done after the emergency drills reviewed during the audit. An “After Action” report was developed, and formal corrective actions were opened and tracked to closure. Records were reviewed and were accepted by the auditor.

The operation is:	☒ In full compliance with ☐ In substantial compliance with ☐ Not in compliance with	Standard of Practice 3.5

Rail Carrier and Rail Yard Due Diligence Investigation Results

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 Cyanco rail cars are shipped from Winnemucca and Houston on the Union Pacific Railroad (UP). Those cars that are headed for Cadillac are switched to the Canadian National Railway (CN) in the Proviso, Illinois yard in Chicago. Security and safety risks are minimized through the use of the shortest possible transit time for the shipments. There are no other choices of rail partners for this rail move as the railroad companies own the track that is used. The Cyanco Cheyenne Transload Terminal located in Cheyenne, Wyoming is a sodium cyanide transloading facility operated by TransWood Inc. Cyanide solution is transported by rail car via the Union Pacific railroad from Winnemucca to Cheyenne, moved on-site into a fenced area, and then loaded into ISO container trailers for truck transport to mines. This operation has been Cyanide Code certified since 2017. The railroads maintain control over routing and employ specific safety measures to ensure the safest transit of hazardous materials possible. The railroads have been certified Responsible Care® Partner companies for more than ten years. As such, their rail management system, including rail yards and interchange point safety and security, has been audited by a 3rd–party auditing firm and has been found to be suitable and effective on a tri-annual basis. According to information that is publicly available, the rail yard where the rail cars cross the U.S./Canada border has undergone 3rd–party environmental, health, safety, and security evaluations through the CN Responsible Care® certified management system certification program.		
The operation is:	☒ In full compliance with ☐ In substantial compliance with ☐ Not in compliance with	Standard of Practice 1.1

Transport Practice 1.2: Ensure that personnel operating cyanide handling and transport equipment can perform theirjobs with minimum risk to communities and the environment.		
During this Due Diligence Review it was confirmed that the CN and UP railroads have continued to be certified Responsible Care® Partner companies for more than ten years. As such, their training programs and employee qualification processes have been audited by a 3rd–party auditing firm and have been found to be suitable and effective. The fulfillment of required training is a specific requirement of the Responsible Care Management System (RCMS). Although no railroad training files are maintained by Cyanco, information regarding the safety practices of the CN and UP railroads was available and was reviewed during the audit.		
The operation is:	☒ In full compliance with ☐ In substantial compliance with ☐ Not in compliance with	Standard of Practice 1.2

Transport Practice 1.3: Ensure that transport equipment is suitable for the cyanide shipment.		
The CN & UP railroads maintain Responsible Care Management System® certifications and undergo a full management system audit at least every three years which includes a review that the preventive maintenance program for transportation equipment is suitable, adequate and effective. The proper maintenance of rail equipment is heavily regulated and inspected by the U.S. Federal government, which also helps to ensure fulfillment of rail equipment preventive maintenance and inspection requirements.		
The operation is:	☒ In full compliance with ☐ In substantial compliance with ☐ Not in compliance with	Standard of Practice 1.3

Transport Practice 1.4: Develop and implement a safety program for transport of cyanide.		
Both the UP and CN are Responsible Care® certified for their safety, health, environmental and security management programs. Adherence to governmental safety regulations such as limits on operator hours and drug testing are evaluated at least every three years by a 3rd–party auditing firm. Limitations on worker hours and drug testing in the U.S. and Canadian rail industry are also strictly regulated and enforced by governmental agencies. The safety programs, including preventive maintenance programs for both companies have been found to be suitable and effective, year after year.		
The operation is:	☒ In full compliance with ☐ In substantial compliance with ☐ Not in compliance with	Standard of Practice 1.4

Transport Practice 1.5: Follow international standards for transportation of cyanide by sea.		
This Cyanide Code requirement is not applicable to this supply chain.		
The operation is:	☒ In full compliance with ☐ In substantial compliance with ☐ Not in compliance with	Standard of Practice 1.5

Transport Practice 1.6: Track cyanide shipments to prevent losses during transport.		
Both the UP and CN railroads use Data Electronic Interchange (EDI) tracking technology to manage shipments for their customers. Rail shipping paperwork was reviewed during this audit. Accurate descriptions were available showing the type of material, the weight of the shipment, and the shipping and arrival information.		
The operation is:	☒ In full compliance with ☐ In substantial compliance with ☐ Not in compliance with	Standard of Practice 1.6

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 CN & UP railroads maintain Responsible Care Management System® certifications and undergo a full management system audit at least every three years which includes a review of material handling practices, emergency response planning, and security.		
The operation is:	☒ In full compliance with ☐ In substantial compliance with ☐ Not in compliance with	Standard of Practice 2.1

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.		
Information for both rail carriers was reviewed to confirm that they and their affiliates have emergency response plans in place which include the prompt notification of all involved parties. Cyanco provides shipping papers showing the emergency contact information which is then transferred to the hazardous cargo declaration.		
The operation is:	☒ In full compliance with ☐ In substantial compliance with ☐ Not in compliance with	Standard of Practice 3.1

Transport Practice 3.2: Designate appropriate response personnel and commit necessary resources for emergency response.		
Cyanco offers immediate technical assistance through its contracted emergency response service providers for any cyanide spill and offers emergency resources for spills that might occur near a Cyanco site. Cyanco contracts with CHEMTREC to ensure that appropriate notifications and emergency response is initiated if there is an incident.		
The operation is:	☒ In full compliance with ☐ In substantial compliance with ☐ Not in compliance with	Standard of Practice 3.2

Transport Practice 3.3: Develop procedures for internal and external emergency notification and reporting.		
The CN and UP are both part of the TRANSCAER® (Transportation Community Awareness and Emergency Response) organization which helps with notifications requirements. Cyanco contracts with appropriate organizations to ensure that appropriate notifications and emergency response is initiated if there is an incident on any rail or truck movement.		
The operation is:	☒ In full compliance with ☐ In substantial compliance with ☐ Not in compliance with	Standard of Practice 3.3

Transport Practice 3.4: Develop procedures for remediation of releases that recognize the additional hazards of cyanidetreatment chemicals.		
Cyanco and its emergency response service providers would lead any remediation efforts involving cyanide. No information regarding this requirement was investigated for CN and UP.		
The operation is:	☒ In full compliance with ☐ In substantial compliance with ☐ Not in compliance with	Standard of Practice 3.4

Transport Practice 3.5: Periodically evaluate response procedures and capabilities and revise them as needed.		
As part of the rail carrier safety programs such as TRANSCAER® (Transportation Community Awareness and Emergency Response), drills and exercises (not necessarily cyanide specific) are conducted to test response capabilities. Additionally, both railroads have been certified Responsible Care® Partner companies for more than ten years. As such, their emergency response systems have been audited by an independent 3rd-party auditing firm and found to be effective on a tri-annual basis. One requirement of any certified Responsible Care Management System ® is that the emergency response plans be up-to-date and that emergency response plans be tested periodically.		
The operation is:	☒ In full compliance with ☐ In substantial compliance with ☐ Not in compliance with	Standard of Practice 3.5