



**ICMI Cyanide Code Consigner Supply Chain  
Summary Audit Report**

**DuPont Mexico Transportation Supply Chain  
Certification Audit**

**Submitted to:  
International Cyanide Management Institute  
888 16th Street, NW – Suite 303  
Washington, DC 20006  
USA**

*2010 Audit Cycle*



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**Management System Solutions, Inc.  
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## Table of Contents

Mexico Supply Chain Summary .....	2
Consignor Name & Contact Information.....	2
Operational and Audit Information – Mexico Supply Chain.....	2
Description of the Mexico Supply Chain.....	3
Mexico Supply Chain - Auditor’s finding and attestation .....	5
Consignor Summary .....	7
Operational & Audit Information for Consignor .....	7
Compliance finding for Consignor’s activities .....	9
Description of Consignor’s role in ensuring compliance of its trucking partners, rail carriers, and warehouses .....	10
DuPont Certification Audit Results .....	10
Compliance Finding for Segutal Trucking Operations.....	19
Description of Segutal’s Role in the DuPont Mexico Supply Chain.....	19
Segutal’s Certification Audit Results.....	20
Compliance Finding for ALR Trucking Operations.....	29
Description of ALR’s Role in the DuPont Mexico Supply Chain.....	29
ALR’s Certification Audit Results.....	30
Rail Carriers and Rail Yards – Summary of Due Diligence Investigations .....	39
Operational and Audit Information – Rail Carriers and Rail Yards .....	39
Compliance finding for Rail Carriers and Rail Yards .....	39
Description of Due Diligence Information Reviewed for Mexico Rail Carriers Ferromex and KCSM .....	41

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## Mexico Supply Chain Summary

### Consignor Name & Contact Information

DuPont – Mexico (Homero Building)	Homero 206 Col. Chapultepec Morales Delegación Miguel Hidalgo México, D.F. CP 11570 Tel. (55) 5722-1000
Segutal	Topacio 284 Col. Paulino Navarro Delegación Cuauhtemoc México, D.F. CP 06870 Tel. (55) 47-40-26-31 & (55) 57-41-02-06
S.I.P.	Eje 120 #500 Zona Industrial del Potosí San Luis Potosí, San Luis Potosí CP 78090 Tel. (444) 824-52-65 & (444) 824-52-63
ALR	Díaz Ordaz #205 Fracc. Díaz Ordaz San Nicolás de los Garza, Nuevo León CP 66480 Tel. (81) 83-19-86-00
ADEMSSA	Carretera Sahuaripa #461 Parque Industrial Hermosillo, Sonora CP 83299 Tel. (66) 22-51-10-84

### Operational and Audit Information – Mexico Supply Chain

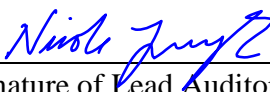
E.I. duPont de Nemours and Company, Inc. (DuPont) is a science-based company operating in more than 70 countries. DuPont offers a wide range of products and services for markets including agriculture, nutrition, electronics, communications, safety and protection, home and construction, transportation and apparel. Solid sodium cyanide for use in the gold mining sector is manufactured at the Memphis, Tennessee plant, which is part of the DuPont Cyanides Business and Chemicals & Fluoroproducts Strategic Business Unit. The plant is located just outside of Memphis in Woodstock, Tennessee.

DuPont was one of the original 14 Cyanide Code signatory companies announced on November 3, 2005. As such, DuPont made the commitment to obtain Cyanide Code certification for its

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DuPont Mexico Supply Chain

Name of Operation



Signature of Lead Auditor

August 26, 2010

Date

Memphis Solid Cyanide Plant and its packaging operations. DuPont was the first Cyanide Producer to achieve certification in June 2006. The operation was re-certified in 2009.

DuPont transportation supply chains are highly complex due to the global reach of its supply capabilities. After its initial certification in 2006, DuPont contracted ICMI-approved Code Transportation Auditors to perform non-certification audits for its supply chain in the U.S., Mexico, and throughout Central and South America. Audits were conducted of DuPont operations and trucking partners. Due Diligence Investigations were conducted for ocean carriers (including ports) and rail partners (including rail yards). The original audit of DuPont as a Consignor / Transporter and due diligence investigations of the ocean carriers (including ports) and rail partners (including rail yards) was done in February 2007. Now, three years later, similar auditing and due diligence investigation activities were performed again.

The certification audit of DuPont on February 9-10, 2010 was a combined audit of Consignor / Transporter management for U.S. / Canada Rail & Barge transport and Global Ocean transport. This report contains information regarding the results of the DuPont consignor / transporter certification audit and the results of the rail carrier and rail yard due diligence investigations. The Global Ocean Supply Chain results are contained within a separate report.

The certification audit and due diligence investigations were conducted according to the 2009-adopted ICMI certification process that calls for consignors to become signatories and undergo transportation supply chain third-party certification audits.

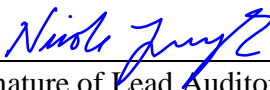
### *Description of the Mexico Supply Chain:*

This was an integrated cyanide Mexico supply chain audit involving DuPont Mexico personnel, two trucking companies, two warehouse / logistic operations, and two railroads. The supply chain consists of the following organizations:

<b>Name of Company</b>	<b>Description of Location(s) Audited</b>
E. I. du Pont de Nemours and Company ( <b>DuPont</b> ) and due diligence of <b>Ferromex</b> and <b>KCSM</b>	Homero Building, Mexico City – Management of Supply Chain and Due Diligence Investigations for Ferrocarril Mexicano Railroad (Ferromex) and Kansas City Southern de Mexico (KCSM) railroads
Transportes Especializados Segutal, S.A. de C.V. ( <b>Segutal</b> )	Mexico City HQ, San Luis Potosi drivers and equipment, Hermosillo drivers and equipment
Auto Lineas Regiomontanas, S.A. de C.V. ( <b>ALR</b> )	Monterrey HQ, drivers and equipment at San Luis Potosi and Hermosillo warehouses
Suministros Industriales Potosinos, S.A. De C.V. ( <b>S.I.P.</b> )	San Luis Potosi sodium cyanide warehousing and logistic operation
ADEMSA, S.A. de C.V.	Hermosillo sodium cyanide warehousing and logistic operation

DuPont Mexico Supply Chain

Name of Operation



Signature of Lead Auditor

August 26, 2010

Date

The DuPont Mexico operations are headquartered in the Homero Building in Mexico City, Mexico. Personnel involved in the management of the Mexico Cyanide Supply Chain were audited using the 2009 Cyanide Code Transportation Protocol. The audit participants from several different organizations within DuPont were involved in the audit. The names and titles of these audit participants are shown in the next section of this report.

ALR is one of the two DuPont cyanide trucking partners in Mexico. ALR transports hazardous materials, general commodities and bulk shipments. They have operated in Mexico for over thirty (30) years. ALR has been part of the DuPont sodium cyanide supply chain since 2005. The ALR headquarters is in Monterrey, Mexico. ALR also operates a terminal facility from the same location. Trucks used for sodium cyanide transport are dispatched out of Monterrey. The ALR audit was performed in Monterrey where headquarter operations were reviewed, equipment and terminal maintenance records were evaluated and drivers were interviewed.

The headquarters/terminal is one of several terminals located in Mexico. ALR is one of the largest trucking companies in the country. ALR is ISO 9001:2000 certified and has integrated their safety program into their overall management system structure.

Sodium Cyanide FLO-BIN®s, drums and IBCs are loaded in the United States into tractor trailers which are trucked to Nuevo Laredo, Mexico. The trailer is interchanged to ALR from Empire Express (a U.S. DuPont trucking partner that is also a Cyanide Code Signatory). The shipment remains sealed and the unit is not opened by ALR employees during transit. ALR drivers pick up the unit with their tractors and deliver the shipments to destination warehouses. At the time of the audit, ALR was shipping cyanide to San Luis Potosi and Hermosillo.

Transportation from the San Luis Potosi and Hermosillo warehouses to customer sites is done by Transportes Especializados Segutal, S.A. de C.V. (hereafter referred to Segutal). Segutal is a dedicated transporter of DuPont hazardous materials. The company has been operating both 3-axle straight trucks and tractor-trailer combination vehicles in Mexico since 1991 and has been a dedicated carrier for DuPont since 2001. Segutal delivers solid cyanide briquettes in FLO-BIN®s, drums, Intermediate Bulk Containers (IBCs), and ISO containers that are mounted on chassis.

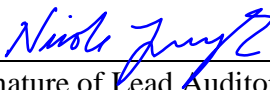
The Segutal sodium cyanide operation is headquartered in Mexico City. At the time of the audit, drivers were dispatched from warehouses in San Luis Potosi and Hermosillo and were transporting sodium cyanide to customers across the central and NW part of Mexico. The audit team went to each of the three locations and reviewed all company operations with regard to Code compliance.

The DuPont San Luis Potosi warehouse is operated by Suministros Industriales Potosinos, S.A. De C.V. (S.I.P.). DuPont manages the warehouse directly with an Operations Leader who is a DuPont employee. The warehousing operation was moved to San Luis Potosi in 2006. The San Luis Potosi warehouse receives rail shipments of sodium cyanide via the KCSM railroad. The cyanide arrives in intermodal containers, box cars, and hopper cars. Rail spurs lead to the warehouse building and unloading occurs within a fenced and secure area. Truck shipments are brought in by ALR in cargo trailers. The unloading of trucks occurs at the loading dock which is also within the secure area. The

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DuPont Mexico Supply Chain

Name of Operation



Signature of Lead Auditor

August 26, 2010

Date

cyanide is stored in covered well-ventilated warehouses prior to being dispatched to customers by truck.

Bulk cyanide arriving into the San Luis Potosi facility in hopper cars or FLO-BIN@s is transloaded and/or packaged into FLO-BIN@s and/or ISO tanks. The transloading and packaging operations, however, are outside the scope of this audit. A separate audit of the facility was conducted in April 2010 using the Cyanide Code Production Protocol. The results of that audit are contained in a separate report.

The DuPont Hermosillo warehouse is operated by ADEMESA. The same DuPont Operations Leader who manages the San Luis Potosi operations has responsibility for the Hermosillo warehouse operations. The Hermosillo warehouse has been in operation since 1998 and has been a dedicated warehouse for the storage of DuPont cyanide since 2005. Hermosillo receives shipments via ALR truck delivery and Ferromex rail delivery. Rail spurs lead to an area near the covered storage area and unloading occurs within a fenced and secure area. The box cars are unloaded and the material is stored in covered open air storage area. The covered storage area is fenced and locked and has secondary containment. At the time of the audit, sodium cyanide packages were not opened or re-packed.

Two Due Diligence Investigations of rail partners Ferrocarril Mexicano Railroad (Ferromex) and Kansas City Southern de Mexico (KCSM )were also conducted during this supply chain audit. Ferromex was formed in 1997 by a group which includes Grupo Mexico and the Union Pacific Railroad. KCSM is one of three railroads that comprise Kansas City Southern, an international holding company headquartered in Kansas City, Missouri, USA.

### *Mexico Supply Chain - Auditor's finding and attestation*

The audit was performed at five locations in four Mexican cities. Locations audited included the DuPont Mexico Headquarters (HQ) Building (Homero Building) in Mexico City, the Segutal HQ operations in Mexico City, ALR HQ and Terminal Operations in Monterrey, warehouse and terminal operations in Hermosillo (including personnel from Ademsa and DuPont and drivers from Segutal and ALR), and warehouse and terminal operations in San Luis Potosi (including personnel from S.I.P. and DuPont and drivers from Segutal and ALR).

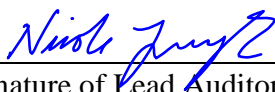
The audit was performed by independent third-party auditors who were pre-approved by the ICMI. The certification audit of DuPont Mexico Supply Chain management operations was conducted on-site on March 15-19, 2010. The supply chain management processes and the due diligence investigations of rail carriers and rail yards were conducted in accordance with the agreed upon audit plan and due diligence documentation requirements.

The DuPont cyanide transportation management practices using rail carriers (including rail yards) were evaluated against the Cyanide Code requirements documented in the *ICMI Cyanide*

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DuPont Mexico Supply Chain

Name of Operation



Signature of Lead Auditor

August 26, 2010

Date


Code (2009), ICMI Cyanide Code Transportation Protocol (2009), and the ICMI Auditor Guidance for Use of the Cyanide Transportation Verification Protocol (2009). DuPont 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 DuPont and the partner organizations. Additionally, records regarding carrier selection, ongoing carrier performance evaluations, incident tracking, security measures, shipment tracking, cargo labeling practices, shipping documentation, community involvement, and emergency response records were randomly sampled for DuPont as a Consignor and were found to be acceptable.

DuPont and its transportation partners were evaluated previously during a non-certification Cyanide Code verification audit using the 2005 revision of the Cyanide Code transportation Protocol. Although the 2007 audit and due diligence reviews were non-certification activities, these 2010 audit and due diligence review activities were conducted in accordance with Re-Certification Guidelines, namely the confirmation that DuPont and its transportation partners have continued to be in conformance since the original audit in 2007.

The results of this certification audit and the related due diligence investigations indicate that DuPont and all portions of its Mexico Supply Chain are in FULL COMPLIANCE with Cyanide Code requirements.

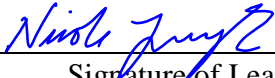
### Mexico Supply Chain - Auditor's Finding

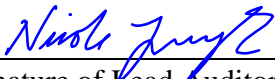
This Mexico Supply Chain is in **FULL COMPLIANCE** with the International Cyanide Management Code.

Audit Company:	Management System Solutions, Inc. <a href="http://www.mss-team.com">www.mss-team.com</a>
Audit Team Leader:	Nicole Jurczyk E-mail: <a href="mailto:CodeAudits@mss-team.com">CodeAudits@mss-team.com</a>
Name and signature of Technical Auditor:	Angel E. Arzaga, CDS 
Date(s) of Audit:	March 15-19, 2010

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 Verification Auditors.

I attest that the Audit Reports accurately describe 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 Verification Protocol for Cyanide Transportation Operations and using standard and accepted practices for health, safety and environmental audits.

DuPont Mexico Supply Chain  August 26, 2010  
 Name of Operation Signature of Lead Auditor Date

DuPont Mexico Supply Chain  August 26, 2010  
 Name of Operation Signature of Lead Auditor Date

## Consignor Summary

### *Operational & Audit Information for Consignor*

The DuPont Corporate Sourcing & Logistics group located in Mexico City, Mexico manages the domestic transportation of sodium cyanide. Cyanide Product Stewards within the DuPont Cyanides Business coordinate activities associated with route risk evaluation when customers are originally established and again at established frequencies. The Product Stewards also coordinate community communications, training sessions, rail yard evaluations, customer evaluations, and package & label reviews. Corporate Emergency Response Specialists work together with the DuPont Cyanides Business to coordinate emergency response planning procedures, preparation and maintenance of emergency equipment, training of DuPont emergency response personnel, and evaluation of plans and procedures through periodic emergency response drills.

The Rail Modal Leader has responsibility and authority for coordinating rail carrier selection, safety, security, and quality performance tracking, rail carrier contracts, booking of shipments, shipment tracking, and incident investigation.

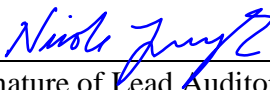
DuPont maintains formal standards, policies, guidelines, and procedures for ensuring Distribution Safety. DuPont Corporate standards exist for Incident Prevention, Emergency Response, Transportation Risk Assessment, Distribution Regulatory Compliance, and Training, and Distribution Handling & Storage.

Personnel interviewed during the certification audits of DuPont and its Mexico Supply Chain partners are shown in the table on the following page.

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DuPont Mexico Supply Chain

Name of Operation



Signature of Lead Auditor

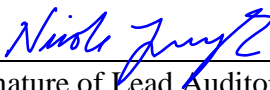
August 26, 2010

Date

<b>Transport Practice Discussed →</b>												
<b>Audit Participants</b>	<b>Organization</b>	<b>1.1 Route selection Risk Assessment</b>	<b>1.2 Driver / Operator Training &amp; Qualifications</b>	<b>1.3 Equipment Suitability</b>	<b>1.4 Safety Program &amp; Preventive Maintenance</b>	<b>1.5 Ocean Transport - N/A</b>	<b>1.6 Tracking of shipments</b>	<b>2.1 Interim Storage</b>	<b>3.1-3.5 Emergency Response</b>	<b>Supply Chain Management - General Discussions</b>	<b>Rail Operations – Due Diligence Investigation</b>	
Logistics Services Buyer & Supply Chain Optimization Leader - LAN	DuPont - Mexico				X	-	X	X		X		
Operation Leader – San Luis Potosi	DuPont - Mexico				X	-	X	X	X	X		
Air, Ocean & Railroad Modal Leader	DuPont - Mexico	X				-	X		X	X	X	
Import / Export & International Trade Logistics Leader	DuPont - Mexico					-				X		
Regional Logistics Manager - LAN	DuPont - Mexico					-			X	X		
Transportation Modal Leader	DuPont - Mexico	X	X		X	-	X		X	X		
CDC Supervisor & Distribution Safety Coordinator	DuPont - Mexico				X	-			X	X		
Distribution - Safety Engineer SHE	DuPont - Mexico		X		X	-		X	X	X		
Cyanides Product Steward	DuPont - Mexico	X	X	X	X	-	X	X	X	X	X	
Mexico Supply Chain Management	DuPont - Mexico	X	X	X	X	-	X	X	X	X	X	
Product Stewardship Manager	DuPont - US					-			X	X		
General Manager – San Luis Potosi	S.I.P.					-				X		
General Manager	Segutal	X	X		X	-			X	X		
Safety & Operations Supervisor	Segutal	X	X	X	X	-	X		X	X		
Monterrey Terminal Safety Manager	ALR	X	X	X	X	-	X		X			
General Director	ALR		X		X	-			X			
Hermosillo Terminal Ops. Supervisor	ADEMSA				X	-		X	X			
Preventive Maintenance Supervisor	Segutal			X	X	-						
GPSR Tracking - Safety Assistant	ALR					-	X					
Maintenance Manager	ALR			X		-						
Operations Supervisor - Hermosillo	Segutal	X	X	X	X	-						
Material Handlers – Hermosillo	ADEMSA				X	-		X	X			
Drivers	ALR	X	X	X	X	-	X		X			
Drivers	Segutal	X	X	X	X	-	X		X			
Warehouse Personnel – SLP	S.I.P.				X	-		X	X			
Warehouse Personnel – Hermosillo	ADEMSA				X	-		X	X			

DuPont Mexico Supply Chain

Name of Operation



Signature of Lead Auditor

August 26, 2010


Date

**Compliance finding for Consignor’s activities**

The DuPont cyanide transportation management practices for the Mexico Supply Chain using trucking and rail carriers (including rail yards) and warehouse terminals were evaluated against the Cyanide Code requirements documented in the *ICMI Cyanide Code (2009)*, *ICMI Cyanide Code Transportation Protocol (2009)*, and the *ICMI Auditor Guidance for Use of the Cyanide Transportation Verification Protocol (2009)*. DuPont 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 DuPont and their transportation partners. Additionally, records regarding carrier selection, ongoing carrier performance evaluations, incident tracking, security measures, shipment tracking, cargo labeling practices, shipping documentation, community involvement, and emergency response records were randomly sampled and found to be acceptable.

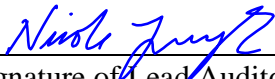
***DuPont Consignor / Transporter - Auditor’s Finding***

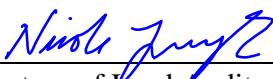
DuPont Consignor / Transporter operations are in **FULL COMPLIANCE** with the International Cyanide Management Code.

Audit Company:	Management System Solutions, Inc. <a href="http://www.mss-team.com">www.mss-team.com</a>
Audit Team Leader:	Nicole Jurczyk E-mail: <a href="mailto:CodeAudits@mss-team.com">CodeAudits@mss-team.com</a>
Name & Signature of Technical Auditor:	Angel E. Arzaga, CDS 
Date(s) of Audit:	March 15-19, 2010

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 Reports accurately describe 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 Verification Protocol for Cyanide Transportation Operations and using standard and accepted practices for health, safety and environmental audits.

DuPont Consignor/Transporter Operations  August 26, 2010  
 Name of Operation Signature of Lead Auditor Date

DuPont Mexico Supply Chain  August 26, 2010  
 Name of Operation Signature of Lead Auditor Date

**Description of Consignor’s role in ensuring compliance of its trucking partners, rail carriers, and warehouses**

DuPont maintains formal standards, policies, guidelines, and procedures for ensuring Distribution Safety. DuPont Corporate standards exist for Incident Prevention, Emergency Response, Transportation Risk Assessment, Distribution Regulatory Compliance, and Training, and Distribution Handling & Storage. In addition, the Sourcing & Logistics Groups maintains formal procedures for the procurement of transportation services and the management of carriers. Carrier performance is evaluated monthly and carriers with poor performance are required to take corrective actions. In addition to organizing the third-party Cyanide Code audit of its trucking partners, DuPont also performs second-party Cyanide Code audits of its cyanide trucking partners to confirm that all Cyanide Code requirements continue to be fulfilled over time.

DuPont participates actively with all partner companies in its Supply Chain (trucking, rail, and warehouse). DuPont personnel are very active in providing many different types of cyanide-related training classes to its partners, customers, emergency responders, and the public. DuPont personnel also participate in route planning and auditing of partner operations to ensure continued compliance with Cyanide Code requirements.

The warehouse facilities used by DuPont are owned and operated by DuPont partners, but DuPont also has an Operations Leader located at the San Luis Potosi warehouse who directly manages day-to-day operations at both locations. For this reason, the warehouse operations are addressed in this section of the report under Consignor (DuPont) operations.

**DuPont Certification Audit Results**

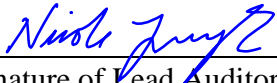
**1. TRANSPORT: Transport cyanide in a manner that minimizes the potential for accidents and releases.**

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

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

*Summarize the basis for this Finding:*

Interviews were conducted with the DuPont Mexico personnel to confirm that before DuPont initially qualifies a new customer for sodium cyanide they follow a standard procedure for evaluating the customer and the route. The Cyanide Product Steward evaluates the new customer for their ability to safely use and store material and they evaluate the possible routes

DuPont Mexico Supply Chain		August 26, 2010
Name of Operation	Signature of Lead Auditor	Date

Page 10 of 47

that can be used to transport the cyanide from DuPont warehouse locations to the customer site. Truck route risk assessments are done by the two trucking companies that transport the cyanide to the warehouses (ALR) and from the warehouses (Segutal). DuPont is involved in the process and approves of the routes, but the trucking companies take full responsibility for the evaluation. The results from the route assessments were audited at ALR and Segutal. The evaluation of the routes includes consideration of population densities, infrastructure issues, pitch and grade of roads, and prevalence and proximity of water bodies. In some cases there are limited or no choices available for the selection of alternative routes. DuPont and its trucking partners generally choose shorter routes that do not go through population centers when possible.

The risks associated with the route used to bring cyanide from DuPont to a customer are evaluated as part of the First Order Process when the initial contract with the customer is established. The route assessment is performed by the Product Stewardship function within the DuPont Cyanides Business. Any necessary risk-mitigation measures are identified and defined during this First Order Process. Examples of route-specific risk mitigation measures including the use of escorts on specific road segments and the re-routing of shipments around major population centers were reviewed and were found to be appropriate.

DuPont also employs non-route specific risk mitigation measures via the establishment of safety policies for carriers, contractual agreements with truck carriers, and periodic evaluations of adherence to safety policies. Formal policies were available for alcohol testing, night-time driving restrictions, medical exams, GPS tracking, safe resting locations, and driver qualification criteria. Adherence to the DuPont policies is required by contract. Compliance with these safety policies was confirmed during the certification audits of the trucking partners.

Routes are re-evaluated periodically, usually during customer visits which typically occur at least every three years. Additionally, DuPont has a very formal Product Stewardship Review process in which all aspects of cyanide product stewardship (labeling, product trail, use or transportation incidents, MSDS, etc.) are reviewed at least every three years. With regards to feedback from transportation partners, DuPont maintains very close relationships with its transportation partners on topics of safety.

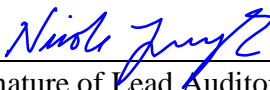
DuPont obtains necessary governmental approvals and import licenses for cyanide shipments. Examples of current governmental permits for import, transport, and storage of cyanide were reviewed during the audit. Interviews indicated that DuPont also maintains contact with the Civil Protection part of the Mexican Government.

DuPont personnel perform outreach activities and training sessions with local emergency responders in strategic locations near DuPont warehouses and along routes to the mines. Records were available to show that training and outreach sessions were performed by DuPont personnel in 2007, 2008, and 2009. Trainees included doctors, hospital personnel, mining personnel, fire fighters, and people from the civil protection agency. Records including training dates, attendees, and pictures were reviewed and found acceptable.

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DuPont Mexico Supply Chain

Name of Operation



Signature of Lead Auditor

August 26, 2010

Date



and ensuring that appropriate maintenance is performed was interviewed. Rail equipment is maintained according to maintenance requirements that are defined by U.S. Federal law.

DuPont Mexico does not have specific responsibilities with regards to this question. Its sub-contractors, the warehouse facilities only use forklifts to move pallets of cyanide into and out of storage. The equipment at each warehouse facility was observed as being appropriate for the task. No cranes or other heavy lifting equipment is used at the warehouses.

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

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

*Summarize the basis for this Finding:*

The DuPont Memphis Plant maintains detailed cyanide loading procedures for loading boxcars, hopper cars, and truck trailers. LSI maintains detailed procedures for loading intermodal containers. Safety interlocks are used to prevent overfilling of hopper cars. The shipments of bulk and semi-bulk packages in railcars and inter-modal containers are standard weights and standard blocking and bracing configurations are used. Procedures and inspection checklists were reviewed during the audit to confirm that planned arrangements for protecting product packaging and securing the load with blocking and bracing techniques are fulfilled.

Memphis Plant and LSI operational procedures and checklists for loading of boxcars were also reviewed for this requirement. All documentation (procedures and checklists) require for proper placarding (all 4 sides) to be confirmed prior to the railcar being released. Additionally, hopper cars were observed with all four placards showing the UN 1689 diamond at the 2010 re-certification audit of DuPont Mexico operations. Properly placarded rail boxcars and hopper cars were observed at the San Luis Potosi warehouse during this audit. Documented procedures are also used for the loading, placarding, and inspection of inter-modal sea containers.

Transport Practice 1.5:      *Follow international standards for transportation of cyanide by sea and air.*

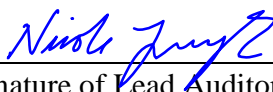
The operation is       in full compliance with  
    in substantial compliance with      Transport Practice 1.5  
    not in compliance with

*Summarize the basis for this Finding:*

This section of the Cyanide Code does not apply to this supply chain.

DuPont Mexico Supply Chain

Name of Operation



Signature of Lead Auditor

August 26, 2010

Date

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

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

*Summarize the basis for this Finding:*

DuPont monitors cyanide shipments in Mexico very closely and stays in close contact with trucking partners, warehouse personnel, and customers. DuPont personnel were interviewed and email records were reviewed to confirm that the status of cyanide shipments is being received and reviewed on a continuous basis.

The following documentation is used to track inventory and movement of cyanide: bills of lading, vehicle weight upon filling or at the interchange point, vehicle weight upon arrival at destination, and shipping papers indicating the number of packages and amount of material.

DuPont ensures that all shipping records show shipment details such as weight, number and type of packages, destination, and UN number. DuPont sends a copy of the MSDS a "Transportation Emergency Information" sheet with every shipment. Emergency contact numbers and response information is on the emergency sheet and drivers must sign that they have read the emergency response information each time they are dispatched with a cyanide shipment. Shipping documents were sampled and were found to be appropriate.

**2. INTERIM STORAGE:** *Design, construct and operate cyanide trans-shipping depots and interim storage sites to prevent releases and exposures.*

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

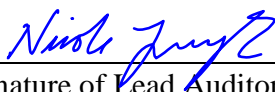
The operation is  in full compliance with  
 in substantial compliance with Transport Practice 2.1  
 not in compliance with

*Summarize the basis for this Finding:*

DuPont has an Operations Leader who has responsibility over all warehouse operations at the San Luis Potosi warehouse (operated by S.I.P) and the Hermosillo warehouse (operated by

DuPont Mexico Supply Chain

Name of Operation



Signature of Lead Auditor

August 26, 2010

Date

Ademsa). Warning signs were posted outside and within each of the warehouses in San Luis Potosi and in Hermosillo. The San Luis Potosi warehouses (2) are buildings, whereas the Hermosillo warehouse is a roofed, caged concrete storage pad with a dike around it. Signs at both locations indicate that cyanide is present and that open flames, eating and smoking are prohibited in the storage areas. Signs showing pictures of the required personal protective equipment were also posted. Employees were interviewed and awareness of the need to follow posted instructions and restrictions was good.

Although cyanide signs were not posted due to security concerns, all packaging, vehicles, and rail cars were cleared marked with appropriate labeling and placarding. The operations are not co-mingled with other operations and the audit team concluded that no additional signage specifically stating “cyanide present” was necessary.

A high fence surrounds the warehouses at both locations and they are guarded at all times. Access to the stored cyanide is limited and the security measures were found to be appropriate. Warehouses at both locations are under roof and the material is kept dry at all times. Both San Luis Potosi warehouses were found to have appropriate ventilation.

The San Luis Potosi buildings were built / modified to meet DuPont standards. The buildings provide secondary containment and have graded floors and trenching with water containment tanks. During the audit personnel were interviewed, operations and equipment were observed, and records and documented procedures were reviewed. Personnel had been trained on the hazards of cyanide, written procedures were available for all critical tasks and equipment and facilities were all found to be in very good condition.

The Hermosillo storage area is on a concrete pad with a dike and a drainage /sump system that is capable of capturing a spill in the event of a release. No evidence of any releases or spills was noted at either location.

**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  
in substantial compliance with      Transport Practice 3.1  
not in compliance with

*Summarize the basis for this Finding:*

DuPont provides cyanide emergency response services and support to its plants, customers, and transportation partners. For the Mexico Supply Chain there are several key documents that were

DuPont Mexico Supply Chain

August 26, 2010

Name of Operation

Signature of Lead Auditor

Date

reviewed as part of the DuPont Transporter Certification audit in February 2010. The warehouses maintain emergency response information for both on-site (warehouse) and off-site emergencies.

The documents provide extensively detailed plans, procedures and information to address all ICMI Cyanide Code emergency response requirements.

DuPont's emergency response plans are appropriate for all modes of transportation used by DuPont and for interim facilities. The most detailed scenarios with specific action steps to be taken were found in the Emergency Response Procedures. The scenarios and emergency plans address actions to be taken for spills inside buildings, outside, and in sea containers. Plans also include steps to be taken in case of fire or human exposure. The Transportation Emergency Information sheet has quick, but complete information that has been seen in use during transportation activities observed during previous DuPont Cyanide Code audits.

The emergency response procedures consider steps to be taken for wet, dry and gaseous cyanide. The Transportation Emergency Information sheet is designed to address solid briquettes and there is also a fact sheet for solution. The plans and information were reviewed and were found to be acceptable for both trucking companies and both warehouses. The warehouses maintain emergency response information for both on-site (warehouse) and off-site emergencies. Roadway infrastructure differences, and the roles of the different emergency responders (i.e., DuPont personnel, warehouse personnel, mine personnel) are discussed in the emergency planning information.

The DuPont plans are general and universally applicable to all types of emergencies. Professional emergency responders together with technical guidance from DuPont would be responsible for addressing issues involving the way in which the structure of the vessel should be managed after an emergency. This was accepted by the auditor as a reasonable response.

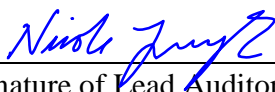
The types of transport equipment and types of storage areas were appropriately referenced in the emergency plans. Solid cyanide is transported in cargo trucks, in cargo trailers, in ISO tanks mounted on chassis, in hopper cars, and in rail boxcars. The primary difference in response descriptions address whether a spill occurs in a building or enclosed space (truck, rail car) or if the spill occurs on the ground. The enclosed space response information in the emergency response plans discusses the need to use a personal cyanide monitor before entering the area. The outside spill scenarios discuss the need to stand up-wind and keep the cyanide dry (by covering with a tarp).

The emergency response plans from both trucking companies and both warehouses and the emergency response information sheets define the roles of warehouse employees, drivers, DuPont personnel and emergency responders. The DuPont Mexico operations also have the "Cyanides Global Response Plan for Off-Site Incidents" that contains all key procedures and contact information and is updated regularly.

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DuPont Mexico Supply Chain

Name of Operation



Signature of Lead Auditor

August 26, 2010

Date






**Compliance finding for Segutal Trucking Operations**

The Segutal Trucking operations were evaluated against the Cyanide Code requirements documented in the *ICMI Cyanide Code (2009)*, *ICMI Cyanide Code Transportation Protocol (2009)*, and the *ICMI Auditor Guidance for Use of the Cyanide Transportation Verification Protocol (2009)*. The audit was conducted through discussions and interviews with multiple individuals in cross-functional roles at the company. Procedures, records, and equipment were evaluated for Segutal personnel at several locations during the audit.

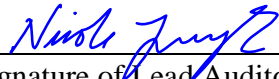
**Segutal Trucking Operations - Auditor's Finding**

Segutal Trucking Operations are in **FULL COMPLIANCE** with the International Cyanide Management Code.

Audit Company:	Management System Solutions, Inc. <a href="http://www.mss-team.com">www.mss-team.com</a>
Audit Team Leader:	Nicole Jurczyk E-mail: <a href="mailto:CodeAudits@mss-team.com">CodeAudits@mss-team.com</a>
Name & Signature of Technical Auditor:	Angel E. Arzaga, CDS 
Date(s) of Audit:	March 15-19, 2010

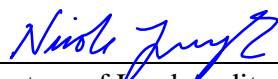
I attest that I meet the criteria for knowledge, experience and conflict of interest for Code Certification Audit Team Leader, established by the International Cyanide Management Institute and that all members of the audit team meet the applicable criteria established by the International Cyanide Management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

I attest that the Audit Reports accurately describe 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 Verification Protocol for Cyanide Transportation Operations and using standard and accepted practices for health, safety and environmental audits.

Segutal  August 26, 2010  
 Name of Operation Signature of Lead Auditor Date

**Description of Segutal's Role in the DuPont Mexico Supply Chain**

Transportation from the San Luis Potosi and Hermosillo warehouses to customer sites is done by Transportes Especializados Segutal, S.A. de C.V. (hereafter referred to Segutal). Segutal is a dedicated transporter of DuPont hazardous materials. The company has been operating both 3-axle straight trucks and tractor-trailer combination vehicles in Mexico since 1991 and has been a dedicated

DuPont Mexico Supply Chain  August 26, 2010  
 Name of Operation Signature of Lead Auditor Date



Routes are reviewed at least every three years for adequacy and for any changes in conditions that would result in a changed risk ranking. Records were reviewed showing that the most recent route assessments had been conducted in 2009. Segutal uses a process of having drivers sign-off on filled-out trip logs after the completion of deliveries to gather feedback. Numerous driver signatures were evident in the records and indicated good communication between drivers and management regarding routes.

Segutal seeks input from relevant stakeholders, as appropriate. SETIQ (an emergency response notification company) is contacted for feedback regarding the routes. SCT (similar to the U.S. Department of Transportation (DOT)) guidance is also utilized in planning the safest routes. Examples of input included approvals from DuPont, input from mines, and interactions with authorities during cyanide training and emergency planning. Records, in the form of emails, letters, and DuPont sign-offs on individual routes were reviewed and found acceptable. Segutal participates in the DuPont training and outreach activities regarding emergency response and maintains contact with SETIQ, an organization that provides emergency notification and coordination services (similar to CHEMTREC in the USA).

*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  
in substantial compliance with Transport Practice 1.2  
not in compliance with

*Summarize the basis for this Finding:*

Training records and interviews were used to confirm that all personnel operating cyanide transport equipment can perform their jobs safely and appropriately. Extensive employee records are maintained by Segutal at headquarters for each of the drivers. All drivers had valid commercial licenses with an "E" endorsement for hazardous material transport. Drivers were interviewed and displayed a very good understanding and awareness of company policies and procedures as well as regulatory requirements.

Training records were available for drivers to demonstrate that they had been trained on cyanide hazards, safe handling and emergency response. The auditors found that the drivers displayed a high level of safety awareness and understanding regarding their responsibilities.



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

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

*Summarize the basis for this Finding:*

Segutal drivers and the two warehouses audited have the necessary procedures in place to ensure that cyanide is transported in a manner that maintains the integrity of the producer’s packaging. Cargo is loaded into the trucks by the warehouse material handlers and they ensure that the packages are not damaged during the loading of the trucks. The drivers work with the material handlers on bracing the load with strapping and webbing. Segutal maintains a documented procedure for blocking and bracing and the drivers take responsibility for the cargo they carry in their trucks. Enhanced blocking and bracing methods are used above the FLO-BINS® to help prevent movement of the material in the case of a roll-over. Appropriate placards are displayed on all four sides of the transport vehicles. Equipment markings were found to be adequate and conformant.

Placards are used by Segutal to identify the shipments as cyanide, as required by local regulations and international standards. Appropriate placards are displayed on all four sides of the transport vehicles at all times. Equipment markings were found to be adequate and compliant.

Segutal drivers conduct pre-trip inspections prior to departure and a post-trip report on the condition of the vehicle. Mechanical defects are called to the attention of a mechanic. Issues that would affect safety and/or legal compliance are resolved prior to movement off-site. Segutal performs preventive maintenance on all transportation equipment at regular intervals. Pre-defined checklists showing the required maintenance tasks are used to record actions. Records were reviewed and were found to be complete and acceptable.

The company Safety Program includes limitations on drivers’ hours. The limitations on drivers’ hours are in accordance with the regulations and DuPont’s restrictions on night-time travel. Drivers were aware of the requirements, (i.e., number of driving hours, on duty hours, rest, etc). Segutal maintains a documented procedure for blocking and bracing and the drivers take responsibility for the cargo they carry in their trucks. Enhanced blocking and bracing methods are used above the FLO-BINS® to help prevent movement of the material. Procedures for such disruptions in operations are clearly defined and the dispatch center contacts DuPont as necessary. Segutal maintains a written drug abuse prevention policy. Records were available to demonstrate that the requirements of each of the Code requirements in this section (1.4.3 a) through f)) had been fulfilled.

Transport Practice 1.5: Follow international standards for transportation of cyanide by sea and air.

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

*Summarize the basis for this Finding:*

This section of the Cyanide Code does not apply to this supply chain.

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

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

*Summarize the basis for this Finding:*

Drivers have numerous methods of communicating during shipments. Auditors confirmed that communication equipment was appropriate and that it is included in the preventive maintenance program to ensure that it continues to be operational over time. Additionally, Segutal showed a letter from the GPS tracking company dated June 2009 that showed that the GPS system had been tested and found to be in good working order. There are no black-out areas on the routes to the two Cyanide Code Signatory mines. Interviews confirmed that the black-out areas do not present a significant problem on these routes.

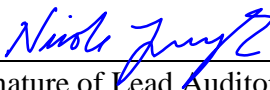
Segutal maintains a Shipment Tracking Procedure to keep track of cyanide shipments from the warehouses to the mines. Segutal subscribes to a GPS satellite tracking service to track shipments and truck movements. Information is monitored by a designated person in the office, and an email with shipment status is sent to a designated DuPont Mexico person. Real-time information was evaluated during the audit and email records were reviewed in order to confirm that practice. Records were also available to show close communication and tracking between the trucking companies, the mines, and DuPont on the days that shipments were made.

The following documentation is used to track inventory and movement of cyanide: bills of lading, vehicle weight upon filling or at the interchange point, vehicle weight upon arrival at destination, and shipping papers indicating the number of packages and amount of material. All

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DuPont Mexico Supply Chain

Name of Operation



Signature of Lead Auditor

August 26, 2010

Date

of the abovementioned documents were sampled for both carriers. Material management practices and inventory controls were found to be appropriate.

DuPont ensures that all shipping records show shipment details such as weight, number and type of packages, destination, and UN number. DuPont sends a copy of the MSDS a "Transportation Emergency Information" sheet with every shipment. Emergency contact numbers and response information is on the emergency sheet and drivers must sign that they have read the emergency response information each time they are dispatched with a cyanide shipment. Shipping documents were sampled for both carriers and were found to be appropriate.

**2. INTERIM STORAGE: Design, construct and operate cyanide trans-shipping depots and interim storage sites to prevent releases and exposures.**

Not Applicable - Segutal is a trucking company and does not have interim storage responsibilities.

**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  
in substantial compliance with Transport Practice 3.1  
not in compliance with

Summarize the basis for this Finding:

Segutal maintains an emergency response plan that fulfills Cyanide Code requirements. Drivers also carry the DuPont emergency information response sheets, a laminated card showing all emergency telephone numbers and procedures, and the MSDS with them during all deliveries. The plans and information were reviewed and were found to be acceptable for Segutal. Segutal transports cyanide via truck and all scenarios considered in the plans were related to either truck accidents or small cyanide spills from packaging.

All emergency response plans discuss the response to solid sodium cyanide, the only physical form transported or stored in this supply chain. Segutal does deliver solid cyanide in ISO tanks which is mixed with water at the mine sites. DuPont has emergency information sheets for cyanide solution. The emergency response on a mine site would however be coordinated using the mine site emergency response plan and personnel.



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

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

*Summarize the basis for this Finding:*

The notification procedures, including telephone numbers, are described in the Emergency Response Plan. In the case of an emergency, drivers are instructed to contact the main office and DuPont. SETIQ is also notified in the case of any emergency. SETIQ is a service provider that notifies appropriate emergency responders. Drivers have the necessary telephone numbers noted on the paperwork they carry in their trucks and on the laminated cards they also carry with them. Interviews confirmed that DuPont Mexico works closely with its supply chain to ensure that notification procedures and telephone numbers remain current. The plan, including notification information, is also reviewed each year during the emergency drill.

Segutal reviews and practices their emergency response plan with DuPont at least once per year. During this review and practice session any information that needs to be updated is revised. All emergency information reviewed during the audit had been revised in either 2009 or 2010. Contact information was reviewed during the audit and was found to be accurate.

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  
    in substantial compliance with      Transport Practice 3.4  
    not in compliance with

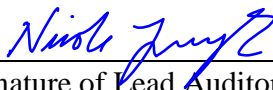
*Summarize the basis for this Finding:*

Segutal utilizes the DuPont "Transportation Emergency Information" sheets as part of the emergency preparedness documentation. Information about clean-up procedures and the neutralization of solids or contaminated debris is detailed on the information sheet.

DuPont maintains formal procedures that describe all of their operations including remediation and the prohibition of using decontamination chemicals in surface waters. Specific information regarding the appropriate use of chemicals and the ban of certain chemical use in water is contained within the Segutal emergency plan. Awareness of this requirement was confirmed through interviews with supply chain personnel. Interviews with DuPont personnel confirmed that technical experts from DuPont would take the lead in any remediation efforts that may be

DuPont Mexico Supply Chain

Name of Operation



Signature of Lead Auditor

August 26, 2010

Date




### ***Compliance finding for ALR Trucking Operations***

The ALR Trucking operations were evaluated against the Cyanide Code requirements documented in the *ICMI Cyanide Code (2009)*, *ICMI Cyanide Code Transportation Protocol (2009)*, and the *ICMI Auditor Guidance for Use of the Cyanide Transportation Verification Protocol (2009)*. The audit was conducted through discussions and interviews with multiple individuals in cross-functional roles at the company. Procedures, records, and equipment were evaluated for ALR personnel at several locations during the audit.

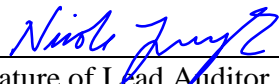
### ***ALR Trucking Operations - Auditor's Finding***

ALR Trucking Operations are in **FULL COMPLIANCE** with the International Cyanide Management Code.

Audit Company:	Management System Solutions, Inc. <a href="http://www.mss-team.com">www.mss-team.com</a>
Audit Team Leader:	Nicole Jurczyk E-mail: <a href="mailto:CodeAudits@mss-team.com">CodeAudits@mss-team.com</a>
Name & Signature of Technical Auditor:	Angel E. Arzaga, CDS 
Date(s) of Audit:	March 15-19, 2010

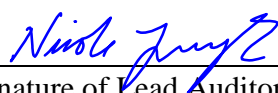
I attest that I meet the criteria for knowledge, experience and conflict of interest for Code Certification Audit Team Leader, established by the International Cyanide Management Institute and that all members of the audit team meet the applicable criteria established by the International Cyanide Management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

I attest that the Audit Reports accurately describe 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 Verification Protocol for Cyanide Transportation Operations and using standard and accepted practices for health, safety and environmental audits.

ALR		August 26, 2010
Name of Facility	Signature of Lead Auditor	Date

### ***Description of ALR's Role in the DuPont Mexico Supply Chain***

ALR is one of the two DuPont cyanide trucking partners in Mexico. ALR transports hazardous materials, general commodities and bulk shipments. They have operated in Mexico for over thirty (30) years. ALR has been part of the DuPont sodium cyanide supply chain since 2005. The ALR headquarters is in Monterrey, Mexico. ALR also operates a terminal facility from the same location. Trucks used for sodium cyanide transport are dispatched out of Monterrey. The ALR audit was

DuPont Mexico Supply Chain		August 26, 2010
Name of Operation	Signature of Lead Auditor	Date

performed in Monterrey where headquarter operations were reviewed, equipment and terminal maintenance records were evaluated and drivers were interviewed.

The headquarters/terminal is one of several terminals located in Mexico. ALR is one of the largest trucking companies in the country. ALR is ISO 9001:2000 certified and has integrated their safety program into their overall management system structure.

Sodium Cyanide FLO-BIN®s, drums and IBCs are loaded in the United States into tractor trailers which are trucked to Nuevo Laredo, Mexico. The trailer is interchanged to ALR from Empire Express (a U.S. DuPont trucking partner that is also a Cyanide Code Signatory). The shipment remains sealed and the unit is not opened by ALR employees during transit. ALR drivers pick up the unit with their tractors and deliver the shipments to destination warehouses. At the time of the audit, ALR was shipping cyanide to San Luis Potosi and Hermosillo.

### *ALR's Certification Audit Results*

#### **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  
    in substantial compliance with      Transport Practice 1.1  
    not in compliance with

#### *Summarize the basis for this Finding:*

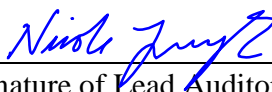
ALR uses a detailed routing selection method that takes into account population density, infrastructure, pitch & grade, proximity to water bodies, and prevalence and likelihood of poor weather and resulting poor driving conditions. Routes are evaluated at least every three years. Procedure P-751-17 was reviewed and sections 5.1 and 5.2 of this procedure specifically addressed Cyanide Code requirements. Interviews indicated that Mexican Law (NOM-012-SCT-2008) requires that a route risk assessment be done for hazardous material shipments and that the regulatory requirements match well with Cyanide Code risk assessment requirements.

The documented procedure to evaluate risks and take necessary countermeasures is part of the ALR procedure P-751-17. Many of the destinations to which ALR needs to deliver cyanide have limited options for which roadways can be used. Risk mitigation measures focus primarily on security, the avoidance of night-time driving, use of safe truck stops for overnight trips, and the use of escorts as required by DuPont or the mine customers. Risk mitigation measures focus primarily on security, the avoidance of night-time driving, use of safe truck stops for overnight trips, and the use of escorts as required by DuPont or the mine customers. Risk mitigation

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DuPont Mexico Supply Chain

Name of Operation



Signature of Lead Auditor

August 26, 2010

Date

measures also included the avoidance of high traffic times of day and the avoidance of roads that are dangerous in poor weather conditions. Notes within the route risk ranking documents indicated what risk mitigation measures are to be taken for specific routes. Drivers were interviewed and maps were referenced. Drivers showed excellent awareness of designated routes, risk mitigation measures, and general operating procedures.

Routes are reviewed at least every three years for adequacy and for any changes in conditions that would result in a changed risk ranking. Records were reviewed showing that the most recent route assessments had been conducted in 2010. The driver feedback process is integrated into the annual route review process. Records were available to show that drivers were refreshed on the cyanide routes and the addition of new truck stops in 2010. This information was also confirmed through interviews with management and several drivers. Approval records for several changes in routes were also available for review and were found acceptable.

ALR participates in the DuPont training and outreach activities regarding emergency response and maintains contact with SETIQ, an organization that provides emergency notification and coordination services (similar to CHEMTREC in the USA).

*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  
in substantial compliance with Transport Practice 1.2  
not in compliance with

*Summarize the basis for this Finding:*

Training records and interviews were used to confirm that all personnel operating cyanide transport equipment can perform their jobs safely and appropriately. Extensive employee records are maintained by Segutal and ALR at headquarters for each of the drivers. All drivers had valid commercial licenses with an “E” endorsement for hazardous material transport. Drivers were interviewed and displayed a very good understanding and awareness of company policies and procedures as well as regulatory requirements.

Training records were available for drivers to demonstrate that they had been trained on cyanide hazards, safe handling and emergency response. The auditors found that the drivers displayed a high level of safety awareness and understanding regarding their responsibilities.

DuPont Mexico Supply Chain

August 26, 2010

Name of Operation

Signature of Lead Auditor

Date



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

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

*Summarize the basis for this Finding:*

ALR has procedures in place to ensure that cyanide is transported in a manner that maintains the integrity of the producer’s packaging. The cyanide remains in the same trailer in which it was loaded, braced and blocked in the US and the entire trailer is “interchanged” at Nuevo Laredo, Mexico border with the US Carrier who brought it to that point. Trailers are not opened by ALR.

Placards are used by ALR to identify the shipments as cyanide, as required by local regulations and international standards. Appropriate placards are displayed on all four sides of the transport vehicles at all times. Equipment markings were found to be adequate and compliant.

ALR drivers conduct pre-trip inspections prior to departure and a post-trip report on the condition of the vehicle. Mechanical defects are called to the attention of a mechanic. Issues that would affect safety and/or legal compliance are resolved prior to movement off-site.

ALR performs preventive maintenance on all transportation equipment at regular intervals. The maintenance frequency is determined by mileage driven and ruggedness of the terrain. Pre-defined checklists showing the required maintenance tasks are used to record actions. The incoming and outgoing condition of the equipment is recorded on the checklists and associated repair orders. Records were reviewed and were found to be complete and acceptable.

ALR has a strong program for ensuring drivers do not violate their Hours of Service. No transportation of cyanide is permitted by DuPont or by Mexican law from 10PM until 5AM. Records were reviewed and were found to conform to procedural, DuPont, and regulatory requirements with regards to limitations on driver hours. Driver awareness of this requirement was excellent.

ALR does not load its trailers; the trailers are interchanged in Nuevo Laredo, Mexico from the U.S. trucking partner. ALR does, however, have procedures in place to address potential problems such as movement inside the trailer. ALR also performs a pre-trip inspection to confirm that the trailer is properly secured prior to departure. Interviews with drivers confirmed this practice. Procedures for such disruptions in operations are clearly defined and the dispatch center contacts DuPont as necessary.

ALR maintains a written drug abuse prevention policy. Training records on drug abuse prevention were reviewed and were found to be acceptable. ALR has a medical professional on staff that tests and evaluates all drivers prior to them being dispatched. Records were available

DuPont Mexico Supply Chain

Name of Operation

Signature of Lead Auditor

August 26, 2010

Date

to demonstrate that the requirements of each of the Code requirements in this section (1.4.3 a) through f)) had been fulfilled.

Transport Practice 1.5: Follow international standards for transportation of cyanide by sea and air.

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

*Summarize the basis for this Finding:*

This section of the Cyanide Code does not apply to this supply chain.

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

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

*Summarize the basis for this Finding:*

ALR maintains a satellite tracking system and drivers have cell phones at all times. Some drivers also have CB radios. Interviews with drivers indicated that there are no cell phone black out areas on the route to San Luis Potosi.

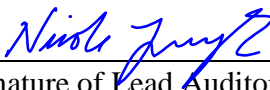
ALR maintains a shipment tracking procedure called "Satellite Tracking". Interviews were conducted with the ALR person who is primarily responsible for tracking shipments and with the Safety Director. The tracking system was demonstrated during the audit and all known cyanide trucks that were on the road at the time were visible through the system. Emails and phone calls are used to confirm the status of each shipment. Records were complete.

The following documentation is used to track inventory and movement of cyanide: bills of lading, vehicle weight upon filling or at the interchange point, vehicle weight upon arrival at destination, and shipping papers indicating the number of packages and amount of material. All of the abovementioned documents were sampled. Material management practices and inventory controls were found to be appropriate.

DuPont ensures that all shipping records show shipment details such as weight, number and type of packages, destination, and UN number. DuPont sends a copy of the MSDS a "Transportation Emergency Information" sheet with every shipment. Emergency contact numbers and response information is on the emergency sheet and drivers must sign that they have read the emergency

DuPont Mexico Supply Chain

Name of Operation



Signature of Lead Auditor

August 26, 2010

Date

response information each time they are dispatched with a cyanide shipment. Shipping documents were sampled and were found to be appropriate.

**2. INTERIM STORAGE: *Design, construct and operate cyanide trans-shipping depots and interim storage sites to prevent releases and exposures.***

Not Applicable - ALR is a trucking company and does not have interim storage responsibilities.

**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  
in substantial compliance with Transport Practice 3.1  
not in compliance with

*Summarize the basis for this Finding:*

ALR maintains an emergency response plan that fulfills Cyanide Code requirements. Drivers also carry the DuPont emergency information response sheets, a laminated card showing all emergency telephone numbers and procedures, and the MSDS with them during all deliveries.

The plans and information were reviewed and were found to be acceptable for ALR. All emergency response plans discuss the response to solid sodium cyanide, the only physical form transported or stored in this supply chain. ALR transports cyanide via truck and all scenarios considered in the plans were related to either truck accidents or small cyanide spills from packaging.

Roadway infrastructure differences, and the roles of the different emergency responders (i.e., DuPont personnel, warehouse personnel, mine personnel) are discussed in the emergency planning information. The design and types of transport equipment are considered in the emergency response plans. Response actions were also appropriately addressed in the plans.

The ALR emergency response plan and the DuPont emergency response information sheets define the roles of drivers, DuPont personnel and emergency responders. The DuPont Mexico operations also have the “Cyanides Global Response Plan for Off-Site Incidents” that contains all key procedures and contact information and is updated regularly.



on the paperwork they carry in their trucks and on the laminated cards they also carry with them. Interviews confirmed that DuPont Mexico works closely with its supply chain to ensure that notification procedures and telephone numbers remain current. The plan, including notification information, is also reviewed each year during the emergency drill.

ALR reviews and practices their emergency response plan with DuPont at least once per year. During this review and practice session any information that needs to be updated is revised. All emergency response information reviewed during the audit had been revised in either 2009 or 2010. Contact information was reviewed during the audit and was found to be accurate.

*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  
in substantial compliance with Transport Practice 3.4  
not in compliance with

*Summarize the basis for this Finding:*

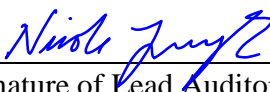
ALR utilizes the DuPont “Transportation Emergency Information” sheets as part of the emergency preparedness documentation. Information about clean-up procedures and the neutralization of solids or contaminated debris is detailed on the information sheet.

DuPont maintains formal procedures that describe all of their operations including remediation and the prohibition of using decontamination chemicals in surface waters. Additionally, the ALR emergency response plan, section 5.6.3 also states that decontamination chemicals are not to be used in water.

Specific information regarding the appropriate use of chemicals and the ban of certain chemical use in water is contained within the ALR emergency plan. Awareness of this requirement was confirmed through interviews with supply chain personnel. Interviews with DuPont personnel confirmed that technical experts from DuPont would take the lead in any remediation efforts that may be required after a spill. DuPont personnel all showed a high level of awareness of when and where cyanide treatment chemicals may be used.

DuPont Mexico Supply Chain

Name of Operation



Signature of Lead Auditor

August 26, 2010

Date



## Rail Carriers & Rail Yards – Summary of Due Diligence Investigations

### *Operational and Audit Information for Rail Carriers and Rail Yards*

Two Due Diligence Investigations of rail partners Ferrocarril Mexicano Railroad (Ferromex) and Kansas City Southern de Mexico (KCSM ) were conducted during this supply chain audit. Ferromex was formed in 1997 by a group which includes Grupo Mexico and the Union Pacific Railroad. KCSM is one of three railroads that comprise Kansas City Southern, an international holding company headquartered in Kansas City, Missouri, USA.

At the time of the audit, Mexican cyanide shipments were being routed from the DuPont Memphis Plant in the U.S. to customers in Mexico using rail and truck. Rail shipments cross the U.S./Mexican border at Laredo, Texas and Nogales, Arizona and are routed to either the San Luis Potosi warehouse or the Hermosillo warehouse. The cyanide is then offloaded and stored in the warehouses. Preference is given to using rail for the U.S.-Mexican segment rather than truck, but this is not always possible to business and customer requirements.

### *Compliance finding for Rail Carriers and Rail Yards*

The Due Diligence portion of this evaluation included a review of information available for the Mexico Supply Chain. The details regarding Ferromex and KCSM and rail yards were evaluated in order to confirm that DuPont's actual supply chain management practices match internal requirements and fulfill ICMI Cyanide Code requirements.

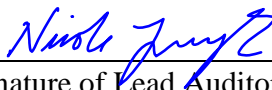
DuPont originally conducted a due diligence investigation in 2007 for both Ferromex and KCSM. As part of that investigation, each rail partner was asked to fill out a customized Cyanide Code Due Diligence protocol and participate in the interviews held during the 2007 Mexico Supply Chain audit. As part of this 2010 audit cycle, the information on the Due Diligence protocol was updated by the rail carriers together with the DuPont Rail Modal Leader. No significant changes have occurred to the operations or the information since 2007.

The information contained in this section of the report was gathered from the filled out protocols, a review of information in the DuPont transportation incident database, and interviews with DuPont personnel.

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DuPont Mexico Supply Chain

Name of Operation




Signature of Lead Auditor

August 26, 2010

Date

### ***DuPont Mexico Rail Carriers and Rail Yards - Auditor's Finding***

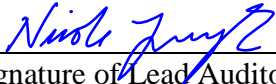
Due diligence investigations have been performed so that it can reasonably be concluded that Ferromex and KCSM rail carriers & rail yards used by DuPont for sodium cyanide shipments are in **FULL COMPLIANCE** with the International Cyanide Management Code.

Audit Company:	Management System Solutions, Inc. <a href="http://www.mss-team.com">www.mss-team.com</a>
Audit Team Leader:	Nicole Jurczyk E-mail: <a href="mailto:CodeAudits@mss-team.com">CodeAudits@mss-team.com</a>
Name and signature of Technical Auditor:	Angel E. Arzaga, CDS 
Date(s) of Audit:	March 15-19, 2010

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.

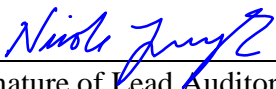
I attest that the Audit Reports accurately describe the findings of the certification audit. I further attest that the certification audit was conducted in a professional manner in accordance with the International Cyanide Management Code Verification Protocol for Cyanide Transportation Operations and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

DuPont Ferromex & KCSM  
Name of Operation

  
Signature of Lead Auditor

August 26, 2010  
Date

DuPont Mexico Supply Chain  
Name of Operation

  
Signature of Lead Auditor  
Page 40 of 47

August 26, 2010  
Date

## Description of Due Diligence Information Reviewed for Mexico Rail Carriers Ferromex and KCSM

### 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 management of Mexico Transport is:  consistent with Transport Practice 1.1  
substantially consistent  
not consistent

#### **Summary of the basis for this finding:**

DuPont started transporting Sodium Cyanide in the U.S. via rail in the 1980s. Transportation studies have shown that rail transportation of hazardous materials is significantly safer than truck transportation.

DuPont began shipping sodium cyanide with Ferrocarril Mexicano, S.A. de C.V. (Ferromex) in 1998, the year in which the Hermosillo warehouse was opened. The routing through Nogales using Ferromex was chosen because it offers the most direct routing with the safest topography and least number of interchanges between the U.S. border and the Hermosillo warehouse. DuPont began shipping sodium cyanide with Kansas City Southern de Mexico, S.A. de C.V. (KCSM) in 2006. The routing through Nuevo Laredo using KCSM was chosen because it offers the most direct routing with the least number of interchanges between the U.S. border and the San Luis Potosi warehouse. Alternative routing for both border crossings were discussed during the audit. The distances and transit times were considerably less than other possible routes. Rail transport is generally considered to be safer than truck transport and rail shipments generally travel through areas that are less densely populated than those surrounding highways.

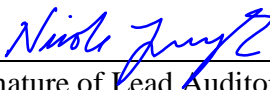
The railways maintain control over routing and employ specific safety measures to ensure the safest transit of hazardous materials possible. Interviews with DuPont personnel confirmed that the railway routes the hazardous shipments in such a way to reduce transit time and keep the cars moving.

The only rail yards in which cyanide shipments are interchanged on these two routes are the Laredo, Texas – Nuevo Laredo, Mexico rail yard border crossing and the Nogales, Arizona – Mexico border crossing. Both rail yards have high security due to their proximity to the U.S./Mexican Border. U.S. Regulations impose very specific requirements on railroads regarding the safe and quick transport of hazardous materials. Railroads are required to perform vulnerability risk assessments on their routes and rail yards and hazardous material rail cars are technically never allowed to be unattended. This requirement means that hazardous material rail

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DuPont Mexico Supply Chain

Name of Operation



Signature of Lead Auditor

August 26, 2010

Date







all package types. Seals are checked upon arrival and any instances of a security breach would be detected at that point.

**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 management of Mexico Transport is:  consistent with Transport Practice 3.1  
substantially consistent  
not consistent

***Summary of the basis for this finding:***

DuPont Mexico has an Emergency Response Plan that applies to all transportation incidents. Ferromex and KCSM representatives participate in the DuPont emergency response drills and safety meetings. DuPont has also transmitted its emergency response information to the railroads. The information was found to be appropriately detailed.

According to Cyanide Code protocol information, Ferromex and KCSM both have general safety programs that include accident prevention plans, emergency plans, and remediation plans. Ferromex involved the SCT (Transportation Bureau) and DuPont in the development of its response plans.

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

The management of Mexico Transport is:  consistent with Transport Practice 3.2  
substantially consistent  
not consistent

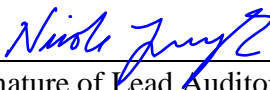
***Summary of the basis for this finding:***

Ferromex and KCSM reported that they contract with professional remediation firms that would assist in the case of a spill needing remediation. DuPont personnel confirmed that they would travel immediately to any site where DuPont material had been spilled. DuPont ensures emergency contact information (telephone number), and initial response information is clearly identified on every shipping paper for each shipment of Sodium Cyanide. DuPont has established its confidence in the Ferromex's and KCSM's abilities to respond to an emergency through interacting with them through safety forums and meetings. Interviews confirmed that DuPont and the railroads interact on a regular basis in regards to environmental and safety matters.

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DuPont Mexico Supply Chain

Name of Operation



Signature of Lead Auditor

August 26, 2010

Date



