



SUMMARY AUDIT REPORT

International Cyanide Management Code

AGR West Australian Supply Chain, Re-certification Audit

Submitted to:

International Cyanide Management Institute
1400 I Street, NW – Suite 550
WASHINGTON, DC 20005
UNITED STATES OF AMERICA

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Important Information

1.0 INTRODUCTION

1.1 Operational Information

Name of Transportation Facility:	Western Australian Supply Chain
Name of Facility Owner:	Not Applicable
Name of Facility Operator:	Australian Gold Reagents Pty Ltd
Name of Responsible Manager:	Darren Gould, Product Support & Logistics Specialist
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2.0 CYANIDE TRANSPORTATION

2.1 Australian Gold Reagents

Australian Gold Reagents (AGR) is the management company of the unincorporated joint venture between CSBP Limited (CSBP) and Coogee Chemicals Pty Ltd (Coogee Chemicals). CSBP is part of the Wesfarmers Chemicals, Energy and Fertilisers Division of Wesfarmers Limited. CSBP is the major participant in the venture and acts as operator and sales agent for the AGR business. As the operating agent, employees of CSBP act on behalf of AGR.

The AGR cyanide production facility is located within the CSBP manufacturing complex at Kwinana, approximately 40 km south of Perth in the state of Western Australia. AGR produces and transports >97% solid sodium cyanide briquette and 30% liquid sodium cyanide.

CSBP and AGR are responsible for the overall management of cyanide transportation activities including emergency response under Ministerial Statement 006. CSBP assumes the responsibility of consignor under Western Australian Dangerous Goods Transport legislation.

The transport of both liquid and solid sodium cyanide within Western Australia is undertaken by rail and/or road along recognised dangerous goods transport routes classified by the relevant authorities. The transport network includes contracted transporters servicing Fremantle Port (for export) and various gold mining operations throughout the State.

AGR's primary role is that of consignor; in this capacity AGR undertakes the following activities:

- Transport route selection
- Provision of cyanide safety management program
- Provision of cyanide specific training to road transport operators and rail/unloading personnel
- Provision of inspection and preventative maintenance program for cyanide isotainers and sea containers

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- Tracking of cyanide road and rail shipments
- Provision of emergency response plans and resources

AGR's production facility is the first component of the supply chain and undertakes the packaging, labelling and securing of cyanide for road and rail transport.

2.2 Coogee Chemicals

Coogee Chemicals is a local manufacturer and distributor of industrial chemicals. Coogee Chemicals provided West Australian road transportation services to AGR for both solid and liquid cyanide until May 2018.

2.3 Toll Global Logistics

Toll Global Logistics (TGL) formally known as Toll Mining Services (TMS) is a signatory to the Code and provided road transportation and interim storage services for AGR until May 2018. TGL was initially certified as fully compliant with the Code on 30 September 2014 and was recertified on 9 October 2018.

2.4 QUBE

Qube Bulk Pty Ltd (Qube) provides road transportation of cyanide for AGR in Western Australia and replaced TGL and Coogee Chemicals in May 2018. Qube is a signatory to the Code and was certified as fully compliant with the Code on 29 November 2018.

2.5 Aurizon

Aurizon provides rail transportation of liquid sodium cyanide and solid sodium cyanide in isotainers for transport to the West Kalgoorlie facility for interim storage (if needed) and intermodal transfer road for transport to regional customers. A due diligence of Aurizon was undertaken by AGR on in April 2019.

2.6 Patrick Terminals/Fremantle Port

Patrick Terminals operates stevedoring facilities at Fremantle Ports inner harbour container port. There is a dedicated storage area for interim storage of up to 100 tonnes solid sodium cyanide within shipping containers. Typically, cyanide is transported from the Kwinana production facility and loaded directly onto the vessel. A due diligence of Patrick's was undertaken by AGR on in April 2019

2.7 Transit Storage

The operation at CSBP is a manufacturing facility and the storage of solid and liquid cyanide prior to dispatch is covered under the Cyanide Production Verification Protocol.

Storage in transit may occur at Aurizon's Kalgoorlie Container Interchange West facility in the event that onward road transportation is delayed. Interim storage may occur at the Port should loading be delayed, there is a dedicated area for storage should this situation eventuate.

Storage facilities were available at the TGL Kalgoorlie Depot, which are covered under the TGL Australian Supply Chain certification.

2.8 Auditors Findings and Attestation

in full compliance with

AGR is: in substantial compliance with **The International Cyanide Management Code**

not in compliance with


No significant cyanide exposures or releases were noted to have occurred during AGRs recertification audit.

Audit Company: Golder Associates Pty Ltd

Audit Team Leader: Mike Woods, Exemplar Global (113792)

Email: mwoods@golder.com.au

2.9 Name and Signatures of Other Auditors

Name	Position	Signature	Date
Mike Woods	Lead Auditor and Transport Technical Specialist		31 October 2019

2.10 Dates of Audit

The ICMC Recertification Audit was conducted over three days between 27 and 29 May 2019 at AGR facilities in Kwinana, Western Australia.

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 *Cyanide Transportation Verification Protocol for the International Cyanide Management Code* and using standard and accepted practices for health, safety and environmental audits.

3.0 CONSIGNOR SUMMARY

3.1 Principle 1 – Transport

Transport Cyanide in a manner that minimises the potential for accidents and releases.

3.1.1 Transport Practice 1.1

Select cyanide transport routes to minimise the potential for accidents and releases.

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

Summarise the basis for this Finding/Deficiencies Identified:

AGR is in FULL COMPLIANCE with Transport Practice 1.1 requiring cyanide transport routes to be selected to minimise the potential for accidents and releases.

AGR

AGR has implemented a process for selecting transport routes that minimises the potential for accidents and releases or the potential impacts of accidents and releases. AGR's Transport Management Plan (TMP) is the primary reference for the management transport activities for cyanide and commits AGR to only transport its product along routes approved by the Department of Mines, Industry, Regulation and Safety (DMIRS) – Dangerous Goods Safety Branch and Main Roads WA. The specific routes that AGR uses are selected based on their load rating, location and surroundings, where possible, bypassing built up areas.

AGR has implemented the procedure for *Cyanide Transport Route and Risk Assessment* to guide the assessment and review of transport routes.

A sample of completed Route Assessments for customers in WA and the Cyanide Solids and Solution Transport Route Risk Assessment was reviewed.

AGR has implemented a procedure to evaluate the risks of selected cyanide transport routes and take the measures necessary to manage these risks.

The approach to route assessments is outlined in the TMP and further detail on the assessment and review process is detailed in the *Cyanide Transport Route Review and Risk Assessment* procedure. The procedure provides for the assessment of road infrastructure including condition, pitch and grade and the prevalence and proximity of water bodies and fog.

Each proposed route is assessed by AGR by driving the road components of the route and identifying hazards along the route and documenting this in a route assessment. AGR then assesses each route documents the assessment in the *Cyanide Solids and Solution Transport Route Risk Assessment*. This assessment also considered the rail components of the supply chain. A sample of route assessments were reviewed to confirm implementation of the process including a new customer.

AGR has implemented a Journey Management Plan process that details the key aspects and hazards along the route to be communicated to the drivers.

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Subcontractor transport companies are required under the contract to follow the route assessed and approved by AGR. The routes are loaded into subcontractor GPS tracking systems and AGR is notified by the subcontractor should deviation from an approved route is necessary.

AGR does implement a process or procedure to periodically re-evaluate routes used for cyanide deliveries and also has a process for getting feedback on route condition from the transporters' operators.

AGR is required under the Ministerial Conditions to review route transport mode options every two years. AGR has documented the review of transport mode options for both liquid and solid cyanide and submitted the review to the regulatory as required by the Conditions.

In addition to review for the Ministerial Conditions, AGR's TMP commits to a full route review every three years and risk assessment update. AGR undertakes an annual route review of the transport routes to customer sites by driving the route and documents the review in route review document as part of other operational activities. A sample of transport routes confirmed AGR complete reviews annually and the risk assessment has been updated within the last three years.

In addition to the periodic reviews completed by AGR personnel, there is a process for subcontractors to provide feedback to AGR on the transport route. AGR has regular performance meetings with subcontractors.

AGR does document the measures taken to address risks identified with the selected routes.

The measures are summarised in the journey management plans issues to the subcontractors and in the *Drivers Information Booklet* and *Vehicle Operators Handbook*. These provide details on key hazards for the routes and controls. Primary controls included the use of drop deck trailers and driver assessment and training and performance monitoring.

AGR seeks input from stakeholders and applicable governmental agencies as necessary in the selection of routes and development of risk management measures. The initial route selections involved consultation with the Department of Water and Environment Regulation (DWER, formerly Department of Environment Regulation and the Department of Water) and the DMIRS (formerly the Department of Mines and Petroleum).

Routes have been selected from recognised Dangerous Goods routes in Western Australia, which is administered by DMIRS, and the two-yearly route reviews have been sent to DWER. Only one new route has been added during the audit period and the majority of this route is along existing routes, with the exception of the mine access road.

Where routes present special safety or security concerns, AGR does use convoys, escorts or other additional safety or security measures to address the concern. Within the Western Australian supply chain there are no special safety or security concerns identified. AGR has implemented standard controls including GPS tracking, container seals, and locks.

AGR has advised external responders, medical facilities and communities of their roles and/or mutual aid during an emergency response. AGR through CSBP emergency response team provides off-site support in the event of an emergency and there is established protocols with the Department of Fire and Emergency Services (DFES) who are the primary combat authority in Western Australia. CSBP is an accredited responder under WESPLAN-HAZMAT, which is the State emergency management plan for hazardous materials emergencies and it defines the roles and responsibilities for relevant government agencies and industries that may have involvement. There are no specific roles for communities in the event of an emergency.

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AGR does subcontract the transport and handling of cyanide and has established procedures to ensure subcontractors meet the requirements of Transport Practice 1.1.

AGR has contracts in place with subcontracted transporters and those contracts contain conditions relating to compliance with AGR's Transport Management Plan and Vehicle Operators Handbook for Sodium Cyanide Product.

AGR commissions an independent Transport Management Plan audit of its operations including its subcontractor transport operations to confirm compliance with Ministerial Conditions and the Transport Management Plan requirements.

The 2017 and 2018 Transport Management Plan reports were provided for review and confirm that AGR assesses compliance of subcontractors with the requirements of Transport Practice 1.1. AGR has also implemented periodic performance meetings with subcontractor transporters to monitor compliance between the formal audit programs.

AGR has completed due diligence assessments of Patricks (Fremantle container terminal) and Aurizon (Rail Operator and West Kalgoorlie Depot) and is satisfied that these facilities meet AGR's operational requirements.

Coogee Chemicals

Interviews with Coogee Chemical personnel confirmed that AGR provided the route assessments and approved transport routes.

TGL

TGL is a certified transporter initially certified on 30 September 2014 and was recertified on 9 October 2018.

Qube

Qube is a certified transporter initially certified on 29 November 2018. Qube commenced transport for AGR in May 2018. A visit to their operations centre confirmed that Qube follows the transport routes provided by AGR.

Aurizon

AGR completed a due diligence on Aurizon Rail system on 3 April 2019. AGR found no issues of concern with regard to the Aurizon's awareness and management of the handling and systems in place for the sodium cyanide product.

Patricks

AGR completed a due diligence assessment on Patricks on 9 April 2019 and found no issues of concern with regards to the Patricks Terminals awareness and management of the handling and systems in place for the sodium cyanide product.

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3.1.2 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 is in full compliance with **Transport Practice 1.2**
 in substantial compliance with
 not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

AGR is in FULL COMPLIANCE with Transport Practice 1.2 requiring personnel operating cyanide handling and transport equipment can perform their jobs with minimum risk to communities and the environment.

AGR

AGR through its selection and management of road transport subcontractors does only use trained, qualified and licensed operators for its transport vehicles. All drivers undertaking cyanide transport must have a government issued current driver's license with relevant category along with mandatory internal training.

AGR requires subcontractor drivers to complete cyanide awareness training modules through the WESCEF learning management system (LMS). Records of completion and assessment are maintained within the system.

All personnel operating cyanide transport equipment have been trained to perform their jobs in a manner that minimises the potential for cyanide releases and exposures. AGR has an online LMS for cyanide awareness that subcontractor drivers need to complete.

AGR does subcontract the transport and handling of cyanide and has established procedures to ensure subcontractors meet the requirements of Transport Practice 1.2.

AGR has contracts in place with subcontracted transporters and those contracts contain conditions relating to compliance with AGR's Transport Management Plan and Vehicle Operators Handbook for Sodium Cyanide Product.

AGR commissions an independent Transport Management Plan audit of its operations including its subcontractor transport operations to confirm compliance with Ministerial Conditions and the Transport Management Plan requirements.

The 2017 and 2018 Transport Management Plan reports were provided for review and confirm that AGR assesses compliance of subcontractors with the requirements of Transport Practice 1.2. AGR has also implemented periodic performance meetings with subcontractor transporters to monitor compliance between the formal audit programs.

AGR has completed due diligence assessments of Patricks (Fremantle container port) and Aurizon (Rail Operator and West Kalgoorlie Depot) and is satisfied that these facilities meet AGR's operational requirements.

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Coogee Chemicals

A review of training records and driver's licenses confirmed that drivers transporting cyanide hold the necessary class of license and training is provided.

In addition to the online training provided by AGR and meeting regulatory requirements for the class of licence, Coogee Chemicals has a buddy training process for new drivers where they are paired with an experience driver for the route and customer and must complete a minimum of three trips and demonstrate they understand the route and unloading process before being passed out to complete deliveries independently.

TGL

TGL is a certified transporter initially certified on 30 September 2014 and was recertified on 9 October 2018.

Qube

Qube is a certified transporter initially certified on 29 November 2018. Qube commenced transport for AGR in May 2018.

Aurizon

AGR completed a due diligence on Aurizon Rail system on 3 April 2019. AGR found no issues of concern with regard to the Aurizon's awareness and management of the handling and systems in place for the sodium cyanide product.

Patricks

AGR completed a due diligence assessment on Patricks on 9 April 2019 and found no issues of concern with regards to the Patricks Terminals awareness and management of the handling and systems in place for the sodium cyanide product.

3.1.3 Transport Practice 1.3

Ensure that transport equipment is suitable for the cyanide shipment.

in full compliance with

AGR is

in substantial compliance with

Transport Practice 1.3

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

AGR is in FULL COMPLIANCE with Transport Practice 1.3 requiring that transport equipment is suitable for the cyanide shipment.

AGR

AGR only uses equipment designed and maintained to operate within the loads it will be handling when transporting cyanide. The dispatch operation at the AGR production facility has a large Hyster forklift for moving containers and two small forklifts for moving intermediate bulk containers (IBCs) and packing sea containers.

Maintenance is undertaken through third party service providers and records were available for review.

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The Hyster container forklift is sufficiently rated for the loads it will carry (sea containers, isotainers and Solid to Solution (STS) isotainers). Forklifts within the distribution area are rated well above the gross weight of the IBC.

AGR through the selection and monitoring of subcontractors have procedures to verify the adequacy of the equipment for the load it must bear.

Procedures are in place to prevent overloading of the transport vehicle being used for handling cyanide. AGR does subcontract the transport and handling of cyanide and has established procedures to ensure subcontractors meet the requirements of Transport Practice 1.3.

AGR has contracts in place with subcontracted transporters and those contracts contain conditions relating to compliance with AGR's Transport Management Plan and Vehicle Operators Handbook for Sodium Cyanide Product.

AGR commissions an independent Transport Management Plan audit of its operations including its subcontractor transport operations to confirm compliance with Ministerial Conditions and the Transport Management Plan requirements.

The 2017 and 2018 Transport Management Plan reports were provided for review and confirm that AGR assesses compliance of subcontractors with the requirements of Transport Practice 1.3. AGR has also implemented periodic performance meetings with subcontractor transporters to monitor compliance between the formal audit programs.

AGR has completed due diligence assessments of Patricks (Fremantle container terminal) and Aurizon (Rail Operator and West Kalgoorlie Depot) and is satisfied that these facilities meet AGR's operational requirements.

Coogee Chemicals

Coogee Chemicals has implemented a preventative maintenance system for their prime movers and trailers based on a tiered maintenance regime that is scheduled and monitored through the Mex Maintenance Software system. Prime movers and trailers are serviced every 10,000 km.

Coogee Chemicals holds accreditation with Main Roads WA under the heavy vehicle accreditation scheme (Accredited Mass Management Scheme (AMMS)), which covers load compliance and mass management for its vehicles. The AMMS is an audited scheme that includes use of approved weighbridges to record the gross mass of the vehicle and individual axle group weights, records need to be maintained by Coogee Chemicals and subject to assessment by Certified Auditors to maintain their accreditation. Compliance with AMMS prevents overloading of the vehicle being used for handling cyanide.

TGL

TGL is a certified transporter initially certified on 30 September 2014 and was recertified on 9 October 2018.

Qube

Qube is a certified transporter initially certified on 29 November 2018. Qube commenced transport for AGR in May 2018.

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Aurizon

AGR completed a due diligence on Aurizon Rail system on 3 April 2019. AGR found no issues of concern with regard to the Aurizon's awareness and management of the handling and systems in place for the sodium cyanide product.

Patricks

AGR completed a due diligence assessment on Patricks on 9 April 2019 and found no issues of concern with regards to the Patricks Terminals awareness and management of the handling and systems in place for the sodium cyanide product.

3.1.4 Transport Practice 1.4

Develop and implement a safety program for transport of cyanide.

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

Summarise the basis for this Finding/Deficiencies Identified:

AGR is in FULL COMPLIANCE with Transport Practice 1.4 requiring the operation develop and implement a safety programme for transport of cyanide.

AGR

AGR has procedures in place so that cyanide is transported in a manner that maintains the integrity of the producer's packaging.

Solid cyanide is package into wooden intermediate bulk containers (IBCs) and the lid secured with screws and then packing straps are applied. IBCs are inspected prior to loading and damage containers are marked and placed in a designated area for re-dissolving on site. IBCs are loaded into shipping containers with the number of each IBC and shipping container recorded on the loading sheet. Once the container is loaded the doors are closed and unique seal applied. The seal number and container number are recorded on shipping documentation that accompanies the shipment through to the customer.

Solid sodium cyanide is also loaded into solid to solution (STS) isotainers via hatch in the end of the vessel. Once the vessel has been filled the hatch is replaced and seals applied.

Liquid sodium cyanide is loaded into a dedicated fleet of isotainers and red seals are applied to the coaming lid of the isotainer.

AGR has procedures in place for the inspection of shipping containers prior to use and containers with damage that could impact the integrity of the container or door seals are not used.

AGR has a preventative maintenance program for isotainers and STS isotainers that addresses structure, integrity, valves, locks and placarding. Inspections are completed on a 2.5 year and 5 year program scheduled and monitored through the JDE preventative maintenance platform.

An inspection of containers and interviews confirmed procedures are implemented to maintain integrity of the packaging.

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AGR uses placards or other signage to identify the shipment as cyanide, as required by local regulations and international standards. Placarding of the containers consists of the following:

- The UN number of the chemical is clearly displayed on the container and isotainer
- Pictograms are displayed on the containers and isotainers.
- Individual IBCs of solid cyanide have labels applied that include UN number, pictograms and information on the product in four languages.

An inspection of containers and isotainers in AGR's dispatch areas confirmed that placards were in place.

AGR does subcontract the transport and handling of cyanide and has established procedures to ensure subcontractors meet the requirements of Transport Practice 1.4.

AGR has contracts in place with subcontracted transporters and those contracts contain conditions relating to compliance with AGR's Transport Management Plan and Vehicle Operators Handbook for Sodium Cyanide Product.

AGR commissions an independent Transport Management Plan audit of its operations including its subcontractor transport operations to confirm compliance with Ministerial Conditions and the Transport Management Plan requirements.

The 2017 and 2018 Transport Management Plan reports were provided for review and confirm that AGR assesses compliance of subcontractors with the requirements of Transport Practice 1.4. AGR has also implemented periodic performance meetings with subcontractor transporters to monitor compliance between the formal audit programs.

AGR has completed due diligence assessments of Patricks (Fremantle container terminal) and Aurizon (Rail Operator and West Kalgoorlie Depot) and is satisfied that these facilities meet AGR's operational requirements.

Coogee Chemicals

Coogee Chemicals transport cyanide (Liquid and solid) until April 2018 and procedures were in place for undertaking a visual check of the container or isotainer and checking that seals are in place prior to transport and still in place when delivered to the customer.

Coogee Chemicals provide placards (diamonds) on the front and rear of the transport vehicle in accordance with dangerous goods transport requirements in Western Australia.

Pre-trip and pre-start inspections are completed by the driver prior to each trip. A review of convoy documentation confirmed that pre-start checks are completed. Coogee Chemicals holds accreditation which has mandatory elements of fatigue, maintenance and dimension and loading which are audited by accredited auditors.

Coogee Chemicals operate a tiered maintenance program for prime movers and trailers which is scheduled and recorded through MEX maintenance program. A review of maintenance records and interviews confirmed the implementation of a preventative maintenance program.

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Coogee Chemicals has implemented a fatigue management program that meets mandated requirements for heavy vehicle transporters operating in Western Australia. Training on fatigue management is provided through the Beacon Software Platform.

Cyanide is stowed into the freight containers or isotainers by the producer. Solid cyanide is packed into United Nations approved wooden IBCs that are stowed within containers to minimise movement in transport. The securing systems appear to be as effective as reasonably practicable. Containers are secured using twist locks, which are designed and constructed to international transport standards. Twist locks are inspected prior to each departure and periodically during the journey.

Twist locks are also used to secure isotainers and STS to trailer and rail cars.

Coogee Chemicals operates under AGR's transport management plan and there are processes in place for modification and suspension of transport.

Coogee Chemicals has in place a program for drug abuse prevention including a periodic medical and drug and alcohol testing.

Records are maintained that the above activities have been conducted. Maintenance records, inspection and convoy records were samples through the audit period.

TGL

TGL is a certified transporter initially certified on 30 September 2014 and was recertified on 9 October 2018.

Qube

Qube is a certified transporter initially certified on 29 November 2018. Qube commenced transport for AGR in May 2018.

Aurizon

AGR completed a due diligence on Aurizon Rail system on 3 April 2019. AGR found no issues of concern with regard to the Aurizon's awareness and management of the handling and systems in place for the sodium cyanide product.

Patricks

AGR completed a due diligence assessment on Patricks on 9 April 2019 and found no issues of concern with regards to the Patricks Terminals awareness and management of the handling and systems in place for the sodium cyanide product.

3.1.5 Transport Practice 1.5

Follow international standards for transportation of cyanide by sea and air.

in full compliance with

AGR is

in substantial compliance with

Transport Practice 1.5

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

Transport Practice 1.5 requiring the operation follow international standards for transportation of cyanide by sea and air is NOT APPLICABLE to AGR.

AGR does not and does not intend to transport consignments of cyanide by sea or air within the scope of this audit.

3.1.6 Transport Practice 1.6

Track cyanide shipments to prevent losses during transport.

in full compliance with

AGR is

in substantial compliance with

Transport Practice 1.6

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

AGR is in FULL COMPLIANCE with Transport Practice 1.6 requiring the operation track cyanide shipments to prevent losses during transport.

AGR

AGR requires subcontractor transport vehicles to have means to communicate with the transport company, the mining operation, the cyanide producer or distributor and/or emergency responders.

The main form of communication is mobile phone provided by the company for official use only. The trucks are also fitted with duress alarms (when activated, it provides time, location and identification number).

AGR requires transporters to fit their vehicles with tracking systems and the Vehicle Operators handbook specifies the alarm conditions and driver actions. AGR through their subcontractors have processes in place to check communications equipment function.

Communication black out areas are assessed during the route assessment process and due to the remote location of a number of mines mobile phone coverage is not possible along the entire route. Mobile phones are supplemented by satellite communication technology that provides for coverage along the entire route.

Subcontractor transporters have implemented satellite communications options including phones and short message service (SMS) functionality through the telematics systems installed on the trucks.

AGR through subcontractors have procedures to track the real time progress of cyanide shipments. In addition to GPS tracking by subcontractors, AGR has procedure to monitor collection and delivery of cyanide product.

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AGR has appropriate inventory controls and/or chain of custody documentation to prevent loss of cyanide during shipment. Inventory controls are the primary method of preventing product loss during shipment. These controls include the following:

- Consignments are identified and documented (individual IBCs are identified by number, and each freight container and each isotainer number is recorded).
- All containers are locked with seals and the seal numbers are recorded and checked by the consignee. Seals are also checked at transfer locations and on route.
- The identifying container numbers are transmitted to the consignee and are checked off by the representative (driver) and consignee at the point of delivery.

The controls in place would allow any loss of product to be promptly detected. The controls placed on empty containers on the return journey are the same as full ones.

AGR does subcontract the transport and handling of cyanide and has established procedures to ensure subcontractors meet the requirements of Transport Practice 1.6.

AGR has contracts in place with subcontracted transporters and those contracts contain conditions relating to compliance with AGR's Transport Management Plan and Vehicle Operators Handbook for Sodium Cyanide Product.

AGR commissions an independent Transport Management Plan audit of its operations including its subcontractor transport operations to confirm compliance with Ministerial Conditions and the Transport Management Plan requirements.

The 2017 and 2018 Transport Management Plan reports were provided for review and confirm that AGR assesses compliance of subcontractors with the requirements of Transport Practice 1.6. AGR has also implemented periodic performance meetings with subcontractor transporters to monitor compliance between the formal audit programs.

AGR has completed due diligence assessments of Patricks (Fremantle container port) and Aurizon (Rail Operator and West Kalgoorlie Depot) and is satisfied that these facilities meet AGR's operational requirements.

Coogee Chemicals

Coogee Chemicals drivers have the means to communicate with the mining operation through the use of satellite phones, mobile phones and short message service (SMS) functionality through the GPS tracking system.

The GPS is checked from the live tracking system to ensure signals are being received. The operations centre is manned and the position of the trucks on the route is monitored. If there is a communication error this is displayed on the monitor. The vehicle tracking systems provide communication functionality and satellite phones are fitted to the trucks.

Consignment documentation is checked by the driver upon accepting the load and carried throughout the journey to the customer. Consignment documentation is then signed off by the customer at the point of delivery and completed documentation returned to AGR.

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Shipping records do indicate the amount of cyanide in transit and Safety Data Sheets (SDS) are available during transport.

Consignment documentation is checked by the driver upon accepting the load and carried throughout the journey to the customer. SDS are carried with the driver.

TGL

TGL is a certified transporter initially certified on 30 September 2014 and was recertified on 9 October 2018.

Qube

Qube is a certified transporter initially certified on 29 November 2018. Qube commenced transport for AGR in May 2018.

Aurizon

AGR completed a due diligence on Aurizon Rail system on 3 April 2019. AGR found no issues of concern with regard to the Aurizon's awareness and management of the handling and systems in place for the sodium cyanide product.

Patricks

AGR completed a due diligence assessment on Patricks on 9 April 2019 and found no issues of concern with regards to the Patricks Terminals awareness and management of the handling and systems in place for the sodium cyanide product.

3.2 Principle 2 – Interim Storage

Design, construct and operate cyanide trans-shipping depots and interim storage sites to prevent release and exposures.

3.2.1 Transport Practice 2.1

Store cyanide in a manner that minimises the potential for accidental releases.

in full compliance with
 AGR is in substantial compliance with **Transport Practice 2.1**
 not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

AGR is in FULL COMPLIANCE with Transport Practice 2.1 that requires transporters design, construct and operate cyanide trans-shipping depots and interim storage sites to prevent release and exposures.

The operation at CSBP is a manufacturing facility and the storage of solid and liquid cyanide prior to dispatch is covered under the Cyanide Production Verification Protocol.

Interim storage of cyanide within the supply chain is carried out Aurizon West Kalgoorlie Interchange Terminal and AGR completed a due diligence review of Aurizon operations including this facility confirmed storage at the site meet the requirements of Transport Practice 2.1.

Interim storage at the Port may occur and AGR conducted a due diligence of Patricks on 9 April 2019 and confirmed that storage at the site meet the requirements of Transport Practice 2.1.

During the audit period interim storage occurred at the TGL (formerly TMS) depot in Kalgoorlie and TGL is a certified transporter initially certified on 30 September 2014 and was recertified on 9 October 2018.

3.3 Principle 3 – Emergency Response

Protect communities and the environment through the development of emergency response strategies and capabilities.

3.3.1 Transport Practice 3.1

Prepare detailed Emergency Response Plans for potential cyanide releases.

AGR is in full compliance with **Transport Practice 3.1**
 in substantial compliance with
 not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

AGR is in FULL COMPLIANCE with Transport Practice 3.1 requiring the operation prepare detailed Emergency Response Plans for potential cyanide releases.

AGR

AGR does have an Emergency Response Plan that has been developed for the road transportation of cyanide. AGR's response to cyanide is detailed in the TMP and supported by CSBPs emergency management processes that are described in the *Management of Emergencies Procedure, Sodium Cyanide Response to Emergency Situations* and standard operating procedures for solid and liquid cyanide release.

Within the Western Australia, DFES is the primary combat agency for hazardous material incidents and AGR's and CSBPs procedures have been designed to interface with DFES. CSBP is an accredited responder for hazards materials incidents in Western Australia.

Subcontractor transport driver responsibilities in the event of an emergency are to:

- Ensure personal safety first
- Secure the area
- Communicate/report the situation
- Contain the situation if possible
- Stand-by in the area

These are detailed in the *Vehicle Operators Handbook for Sodium Cyanide*.

The AGR emergency response procedures are considered appropriate for the selected transportation routes and AGR does directly operate an interim storage facility. The TMP has been developed to address foreseeable transport emergency situations and hazards identified through the route assessment process.

The AGR emergency response procedures consider both the physical and chemical form of cyanide. The plan has been developed around the transport of sodium cyanide in solid form in IBCs within shipping containers or within STS isotainers and in liquid form within isotainers. The AGR emergency response procedures have been developed to address both road and rail transportation. Storage has been considered through the due diligence assessments.

The consideration of transport infrastructure has been undertaken by AGR through route assessments and route risk assessment process. Route assessments detail the condition of the road, traffic hazards, intersections and issues to be managed by the driver along the route.

The plan does consider the design of the transport vehicle. The plans are based around the road or rail transportation of isotainers (solid and liquid) and solid cyanide IBCs within shipping containers secured to the transport vehicle using twist locks. Vessel security and design is detailed within the TMP.

The AGR emergency response procedures do include descriptions of response actions, as appropriate for the anticipated emergency situation. The TMP details various actions:

- The alerting system
- Assembly of response organisations
- Spill site actions
- CSBP offsite emergency response
- Isolation distances
- Road transport incidents
- Rail transport incidents

The TMP outlines responsibilities of key stakeholders including:

- Vehicle operator
- DFES
- CSBP emergency response team
- AGR/CSBP Emergency management team.

The AGR emergency response procedures do identify the role of outside responders. Contracted transport service providers and external service provider roles and responsibilities are in relation to emergency response are clearly outlined in the TMP.

The Control Authority, usually DFES, is responsible for initiation of alerts, and for the call-out of participating government organisations. CSBP will always be called in an emergency situation. The Rail Operator and the appropriate road transport operator must also have representatives present for incidents involving rail transporter road transport.

DFES is the combat authority for hazardous materials incidents in Western Australia and is able to provide detailed information on First Strike Action (the immediate response action to be taken by the emergency services, which may include police and ambulance services), protective clothing, safety, danger area dimensions, first aid, safety, pollution control, manufacturer identification and telephone contact numbers, and other related information for responding emergency services.

Specific actions for police and ambulance services are not specified within the plan as these will be driven by the nature of the incident.

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Coogee Chemicals

Interviews with Coogee chemical personnel confirmed they were aware of their role in an emergency situation and had a copy of the *Vehicle Operators Handbook for Sodium Cyanide*.

TGL

TGL is a certified transporter initially certified on 30 September 2014 and was recertified on 9 October 2018.

Qube

Qube is a certified transporter initially certified on 29 November 2018. Qube commenced transport for AGR in May 2018. A visit to their operations centre confirmed that Qube follows the transport routes provided by AGR.

Aurizon

AGR completed a due diligence on Aurizon Rail system on 3 April 2019. AGR found no issues of concern with regard to the Aurizon's awareness and management of the handling and systems in place for the sodium cyanide product.

Patricks

AGR completed a due diligence assessment on Patricks on 9 April 2019 and found no issues of concern with regards to the Patricks Terminals awareness and management of the handling and systems in place for the sodium cyanide product.

3.3.2 Transport Practice 3.2

Designate appropriate response personnel and commit necessary resources for emergency response.

in full compliance with

AGR is

in substantial compliance with

Transport Practice 3.2

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

AGR is in FULL COMPLIANCE with Transport Practice 3.2 requiring they designate appropriate response personnel and commit necessary resources for emergency response.

AGR

AGR does provide emergency response training of appropriate personnel. CSBP has an Emergency Response Team and is an accredited responder by the Regulator for sodium cyanide. Cyanide transport incident response is provided through the CSBP response team based at Kwinana and technical support can be provide by AGR and CSBP production personnel.

Training of CSBPs emergency response team (ERT) is done via a combination of in house training and accredited third-party trainers. The ERT members are trained in hazardous material response including use of personal protective equipment, neutralising agents, first aid and decontamination processes. Inhouse training is provided through theory and practical training sessions and periodically tested through mock drill exercises. A review of training records and training matrix for the ERT confirm training is undertaken.

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In addition to training provided to the ERT members, AGR provides training to subcontractor transporters through mock drill activities. AGR has completed a number of exercises both desktop and practical involving their transporters.

General response to emergencies is also covered in AGR's online learning modules completed periodically by transport drivers.

AGR's emergency procedures do identify the specific emergency response duties and responsibilities of personnel for response in the event of an incident.

The TMP outlines responsibilities for Rail Operators, Transport Drivers, CSBP ERT, AGR, and DFES. The TMP provides an overview of the incident management team structure and the roles of the incident controller and on-scene commander.

The TMP fits within a tier emergency response framework with overarching emergency management and crisis management processes depending on the scale of the incident.

The TMP does list the response equipment that is available to respond to an incident during transport. CSBP has an equipped off-site response vehicle and two support vehicles that can be mobilised in the event of an incident. There are checklists for the equipment on the vehicles and equipment checks are performed regularly.

AGR maintain stores of ferrous sulphate at strategic locations around the state conducts period inspection of the neutralising agent. The locations and quantities are detailed in the Vehicle Operators Handbook. The Vehicle Operators Handbook also details the equipment that the driver needs to have with them when transport cyanide and checks are to be completed weekly.

AGR does have the necessary emergency response and health and safety equipment, including personal protective equipment available during transport.

Equipment inspection checklists were viewed showing checks in line with CSBPs procedures. Emergency response equipment was inspected during the site visit and appeared to be in good working condition.

AGR does provide initial and periodic refresher training in emergency response procedures.

As noted previously, AGR has developed and implemented an online training program that is completed by drivers. The training modules contain information on emergency response actions and are completed periodically, and records are retained within the LMS.

Interviews and inspections of the checklists by the Auditor indicate that the equipment inspections are occurring as stipulated and the equipment is available.

AGR does subcontract the transport and handling of cyanide and has established procedures to ensure subcontractors meet the requirements of Transport Practice 3.2.

AGR has contracts in place with subcontracted transporters and those contracts contain conditions relating to compliance with AGR's Transport Management Plan and Vehicle Operators Handbook for Sodium Cyanide Product. The Vehicle Operators Handbook clearly delineates the roles and responsibilities of the contractors during an emergency.

AGR also conducted mock exercises with subcontractors in relation to emergency response as part of its emergency preparedness. The 2017 and 2018 Transport Management Plan reports were provided for review and confirm that AGR assesses compliance of subcontractors with the requirements of Transport Practice 3.2. AGR has also implemented periodic performance meetings with subcontractor transporters to monitor compliance between the formal audit programs.

AGR has completed due diligence assessments of Patricks (Fremantle container port) and Aurizon (Rail Operator and West Kalgoorlie Depot) and is satisfied that these facilities meet AGR's operational requirements.

Coogee Chemicals

Coogee Chemical drivers have completed the online AGR training modules that detail the actions to take in an emergency. The expectation is for drivers to report the incident and make the scene safe if able to do so until responders arrive.

TGL

TGL is a certified transporter initially certified on 30 September 2014 and was recertified on 9 October 2018.

Qube

Qube is a certified transporter initially certified on 29 November 2018. Qube commenced transport for AGR in May 2018.

Aurizon

AGR completed a due diligence on Aurizon Rail system on 3 April 2019. AGR found no issues of concern with regard to the Aurizon's awareness and management of the handling and systems in place for the sodium cyanide product.

Patricks

AGR completed a due diligence assessment on Patricks on 9 April 2019 and found no issues of concern with regards to the Patricks Terminals awareness and management of the handling and systems in place for the sodium cyanide product.

3.3.3 Transport Practice 3.3

Develop procedures for internal and external emergency notification and reporting.

in full compliance with

AGR is

in substantial compliance with

Transport Practice 3.3

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

AGR is in FULL COMPLIANCE with Transport Practice 3.3 requiring that they develop procedures for internal and external emergency notification and reporting.

AGR

AGR has procedures and current contact information for notifying the receiver/consignee, regulatory agencies, outside response providers, medical facilities and potentially affected communities of an emergency.

CSBP provides AGR with a 24-hour emergency response service in the unlikely event of an emergency and this is displayed on the Emergency Information Panels (EIPs) on the isotainers and shipping containers in addition to the Australian Emergency Services numbers. This number is also provided in the Vehicle Operators handbook supplied to transporters.

AGR maintain a list of contact numbers for the strategic locations of ferrous sulphate throughout the state within the TMP.

AGR have processes in place for notifying regulatory agencies through CSBP and their involvement in the state HAZMAT plan. Contact details are maintained at the Kwinana Emergency Control and Response Centre in hard copy and electronic copy. These are also available to the Duty Incident Controller within the 24 hour emergency service.

AGR has provisions to ensure that internal and external emergency notification and reporting procedures are kept current. The TMP has been updated at least every two years with the latest revision in May 2019.

Supporting AGR's TMP, CSBP has a Management of Emergencies Procedure that contains the procedural, contact and outside responder information required. Section 5.3 identifies external emergency responders and their roles, whereas Section 6.3 Notification of Authorities, refers to the process Notification of Incidents to External Authorities – Western Australia which describes the procedure for making contact.

CSBP maintains a list of contacts for use during emergencies. The contact names and numbers are checked and updated in the documentation system and replaced in the Emergency Control Centre (ECC) at least every twelve months by the Emergency Services Supervisor or following organisational changes.

Coogee Chemicals

Coogee Chemical drivers had completed the online AGR training modules that detail the actions to take in an emergency. The expectation is for drivers to report the incident to using Australia's 000 emergency number and AGR designated emergency number and the details are provided within the Vehicle Operators Handbook and on the EIP on the vehicle.

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TGL

TGL is a certified transporter initially certified on 30 September 2014 and was recertified on 9 October 2018.

Qube

Qube is a certified transporter initially certified on 29 November 2018. Qube commenced transport for AGR in May 2018. A visit to their operations centre confirmed that Qube follows the transport routes provided by AGR.

Aurizon

AGR completed a due diligence on Aurizon Rail system on 3 April 2019. AGR found no issues of concern with regard to the Aurizon's awareness and management of the handling and systems in place for the sodium cyanide product.

Patricks

AGR completed a due diligence assessment on Patricks on 9 April 2019 and found no issues of concern with regards to the Patricks Terminals awareness and management of the handling and systems in place for the sodium cyanide product.

3.3.4 Transport Practice 3.4

Develop procedures for remediation of releases that recognise the additional hazards of cyanide treatment.

in full compliance with

AGR is

in substantial compliance with

Transport Practice 3.4

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

AGR is in FULL COMPLIANCE with Transport Practice 3.4 requiring that they develop procedures for remediation of releases that recognise the additional hazards of cyanide treatment.

AGR

AGR does have procedures for remediation, such as recovery or neutralisation of solutions or solids, decontamination of soils or other contaminated media and management and/or disposal of spill clean-up debris.

While DFES are the combat agency and in control of the scene, CSBP will send representatives to the scene to liaise with authorities and provide technical support and remediation and decontamination of soils (once the incident is under control) would be undertaken by CSBP.

Section 13 of the TMP provides details on the clean-up requirements and the use and controls for Ferrous Sulphate and neutralisation procedures for both liquid and solid release scenarios.

AGR's procedures do prohibit the use of chemicals such as sodium hypochlorite, ferrous sulfate and hydrogen peroxide to treat cyanide that has been released into surface water.

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The TMP states:

While some unique situations may exist where it is acceptable to add neutralising agents to water sources, generally, hypochlorite and ferrous sulphate MUST NOT be allowed to enter any natural body of surface or ground water.

Coogee Chemicals

Coogee Chemicals drivers are not expected to undertake remediation activities.

TGL

TGL drivers are not expected to undertake remediation activities.

Qube

TGL drivers are not expected to undertake remediation activities.

Aurizon

Aurizon rail operators are not expected to undertake remediation activities.

Patricks

Patricks operators are not expected to undertake remediation activities.

3.3.5 Transport Practice 3.5

Periodically evaluate response procedures and capabilities and revise them as needed.

in full compliance with

AGR is

in substantial compliance with

Transport Practice 3.5

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

AGR is in FULL COMPLIANCE with Transport Practice 3.5 requiring the operation periodically evaluate response procedures and capabilities and revise them as needed.

AGR

AGR does undertake periodic reviews of its emergency response procedures and plans. The TMP is reviewed at least every two years and the most recent review was undertaken in May 2019. AGR has also implemented a Transport Management Plan audit program as part of compliance with Ministerial Conditions and this audit program includes assessment of emergency response including audits of transporters.

In addition to the audit program, AGR uses desktop exercises and mock drills as part of the review process and has completed drills with subcontractors across the audit period.

There are provisions for periodically conducting mock emergency drills and they are being implemented. Evidence was provided in the form of drill reports indicating that both desktop and mock drill exercises are being undertaken by AGR and personnel interviewed detailed the process. The drills addressed environmental release scenarios and exposure scenarios.

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There is a procedure to evaluate emergency procedures performance after its implementation and revise it as needed. There were no cyanide incidents during the period that required implementation of the emergency response procedures.

AGR has conducted a number of mock drills throughout the audit period but they have not necessitated the revision of the plan.

Coogee Chemicals

Periodic assessment and review of emergency response capabilities is undertaken by AGR. Coogee Chemicals are not responsible for this activity but have participated in mock exercises.

TGL

Periodic assessment and review of emergency response capabilities is undertaken by AGR. TGL are not responsible for this activity but have participated in mock exercises.

Qube

Periodic assessment and review of emergency response capabilities is undertaken by AGR. Qube are not responsible for this activity but have participated in mock exercises.

Aurizon

AGR completed a due diligence on Aurizon Rail system on 3 April 2019. AGR found no issues of concern with regard to the Aurizon's awareness and management of the handling and systems in place for the sodium cyanide product.

Patricks

AGR completed a due diligence assessment on Patricks on 9 April 2019 and found no issues of concern with regards to the Patricks Terminals awareness and management of the handling and systems in place for the sodium cyanide product.

4.0 DUE DILIGENCE

4.1 Aurizon

4.1.1 Summary of AGR Due Diligence Assessment – Aurizon

AGR's Technical Support Manager, Darren Gould conducted a due diligence review of Aurizon in April 2019. The Due Diligence Assessment report was reviewed by Mike Woods of Golder in July 2019. Mike is pre-certified by the ICMI as a Transport Technical Specialist.

The following Code items were addressed within the due diligence report and a summary is provided below:

- Transport Practice 1.1
- Transport Practice 1.6
- Transport Practice 2.1
- Transport Practice 3.1.

Aurizon is the main rail service from Perth to Kalgoorlie in Western Australia; Aurizon has ability to rail both 98% Sold Cyanide and 30% Sodium Cyanide Solution from the CSBP plant to the Eastern Goldfields by utilising the Aurizon Rail System. The due diligence covered the Aurizon service and therefore AGR's consignments shipped on the Aurizon Rail System within Western Australia.

The rail route has been tailored to be as efficient and direct as possible removing the requirements for any additional handling or shunting after the train consist has been constructed. After being shunted out of the AGR siding the wagons are placed into the daily rail consist at the Kwinana Rail Yard. Once put together the train departs directly for West Kalgoorlie with no other stops en route. The monitoring of the freight online system allows AGR to monitor the progress of the rail consist whilst en route.

The domestic sales of sodium cyanide take into consideration the transport services available to service the intended target market. AGR only operates in domestic markets that are serviced by major transport companies with the ability to offer scheduled services from CSBP Kwinana to the Mining Operation.

Aurizon personnel are fully trained in their tasks as per Aurizon Rail Safety Document A101-400-013. Procedures are in place which cover documentation, scheduling, signals, shunting, train driving, loading, operations at the sidings and container terminals, and Emergency Response.

Rail operators do not generally complete product specific awareness training. In most cases operators complete generic Dangerous Goods Awareness training to understand basic principles and DG management; however, Aurizon has insisted that all Operators at the West Kalgoorlie Container Terminal complete the AGR Sodium Cyanide awareness. As of 21 May 2019 training was up to date.

Rail wagons are maintained by Aurizon to the "Railways of Australia Codes of Practice and Conditions for the Cartage of Dangerous Goods". Aurizon manages a maintenance schedule for all wagons in the AGR fleet. Lifting equipment at the West Kalgoorlie Rail Yard is serviced every 500hrs as per the manufacturer's handbook. United Equipment Kalgoorlie are the current providers of all lifting equipment maintenance in West Kalgoorlie at this moment. Equipment Service sheets were witnessed at the last Transport Management Plan audit in February this year.

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The transfer area at the West Kalgoorlie Container Terminal is fully bunded and placarded and also has a container with 16 tonnes of Ferrous Sulphate on site. There is a capacity to store six full isotainers in the transfer area in a dedicated bunded area within the main transfer area.

Aurizon's online tracking program "freightonline" software package is able to produce an immediate report of all containers, their position, and their contents for the emergency services if an emergency arose. The Aurizon response to a dangerous goods incident with an isotainer/container/product is to raise the alarm, cordon off the area, and stand down operations. The alarm will mobilise local Department of Fire and Emergency Services (DFES) and AGR. CSBP (AGR's operating and Sales Agent) has 24 hour/7 day week emergency response preparedness.

CSBP's Emergency Response is registered with the State Authorities as a Clean Up Service Provider for all CSBP's chemicals including sodium cyanide. CSBP has a significant relationship with the State Authorities and as part of its operating and transport conditions conducts emergency response exercises with the State Authorities for its various chemicals.

A two yearly audit by an external auditor of the Transport Management Plan (and Aurizon's compliance therewith) to comply with Ministerial Condition 700 is conducted every two years. The last audit was conducted in February 2019 with no shortfalls with Aurizon's compliance identified.

The ongoing audit and review as a service provider and this due diligence report has found no issues of concern with regards to the Aurizon's awareness and management of the handling and systems in place for the sodium cyanide product. AGR will continue to review and monitor Aurizon's performance; this will include ongoing and regular contact to maintain awareness and preparedness and a two yearly audit by an external auditor of the Transport Management Plan and Emergency Management Plan to comply with Ministerial Condition 700.

4.1.2 Auditor Conclusion

The due diligence reviews were found to be sufficiently detailed to evaluate the rail operations within the constraints of access and limited influence, and additional management measures by the consigner were not considered necessary.

4.2 Patricks

4.2.1 Summary of AGR Due Diligence Assessment – Patricks

AGR's Technical Support Manager, Darren Gould conducted a due diligence review of Patricks in April 2019. The Due Diligence Assessment report was reviewed by Mike Woods of Golder in July 2019. Mike is pre-certified by the ICMI as a Transport Technical Specialist.

The following Code items were addressed within the due diligence report and a summary is provided below:

- Transport Practice 1.1
- Transport Practice 1.6
- Transport Practice 2.1
- Transport Practice 3.1

The Fremantle Port is the main Container Port servicing Western Australia; AGR has ability to ship from Fremantle Port by utilising the Mediterranean Shipping Company and Maersk Line for the shipment of product from Fremantle Western Australia to AGR's export destination Ports. No alternative Ports with similar services and proximity are available in Western Australia. The routes and transport options to the Port are reviewed every two years as part of the requirement under the Ministerial M700.

The Fremantle Port Authority (FPA) oversees the operation of the overall Port operations including the safe navigation of shipping in the Port's 383 km² of water. The stevedoring company manages the on shore (wharf) operations. Fremantle Port has two container terminals; Patricks and DP World. This due diligence report is for Patricks.

Software programs (SPARCS) control container placement and movement; these software packages identify each individual container placement area in designated stacks. The input information for the placement of containers comes from the vessel's manifest. It is this program that allows container terminals to allocate dangerous goods storage areas, placement containers to ensure segregation requirements are met.

When the containers have been packed and sealed AGR can proceed with the completing the Pre Receival Advice (PRA), which allows AGR to enter the details of the export consignment into the customs export system for handling goods and containers over the Wharf. Details are entered into the system for each container. Detail includes container reference number, weights, seal number, booking number (Patricks), destination Port, Can Number (customs reference), and details for Hazardous cargo. The PRA system will send an acceptance once all the fields are correctly entered.

Patricks has up to a five-day window before Vessel sails to take hazardous products for loading. The road transporter appointments are made to suit this time slot. The stacking is maximum two containers high as per the dangerous goods regulations. This stacking area is the same area as allocated by the planners from the information received from the PRA system. Applicable Regulations: Dangerous Goods Safety (Storage and Handling of Non-explosives) Regulations 2007 and Australian Standard: AS3846 The Handling and Transport of Dangerous Cargoes in Port Areas. The cyanide laydown area currently used is segregated with concrete bollards and the lay down area is only used for cyanide. Emergency Information Panels indicate the cyanide laydown area and access is restricted and no smoking, eating or drinking is permitted in the area.

Container Terminals are set up for the handling of containerised cargos; these standardised cargos all have weight and size specifications (restrictions). The handling equipment, forklifts, cranes, and container handlers are all designed and sourced to meet the handling requirements. All equipment at Patricks is serviced and maintained to the requirements set out by the manufacturer. Patricks uses the MAXIMO Maintenance system to monitor and manage all their lifting equipment.

All operators are High Risk Work (HRW) trained; this ensures they are licensed to operate a crane, container loader or forklift as required under the High Risk Work requirements in Western Australia.

For AGR's shipments, despatch can only load 20 IBCs per container, product, packaging plus container is within the requirements of the shipping line and hence the Port equipment. All documentation for the delivery of the goods to the port details each container's total gross weight.

The loading of the containers onto the vessel will take information provided from Mediterranean Shipping Company as to the stacking allocation and designated area as advised by Mediterranean Shipping Company. Patricks uses a comprehensive software package for the planning and scheduling of containers both for loading and unloading vessels.

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Patricks response to a dangerous goods incident with a container/product is to raise the alarm, cordon off the area and stand down operations. The alarm will mobilise the State Fire & Rescue Services (DFES) who will respond to the incident. CSBP (AGR's operating and Sales Agent) has 24 hour/7 day week emergency response preparedness. CSBP's Emergency Response is registered with the State Authorities as a Clean Up Service Provider for all CSBP's chemicals including sodium cyanide. CSBP has a significant relationship with the State Authorities and as part of its operating and transport conditions has emergency response exercises with the State Authorities for its various chemicals.

The ongoing audit and review as a service provider and this due diligence report has found no issues of concern with regards to the Patricks Terminals awareness and management of the handling and systems in place for the sodium cyanide product. The report is not an acceptance of Patricks for future work and as with all service providers to AGR, AGR will continue to review and monitor their performance; this will include ongoing and regular contact to maintain awareness and preparedness and a two-yearly audit by an external auditor of Patricks Safety Management System and Emergency Management Plan to comply with Ministerial Condition 700.

4.2.2 Auditor Conclusion

The due diligence reviews were found to be sufficiently detailed to evaluate the rail operations within the constraints of access and limited influence, and additional management measures by the consigner were not considered necessary.

5.0 IMPORTANT INFORMATION

Your attention is drawn to the document titled – "Important Information Relating to this Report", which is included in Appendix A of this report. The statements presented in that document are intended to inform a reader of the report about its proper use. There are important limitations as to who can use the report and how it can be used. It is important that a reader of the report understands and has realistic expectations about those matters. The Important Information document does not alter the obligations Golder Associates has under the contract between it and its client.

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Golder Associates Pty Ltd



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ICMC Lead Auditor and ICMC Transportation Expert

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APPENDIX A

Important Information

The document ("Report") to which this page is attached and which this page forms a part of, has been issued by Golder Associates Pty Ltd ("Golder") subject to the important limitations and other qualifications set out below.

This Report constitutes or is part of services ("Services") provided by Golder to its client ("Client") under and subject to a contract between Golder and its Client ("Contract"). The contents of this page are not intended to and do not alter Golder's obligations (including any limits on those obligations) to its Client under the Contract.

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This Report has been prepared in the context of the circumstances and purposes referred to in, or derived from, the Contract and Golder accepts no responsibility for use of the Report, in whole or in part, in any other context or circumstance or for any other purpose.

The scope of Golder's Services and the period of time they relate to are determined by the Contract and are subject to restrictions and limitations set out in the Contract. If a service or other work is not expressly referred to in this Report, do not assume that it has been provided or performed. If a matter is not addressed in this Report, do not assume that any determination has been made by Golder in regards to it.

At any location relevant to the Services conditions may exist which were not detected by Golder, in particular due to the specific scope of the investigation Golder has been engaged to undertake. Conditions can only be verified at the exact location of any tests undertaken. Variations in conditions may occur between tested locations and there may be conditions which have not been revealed by the investigation and which have not therefore been taken into account in this Report.

Golder accepts no responsibility for and makes no representation as to the accuracy or completeness of the information provided to it by or on behalf of the Client or sourced from any third party. Golder has assumed that such information is correct unless otherwise stated and no responsibility is accepted by Golder for incomplete or inaccurate data supplied by its Client or any other person for whom Golder is not responsible. Golder has not taken account of matters that may have existed when the Report was prepared but which were only later disclosed to Golder.

Having regard to the matters referred to in the previous paragraphs on this page in particular, carrying out the Services has allowed Golder to form no more than an opinion as to the actual conditions at any relevant location. That opinion is necessarily constrained by the extent of the information collected by Golder or otherwise made available to Golder. Further, the passage of time may affect the accuracy, applicability or usefulness of the opinions, assessments or other information in this Report. This Report is based upon the information and other circumstances that existed and were known to Golder when the Services were performed and this Report was prepared. Golder has not considered the effect of any possible future developments including physical changes to any relevant location or changes to any laws or regulations relevant to such location.

Where permitted by the Contract, Golder may have retained subconsultants affiliated with Golder to provide some or all of the Services. However, it is Golder which remains solely responsible for the Services and there is no legal recourse against any of Golder's affiliated companies or the employees, officers or directors of any of them.

By date, or revision, the Report supersedes any prior report or other document issued by Golder dealing with any matter that is addressed in the Report.

Any uncertainty as to the extent to which this Report can be used or relied upon in any respect should be referred to Golder for clarification



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