

ICMI International Cyanide Management Code Consigner Supply Chain Summary Audit Report

Cyanco Certification Audit – Western U.S. Rail, Barge & Truck Supply Chain

Submitted to:

The International Cyanide Management Institute
1400 I Street, NW – Suite 550
Washington, DC 20005
USA
2016 Audit Cycle





Consignor name and contact

information:

Cyanco Western U.S. Rail, Barge & Truck Supply Chain Summary

Consignor Name & Contact Information

Cyanco

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Cyanco Western U.S. Rail, Barge & Truck Supply Chain Description -Scope of Certification

Cyanco maintains a corporate office in Reno, Nevada - USA, a solid sodium cyanide plant outside of Houston, Texas - USA, a liquid sodium cyanide production facility near Winnemucca, Nevada, terminal operations in Cadillac, Quebec - Canada, and a business office outside of Montreal, Quebec.

This audit was used to evaluate Cyanco's Western U.S. Rail, Barge & Truck Supply Chain. It includes the transportation of solid sodium cyanide from the Cyanco production plant in Alvin, Texas to gold mines located in the Western U.S., including Alaska. Several parts of the supply chain are common between this supply chain and the Cyanco Rail & Truck Supply Chain and the Cyanco Ocean Supply Chain.

The only components of this supply chain that are not included in other ICMC certified operations and (operational) supply chains are the Due Diligence Assessments of:

- SEA-PAC port-related operations
- Harbor Island Port (Seattle Port) operations
- Alaska Rail Operations
- Alaska Marine Line Barge Operations

Cyanco Western U.S. Rail, Barge & Truck Supply Chain Signature of Lead Auditor

July 21, 2016



The table below is used to describe the transportation companies included in this supply chain and the process used to confirm ICMI Code compliance.

Transportation	Transportation	Supply Chain /	ICMI Compliance
Segment Start Point	Segment End Point	Company	Determination
Cyanco - Chocolate	Union Pacific	Cyanco North	ICMI Web-Site Posted
Bayou Plant of	Railhead - Houston,	American Rail	Certification
Ascend Performance	Texas	& Truck	July 5, 2015
Materials at		Supply Chain	
Alvin/Texas			
UP Railhead -	UP Railhead - Seattle,	Cyanco North	ICMI Web-Site Posted
Houston, Texas	Washington	American Rail	Certification
		& Truck	July 5, 2015; On- and Off-
		Supply Chain	site Due Diligence
			Assessment during this
			audit process
UP Railhead - Seattle,	Gold Mines	Alaska West	ICMI Web-Site Posted
Washington		Express (AWE)	Certification
			June 30, 2016
		Alaska West	AWE is ICMC certified -
		Express (AWE)	see 2016 ICMI web-
			posted report
UP Railhead - Seattle,	-	-	-
Washington	SEA-PAC Transport		On- and Off-site Due
	Services, LLC Harbor		Diligence Assessment
	Island / Port of		during this audit process
	Seattle, Washington		of SEA-PAC and the
			Harbor Island / Seattle
			Port
SEA-PAC Transport	Port of Whittier,	Alaska Marine	On- and Off-site Due
Services, LLC Harbor	Alaska	Lines (AML)	Diligence Assessment
Island / Port of			during this audit process
Seattle, Washington			
Port of Whittier,	Alaska West Express	Alaska	On- and Off-site Due
Alaska	(AWE) Interim	Railroad	Diligence Assessment
	Storage yard		during this audit process
	Fairbanks, Alaska		
AWE Interim Storage	Gold Mines	Alaska West	AWE is ICMC certified -
yard		Express (AWE)	see 2016 ICMI web-
Fairbanks, Alaska			posted report

Cyanco Western U.S. Rail, Barge & Truck Supply Chair Name of Supply Chain Signature of Lead Auditor

July 21, 2016



Audit Information - Cyanco Western Rail, Barge & Truck Supply Chain

This ICMC certification audit of the Cyanco Western U.S. Supply Chain was performed by an independent 3rd-party auditor who is pre-approved by the ICMI as a Lead Auditor for all types of Code audits and as a Technical Expert for Code audits of cyanide transportation and production operations. The certification audit and Due Diligence reviews were conducted between April 15 and 30, and included on-site Due Diligence Assessments of supply chain operations at the Port in Seattle (Harbor Island), Alaska Rail, Alaska Marine Line (AML), UP rail head, SEA-PAC, and the Port of Whittier in Alaska.

Cyanco's transportation management practices were evaluated using the ICMI International Cyanide Management Code requirements. The assessment was conducted through discussions and interviews with multiple individuals in cross-functional roles throughout the supply chain.

This Supply Chain previously underwent a pre-operational certification audit and was certified in its pre-operational status in 2013. At that time of the pre-operational audit, the supply chain partners were not transporting cyanide for Cyanco, but all supply chain entities have been transporting cyanide in accordance with ICMI requirements for almost a decade.

The results of this certification audit and the related due diligence assessments demonstrate that the Cyanco Western U.S. Rail, Barge & Truck Supply Chain is in FULL COMPLIANCE with ICMI transportation requirements.



Cyanco Western Rail, Barge & Truck Supply Chain Auditor's Finding

The Cyanco Western Rail, Barge & Truck Supply chain is:

☑ in full compliance

in substantial compliance not in compliance

with the ICMC requirements of the International Cyanide Management Code.

The operations included in this audit have not experienced any significant cyanide incidents, releases, or exposures since the supply chain was originally pre-operationally certified in 2013. The operations were found to have been in compliance with the ICMI Cyanide Code since the previous ICMC audit in 2013.

Audit Company:	MSS Code Certification Service	
	www.mss-team.com	
Lead / Technical Auditor:	Nicole Jurczyk	
	E-mail: CodeAudits@mss-team.com	
Date(s) of Audit and Due	April 15-30, 2016	
Diligence Assessments		

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

I attest that the 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 Certification Protocol for Cyanide ICMC Transportation Operations and using standard and accepted practices for health, safety and environmental audits.

Cyanco Western U.S. Rail, Barge & Truck Supply Chain Vivil July 21, 2016

Name of Supply Chain Signature of Lead Auditor Date

Cyanco Western U.S. Rail, Barge & Truck Supply Chain

Name of Supply Chain

Signature of Lead Auditor

Date

www.mss-team.com
Page 4 of 16



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

acetaents and reteases

<u>Transport Practice 1.1:</u> Select cyanide transport routes to minimize the potential for

accidents and releases.

☑ in full compliance with

The operation is in substantial compliance with Transport Practice 1.1

not in compliance with

Summarize the basis for this Finding:

Cyanco has implemented a process for selecting transport routes that minimizes the potential for accidents and releases. The Cyanco International Cyanide Management Code Compliance Manual (ICMC Manual) defines that all ICMC criteria must be considered during the planning of shipping routes. Examples were available for Western U.S. routes showing that Cyanco Leadership evaluated transportation partners, route selection processes, and emergency response capabilities to confirm suitability of the transportation partners and the routes chosen. The ICMC Manual states that appropriate risk considerations are to be made for each type of mode used.

When Cyanco initially qualifies a new customer for sodium cyanide, they follow a standard practice to determine that the cyanide can be safely delivered to the customer mine site. The risk evaluations associated with this supply chain focus primarily on the selection of transportation partners who can fulfill ICMI Code criteria and ensure that safety and security standards are acceptable. Infrastructure around the ports is also evaluated for alignment with ICMI Code criteria. Confirmation was made that all of these qualification steps were taken with the management of this supply chain.

The Cyanco ICMC Manual states appropriate risk considerations are to be made for each type of mode used. In preparation for the start of shipments using the Western U.S. Supply Chain, risk mitigation measures that were taken when the supply chain first started being used included the development and implementation of an improved international shipment tracking process, the revision of the Cyanco Global Emergency Response Procedures, and the coordination of additional global emergency response resources.

The current route of transporting sodium cyanide to Alaska was originally evaluated and chosen in 2012. Although a remote and very extensive routing over highways could be used to reach customers in Alaska, the more direct and safer routing that was chosen to transport cyanide to the Fairbanks, Alaska area is a combination of rail to the UP railhead in Seattle, the use of a certified Signatory trucking partner (Alaska West Express) from the railhead to Harbor Island (Seattle) Port,

Cyanco Western U.S. Rail, Barge & Truck Supply Chain

July 21, 2016

Signature of Lead Auditor D

Name of Supply Chain

www.mss-team.com

Page 5 of 16



ocean barge (AML), Alaska Railroad (ARCC) to Whittier Port, and ARCC rail to Fairbanks (to interim storage), and highway to the mine. Alaska West Express, an ICMI Signatory company, operates its certified interim storage and truck transport operations in Fairbanks.

Cyanco seeks input from communities, other stakeholders and applicable governmental agencies as necessary in the selection of routes and development of risk management measures. Records were available to demonstrate that Cyanco personnel met with transportation partners and local stakeholders to seek input from communities, non-governmental organizations, and governmental authorities to seek input into the planning for their global supply chains.

Cyanco is committed to using formal policies, procedures, and contractual terms and conditions with transportation partners to ensure that cyanide is appropriately handled and transported globally.

Alaska West Express was found to be in full compliance with this transport practice during the most recent ICMC re-certification audit in 2015. Alaska Marine Lines (AML) also was found to be in compliance with all ICMC Transport Practice 1.1 requirements. Routes between Harbor Island (Seattle) and the Port of Whittier are evaluated for risk and the shortest, calmest routes are chosen. The risk of having poor weather conditions are the primary risk that needs to be managed very carefully. Extensive GPS-tracking, satellite monitoring of weather conditions, and planning take place to ensure that the barge can safely arrive and dock in the Port of Whittier. The barge crew (powered vessel that pushes / pulls the barge) is empowered to re-route the shipments and/or stop the shipment if weather conditions are considered to be too dangerous. Interviews with Alaska Railroad and AML personnel confirmed this information during the Due Diligence Assessments.

According to the United States Code of Federal Regulations (CFR) Part 172.820, each railroad operating in the United States, including companies involved in this supply chain (Alaska Railroad and the UP) must perform an extensive risk assessment and route analysis each calendar year. The safety and security risks present along the routes must be analyzed for the rails and railroad facilities. According to the regulation, railroad facilities are railroad property including, but not limited to, classification and switching yards, and storage facilities. In performing the analysis required by the regulation, the rail carrier must seek relevant information from state, local, and tribal officials, as appropriate, regarding security risks to high-consequence targets along or in proximity to the route(s) utilized. If a rail carrier is unable to acquire relevant information from state, local, or tribal officials, then it must document that in its analysis. Confirmation was made that both companies comply with these regulations.



<u>Transport Practice 1.2</u> 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 in substantial compliance with not in compliance with

Transport Practice 1.2

Summarize the basis for this Finding:

Cyanco has committed to using only trained, qualified and licensed (where required) operators and companies to transport its products. Cyanco performs due diligence evaluations to ensure that its Western U.S. carriers and ports operate according to recognized EHS standards and are experienced in the handling of hazardous goods. These requirements are stated in the ICMC Manual.

Cyanco is committed to using formal policies, procedures, and contractual terms and conditions with transportation partners to ensure that cyanide is appropriately handled and transported globally.

Confirmation was made that the railroads have formal environmental, health, and safety (EHS) programs in place that include internal and/or external auditing programs. The UP railroad has continued to be certified Responsible Care® Partner companies for more than six 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).

As part of Cyanco's due diligence review of ARRC and AML during this audit cycle, it was confirmed that employees are trained annually in the transportation of hazardous materials. According to information provided by ARRC, it regularly trains its employees in the safe handling of hazardous materials and conducts regular emergency response drills – including drills involving NaCN.

Confirmation was made through interviews and a review of records during this assessment that operations of ARCC, AML barge, SEA-PAC, and both ports used in this Supply Chain (Harbor Island - Seattle and Whittier) have personnel who are properly trained to handle hazardous materials.

Cyanco Western U.S. Rail, Barge & Truck Supply Chain Name of Supply Chain

Signature of Lead Auditor

July 21, 2016

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Page 7 of 16



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

shipment.

☑ in full compliance with

in substantial compliance with The operation is Transport Practice 1.3

not in compliance with

Summarize the basis for this Finding:

Cyanco has committed to using only supply chain partners with equipment designed and maintained to operate within the loads it will be handling. The ICMC Manual states that Cyanco reviews all transportation partners to ensure that ICMC transportation requirements are fulfilled.

Cyanco uses only authorized packaging for its solid sodium cyanide shipments. According to interviews with Cyanco personnel, the shipments of bulk and semi-bulk packages are standard weights with standard blocking and bracing configurations used. Shipping paperwork indicates the number of packages shipped and the weight of the cargo. This information is to be used by transportation partners to ensure that overloading does not occur. Cyanco loading operations were audited and were found to be fully compliant during a previous certification audit (see 2015 Cyanco Rail Supply Chain web-posted report).

Operations at SEA-PAC and at the ports were observed and multiple interviews were held during this assessment. Sea containers are loaded with a standard amount of cyanide, and standard configurations are used on the rail cars that are loaded onto the barge. Extensive inspections are performed each time the sea containers or the rail cars are moved. Multiple lashing, blocking, and bracing techniques are used on the barge to ensure that there is no movement of the cargo or the rail car after it has been loaded onto the barge. Shipping paperwork was reviewed for 2015 and 2016 to confirm that equipment is not being overloaded.

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

☑ in full compliance with

in substantial compliance with The operation is Transport Practice 1.4

not in compliance with

Summarize the basis for this Finding:

Cyanco ensures that cyanide is transported in a manner that maintains the integrity of its packaging. Cyanide shipments are packaged in accordance with Part 4 of the International Maritime

Cyanco Western U.S. Rail, Barge & Truck Supply Chain Signature of Lead Auditor

July 21, 2016

Name of Supply Chain

www.mss-team.com

Page 8 of 16



Organization Dangerous Goods (IMO DG) Code and according to the packaging instructions and packaging provisions indicated on the DG List. Cyanide packages are marked as required by Section 5.2.1 of the IMO DG Code and according to the labeling requirements indicated on the DG List.

Cyanco uses placards and appropriate signage to identify the shipment as cyanide, as required by local regulations or international standards. Section 3.1 of the ICMC Manual addresses this requirement.

Cyanco has committed to implementing a safety program for cyanide transport that includes all ICMC required considerations. The Cyanco ICMC Manual states that Cyanco confirms that its transportation partners are in compliance with all ICMC requirements.

Limitations on worker hours in the U.S. rail industry are strictly regulated and enforced by the U.S. Government. Cyanco contracts require transportation partners to adhere to all applicable regulations. There is therefore no need for Cyanco to impose additional worker hour limitations in its contractual agreements. Detailed procedures, blocking and bracing diagrams, and checklists are used by Cyanco during the loading of rail cars and inter-modal sea containers. U.S. Federal regulations require that railroads conduct random drug and alcohol testing and that drug abuse prevention programs are maintained. Cyanco also has these requirements as part of its contractual standard terms and conditions.

Safety programs were reviewed for SEA-PAC, Port, Alaska Railroad, and Barge operations. All programs were found to be compliant with ICMC requirements. Regular audits are conducted of the barge and port operations by the U.S. Coast Guard. Records were available to demonstrate that the U.S. Coast Guard had also found port operations to be acceptable. Confirmation was made that each operation has processes in place to ensure that employees are fit for duty and that operations are compliant with U.S. requirements.



<u>Transport Practice 1.5:</u> Follow international standards for transportation of cyanide by sea

and air.

☑ in full compliance with

The operation is in substantial compliance with Transport Practice 1.5

not in compliance with

Summarize the basis for this Finding:

Cyanco transports shipments of cyanide by sea in compliance with the Dangerous Goods Code of the International Maritime Organization. Cyanco plans to ship its sodium cyanide using transportation partners that have demonstrated safety programs and safe performance.

Due diligence reviews of the Port of Seattle (Harbor Island), the Port of Whittier, Alaska Marine Lines (AML) barge operator, SEA-PAC, and Alaska Railroad during this certification audit demonstrated that all ICMC 1.5 Transport Practices have been fulfilled. Port and barge operations and security were found to be in compliance with ICMC requirements. Intermodal containers had appropriate UN placards and marine pollutant placards on all four sides of each container. Extensive blocking and bracing equipment is used to ensure that the cargo and the railcars remain secure at all times and to ensure that the railcars do not move during ocean transport.

As recommended by the ICMI *Auditor Guidance for the Use of the Cyanide Transportation Verification Protocol*, specific information regarding this practice is addressed below:

- a) The Cyanco packaging specifications were reviewed as part of the ICMC ocean supply chain audit and were found to be conformant to the packaging requirements of the IMDG Code
- b) Packaging was reviewed during the audit of the Cyanco operation responsible for loading intermodal and ISO tank shipping containers. Packages and shipping containers were appropriately marked and were found to be compliant with Chapter 5.2 of the IMDG Code requirements. This was confirmed through observation of sea containers available for review during this audit as well.
- c) Packaging was reviewed during the audit of the Cyanco operation responsible for loading intermodal and ISO tank shipping containers. Packages and shipping containers were appropriately marked and were found to be compliant with Chapter 5.2 of the IMDG Code requirements.
- d) Loaded intermodal and ISO tank shipping containers were evaluated and were found to be marked and placarded in accordance with the IMDG Code.

Cyanco Western U.S. Rail, Barge & Truck Supply Chain

Name of Supply Chain

Signature of Lead Auditor

July 21, 2016



- e) Shipping documents were reviewed for a sample of cyanide shipments from 2015 and 2016. Information required by the IMDG Code is required as standard practice on Cyanco shipping paperwork.
- f) The container packing certificates were reviewed during the ocean supply chain audit as part of the overall evaluation of Cyanco shipping papers. All information was found to be conformant to IMDG Code requirements.
- g) Confirmation was made during this assessment that AML uses detailed stowage plans for the placement and safe transportation of all hazardous materials, including sodium cyanide shipments.
- h) Confirmation was made during this assessment that AML has cyanide emergency response information available on board each vessel, as required by Section 5.4.3.2 of the IMDG Code.
- i) Confirmation was made during this assessment that AML complies with applicable stowage and separation requirements of Part 7 of the IMDG Code. This includes the requirement that sodium cyanide, if removed from its rail cars, be stored separately from acids, strong oxidizers, and explosives. In practice, the cyanide remains in sea containers mounted to rail cars, which are then lashed to the deck of the barge on designated rail tracks.

Cyanco does not ship cyanide by air.

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

☑ in full compliance with

The operation is in substantial compliance with Transport Practice 1.6

not in compliance with

Summarize the basis for this Finding:

Cyanco has committed to implementing systems and procedures to track the progress of cyanide shipments. The Cyanco Logistics Coordinator has designated responsibilities for tracking shipments on a daily basis. Cyanco uses bills of lading and shipping papers indicating the number of packages and amount of material to confirm that the chain of custody for the cyanide is recorded and that ICMC requirements are fulfilled.

Cyanco Western U.S. Rail, Barge & Truck Supply Chain

Signature of Lead Auditor

July 21, 2016



The barge operator, AML, was also assessed for its tracking capabilities. State-of-the-art GPS tracking systems are used to transmit real-time barge location data. This was demonstrated during the assessment.

Alaska Railroad coordinates and manages the transportation segment from the loading of the intermodal containers onto its railcars using its partner, SEA-PAC through the delivery of the cyanide to the Alaska West Express Fairbanks Terminal. Chain of custody and tracking practices were reviewed with Alaska Railroad, Alaska West Express, and SEA-PAC. Chain of custody and tracking practices were documented and records from 2015 and 2016 shipments were used to confirm that chain of custody arrangements comply with ICMC requirements.

Design, construct and operate cyanide trans-shipping depots and 2. INTERIM STORAGE:

interim storage sites to prevent releases and exposures.

Store cyanide in a manner that minimizes the potential for *Transport Practice 2.1:*

accidental releases.

☑ in full compliance with

in substantial compliance with The operation is **Transport Practice 2.1**

not in compliance with

Summarize the basis for this Finding:

Alaska West Express stores sodium cyanide for Cyanco at its Fairbanks Terminal in Alaska. Alaska West Express is a certified ICMC Signatory company that was most recently audited for transportation and the interim storage of sodium cyanide at this location in December 2015. Interim storage operations were found to be compliant.

Cyanco has its product loaded onto railcars which are loaded onto barges at the Harbor Island port in Seattle, Washington. The transfer of the intermodal containers onto the railcars is done by SEA-PAC Transport Services, LLC, a company that specializes in the packaging of cargo that is being loaded onto barges.

SEA-PAC was assessed on-site through a review of the operations and records and through interviews. SEA-PAC is an authorized hazardous materials transportation company and they maintain an emergency response plan, chain of custody processes, and employees have received cyanide safety training. Cyanide is not stored at SEA-PAC, it is offloaded from trucks and placed onto railcars either immediately or in a short amount of time. SEA-PAC is providing a service to Alaska Railroad due to the logistics of the material entering Seattle at the Union Pacific railhead

Cyanco Western U.S. Rail, Barge & Truck Supply Chain

July 21, 2016



and needing to be loaded onto a barge at Harbor Island at the Port of Seattle. Cyanco does not store cyanide at this location. Nonetheless, all cyanide in transit was observed as being properly placarded, interviews showed that no food, drink, or smoking materials are allowed in the area where cyanide is transloaded from trucks to rail cars. Transloading operations occur in a designated area in which no other chemicals are present.

Harbor Island and Whittier Port facilities were found to have sufficient security and infrastructure to assure the proper management of the cyanide shipments. The sea containers are not removed from the rail cars and the rail cars are not stored at the port facilities, they are only staged for transport onto the next barge or for transport with the next Alaska Railroad train from the Port of Whittier.

3. EMERGENCY RESPONSE: Protect communities and the environment through the development of emergency response strategies and capabilities

<u>Transport Practice 3.1:</u> Prepare detailed emergency response plans for potential cyanide

releases.

☑ in full compliance with

The operation is in substantial compliance with Transport Practice 3.1

not in compliance with

Summarize the basis for this Finding:

Cyanco has developed and implemented an Emergency Response Plan that is appropriate for its Western U.S. supply chain. Details regarding the response procedures to be used in each region of the world, mode of transportation, and type of incident are included in the plan.

Emergency response plans reviewed during the assessment do consider the physical and chemical form of the cyanide. The only form of cyanide to be shipped on this supply chain is solid. Emergency response procedures address actions to be taken in response to a solid cyanide spill.

All of the plans and emergency response information for Cyanco, Alaska Railroad, AML, SEA-PAC, and the ports outline the roles and responsibilities of internal and external responders.

Cyanco Western U.S. Rail, Barge & Truck Supply Chain

Signature of Lead Auditor

July 21, 2016

www.mss-team.com

Page 13 of 16

Name of Supply Chain



Transport Practice 3.2: Designate appropriate response personnel and commit

necessary resources for emergency response.

☑ in full compliance with

The operation is in substantial compliance with **Transport Practice 3.2**

not in compliance with

Summarize the basis for this Finding:

Cyanco provides emergency response training of Cyanco personnel and to ensures that its transportation partners are also providing emergency response training to their personnel.

The roles and responsibilities of relevant internal and external personnel are clearly described in the Cyanco emergency response plans and Cyanco is committed to enhancing its procedures to more specifically address roles and responsibilities of internal and external personnel involved in the Western U.S. supply chain.

The rail transportation partners included in the scope of this supply chain have designated response personnel and committed necessary resources for emergency response. In the U.S., emergency response planning, resource allocation, and emergency response training requirements for transporters of hazardous materials are governed by the U.S. Code of Federal Regulations (CFR) 172.

The barge operator (AML) and U.S. Ports and emergency plans and resources are governed by the U.S. Coast Guard and U.S. Federal Department of Homeland Security requirements. Records were also available to show that emergency response resources for Alaska Rail, Alaska Marine, SEA-PAC, and the Harbor Island and Whittier ports were reviewed and were found to be acceptable.

Cyanco offers immediate technical assistance for any cyanide spill, and offers emergency resources through its contracted emergency response partners for spills that might occur. Cyanco contracts with CHEMTREC to ensure that appropriate notifications and emergency response is initiated if there is an incident.

Cyanco is committed to using formal policies, procedures, and contracts with safety, health, environmental, and security terms and conditions to ensure that cyanide is appropriately handled and transported by its transportation partners.

Cyanco Western U.S. Rail, Barge & Truck Supply Chain Signature of Lead Auditor Name of Supply Chain

July 21, 2016

www.mss-team.com

Page 14 of 16



Transport Practice 3.3: Develop procedures for internal and external emergency

notification and reporting.

☑ in full compliance with

The operation is in substantial compliance with Transport Practice 3.3

not in compliance with

Summarize the basis for this Finding:

Cyanco has developed procedures and maintains current contact information for notifying regulatory agencies, outside response providers, medical facilities and potentially affected communities of an emergency. Current emergency response plans include this information and the plans are being enhanced to include international contact information.

The Cyanco ICMC Manual requires that internal and external emergency notification and reporting procedures are kept current. Contact numbers and reporting information is reviewed at least annually, or as needed. Interviews with personnel at the ports, AML, SEA-PAC, and Alaska Railroad confirmed that formal processes are used to maintain contact numbers and reporting information up-to-date.

Transport Practice 3.4: Develop procedures for remediation of releases that recognize the

additional hazards of cyanide treatment chemicals.

☑ in full compliance with

The operation is in substantial compliance with **Transport Practice 3.4**

not in compliance with

Summarize the basis for this Finding:

Specific details regarding the remediation, neutralization, decontamination, and disposal of cleanup 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.

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. Section 3.4 of the ICMC Manual specifically bans the use of treatment chemicals for spills into surface water. Supply chain partners

Cyanco Western U.S. Rail, Barge & Truck Supply Chair Name of Supply Chain

Signature of Lead Auditor

July 21, 2016



confirmed that they would consult with Cyanco and its emergency response service provider in the event of a cyanide spill.

<u>Transport Practice 3.5:</u> Periodically evaluate response procedures and

capabilities and revise them as needed.

☑ in full compliance with

The operation is in substantial compliance with Transport Practice 3.5

not in compliance with

Summarize the basis for this Finding:

Cyanco periodically reviews its emergency response plans and evaluates the plan's adequacy. The ICMC Manual requires that table top simulations be run annually and that emergency response drills are run every 3-5 years. Interviews during the audit indicated that an emergency response drill is planned to occur at least once in each region of the world during the first five years after shipping commences. This is in addition to the annual tabletop simulations that are planned.

Records were available to demonstrate that Cyanco regularly participates in emergency response drills with its mine site customers and different parts of its supply chains. Alaska Railroad and AML reported that they are required to run emergency response drills at least annually.

Cyanco reported that it reviews and revises its emergency response plans as necessary after responding to an actual emergency and after emergency response drills.

Cyanco Western U.S. Rail, Barge & Truck Supply Chain

Signature of Lead Auditor

July 21, 2016

Name of Supply Chain

www.mss-team.com

Page 16 of 16