

INTERNATIONAL CYANIDE MANAGEMENT CODE CYANIDE TRANSPORTATION

SUMMARY AUDIT REPORT *WEST AUSTRALIAN SUPPLY CHAIN*



***PREPARED FOR:
AUSTRALIAN GOLD REAGENTS PTY. LTD.***

April 2010

SUMMARY AUDIT REPORT

TABLE OF CONTENTS

1.	INTRODUCTION.....	3
1.1	Audit and Operational Information.....	3
1.2	Location and Description of Operation.....	3
1.3	Audit Findings and Attestation.....	7
2.	AGR SUMMARY AUDIT FINDINGS	8
2.1	Audit and Operational Information.....	8
2.2	Audit Finding.....	8
3.	AUSTRALIAN RAIL GROUP	15
3.1	Audit and Operational Information.....	15
3.2	Scope and Summary of Due Diligence Investigation	15
4.	COOGEE CHEMICALS LIMITED	16
4.1	Audit and Operational Information.....	16
4.2	Audit Findings	16
5.	MITCHELL CORP	21
5.1	Audit and Operational Information.....	21
5.2	Audit Findings	21
6.	P&O TRANS AUSTRALIA.....	26
6.1	Audit and Operational Information.....	26
6.2	Audit Findings	26
7.	DP WORLD FREMANTLE.....	31
7.1	Audit and Operational Information.....	31
7.2	Scope and Summary of Due Diligence Investigation	31
8.	PATRICK TERMINALS.....	32
8.1	Audit and Operational Information.....	32
8.2	Scope and Summary of Due Diligence Investigation	32

FIGURES

Figure 1 AGR Cyanide Transportation Distribution Network Map and port stevedoring operations of Patrick and DP World

SUMMARY AUDIT REPORT

1. INTRODUCTION

1.1 Audit and Operational Information

Name of Cyanide Transportation Facility: West Australian Supply Chain
Name of Facility Owner: Australian Gold Reagents Pty. Ltd.
Name of Facility Operator: CSBP Ltd.
Name of Responsible Manager: Mr. Tony Kelly, Technical Support Manager
Sodium Cyanide
Address: Kwinana Beach Road, Kwinana
Western Australia, Australia, 6966
Telephone/Fax: (+61 8) 9411 8777 / (+61 8) 9419 7070
Email: tony.kelly@csbp.com.au
Audit Protocol Employed: International Cyanide Management Institute,
Cyanide Transportation Protocol, October 2009
Refer: www.cyanidecode.org

1.2 Location and Description of Operation

Australian Gold Reagents Pty. Ltd. (AGR) is the management company of the unincorporated joint venture between CSBP Ltd. and Coogee Chemicals Ltd. CSBP, part of Wesfarmers Ltd., is the major participant in the venture and acts as both plant operator and sales agent. Coogee Chemicals Ltd. is a local manufacturer and distributor of industrial chemicals.

The AGR cyanide production facility is located within CSBP's fertilizer and chemicals complex at Kwinana, some 40 km south of Perth within the state of Western Australia. AGR produces and transports two different forms of sodium cyanide from the Kwinana production facility, namely solution and solids. Sodium cyanide solution is produced as a 30% liquid and solid sodium cyanide as a >97% white briquette.

CSBP, in its capacity as the sales agent for AGR, is responsible for the overall management of the sodium cyanide transportation activities including emergency response in accordance with the relevant statutory obligations, Ministerial conditions and the Western Australia Hazardous Materials Emergency Management Plan (HAZMAT). CSBP assumes the responsibility of "consignor" under the Western Australia Dangerous Goods Transport legislation.

The transportation of both liquid and solid sodium cyanide within Western Australia is undertaken by rail and/or road along recognised dangerous goods routes classified by the relevant authorities. The transport distribution network includes contracted transport providers servicing the Fremantle Port (for export) and various gold mining operations located within Western Australia, the overall management of which is provided by way of the CSBP Sodium Cyanide Transport Management Plan. The transport distribution network, termed the West Australian Supply Chain, has developed since the June 2006 Code

SUMMARY AUDIT REPORT

verification audit to include the delivery of liquid sodium cyanide to a gold mine in the South West region of Western Australia.

The West Australian Supply Chain includes the following components:

- **Australian Gold Reagent (AGR)**'s primary role in the supply chain is that of the cyanide consignor. In this role, the major areas where AGR provides services and support to the other supply chain entities are:
 - transport route selection;
 - provision of the cyanide safety management program for the entire cyanide supply chain through procedures and documented systems;
 - provision of cyanide specific training to road transport operators and rail loading/unloading personnel;
 - provision of a preventative maintenance program for cyanide isotainers and seatainers;
 - tracking of cyanide road and rail shipments throughout the supply chain to prevent losses, and;
 - Provision and implementation of emergency response plans and resources throughout the entire supply chain.

In addition, the AGR cyanide production facility located at Kwinana, acts as the first component of the cyanide supply chain. AGR's Kwinana facility includes the road and rail loading facilities for liquid sodium cyanide using isotainers and the loading of solid sodium cyanide in seatainers for road transport to the Fremantle port and the Kwinana rail siding. Interim storage of both solid and liquid sodium cyanide occurs at this facility.

- **Australian Rail Group (ARG)** operates the rail network that receives liquid sodium cyanide, in CSBP owned isotainers, from AGR's Kwinana manufacturing facility for rail transport initially to the Forrestfield Rail Yard where trains are assembled for transport to the West Kalgoorlie rail facility. Liquid sodium cyanide isotainers are unloaded at the West Kalgoorlie facility for interim storage and transport by road to regional customers. Solid sodium cyanide is also loaded onto the ARG rail network using seatainers from the AGR Kwinana manufacturing plant. The solid sodium cyanide seatainers are then railed to the Forrestfield rail yard where trains are assembled for transport to the West Kalgoorlie rail facility for interim storage and distribution to regional customers. A due diligence investigation of compliance with the ICMI Transport Code of Practice was undertaken of the ARG rail network by CSBP in February 2009. The due diligence investigation was undertaken within one year of the October 26 2009 Code changes and hence qualifies pursuant to ICMI's Transition Process for inclusion in this supply chain audit.
- **Coogee Chemicals - Specialised Bulk Liquid Dangerous Goods Transport Division** (Coogee) trucks receive solid sodium cyanide in seatainers for road transport along approved routes to the ARG's Kwinana rail siding for loading onto the rail network. Coogee also receives liquid sodium cyanide in isotainers for road transport to regional Western Australian customers along approved transport routes. Coogee may, under emergency situations, also transport both liquid and solid sodium cyanide along approved contingency routes to the regional customers in the event that the rail network is not accessible.

SUMMARY AUDIT REPORT

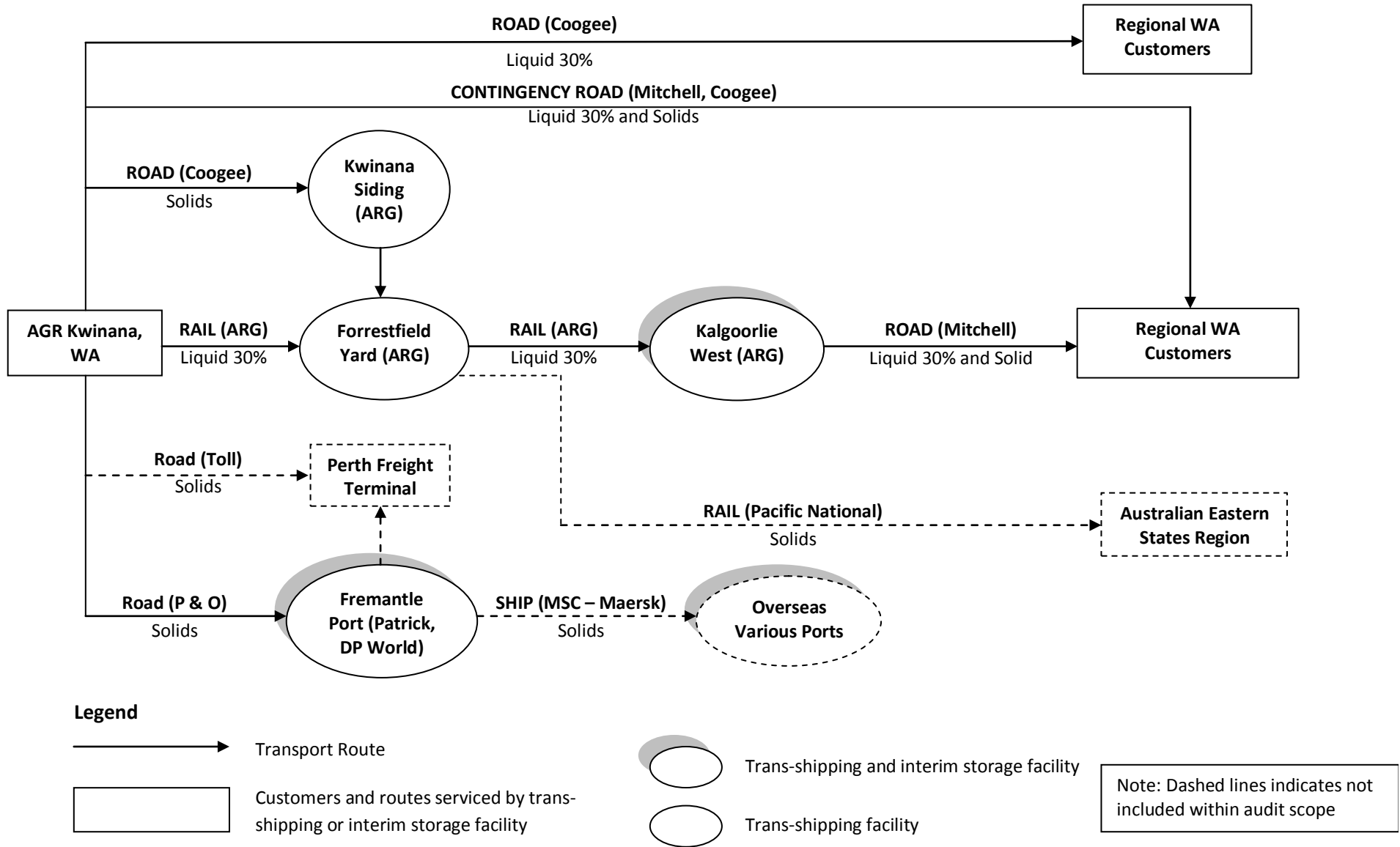
- **Mitchell Corp.** (Mitchell) transports liquid and solid sodium cyanide by road from the ARG West Kalgoorlie facility to regional customers. Mitchell may, under emergency situations, also transport both liquid and solid sodium cyanide from AGR's Kwinana manufacturing plant along approved contingency routes to the regional customers in the event that the rail network is not accessible.
- **P&O Trans Australia** (P&O) transports solid sodium cyanide in seatainers along an approved road route from AGR's Kwinana manufacturing plant to the Port of Fremantle for unloading prior to shipping.
- **Patrick Terminals** (Patrick) operates stevedoring facilities at the Port of Fremantle and unloads solid sodium cyanide seatainers from trucks for interim storage at a dedicated storage facility prior to loading onto ships for supply to overseas customers. A due diligence investigation of compliance with the ICMI Transport Code of Practice was undertaken of Patrick's operations by CSBP in December 2008. The due diligence investigation was undertaken within one year of the October 26 2009 Code changes and hence qualifies pursuant to ICMI's Transition Process for inclusion in this supply chain audit.
- **DP World Fremantle** (DP World) operates stevedoring facilities at the Port of Fremantle and unloads solid sodium cyanide seatainers from trucks prior to loading onto ships for supply to overseas customers. A due diligence investigation of compliance with the ICMI Transport Code of Practice was undertaken of DP World's operations by CSBP in December 2008. The due diligence investigation was undertaken within one year of the October 26 2009 Code changes and hence qualifies pursuant to ICMI's Transition Process for inclusion in this supply chain audit.

A copy of the AGR West Australian Supply Chain developed during the audit is provided as Figure 1.



SUMMARY AUDIT REPORT

Figure 1: AGR Cyanide Transportation Distribution Network Map and Port Stevedoring Operations of Patrick and DP World



SUMMARY AUDIT REPORT

Auditor's Finding

1.3 Audit Findings and Attestation

The AGR West Australian supply chain is

- in full compliance
 in substantial compliance
 not in compliance

with the International Cyanide Management Code

Audit Company: Independent Metallurgical Operations Pty. Ltd. (IMO)
Date(s) of Audit: Inclusive of the period 7th August to 14th August, 2009
Audit Team Leader: John Miragliotta (john.miragliotta@sustainability.net.au)
Names and Signatures of Other Auditors:

<u>Name of Auditor</u>	<u>Signature</u>	<u>Date</u>
Philip B. Loffman		10 April 2010

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 Detailed 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.

Australian Gold Reagents Pty. Ltd.
West Australian
Supply Chain
Facility:


Signature of Lead Auditor 10 April 2010
Date:

SUMMARY AUDIT REPORT

2. AGR SUMMARY AUDIT FINDINGS

2.1 Audit and Operational Information

Name of Cyanide Transportation Facility: AGR Kwinana
Name of Facility Owner: Australian Gold Reagents Pty. Ltd.
Name of Facility Operator: CSBP Ltd.
Name of Responsible Manager: Mr. Tony Kelly, Technical Support Manager
Sodium Cyanide
Address: Kwinana Beach Road, Kwinana
Western Australia, Australia, 6966
Telephone/Fax: (+61 8) 9411 8777 / (+61 8) 9419 7070
Email: tony.kelly@csbp.com.au
Audit Protocol Employed: International Cyanide Management Institute,
Cyanide Transportation Protocol, October 2009.
Refer: www.cyanidecode.org

2.2 Audit Finding

AGR Kwinana is in full compliance **with the International Cyanide Management Code**
 in substantial compliance
 not in compliance

This finding is relevant to AGR's activities in ensuring compliance of its cyanide carriers with the Code transport standards of practices, and its activities in cyanide loading and interim storage at the AGR Kwinana facility.

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.*

AGR Kwinana is in full compliance **with Transport Practice 1.1**
 in substantial compliance
 not in compliance

Basis for this Finding/Deficiencies Identified:

AGR, through its transport consigner, CSBP, has demonstrated that cyanide has been transported along recognized dangerous goods routes classified by the relevant authorities and in accordance with specific Western Australian transport approval conditions. These routes are selected and approved on the basis of minimizing the potential for accidents and release of cyanide and minimizes the potential impact of such events. The route selection and

SUMMARY AUDIT REPORT

approvals process includes procedures to be in place for road transport times of operation and truck configurations. AGR requires contracted transporters to comply with its approved transport routes and cyanide transport procedures through specific contract conditions. AGR and their specialist consultants have continued to review the route and transport mode options every two years in accordance with the CSBP Cyanide Transport Management Plan and procedures. This review process includes consideration of feedback on route conditions provided by the transport operators and the outcomes of consultations with statutory regulators, emergency responders and other stakeholders. New routes have been assessed in accordance with the Transport Management Plan and procedures since the previous Code compliance audit.

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.*

AGR Kwinana is **in full compliance** **with Transport Practice 1.2**
 in substantial compliance
 not in compliance

Basis for this Finding/Deficiencies Identified:

CSBP, on behalf of AGR, has demonstrated that a comprehensive competency based awareness and emergency response training management program has been maintained for all transport modes and service contractors. The transport operators are required to meet the minimum competency standards and dangerous goods licensing requirements as stipulated in the Transport Management Plan and the Vehicle Operator's Handbook. Both of these documents are included in contract requirements for transporters for AGR. The transport operator training includes induction of new drivers to ensure continuous awareness of the Transport Management Plan and the Vehicle Operator's Handbook. CSBP maintains records of initial and refresher training undertaken and the appropriate driver accreditations. Although AGR/CSBP provides cyanide specific training to the transporters, heavy haulage and dangerous goods management training of operators is provided by the contracted transport companies in accordance with the minimum standards prescribed in the Transport Management Plan and the Vehicle Operators Handbook.

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

AGR Kwinana is **in full compliance** **with Transport Practice 1.3**
 in substantial compliance
 not in compliance

Basis for this Finding/Deficiencies Identified:

The CSBP Transport Management Plan includes the use of purpose built isotainers for the road and rail transport of liquid cyanide to AGR's Western Australian based customers. CSBP continues to maintain evidence that demonstrates compliance with its isotainer certification and preventative maintenance program over the period since the initial Code compliance audit. Solid cyanide is transported within approved IBC packaging which is transported within seaintainers. Evidence was sighted during the audit that the contract road transport providers employ vehicle operators, prime movers and trailers licensed and approved by the relevant authorities, consistent with the AGR contract requirements. The rail

SUMMARY AUDIT REPORT

service provider ARG maintains a comprehensive Rail Safety Management System which includes procedures and manuals for equipment specifications and maintenance to ensure compliance with Western Australian Dangerous Goods Transport legislation. The contracts with transport providers continue to specify that equipment must comply with dangerous goods transport applicable laws.

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

AGR Kwinana is **in full compliance** **with Transport Practice 1.4**
 in substantial compliance
 not in compliance

Basis for this Finding/Deficiencies Identified:

The CSBP Transport Management Plan describes the responsibilities, roles and procedures relating to the safe handling, temporary storage and transport of cyanide. The Transport Management Plan includes minimum requirements for signage and placarding of cyanide loads. The Vehicle Operator's Handbook requires comprehensive recorded inspections prior to each cyanide transport event. Cyanide load restraint requirements for transporters are prescribed in the Transport Management Plan and Vehicle Operators Handbook. Procedures are in place for modification or suspension of cyanide transport operations and shipment plans in response to inclement weather or civil unrest. Drug abuse prevention programs are specified for all cyanide transporters within the minimum standards of accreditation and licensing specified in the Transport Management Plan. CSBP has verified that contract road transport providers continue to maintain heavy vehicle accreditation with the relevant authorities in relation to driver competency, preventative maintenance and fatigue management. ARG maintains and continues to implement a comprehensive Rail Safety Management System which is subject to audits by CSBP for compliance with the CSBP Transport Management Plan. The rail transport operations maintain records that demonstrate continuous compliance with relevant statutory authority requirements, legislation and ICMI Code requirements. Compliance with relevant authorities and Western Australian Dangerous Goods Transport legislation is a CSBP transport service provider contract requirement. These regulatory safety obligations include measures that reflect the requirements of the ICMI Code for transport operations in regard to placarding, load restraint, inspection programs, driver fatigue and emergency/unplanned events. A review of cyanide transport safety incident reports verified that transport operators are continuing to report transport hazards and actions are taken to remove or minimize the safety risks posed by these hazards.

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

AGR Kwinana is **in full compliance** **in relation to Transport Practice 1.5**
 in substantial compliance
 not in compliance
 not applicable

Basis for this Finding/Deficiencies Identified:

Transportation by sea or air is not undertaken by AGR within Western Australia and therefore this transport practice was not assessed within the scope of the transportation recertification audit.

SUMMARY AUDIT REPORT

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

in full compliance

AGR Kwinana is

in substantial compliance

with Transport Practice 1.6

not in compliance

Basis for this Finding/Deficiencies Identified:

CSBP, on behalf of AGR, has maintained shipping and handling records which demonstrate that cyanide deliveries are suitably reconciled with production and shipping quantities. Transport contractors maintain communication and tracking procedures in accordance with CSBP's Transport Management Plan which includes the use of mobile phones, radios and real time GPS tracking systems. Rail locomotives are provided with mobile phones and radios and are tracked continuously by the train management and control centres. Communication blackout areas for mobile telephones have been identified for each transport route and suitable contingencies have been developed to address these limitations. Copies of the relevant Material Safety Data Sheets (MSDS) are included in the Vehicle Operator's Handbook and must be carried in the driver's cab at all times. CSBP undertakes regular audits of contractor compliance with the CSBP Transport Management Plan to monitor the implementation of cyanide tracking measures during shipping.

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.*

in full compliance

AGR Kwinana is

in substantial compliance

with Transport Practice 2.1

not in compliance

Basis for this Finding/Deficiencies Identified:

The storage of cyanide products at the production facility ensures liquid isotainers are stored outside on a low permeability compound that is drained to a collection sump. Solid cyanide is stored within sealed bulk containers which are then placed within a sealed shipping container. The storage at the production facility prior to transport includes adequate security, signage, separation from incompatible chemicals and measures and procedures for the clean up of spillages. CSBP, on behalf of AGR, has undertaken due diligence reviews of temporary storage at the rail terminals and at the Fremantle Port to monitor the compliance of these storage facilities with Transport Practice 2.1. In addition, this audit reviewed the rail and port temporary storage facilities and verified that the security, signage, containment, placement and ventilation requirements were in full compliance with Code requirements.

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.*

in full compliance

AGR Kwinana is

with Transport Practice 3.1

SUMMARY AUDIT REPORT

- in substantial compliance
- not in compliance

Basis for this Finding/Deficiencies Identified:

CSBP, acting on behalf of AGR, is responsible for the overall management of the cyanide transportation activities including emergency response in accordance with the relevant statutory authorities and Ministerial approval conditions. These statutory emergency response requirements reflect ICMI transport code requirements including consideration of route selection, mode of transport, interim storage, physical nature of the cyanide and the roles of external responders. The CSBP Transport Management Plan provides the emergency response plans of sufficient detail to meet the statutory obligations and is aligned to the Western Australian Hazardous Materials Management Plan (HAZMAT). The Transport Management Plan is supported by CSBP's Crisis Management Plan and the emergency procedures provided in the Vehicle Operator's Handbook. Contracted transport service providers and external service provider roles and responsibilities in relation to emergency response are clearly stated in the Transport Management Plan. The plans have been reviewed and updated at least annually over the previous three years.

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

in full compliance

AGR Kwinana is

- in substantial compliance
- not in compliance

with Transport Practice 3.2

Basis for this Finding/Deficiencies Identified:

Specialised cyanide transport incident Emergency Response (ER) is provided throughout the supply chain by two dedicated CSBP response teams located at Kwinana. Training of the ER teams is provided by a combination of internal and external accredited personnel and mock drill exercises. Training records are available to demonstrate that the ER teams have maintained the required competencies since the previous Code compliance audit. CSBP also provides cyanide awareness and initial response training for all transport contractors except for ARG Forrestfield and Kwinana personnel who have their own ER training which is subject to CSBP due diligence reviews. Details of the roles, duties and responsibilities of ER personnel and the equipment requirements are described within the CSBP Transport Management Plan and related ER procedures. The ER response teams provide continuous response availability to all carriers in the supply chain and have access to a comprehensive range of emergency response equipment at AGR's Kwinana production facilities. The CSBP Transport Management Plan includes a list of the available equipment at Kwinana, equipment provided with the transport vehicles and details of the ferrous sulphate stocks located strategically along the transport routes and at the interim storage facilities. ER for cyanide incidents at the Port of Fremantle is coordinated and directed by the Fremantle Port Authority using the Port's ER plans. However, CSBP's ER response teams provide technical support to the Port for cyanide related emergency scenarios.

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

AGR Kwinana is

in full compliance

with Transport Practice 3.3

SUMMARY AUDIT REPORT

- in substantial compliance
- not in compliance

Basis for this Finding/Deficiencies Identified:

CSBP has continued to maintain a dedicated 1800 emergency contact telephone number which reports direct to the Kwinana Emergency Control Centre (manned 24 hours, 365 days). This contact information is applicable throughout the supply chain and available to all the carriers within the supply chain through the Transport Management Plan and the Vehicle Operator's Handbook. CSBP's ER plans reflect the external reporting coordinated through the state HAZMAT plan. Controlled hard copy versions of the emergency response contact lists (including but not limited to AGR and CSBP management and emergency response personnel, outside responders, port and customer mine site emergency personnel, and other response and contract transport personnel along the transport network) are maintained at the Kwinana Emergency Control and Response Centres. Emergency contact details are also provided within the CSBP Transport Management Plan and Vehicle Operator's Handbook. CSBP have developed and maintain an intranet based management system within which document controlled versions of existing plans, procedures, forms, contact and checklists are available.

Transport Practice 3.4: *Develop procedures for remediation of releases that recognize the additional hazards of cyanide treatment chemicals.*

in full compliance

AGR Kwinana is

- in substantial compliance
- not in compliance

with Transport Practice 3.4

Basis for this Finding/Deficiencies Identified:

The CSBP Transport Management Plan, provided to all carriers in the supply chain, includes procedures for the handling, containment, recovery, treatment, neutralisation and clean up for a range of liquid and solid cyanide scenarios associated with both road and rail transport. This includes specific procedures in relation to the use of cleanup chemicals for both surface water and underground water scenarios and includes the prohibition of sodium hypochlorite, ferrous sulphate and hydrogen peroxide to treat cyanide that has been released into surface waters. The procedures have been revised periodically since the initial Code compliance audit.

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

in full compliance

AGR Kwinana is

- in substantial compliance
- not in compliance

with Transport Practice 3.5

Basis for this Finding/Deficiencies Identified:

The CSBP Transport Management Plan, which includes the emergency response plans, includes a commitment from AGR to undertake both external and internal audits of all carriers within the supply chain against the requirements of the Plan. Evidence exists that the Transport Management Plan and associated emergency response documents have previously been reviewed and updated. Annual audits of the Transport Management Plan, including emergency response aspects are undertaken by an independent external company. These

SUMMARY AUDIT REPORT

audits have been completed for all carriers within the supply chain. The Transport Management Plan also includes a requirement for the planning, training and emergency exercises and a specific procedure exists for emergency scenario development and training. Cyanide emergency exercises (including outside responders and transport contractors as appropriate) are undertaken on a biannual basis with the last full cyanide emergency response exercise being conducted at the ARG West Kalgoorlie Terminal in October 2007. A desk top exercise is planned in September 2009 at a southern region shire council followed by another full exercise at a newly commissioned southern region gold mine. CSBP maintains records of the emergency mock drill exercises which includes the exercise details, findings and applicable action items.



SUMMARY AUDIT REPORT

3. AUSTRALIAN RAIL GROUP

3.1 Audit and Operational Information

Australian Rail Group (ARG) offices are located in Perth Western Australia. ARG is an above rail bulk freight company hauling a range of commodities for Western Australian primary industries and the mining and resources sector. This includes grain, livestock, sugar, minerals, lead, copper, sulphur and dangerous goods. ARG operates the daily rail service for dangerous goods between Kwinana, Perth and Kalgoorlie for servicing the mining and resources sector.

ARG is part of QR Limited which is a Queensland Government owned Corporation that is registered as a public company. Commercially it is Australia's largest freight company by volume and the largest coal hauler. On the community side QR Limited is Queensland's number one provider for commuter transport,

ARG operates the rail network that receives liquid sodium cyanide, in CSBP owned isotainers, from ARG's Kwinana manufacturing facility for rail transport initially to the Forrestfield Rail Yard where trains are assembled for transport to the West Kalgoorlie rail facility. Liquid sodium cyanide isotainers are unloaded at the West Kalgoorlie facility for interim storage and transport by road to regional customers. Solid sodium cyanide is also loaded onto the ARG rail network using seatainers from the ARG Kwinana manufacturing plant. The solid sodium cyanide seatainers are then railed to the Forrestfield rail yard where trains are assembled for transport to West Kalgoorlie rail facility for interim storage and distribution to regional customers. A due diligence investigation of compliance with the ICMI Transport Code of Practice was undertaken of the ARG rail network by CSBP in February 2009. The due diligence investigation was undertaken within one year of the October 26 2009 Code changes and hence qualifies pursuant to ICMI's Transition Process for inclusion in this supply chain audit.

3.2 Scope and Summary of Due Diligence Investigation

The due diligence review of ARG's cyanide transport operations was undertaken by CSBP in February 2009. This due diligence report was reviewed by the audit team's transport technical auditor, Phil Loffman, who found that the operations of ARG had been comprehensively evaluated through the due diligence and that actions identified had been addressed. The scope of the due diligence review includes ARG's rail operations for both solid sodium cyanide, from the Kwinana freight terminal, and liquid sodium cyanide solution, from CSBP, to the West Kalgoorlie Container Terminal. The interim storage and loading at the West Kalgoorlie terminal was also reviewed. The Due Diligence made specific findings on the emergency response capabilities, the suitability and security at the West Kalgoorlie Terminal, the tracking of consignments, inspection of equipment and containers and training of personnel. The actions arising from the due diligence report were followed up and closed out through the CSBP and ARG corrective action tracking systems.

SUMMARY AUDIT REPORT

4. COOGEE CHEMICALS LIMITED

4.1 Audit and Operational Information

Coogee Chemicals - Specialised Bulk Liquid Dangerous Goods Transport Division (Coogee) is based in Kwinana Western Australia. Coogee offers its customers a transport service from the customer's operation or Coogee Chemicals' manufacturing facilities and tank terminals to the point of use. Coogee has a specialised fleet of dangerous goods road tankers and trailing equipment. The company services transport requirements throughout Western Australia.

Coogee trucks receive solid sodium cyanide in seaintainers for road transport along approved routes to the ARG's Kwinana rail siding for loading onto the rail network. Coogee also receives liquid sodium cyanide in isotainers for road transport to regional Western Australian customers along approved transport routes. Coogee may, under emergency situations, also transport both liquid and solid sodium cyanide along approved contingency routes to the regional customers in the event that the rail network is not accessible.

4.2 Audit Findings

Coogee Chemicals is **in full compliance** **with the International Cyanide Management Code**
 in substantial compliance
 not in compliance

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.*

Coogee Chemicals is **in full compliance** **with Transport Practice 1.1**
 in substantial compliance
 not in compliance

Basis for this Finding/Deficiencies Identified:

The selection of road transport routes is undertaken by AGR in accordance with the requirement of the ICMI Transport Code (as described in 2.2.1 above). The route selection is carried out by AGR on behalf of all carriers within the supply chain.

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.*

Coogee Chemicals is **in full compliance** **with Transport Practice 1.2**
 in substantial compliance
 not in compliance

SUMMARY AUDIT REPORT

Basis for this Finding/Deficiencies Identified:

CSBP, on behalf of AGR, has demonstrated that a comprehensive competency based awareness and emergency response training management program has been maintained for all Coogee operators. AGR provides the cyanide and emergency response training components, while Coogee Chemicals are responsible for ensuring drivers hold appropriate heavy vehicle and dangerous goods carrier accreditations.

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

in full compliance

Coogee Chemicals is in substantial compliance **with Transport Practice 1.3**
 not in compliance

Basis for this Finding/Deficiencies Identified:

Coogee provides vehicle operators, prime movers and trailers for the transport of AGR owned and managed liquid sodium cyanide isotainers and solid sodium cyanide seatainers. Evidence was sighted during the audit that Coogee employs vehicle operators, prime movers and trailers licensed and approved by the relevant authorities, consistent with the AGR contract requirements. The AGR contract with Coogee continues to specify that equipment must comply with dangerous goods transport applicable laws. These requirements include ICMI Transport Code obligations for transport equipment design and maintenance to be relevant to the loads being handled, procedures to verify the suitability of load bearing equipment and procedures to prevent overloading.

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

in full compliance

Coogee Chemicals is in substantial compliance **with Transport Practice 1.4**
 not in compliance

Basis for this Finding/Deficiencies Identified:

The CSBP Transport Management Plan describes the responsibilities, roles and procedures relating to the safe handling, temporary storage and transport of cyanide. CSBP undertakes audits of Coogee to determine compliance with the safety requirements of the Transport Management Plan and the Vehicle Operator's Handbook. The audits verified that Coogee continues to maintain heavy vehicle accreditation with the relevant authorities in relation to driver competency, preventative maintenance and fatigue management. These audits also provide verification of continued compliance with the ICMI Transport Code requirements.. A review of cyanide transport safety incident reports verified that Coogee is continuing to report transport hazards and actions are taken to remove or minimize the safety risks posed by these hazards.

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

Coogee Chemicals is in full compliance **in relation to Transport Practice 1.5**
 in substantial compliance

SUMMARY AUDIT REPORT

- not in compliance
 not applicable

Basis for this Finding/Deficiencies Identified:

Transportation by sea or air is not undertaken by Coogee within Western Australia and therefore this transport practice was not assessed within the scope of the transportation recertification audit.

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

- in full compliance**

Coogee Chemicals is in substantial compliance **with Transport Practice 1.6**
 not in compliance

Basis for this Finding/Deficiencies Identified:

CSBP, on behalf of AGR, has maintained shipping and handling records which demonstrate that cyanide deliveries are suitably reconciled with production and shipping quantities. Coogee maintains communication and tracking procedures in accordance with CSBP's Transport Management Plan which includes the use of mobile phones, radios and real time GPS tracking systems. Communication blackout areas for mobile telephones have been identified and suitable contingencies have been developed to address these limitations. Copies of the relevant MSDS are included in the Vehicle Operator's Handbook and must be carried in the driver's cab at all times. CSBP undertakes regular audits of Coogee compliance with the CSBP Transport Management Plan to monitor the implementation of cyanide tracking measures during shipping.

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.*

- in full compliance**

Coogee Chemicals is in substantial compliance **in relation to Transport Practice 2.1**
 not in compliance
 not applicable

Basis for this Finding/Deficiencies Identified:

Coogee does not operate a cyanide trans-shipping depot or interim storage site and therefore this transport practice was not assessed within the scope of the transportation recertification audit.

SUMMARY AUDIT REPORT

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.*

Coogee Chemicals is **in full compliance** **with Transport Practice 3.1**
 in substantial compliance
 not in compliance

Basis for this Finding/Deficiencies Identified:

CSBP, acting on behalf of AGR, is responsible for the development of detailed emergency response plans (as described in section 2.2.3) for Coogee Chemicals transport operations. Coogee roles and responsibilities in relation to emergency response are clearly stated in the CSBP Transport Management Plan.

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

Coogee Chemicals is **in full compliance** **with Transport Practice 3.2**
 in substantial compliance
 not in compliance

Basis for this Finding/Deficiencies Identified:

Specialised cyanide transport incident Emergency Response (ER) for Coogee operated cyanide transport is provided by two dedicated CSBP response teams located at Kwinana. CSBP also provides cyanide awareness and initial response training for all transport contractors including Coogee.

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

Coogee Chemicals is **in full compliance** **with Transport Practice 3.3**
 in substantial compliance
 not in compliance

Basis for this Finding/Deficiencies Identified:

Emergency response, contact and reporting procedures are provided within the CSBP Transport Management Plan and the Vehicle Operator's Handbook which Coogee drivers are trained in and use for all cyanide transport operations.

Transport Practice 3.4: *Develop procedures for remediation of releases that recognize the additional hazards of cyanide treatment chemicals.*

Coogee Chemicals is **in full compliance** **with Transport Practice 3.4**
 in substantial compliance
 not in compliance

SUMMARY AUDIT REPORT

Basis for this Finding/Deficiencies Identified:

Coogee transport operators are trained to respond to cyanide incidents in accordance with the CSBP Transport Management Plan which includes procedures for the handling, containment, recovery, treatment, neutralization and clean up for a range of liquid and solid cyanide scenarios associated with road transport.

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

Coogee Chemicals is **in full compliance** **with Transport Practice 3.5**
 in substantial compliance
 not in compliance

Basis for this Finding/Deficiencies Identified:

The periodic evaluation and review of the CSBP Transport Management Plan is undertaken by AGR. Coogee is not responsible for this requirement.

SUMMARY AUDIT REPORT

5. MITCHELL CORP

5.1 Audit and Operational Information

Mitchell Corp (Mitchell) has offices and transport depots in Perth and Kalgoorlie, Western Australia that offer specialised transport services for dangerous goods. Mitchell is an integrated road transport company offering value adding bulk logistic solutions by combining equipment innovations with best industry practice. The company's bulk logistics focuses specifically in the energy, resources and dangerous goods industries.

Mitchell transports liquid and solid sodium cyanide by road from the ARG West Kalgoorlie facility to regional customers. Mitchell may, under emergency situations, also transport both liquid and solid sodium cyanide from AGR's Kwinana manufacturing plant along approved contingency routes to the regional customers in the event that the rail network is not accessible.

5.2 Audit Findings

Mitchell Corp is **in full compliance** **with the International Cyanide Management Code**
 in substantial compliance
 not in compliance

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.*

Mitchell Corp is **in full compliance** **with Transport Practice 1.1**
 in substantial compliance
 not in compliance

Basis for this Finding/Deficiencies Identified:

The selection of road transport routes is undertaken by AGR in accordance with the requirement of the ICMI Transport Code (as described in 2.2.1 above). The route selection is carried out by AGR on behalf of all carriers within the supply chain.

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.*

Mitchell Corp is **in full compliance** **with Transport Practice 1.2**
 in substantial compliance
 not in compliance

SUMMARY AUDIT REPORT

Basis for this Finding/Deficiencies Identified:

CSBP, on behalf of AGR, has demonstrated that a comprehensive competency based awareness and emergency response training management program has been maintained for all Mitchell operators. AGR provides the cyanide and emergency response training components, while Mitchell is responsible for ensuring drivers hold appropriate heavy vehicle and dangerous goods carrier accreditations. The operator training includes induction of new drivers to ensure continuous awareness of the Transport Management Plan and the Vehicle Operator's Handbook. CSBP maintains records of initial and refresher training undertaken and the appropriate driver accreditations. Dangerous goods management training has continued to be a core requirement for all Mitchell operators.

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

Mitchell Corp is **in full compliance** **with Transport Practice 1.3**
 in substantial compliance
 not in compliance

Basis for this Finding/Deficiencies Identified:

Mitchell provides vehicle operators, prime movers and trailers for the transport of AGR owned and managed liquid sodium cyanide isotainers and solid sodium cyanide seatainers. Evidence was sighted during the audit that Mitchell employs vehicle operators, prime movers and trailers licensed and approved by the relevant authorities, consistent with the AGR contract requirements. The AGR contract with Mitchell continues to specify that equipment must comply with dangerous goods transport applicable laws. These requirements include ICMI Transport Code obligations for transport equipment design and maintenance to be relevant to the loads being handled, procedures to verify the suitability of load bearing equipment and procedures to prevent overloading.

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

Mitchell Corp is **in full compliance** **with Transport Practice 1.4**
 in substantial compliance
 not in compliance

Basis for this Finding/Deficiencies Identified:

The CSBP Transport Management Plan describes the responsibilities, roles and procedures relating to the safe handling, temporary storage and transport of cyanide. CSBP undertakes audits of Mitchell to determine compliance with the safety requirements of the Transport Management Plan and the Vehicle Operator's Handbook. The audits verified that Mitchell continues to maintain heavy vehicle accreditation with the relevant authorities in relation to driver competency, preventative maintenance and fatigue management. These audits also provide verification of continued compliance with the ICMI Transport Code provisions. A review of cyanide transport safety incident reports verified that Mitchell is continuing to report transport hazards and actions are taken to remove or minimize the safety risks posed by these hazards.

SUMMARY AUDIT REPORT

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

Mitchell Corp is in full compliance in substantial compliance not in compliance **not applicable** **in relation to Transport Practice 1.5**

Basis for this Finding/Deficiencies Identified:

Transportation by sea or air is not undertaken by Mitchell within Western Australia and therefore this transport practice was not assessed within the scope of the transportation recertification audit.

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

Mitchell Corp is **in full compliance** in substantial compliance not in compliance **with Transport Practice 1.6**

Basis for this Finding/Deficiencies Identified:

CSBP, on behalf of AGR, has maintained shipping and handling records which demonstrate that cyanide deliveries are suitably reconciled with production and shipping quantities. Mitchell maintains communication and tracking procedures in accordance with CSBP's Transport Management Plan which includes the use of mobile phones, radios and real time GPS tracking systems. Communication blackout areas for mobile telephones have been identified and suitable contingencies have been developed to address these limitations. Copies of the relevant MSDS are included in the Vehicle Operator's Handbook and must be carried in the driver's cab at all times. CSBP undertakes regular audits of Mitchell compliance with the CSBP Transport Management Plan to monitor the implementation of cyanide tracking measures during shipping.

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.*

Mitchell Corp is **in full compliance** in substantial compliance not in compliance **with Transport Practice 2.1**

Basis for this Finding/Deficiencies Identified:

Mitchell's West Kalgoorlie yard incorporates a dedicated concrete lined cyanide trans-shipping pad to be used in situations where a truck has picked up liquid cyanide isotainers from ARG's West Kalgoorlie storage facility and is awaiting a new operator to transport the isotainers to one of the regional customer sites. The concrete lined pad is located in a secure area with adequate signage and is constructed in such a manner that any leakage from an isotainer is captured in a central concrete lined sump.

SUMMARY AUDIT REPORT

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.*

Mitchell Corp is **in full compliance** **with Transport Practice 3.1**
 in substantial compliance
 not in compliance

Basis for this Finding/Deficiencies Identified:

CSBP, acting on behalf of AGR, is responsible for the development of detailed emergency response plans (as described in section 2.2.3) for Mitchell's transport operations. Mitchell roles and responsibilities in relation to emergency response are clearly stated in the Transport Management Plan.

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

Mitchell Corp is **in full compliance** **with Transport Practice 3.2**
 in substantial compliance
 not in compliance

Basis for this Finding/Deficiencies Identified:

Specialised cyanide transport incident Emergency Response (ER) for Mitchell operated cyanide transport is provided by two dedicated CSBP response teams located at Kwinana. CSBP also provides cyanide awareness and initial response training for all transport contractors including Mitchell.

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

Mitchell Corp is **in full compliance** **with Transport Practice 3.3**
 in substantial compliance
 not in compliance

Basis for this Finding/Deficiencies Identified:

Emergency response, contact and reporting procedures are provided within the CSBP Transport Management Plan and Vehicle Operator's Handbook which Mitchell drivers are trained in and use for all cyanide transport operations.

Transport Practice 3.4: *Develop procedures for remediation of releases that recognize the additional hazards of cyanide treatment chemicals.*

Mitchell Corp is **in full compliance** **with Transport Practice 3.4**
 in substantial compliance
 not in compliance

SUMMARY AUDIT REPORT

Basis for this Finding/Deficiencies Identified:

Mitchell transport operators are trained to respond to cyanide incidents in accordance with the CSBP Transport Management Plan which includes procedures for the handling, containment, recovery, treatment, neutralization and clean up for a range of liquid and solid cyanide scenarios associated with road transport.

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

Mitchell Corp is **in full compliance** **with Transport Practice 3.5**
 in substantial compliance
 not in compliance

Basis for this Finding/Deficiencies Identified:

The periodic evaluation and review of the CSBP Transport Management Plan is undertaken by AGR. Mitchell is not responsible for this requirement.

SUMMARY AUDIT REPORT

6. P&O TRANS AUSTRALIA

6.1 Audit and Operational Information

P&O Trans Australia (P&O) is an Australian national operator offering complete port logistics services across Australia. P&O operations supporting AGR are located at Fremantle Port, Western Australia. The company specialises in port service logistics by providing port containerised transport. These logistic services are part of the coordinated service between the exporter and the stevedoring companies and shipping lines.

P&O transports solid sodium cyanide in seaintainers along an approved road route from AGR's Kwinana manufacturing plant to the Port of Fremantle for unloading prior to shipping.

6.2 Audit Findings

P&O Trans Australia is **in full compliance** **with the International Cyanide Management Code**
 in substantial compliance
 not in compliance

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.*

P&O Trans Australia is **in full compliance** **with Transport Practice 1.1**
 in substantial compliance
 not in compliance

Basis for this Finding/Deficiencies Identified:

The selection of road transport routes is undertaken by AGR in accordance with the requirement of the ICMI Transport Code (as described in 2.2.1 above). The route selection is carried out by AGR on behalf of all carriers within the supply chain.

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.*

P&O Trans Australia is **in full compliance** **with Transport Practice 1.2**
 in substantial compliance
 not in compliance

Basis for this Finding/Deficiencies Identified:

CSBP, on behalf of AGR, has demonstrated that a comprehensive competency based awareness and emergency response training management program has been maintained for all P&O operators. AGR provides the cyanide and emergency response training components,

SUMMARY AUDIT REPORT

while P&O is responsible for ensuring drivers hold appropriate heavy vehicle and dangerous goods carrier accreditations. The operator training includes induction of new drivers to ensure continuous awareness of the Transport Management Plan and the Vehicle Operator's Handbook. CSBP maintains records of initial and refresher training undertaken and the appropriate driver accreditations. Dangerous goods management training has continued to be a core requirement for all P&O operators.

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

P&O Trans Australia is **in full compliance** **with Transport Practice 1.3**
 in substantial compliance
 not in compliance

Basis for this Finding/Deficiencies Identified:

Solid cyanide is transported within approved IBC packaging which is transported within seatainers. Evidence was sighted during the audit that P&O employs vehicle operators, prime movers and trailers licensed and approved by the relevant authorities, consistent with the AGR contract requirements. The AGR contract with P&O continues to specify that equipment must comply with dangerous goods transport applicable laws. These requirements include ICMI Transport Code provisions for transport equipment design and maintenance to be relevant to the loads being handled, procedures to verify the suitability of load bearing equipment and procedures to prevent overloading.

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

P&O Trans Australia is **in full compliance** **with Transport Practice 1.4**
 in substantial compliance
 not in compliance

Basis for this Finding/Deficiencies Identified:

The CSBP Transport Management Plan describes the responsibilities, roles and procedures relating to the safe handling, temporary storage and transport of cyanide. CSBP undertakes audits of P&O to determine compliance with the safety requirements of the Transport Management Plan and the Vehicle Operator's Handbook. The audits verified that P&O continues to maintain heavy vehicle accreditation with the relevant authorities in relation to driver competency, preventative maintenance and fatigue management. These audits also provide verification of continued compliance with the ICMI Transport Code provisions. A review of cyanide transport safety incident reports verified that P&O is continuing to report transport hazards and actions are taken to remove or minimize the safety risks posed by these hazards.

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

P&O Trans Australia is in full compliance **in relation to Transport Practice 1.5**
 in substantial compliance
 not in compliance

SUMMARY AUDIT REPORT

not applicable

Basis for this Finding/Deficiencies Identified:

Transportation by sea or air is not undertaken by P&O within Western Australia and therefore this transport practice was not assessed within the scope of the transportation recertification audit.

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

in full compliance

P&O Trans Australia is in substantial compliance **with Transport Practice 1.6**
 not in compliance

Basis for this Finding/Deficiencies Identified:

CSBP, on behalf of AGR, has maintained shipping and handling records which demonstrate that cyanide deliveries are suitably reconciled with production and shipping quantities. P&O maintains communication and tracking procedures in accordance with CSBP's Transport Management Plan which includes the use of mobile phones, radios and real time GPS tracking systems.

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.*

in full compliance

P&O Trans Australia is in substantial compliance **in relation to Transport Practice 2.1**
 not in compliance
 not applicable

Basis for this Finding/Deficiencies Identified:

P&O does not operate a cyanide trans-shipping depot or interim storage site and therefore this transport practice was not assessed within the scope of the transportation recertification audit.

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.*

in full compliance

P&O Trans Australia is in substantial compliance **with Transport Practice 3.1**
 not in compliance

SUMMARY AUDIT REPORT

Basis for this Finding/Deficiencies Identified:

CSBP, acting on behalf of AGR, is responsible for the development of detailed emergency response plans (as described in section 2.2.3) for P&O's transport operations. P&O roles and responsibilities in relation to emergency response are clearly stated in the Transport Management Plan.

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

P&O Trans Australia is **in full compliance** **with Transport Practice 3.2**
 in substantial compliance
 not in compliance

Basis for this Finding/Deficiencies Identified:

Specialised cyanide transport incident Emergency Response (ER) for P&O operated transport routes is provided by two dedicated CSBP response teams located at Kwinana. CSBP also provides cyanide awareness and initial response training for all transport contractors including P&O.

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

P&O Trans Australia is **in full compliance** **with Transport Practice 3.3**
 in substantial compliance
 not in compliance

Basis for this Finding/Deficiencies Identified:

Emergency response, contact and reporting procedures are provided within the CSBP Transport Management Plan and Vehicle Operator's Handbook which P&O drivers are trained in and use for all cyanide transport operations.

Transport Practice 3.4: *Develop procedures for remediation of releases that recognise the additional hazards of cyanide treatment chemicals.*

P&O Trans Australia is **in full compliance** **with Transport Practice 3.4**
 in substantial compliance
 not in compliance

Basis for this Finding/Deficiencies Identified:

P&O transport operators are trained to respond to cyanide incidents in accordance with the CSBP Transport Management Plan which includes procedures for the handling, containment, recovery, treatment, neutralisation and clean up for a range of liquid and solid cyanide scenarios associated with road transport.

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

P&O Trans Australia is **in full compliance** **with Transport Practice 3.5**

SUMMARY AUDIT REPORT

- in substantial compliance
- not in compliance

Basis for this Finding/Deficiencies Identified:

The periodic evaluation and review of the CSBP Transport Management Plan is undertaken by AGR. P&O is not responsible for this requirement.



SUMMARY AUDIT REPORT

7. DP WORLD FREMANTLE

7.1 Audit and Operational Information

DP World is a leader in international marine terminal operations and development, logistics and related services. The Marine Terminals provide service in the supply chain by managing container, bulk and other terminal cargo. DP World at Fremantle Port Western Australia provides container handling and stevedoring operations for handling containers both on and off vessels.

DP World operates stevedoring facilities at the Port of Fremantle and unloads solid sodium cyanide seaintainers from trucks prior to loading onto ships for supply to overseas customers. A due diligence investigation of compliance with the ICMI Transport Code of Practice was undertaken of DP World's operations by CSBP in December 2008. The due diligence investigation was undertaken within one year of the October 26 2009 Code changes and hence qualifies pursuant to ICMI's Transition Process for inclusion in this supply chain audit.

7.2 Scope and Summary of Due Diligence Investigation

The December 2008 due diligence report undertaken by CSBP on DP World's activities included emergency response, compliance with Dangerous Goods Safety (Goods in Ports) Regulations 2007 and AS 3846 The Handling and Transport of Dangerous Cargoes in Port Areas. The due diligence reviewed DP World's compliance against all relevant standards of practice of the ICMI Transport protocols and found full compliance with these protocols. The audit review, undertaken by the audit team's transport technical expert, Phil Loffman, found the CSBP due diligence report to be a comprehensive evaluation of DP World's cyanide loading activities.



8. PATRICK TERMINALS

8.1 Audit and Operational Information

Patrick Terminals (Patrick) is one of Australia's leading providers of port related services to importers, exporters and shipping lines. Patrick's business is the provision of ship to shore and shore to door for both domestic and international trade markets. Patrick is part of Asciano Limited a publicly listed company on the Australian Stock Exchange. Patrick at Fremantle Port Western Australia provides container handling from shore to ship for the export of AGR's sodium cyanide.

Patrick operates stevedoring facilities at the Port of Fremantle and unloads solid sodium cyanide seaintainers from trucks for interim storage at a dedicated storage facility prior to loading onto ships for supply to overseas customers. A due diligence investigation of compliance with the ICMI Transport Code of Practice was undertaken of Patrick's operations by CSBP in December 2008. The due diligence investigation was undertaken within one year of the October 26 2009 Code changes and hence qualifies pursuant to ICMI's Transition Process for inclusion in this supply chain audit.

8.2 Scope and Summary of Due Diligence Investigation

The December 2008 due diligence report undertaken by CSBP on Patrick's activities included temporary storage of hazardous materials, emergency response, and compliance with statutory requirements. The due diligence reviewed Patrick's compliance against all relevant standards of practice of the ICMI Transport protocols and found compliance with these protocols. The due diligence report identified actions to be addressed by Patrick and evidence was provided that these items have been effectively addressed. The audit review, undertaken by the audit team's transport technical expert, Phil Loffman, found the CSBP due diligence report to be a comprehensive evaluation of Patrick's cyanide loading activities.



SUMMARY AUDIT REPORT

