

SUMMARY AUDIT REPORT FOR CYANIDE TRANSPORTATION OPERATIONS

Instructions

1. The basis for the finding and/or statement of deficiencies for each Transport Practice should be summarized in this Summary Audit Report. This should be done in a few sentences or a paragraph.
2. The name of the cyanide transportation operation, lead auditor signature and date of the audit must be inserted on the bottom of each page of this Summary Audit Report.
3. An operation undergoing a Code Verification Audit that is in substantial compliance must submit a Corrective Action Plan with the Summary Audit Report.
4. The Summary Audit Report and Corrective Action Plan, if appropriate, for a cyanide transportation operation undergoing a Code Verification Audit with all required signatures must be submitted in hard copy to:

**International Cyanide Management Institute (ICMI)
888 16th Street, NW, Suite 303
Washington, DC 2006, USA**

5. The submittal must be accompanied with 1) a letter from the owner or authorized representative which grants the ICMI permission to post the Summary Audit Report and Corrective Action Plan, if necessary, on the Code Website, and 2) a completed Auditor Credentials Form. The lead auditor's signature on the Auditor Credentials Form must be certified by notarization or equivalent.
6. Action will not be taken on certification based on the Summary Audit Report until the application form for a Code signatory and the required fees are received by ICMI from the applicable cyanide transportation company.
7. The description of the cyanide transport company should include sufficient information to describe the scope and complexity of its operation.

SUMMARY AUDIT REPORT

Name of Cyanide Transportation Facility: Trimac Transportation Services Inc. _____
Name of Facility Owner: Trimac _____
Name of Facility Operator: - _____
Name of Responsible Manager: Joe Shows Jr. (Manager Safety Services) _____
Address: Gateway I, Suite 300; 3663 N. Sam Houston Parkway E., Houston _____
State/Province: Texas _____ Country: U.S.A. _____
Telephone: (001) 225-673-2687 ex. 235 Fax: (001) 225-673-8504 E-Mail:
jshows@trimac.com

Additional contact person:
Bill Clark, ESHQ Compliance Manager (Cyanco)
Phone : (001) 215-321-7226
Fax : (001) 215-321-3944
E-Mail : bill.clark@cyplus.com

Location detail and description of operation:

The company Trimac Transportation Services Inc. (Trimac) is acting throughout North-America. Trimac is partner of the Responsible Care organization and member of the American Chemistry Council (ACC). According to their guideline "Service with safety" Trimac has published single policies which are focussed on quality, safety and environmental protection.

With respect to the Cyanide Transportation Verification Protocol of the ICMI, the scope of Trimac in transporting cyanide is exclusively the transportation of solid sodium cyanide between the production plant of Cyanco in the USA and a gold mine in Colorado/USA. The cyanide product is picked up from a manufacturing site that is certified to the ICMC standards by the ICMI and then moved to the mine site. The distance between these locations covers ca. 1.100 miles (one way), the frequency of shipments is roundabout 12 times per month. The job is carried out by Trimac branch 340; six drivers (in three teams, two drivers per team) are qualified for this purpose.

The client of these activities is the Cyanco organization. Each single order is released by Cyanco. The equipment to be used to transport sodium cyanide is supplied by Cyanco. The equipment includes chassis and IM 101 single walled heavy duty stainless steel containers. The motor trucks are supplied by Trimac.



Trimac Transportation Services Inc.
Name of Facility

Signature of Lead Auditor

Mar 24th, 2010
Date

SUMMARY AUDIT REPORT

Auditor's Finding

This operation is

- in full compliance
- in substantial compliance *(see below)
- not in compliance

with the International Cyanide Management Code.

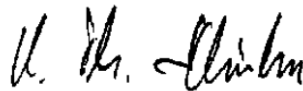
* For cyanide transportation operations seeking Code certification, the Corrective Action Plan to bring an operation in substantial compliance into full compliance must be enclosed with this Summary Audit Report. The plan must be fully implemented within one year of the date of this audit.

Audit Company: DQS GmbH; August-Schanz-Str. 21; D-60433 Frankfurt/Main____
 Audit Team Leader: Dr. Klinken, Heinz Theo E-mail: okt.klinken@t-online.de
 Names and Signatures of Other Auditors: not applicable_____

 Date(s) of Audit: January, 27th and March 14th, 2010 (documentation assessment)_____

I attest that I meet the criteria for knowledge, experience and conflict of interest for Code Verification 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 this Summary Audit Report accurately describes the findings of the verification audit. I further attest that the verification 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.



Trimac Transportation Inc.
Name of Facility

Signature of Lead Auditor

Mar 24th, 2010_
Date



Trimac Transportation Services Inc.
Name of Facility

Signature of Lead Auditor

Mar 24th, 2010
Date

SUMMARY AUDIT REPORT

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/Deficiencies Identified:

As part of Trimac's management system an extensive documentation has been established. Basic statements are summarized in the "Trimac Operating Standards". In addition, appropriate procedures, working instructions or significant manuals (e.g. driver's manual) are in place. In consideration of transportation of cyanide, Trimac has implemented a core procedure entitled "Solid Cyanide Shipments" that is reviewed and updated on January 2nd, 2009. Transport routes for shipments of Trimac in general are elaborated and submitted by a digital system that is provided by the service of "Qualcomm" company. The routes are selected under the focus to avoid population density; they consider infrastructure, pitch and grade and the prevalence and proximity of water bodies and fog as well. The designated route between the manufacturing facility and the goldmine follows the interstate system in the USA. The local routes between the sites and the USA interstate highways are approved for hazardous materials by the US Department of Transportation. For this reason it can be assumed that the road conditions in general are very stable. Trimac organization gets feedback from the drivers. Before and after each transport the drivers come into the office at Trimac branch 340 to communicate with the dispatcher. In addition, Trimac has implemented periodical meetings with the drivers. To calculate a new route if necessary is part of the branch dispatcher. Local community organizations have been established which are called "Local Emergency Planning Commissions" (LEPC). Trimac is cooperating with the LEPC's in the area of the Cyanco production facility and in the area of the mine site. The cyanide transportation are ordered by the Cyanco company. They are in close contact with the DETER organization (Evonik Degussa Team Emergency Response) by contract. The Trimac way to integrate external responders is organized by the "Branch Emergency Contingency Information". These external organizations are advised regarding their roles and mutual aid during an emergency response. In case of the regarding Cyanide transportations, Trimac briefly employs only own drivers and own personnel.

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.*



Trimac Transportation Services Inc.
Name of Facility

Signature of Lead Auditor

Mar 24th, 2010
Date

SUMMARY AUDIT REPORT

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/Deficiencies Identified:

The Trimac company only employs people who have a commercial driver license to operate its transport vehicles according to the law of the United States. The personnel are qualified and trained in an appropriate manner to fulfill the internal Trimac safety requirements. The basic document for instruction is the "Trimac Driver's Manual" for USA and Canada. All six Trimac employees performing the corresponding Cyanide transportations between the manufacturing facility and the mine site are listed. Their status of qualification and training scope is documented. Before they are allowed to transport Cyanide or to handle the transport equipment they need to pass the Trimac basic branch orientation and a safety seminar presented by the Manager of Trimac Safety Services. Trimac has established a Trimac Learning Center (TLC). Drivers must also complete the specialized training as presented by Cyanco (according to procedure "Solid Cyanide Shipments").

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

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

Summarize the basis for this Finding/Deficiencies Identified:

For the transport of solid sodium cyanide to the mine site certified ISO containers with single walled heavy duty stainless steel tanks are used. They are in the property of Cyanco. The corresponding chassis are leased. Periodic inspections and major repairs are to be performed under the responsibility of Cyanco; after 2.5 years every container runs through inspection with hydrostatic pressure testing every 5 years. Their specification considers the characteristics of cyanide in combination with the legal requirements about transportation of cyanide. No other material has been or will be transported in these ISO containers. The containers are loaded on a balance to control overloading.


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/Deficiencies Identified:

The procedure "Solid cyanide Shipments" covers all important regulations and information to ensure that cyanide is transported in a manner that maintains the integrity of the packaging (ISO containers).

Trimac Transportation Services Inc.
Name of Facility


Signature of Lead Auditor

Mar 24th, 2010
Date

SUMMARY AUDIT REPORT

For all Trimac transportations, the company provides general instructions which are summarized in the manuals "Trimac Operating Standards", "Trimac Driver's Manual" and "Trimac Product Stewardship: Chemical". These procedures and manuals (all revised in January 2009) cover programs and record control regarding vehicle inspections, preventive maintenance, drug abuse prevention or operating hours limitations. Load shifting is under control in the tank containers. They are labelled as required by local and international legislations.

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/Deficiencies Identified:
Not applicable

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/Deficiencies Identified: (Due to the sensitivity of security issues regarding storage of cyanide, no descriptions of substantial or non-compliance with this aspect of the Transport Practice should be provided.)

All trucks / transporters are equipped with a satellite communication system. All drivers have cell phones and the relevant phone numbers are all available in different documents. Along the complete route between the manufacturing facility and the mine site absolutely no blackout areas had been identified. There are different tools in place to control the inventory and the amount of cyanide during transportation, e.g. the bill of lading weights that are generated by a calibrated balance during loading the container. After finishing the loading process, all the container outlets are to be sealed. The container are to be weighed at the mine site. In fact of the satellite tracking system the trucks and containers are permanently under control. Material Safety Data Sheets are available and in place (at the production facility, on the trucks and at the mine site).

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.*



Trimac Transportation Services Inc.
Name of Facility

Signature of Lead Auditor

Mar 24th, 2010
Date

SUMMARY AUDIT REPORT

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/Deficiencies Identified: **

This chapter concerning interim storage is not applicable. In fact that there are two drivers (in one team) per trip performing those shipments the transport is not interrupted and because of this there is no interim storage.

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/Deficiencies Identified:

There are several emergency response plans in place for potential cyanide releases. In the above mentioned procedure (“Solid Cyanide Shipments”) emergency response is described. Another instruction is the Trimac policy entitled “Emergency Response – Canada and USA”. The different phases of the emergency response planning of Trimac is elaborated together with Cyanco. This makes sure that the selected transportation route and the physical and chemical form of cyanide is considered in an appropriate manner. As part of the emergency response plan, the driver take with them in their tractor different paperwork, documentation and equipment that considers the nature of the cyanide, the method of transport or the transport infrastructure as well. The role of outside responders, medical facilities or communities are covered with respect to the DETER organization. Their emergency hotline is published in different instructions and procedures. DETER (Evonik Degussa Team Emergency Response) is essential for the success of the emergency response activities. DETER serves as emergency coordinator; he provides 24-hour immediate verbal response and coordinates ultimate resolution to all emergency calls. Within this function, the emergency coordinator’s responsibilities include determination of the emergency situation and potential threat to the public and to the environment, determination of the need to call for outside emergency assistance or to determine public and media notifications through DETER.



Trimac Transportation Services Inc.
Name of Facility

Signature of Lead Auditor

Mar 24th, 2010
Date

SUMMARY AUDIT REPORT

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

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

Summarize the basis for this Finding/Deficiencies Identified:

The transporter provides emergency response training on different levels. Knowledge and capability of the management is assured by training courses and practical exercises. All the drivers for cyanide transportation receive annual Hazmat trainings that covers emergency response situations in an adequate manner. The descriptions of the specific emergency response duties are stated in different papers. The most important and instructive guideline is the Trimac driver’s manual, accompanied by the Trimac operating standards. In case of emergency, DETER is coordinating the relevant responding steps. All cyanide transportation trucks are equipped with a spill kit to respond to emergencies. Completeness is controlled in accordance to the daily driver vehicle inspection report. Personal protective equipment is available and in function.

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/Deficiencies Identified:

The procedure “Solid Cyanide Shipment” defines the emergency response activities. This procedure refers to DETER and to the Spill Center. Especially DETER coordinates the necessary steps to provide all concerned persons, agencies and communities with relevant information. Internal and external emergency notification as well as reporting procedures are included in the DETER process. DETER is kept current by monthly checks.

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



Trimac Transportation Services Inc.
Name of Facility

Signature of Lead Auditor

Mar 24th, 2010
Date

SUMMARY AUDIT REPORT

Summarize the basis for this Finding/Deficiencies Identified:

All remediation activities are done by external contractors but initiated and controlled by DETER. They make sure that the right and correct steps and activities are done. The corresponding remediation procedures for cyanide release are communicated to the external contractors that undertake the remediation activity. Treatment of cyanide with chemicals is prohibited by internal regulations.

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

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

Summarize the basis for this Finding/Deficiencies Identified:

The emergency response plans and the corresponding procedures are reviewed and evaluated periodically (DETER: once per month, Trimac procedures: at least annually). Mock emergency drills are conducted all over the Trimac company, DETER processes are included (see mock drill report, dated on Dec 29th, 2009). There are periodical reviews and evaluations of the emergency response plans. These reviews cover the ERP's performance after their implementation as well. If necessary they will be revised.



Trimac Transportation Services Inc.
Name of Facility

Signature of Lead Auditor

Mar 24th, 2010
Date