ICMC SUMMARY AUDIT REPORT
SAN ANDRES MINE
LA UNIÓN, COPÁN, HONDURAS
2018

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INFORMATION ON THE AUDITED OPERATION

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Name of the mine owner: Aura Minerals Inc.
Name of the mine operator: Aura Minerals Inc.
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Auditor’s Finding

This operation is
☑ in full compliance
☐ in substantial compliance
☐ not in compliance
with the International Cyanide Management Code.
This operation has maintained Full Compliance with the International Cyanide Management Code throughout the previous three-year audit cycle.

Audit Company: Smart Access
Audit Team Leader: Bruno Pizzorni E-mail: bpizzorni73@gmail.com
Mining Technical Auditor: Bruno Pizzorni
Date(s) of Audit: March 24 to 29, 2017

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

I attest that this Summary Audit Report accurately describes the findings of the verification audit. I further attest that the verification audit was conducted in a professional manner in accordance with the International Cyanide Management Code Verification Protocol for Gold Mine Operations and using standard and accepted practices for health, safety and environmental audits.

San Andrés Mine
Name of Facility
Lead Auditor
www.smartaccess.us

February 5, 2018
Date
Audit Terms of Reference

SmartAccEss was retained by Minerales de Occidente S.A. to audit the cyanide installations in San Andrés Mine site at Honduras, to determine the status of compliance with the Code as part of a recertification assessment.

Audit Scope and Methodology

The Mining Operations Verification Protocol for The International Cyanide Management Code updated in December 2016 was adopted to guide the audit process. The Code’s Auditor Guidance for the Use of the Gold Mining Operations Verification Protocol (Auditor Guidance) developed by the ICMI and updated in December 2016 was used to interpret the Protocol questions and aid in evaluating the measures taken to meet the Standard of Practices. The questions posed in the Protocol are based on those measures typically appropriate to meet the Principles and Standards of Practice. The completed Protocol forms the basis of the detailed audit report.

The audit was conducted through a review of procedures and records, observations of warehouse material handling activities including the loading of boxes into trailers. The audit was based on a sampling of information and therefore deficiencies may exist which have not been identified.

Interviews were held with the Safety, Health, Environment and Social Responsibility (SSMARS) Manager, the H&S Superintendent, the Integrated Management System Administrator, the Community Relations Superintendent, the Purchasing Supervisor, the Warehouse Supervisor, the ADR Plant Superintendent, the Leaching Superintendent, the Maintenance Planner, the Environmental Superintendent, the Laboratory and Waste Water Superintendent, the Projects and Maintenance Manager, a project engineer, the Controller, the Security Advisor, and security guards.

During the period of this recertification audit, San Andrés suffered several social and labor conflicts that are reflected in gaps to the cyanide management system in the mining operation. However, the auditor found that San Andres, in a good faith act, has regained control of its operations and complies with good cyanide management practices as required by the Code.

In mid-December 2013, workers at the San Andres mine went on strike, restarting their work again in mid-January 2014. Then, during that year, a series of labor movements and reorganization took place in the company with layoffs and incentives to resign, leaving about 50 workers from the mine. In April 2014, San Andres suffered the blockade of the Azacualpa community for 2 weeks, preventing workers from accessing the mine. In June
2014, the same comuneros carried out a series of social unrest blocking access to the mine that prevented the normal development of work in the mining operation. In November 2015, the mining operation suffered another blockade by the same community, in the crushing area.

Structure of the Report

The Protocol, and audit findings against the Principles and Standards of Practice detailed within the Protocol, are presented in this report. Observations that do not classify as audit findings, but are noteworthy because they provide perspective on the status of cyanide management at the sites are also detailed within this report.

Audit Schedule

The Re-Certification Audit was undertaken over five days, from March 24 to 29, 2017.

Audit Team

The audit was performed by Bruno Pizzorni, an independent third-party auditor who was pre-approved by the ICMI as Lead Auditor for all types of International Cyanide Management Code (ICMC) audits and as a technical expert for ICMC audits of cyanide production operations.

LOCATION DETAIL AND DESCRIPTION OF OPERATION

![San Andrés Mine Map](image-url)
The San Andrés Mine is an open-pit heap leach gold mine located in the highlands of western Honduras, in the municipality of La Union, Department of Copan, Honduras, approximately 300 kilometers northwest of the country’s capital city, Tegucigalpa, and covers 399 hectares. The mine has been in production since 1983 and has well-developed infrastructure, which includes power and water supply, warehouses, maintenance facilities, assay laboratory, and on-site camp facilities.

After acquiring the mine in August 2009, Aura Minerals completed an expansion project, consisting of a new primary crusher-conveyor system and a new stacking system. The new crusher-conveyor system has significantly reduced mine ore haulage distances and provides an opportunity to increase throughput. The new stacking system has increased the rate of ore stacked on the leach pad, thereby increasing throughput.

The mine is a heap leach operation with two stages of crushing. Mining at the San Andrés Mine is currently carried out by an international contractor using conventional earth-moving equipment. Current production is approximately 4.9 million tons of ore per annum with an additional 2.4 million tons of waste moved annually.
PROCESS FLOWSHEET AT SAN ANDRÉS
MINING

Open-pit mining at the San Andres Mine commenced at the Water Tank Hill deposit. This pit was depleted by early 2003 and is currently in the reclamation process. Mining began in the East Ledge pit in early 2003. Mining at the East Ledge pit is currently shut down and will resume once the expansion plan implementation is underway. Present production at the San Andres Mine is entirely from the Twin Hills open-pit operation. Waste rock from the Twin Hills pit is currently being used to fill and reclaim the upper southeast side of the East Ledge pit.

From 1998 to 2011, the San Andres Mine treated approximately 39 million tonnes of material at an average grade of 0.86 g/t Au. Currently, the mine produces approximately 400,000 tonnes of ore per month. Since acquiring the mine in August 2009, a new primary crusher-conveyor system has been installed and has significantly reduced haulage distances and improved efficiency of the system. During the first quarter of 2012 a new mine contractor with a proven track record was commissioned to take over the mining operations.
PROCESSING

The San Andres Mine is a heap leach operation with two stages of crushing. Mining at the San Andres Mine is currently carried out by an international contactor using conventional earth-moving equipment. Current production is approximately 4.9 million tonnes of ore per annum with an additional 2.4 million tonnes of waste moved annually.

The crushing circuit consists of a primary jaw crusher and secondary cone crushers, which reduces the ore size to a nominal 80% passing three inches for leaching. The ore is friable so a significant number of fines is produced during the crushing stage. These fines are agglomerated using a combination of cement and lime. The crushed and agglomerated product is transferred to a series of conveyors to distribute the material on to the leach pads in 6-meter lifts for leaching. A conventional carbon absorption facility (ADR Plant) is used to recover the gold from process solutions and produce a final gold doré product.

The new primary crusher, conveyer and agglomerator facility and stacking system have been commissioned at the San Andres Mine. These capital projects have significantly reduced the ore haulage costs and improved efficiency of the system.

During the first quarter of 2012, further steps have been taken to improve production at San Andres including replacing the primary crusher wobbler with a vibrating grizzly screen ahead of the jaw crusher to improve plant operating time, throughput and efficiency.

Location of the storage and water treatment ponds at San Andres:
1 PRODUCTION: Encourage responsible cyanide manufacturing by purchasing from manufacturers that operate in a safe and environmentally protective manner.

1.1 Standard of Practice 1.1: Purchase cyanide from manufacturers employing appropriate practices and procedures to limit exposure of their workforce to cyanide, and to prevent releases of cyanide to the environment.

Finding: Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 1.1? Explain the basis for the finding.

☑ Full Compliance ☐ Substantial Compliance ☐ Non-Compliance

San Andres purchases solid sodium cyanide from Cyanco International, LLC - Houston Production Plant (Cyanco) since January 2016. Previously from The Chemours Company (formerly E.I. DuPont de Nemours and Company) (Chemours). Although the contract with Cyanco does not require the cyanide producer to be Code certified, Cyanco’s facility at Houston has been re-certified in the Code on February 23, 2017 and previously in November 5, 2013.

In 2015, San Andres made one purchase of sodium cyanide from Peruvian distributor Mercantil S.A. (Mercantil) also certified in the Cyanide Code in July 19, 2010 and the re-certified in January 13, 2015.
2 TRANSPORTATION: Protect communities and the environment during cyanide transport.

2.1 Standard of Practice 2.1: Establish clear lines of responsibility for safety, security, release prevention, training and emergency response in written agreements with producers, distributors and transporters.

Finding: Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 2.1? Explain the basis for the finding.

☑ Full Compliance □ Substantial Compliance □ Non-Compliance

There are contracts in place between Cyanco and MINOSA (Minerales de Occidente, commercial name of San Andres Mine) to sell and purchase cyanide and between Texas Bunkering Supply & Services (TBSS) and MINOSA for the transportation of cyanide.

Cyanco’s Global Ocean Supply Chain, including the Port of Cortes, Honduras, was recertified on January 11, 2018.

Transport from Puerto Cortes to the mine site is performed by the trucking company Texas Bunkering Supply & Services (TBSS) which initial certification on the Code was in March 11, 2015.

The contract between transporter TBSS and MINOSA addresses the transporter shall comply as stipulated in the ICMC with respect to transport as being.

There is only one road transportation route that is currently used to move material from Puerto Cortes to the San Andres Mine; this includes a hazardous material transportation corridor around San Pedro Sula. There is a cyanide shipment approximately once every 2-3 weeks to the site. No road accident was reported during the period of this recertification audit period.

TBSS transporter does not subcontract any cyanide transport operation to San Andrés mine.

San Andrés Mine
Name of Facility

Lead Auditor

February 5, 2018
Date

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2.2 **Standard of Practice 2.2:** Require that cyanide transporters implement appropriate emergency response plans and capabilities and employ adequate measures for cyanide management.

**Finding:** Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 2.2? Explain the basis for the finding.

- [x] Full Compliance  [ ] Substantial Compliance  [ ] Non-Compliance

The contract agreement between MINOSA and TBSS do require to comply with the Cyanide Code requirements, although there is no written requirement to be certified. TBSS is certified with the Cyanide Code since March 11, 2015.

Cyanco’s Global Ocean Supply Chain, including the Port of Cortes, Honduras, was recertified on January 11, 2018.

San Andres maintains delivery records for cyanide shipments to the mine. These records identify all transporters of the supply chain.
3 HANDLING AND STORAGE: Protect workers and the environment during cyanide handling and storage.

3.1 Standard of Practice 3.1: Design and construct unloading, storage and mixing facilities consistent with sound, accepted engineering practices, quality control/quality assurance procedures, spill prevention and spill containment measures.

Finding: Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 3.1? Explain the basis for the finding.

☑ Full Compliance ☐ Substantial Compliance ☐ Non-Compliance

Facilities for unloading, storing and mixing cyanide have been designed and constructed in accordance with generally-accepted engineering practices for these facilities. The auditor reviewed a document from the Principal Project Metallurgist of Aura Minerals who completed a review of the unloading, mixing and storage facilities at San Andres in July 2013 and stated in the documented review report that the facility inspected was adequate for cyanide storage.

National regulatory agencies have completed several visual inspections of the unloading and storage areas for cyanide and have not identified any deficiencies; no documentation from the regulatory agencies was available from Aura Minerals to support these visual inspections.

The unloading area for solid cyanide is located within the fenced ADR Plant facility area and away from local communities and surface waters. It is immediately adjacent to the storage area for cyanide.

Solid cyanide (briquettes) only is received at the ADR Plant; no liquid cyanide is transported to the site.

The cyanide storage tank and other process tanks area located on a concrete floor and have ultrasonic detection systems with high and low-level alarms. In addition, the cyanide mixing tank and the cyanide storage tank within the ADR Plant have a level indicator installed on each tank that includes an overflow line to the ADR Plant water management system that would divert any contaminated water into the process.

All secondary containments for the cyanide mixing and storage (day) tank inspected have impermeable concrete berms to prevent leakage. No cracks in the concrete were
observed. The auditor conclusion was that the concrete in the area provides a competent barrier.

The cyanide storage has adequate ventilation and a sheet metal roof. Cyanide is stored in polypropylene bags (maxi totes) in wooden boxes, on wooden pallets to minimize potential contact with water. Pallets and boxes are entered storage using a small hydraulic lifter and are stacked a maximum of three high. The cyanide storage area is not accessible by the public, it is locked and within the fenced boundary of the ADR Plant. No incompatible materials are stored with the cyanide.

3.2 Standard of Practice 3.2: Operate unloading, storage and mixing facilities using inspections, preventive maintenance and contingency plans to prevent or contain releases and control and respond to worker exposures.

Finding: Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 3.2? Explain the basis for the finding.

☑ Full Compliance ☐ Substantial Compliance ☐ Non-Compliance

Empty cyanide containers are broken apart and rinsed with water 3 times prior to storage in a segregated area with the bone-yard area. Empty wooden boxes plastic bags are rinsed within the ADR Plant area and are also stored in bone-yard. Water from the rinsing activities is added back to the cyanidation process.

Cyanide addition to the mixing tank is controlled automatically; there is no manual mixing of cyanide. A procedure has been prepared for handling the cyanide containers and moving them into and out of storage; for preparing the cyanide solution in the mixing tank; and for cleaning up any spills of cyanide briquettes.

Cyanide pallets are moved to the storage area using a small hydraulic lifter. Cyanide boxes are stacked three high in warehouse.

A cyanide mixing operation at the ADR Plant was observed on the site visit. The employee completing the mixing had appropriate personal protective equipment (PPE) for mixing cyanide. A second employee was in place observing the primary operator mixing the cyanide.
SUMMARY AUDIT REPORT

4 OPERATIONS: Manage cyanide process solutions and waste streams to protect human health and the environment.

4.1 Standard of Practice 4.1: Implement management and operating systems designed to protect human health and the environment including contingency planning and inspection and preventive maintenance procedures.

Finding: Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 4.1? Explain the basis for the finding.

☑ Full Compliance    ☐ Substantial Compliance    ☐ Non-Compliance

San Andrés Mine has developed and implemented managing and operational procedures (POP) for their cyanide facilities: cyanide storage, cyanide mixing and storage tanks in the ADR Plant, secondary containment areas, the agglomerator, heap leach pads and associated storage ponds, carbon, washing, stripping and handling facilities, pumps and piping connecting the cyanide facilities. The complete list of operating procedures is included in a master list. Regular inspections to these facilities are completed by the maintenance staff.

The mine has extensive design documentation for all aspects of the design and operation. Plans and procedures were reviewed during the audit. Interviews were held with personnel responsible for the operation and maintenance of the facility.

San Andrés Emergency Response Plan (ERP) address response actions if upset conditions are detected in the facility’s water balance, deviations from design or operating procedures, or when a cessation of operations may be necessary.

Pond 6 has been constructed to provide additional on-site storage capacity for storm water and process water. Sufficient pond capacity exists to accommodate excess water during the rainy season. Several of the ponds are kept dry during the dry season.

Maintenance staff complete daily inspections of cyanide containing equipment in the ADR Plant and record their observations in a daily log book. ADR Plant operators complete daily inspections of the cyanide storage area and record their observations in a daily log book.

ADR Plant operators complete daily inspections of Ponds 1-5 and the booster pond and heap leach operations. Observations, including any wildlife mortalities, are recorded in daily log books, including wildlife mortalities. Pond 6, the discharge pond, is inspected by...
the Technical Service group on a weekly basis during the dry season and daily during the wet season.

Ponds are inspected daily for evidence of corrosion and leakage, including secondary containments areas for signs of any spills, cracking and loss of competency. Freeboard in the storage ponds is inspected daily to ensure appropriate capacity is available.

The environmental staff complete inspections of the interstitial leak detection systems for the heap leach and storage pond liners once per week. They also complete weekly monitoring of the groundwater monitoring wells to detect any leakage from the leach pads and ponds.

Inspections of cyanide facilities are recorded on maintenance inspection forms or in log books and include the date of the inspection and any observed deficiencies as well as the name of the inspector. Inspection forms and log books reviewed during the certification audit indicated that positive observations were recorded, as well as any deficiencies noted. Corrective actions taken are also recorded on the inspection forms.

Preventive maintenance (PM) system is in place, although at the audit occasion some recent PM data had not been fully entered as of the data of the inspection. Any corrective maintenance requests are prepared by local supervisors and entered the PM schedule by the maintenance planning group. These are assigned a work order number and resources allocated for completion by the maintenance department.

San Andres mine, additionally to the national grid power supply, has 5 generators on site each supplying 1.75 MW. Power need is for only 3 generators when all systems are on line, reducing to 2 and 1 when certain equipment is not on line. San Andres ensures that every generator is maintained in operating status and tested by rotating the operation every other day. San Andres can oversupply by almost 70%, which is considered sufficient backup capacity.

San Andres has a procedure for change management to identify when changes in the site's processes or operating practices may increase the potential for the release of cyanide and to incorporate the necessary release prevention measures.

Inspection frequency is sufficient to ensure that cyanide facilities and storage ponds are functioning within design parameters.
4.2 **Standard of Practice 4.2:** Introduce management and operating systems to minimize cyanide use, thereby limiting concentrations of cyanide in mill tailings.

Finding: Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 4.2? Explain the basis for the finding.

☑ Full Compliance ☐ Substantial Compliance ☐ Non-Compliance

To control and reduce CN consumption in its process, San Andrés performs column tests whenever the lithology of the material changes or at least 2 times a year. The auditor reviewed results of these tests with dates of January and February of 2016. In addition to these tests, they control the rate of irrigation along with other parameters such as ore law, pH, leaching cycle and recovery rate. San Andrés has also incorporated into its gold recovery process the use of alcohol in the elution process that allows them to save up cyanide consumption.

4.3 **Standard of Practice 4.3:** Implement a comprehensive water management program to protect against unintentional releases.

Finding: Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 4.3? Explain the basis for the finding.

☑ Full Compliance ☐ Substantial Compliance ☐ Non-Compliance

Water balance is comprehensive, it includes 2 year/24 h, 10 year/24 h and 100 year/24 hour storm events. The water balance includes solutions application rates to the heap leach pads, precipitation and evaporation rates from the meteorological station on site and the national network meteorological station at Santa Rosa, surface run-off, and the capacity of the ADR Plant, water treatment plant and the storage ponds. The water balance considers the uncertainty and variability of predicted precipitation events, including seasonal variations (rainy and dry seasons) and the extreme storm events.

For the probabilistic calculation San Andrés uses data from COPECO. They continually compare this data with the real. The calculation is made for the maximum event of the last 5 years.

The water balance considers the solution application rate to the leach pad which is 0.013 m³/h/m², or 13 L per h per square meter of heap surface. There is no tailings storage facility at San Andres.
The design storm event is 310 mm with a peak rate of 125 mm/h. The 100yr/24 h storm event is 216 mm/h with a peak rate of 87 mm/h. Existing precipitation data is collected from an on-site meteorological station and is compared to a national meteorological network station in Santa Rosa. Surface run-off is included in the water balance. Freezing and thawing cycles are not required for the water balance model. There is no tailings facility and leakage from the pond liners is recycled back to the ponds. Back-up power is available on site to prevent any power outages.

Historical maintenance records are considered in determining the availability of the ADR Plant and the water treatment plant. Discharge to the environment is via Pond 6, following treatment and testing by government agency prior to release. The revised water balance considers possible emergency discharges. Direct releases of clean water from the water treatment plant and Ponds 4 to 6 are currently permitted by the government when an emergency is declared. The capacity and online availability of the water treatment plant is included in the water balance model.

Operating ponds, including the booster pond, are inspected by ADR Plant staff daily to maintain the water balance for the site. The freeboard volumes are monitored and recorded in the operator’s log book. The auditor reviewed the log books records covering the certification audit period.

The design storage capacity for the ponds is 80% of total volume for Ponds 1-4 (operating and event ponds) and 85% for Ponds 5 and 6 (clean water ponds). These are the volumes used for water storage capacity in the ponds for the water balance model.

There are two meteorological stations used for the water balance one on the mine site and another in the village of Santa Rosa (for comparison). Review of the updated water balance model indicates that the water system is set up with sufficient operational options and contingency plans to manage a zero release of untreated water into the environment. With a total water treatment plant capacity of 908 m3/h (4,000 gallons per minute) and a utilization rate of 90% during wet seasons, the water system is equipped to mitigate any excess water.

4.4 Standard of Practice 4.4: Implement measures to protect birds, other wildlife and livestock from adverse effects of cyanide process solutions.

Finding: Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 4.4? Explain the basis for the finding.

☑ Full Compliance ☐ Substantial Compliance ☐ Non-Compliance

San Andrés Mine
Name of Facility

Lead Auditor

February 5, 2018
Date

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The only pond where cyanide concentration sporadically exceeds 50 mg/l WAD CN is the booster pond (approximate concentration 400 mg/l WAD CN in storage and mixing tanks). Suitable fencing, signage and wildlife (bird) protection netting that completely cover the pond has been installed at this location. The leach solution ponds are fenced with electro welded type mesh to prevent the entry of wildlife. The heap leach facilities are fenced with liner curtains 1 m tall to avoid entering cattle or other animals.

The auditor reviewed the monthly monitoring records for the cyanide concentration in open water in the cyanide facilities covering the period of the recertification audit. Only the booster pond exceeds the 50 mg/l WAD CN (approximate concentration 400 mg/l WAD CN). The other facilities cyanide concentration with open water do not exceed 50 mg/l WAD cyanide.

Cyanide monitoring in open waters is performed by INHGEOMIN (Instituto Hondureño de Geología y Minas), a government entity. The water samples are sent for analysis to Analytical Service Laboratories, Vancouver (ASL).

There is limited wildlife at the San Andres Mine, except for some local bird species. A dead fox was registered from drowning in 2014. No dead birds, or livestock have been found in any of the ponds for the period of the recertification audit, indicating that San Andres has been effective in preventing significant wildlife mortalities.

No significant ponding or overspray was observed during inspections of the heap leach operations during the auditor’s site visit in April 2017. The leach operator oversees positioning the sprinklers correctly and constantly verifies the watering levels.

4.5 Standard of Practice 4.5: Implement measures to protect fish and wildlife from direct and indirect discharges of cyanide process solutions to surface water.

Finding: Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 4.5? Explain the basis for the finding.

☑ Full Compliance ☐ Substantial Compliance ☐ Non-Compliance

San Andrés has a direct discharge to surface water from the retention pond. Concentrations in the discharge are less than 0.5 mg/L WAD cyanide according to the records of discharges completed during the re-certification audit period, including analytical data generated by ALS.

The auditor reviewed the ASL data for measurements of free cyanide during the re-certification period and for monitoring points in the river system, both upstream and
downstream of the discharge point, and none were greater than 0.022 mg/l. The data included appropriate QA/QC data to support the accuracy of the test results.

There are no tailings storage facility at San Andres mine. No indirect discharges to surface water were observed during re-certification audit. A series of monitoring wells has been installed down gradient of the heap leach operations and storage ponds.

The auditor reviewed the groundwater monitoring data for the re-certification audit period and did not identify that any discharges of more than 0.022 mg/l free CN have been measured in the receiving environment.

4.6 **Standard of Practice 4.6**: Implement measures designed to manage seepage from cyanide facilities to protect the beneficial uses of ground water.

**Finding:** Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 4.6? Explain the basis for the finding.

☑ Full Compliance ☐ Substantial Compliance ☐ Non-Compliance

No exceedances have been identified in groundwater samples collected from the groundwater monitoring wells down gradient of the heap leach operation and the storage ponds. The heap leach operation and each storage pond has a collection system that collects any drainage from between the pond liners and returns it every week to the storage pond.

Groundwater is not used for beneficial uses down gradient of the San Andres operation. Water for agricultural and livestock purposes is provided from surface water sources located in mountainous areas in the region surrounding the San Andres Mine.

No exceedances of the 0.5 mg/L WAD CN limit were identified in the groundwater data during the period of the re-certification audit. No exceedances of the 0.022 mg/l free CN limit have been identified during the same period in the surface water samples collected during discharge events.

4.7 **Standard of Practice 4.7**: Provide spill prevention or containment measures for process tanks and pipelines.

**Finding:** Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 4.7? Explain the basis for the finding.
Solid cyanide is unloaded on an open area adjacent to the storage area that is within a larger fenced area surrounding the ADR Plant; there is no liquid cyanide delivered to the San Andres Mine.

The auditor completed an inspection of the ADR Plant. It is located entirely within competent secondary containment. Cyanide is mixed automatically in the cyanide mixing tank and sent to a holding (poor solution) tank. These tanks are both within the overall secondary containment for the ADR Plant. Other process tanks containing cyanide solutions are also located within the secondary containment. The containment drains to a central location and the drainage reports to Pond 1.

Secondary containment within the ADR Plant is sufficient to hold the volume of the largest tank in the containment. There is an overflow pipe system that drains the ADR Plant into Pond 1.

Any cyanide solutions from leakage or spills from process tanks within the ADR Plant is captured in the floor drain system and drained to Pond 1 which is maintained at 75% of its capacity. No water collected in the secondary containment in the ADR Plant is discharged directly to the environment.

All spill prevention and containment measures observed at the site are effective for process solution pipelines. Secondary containment for cyanide process solution pipelines is provided by means of a geosynthetic liner.

No cyanide pipelines are identified by the auditor that might present a risk to surface water, and no special measures are considered necessary.

All cyanide tanks and pipelines observed during the gap analysis and certification audit were constructed of materials compatible with cyanide and high pH solutions, for example steel tanks and HDPE pipelines.

4.8 Standard of Practice 4.8: Implement quality control/quality assurance procedures to confirm that cyanide facilities are constructed according to accepted engineering standards and specifications.

Finding: Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 4.8?

☑ Full Compliance ☐ Substantial Compliance ☐ Non-Compliance
QA/QC programs for the original construction of the cyanide facilities were not retained during the transfer of ownership of the San Andrés Mine. The auditor reviewed the letter issued on July 26, 2013 by Persio Rosario PhD Engineer, Aura’s Corporative Auditor, endorsing the quality of these cyanide facilities.

Since the last certification audit 2014, the following constructions have been made in the ADR Plant: carbon columns train D and the boiler Phase 2. At the leach pad was built phase 5 and 6-1ª.

QA/QC programs have been implemented for the ADR Plant constructions by contractor Flores y Flores and QA/QC for the leach pads phase 5 and 6 was directly supervised by the mine engineering department. These programs addressed the quality and suitability of materials, data was available and found to be acceptable.

Appropriated qualified personnel reviewed the existing cyanide facilities received during the transfer of ownership of the San Andres Mine as were endorsed for quality by Persio Rosario PhD Engineer, Aura’s Corporative Auditor. The new facilities have been also reviewed by qualified personnel: contractor Flores y Flores a recognized engineering company in Honduras and by the mine engineering department. Data was available, was reviewed by the auditor and found to be acceptable.

QA/QC programs for the original construction of the cyanide facilities were not retained during the transfer of ownership of the San Andrés Mine. The auditor reviewed the letter issued on July 26, 2013 by Persio Rosario PhD Engineer, Aura’s Corporative Auditor, endorsing the quality of these cyanide facilities.

4.9 **Standard of Practice 4.9:** Implement monitoring programs to evaluate the effects of cyanide use on wildlife, surface and ground water quality.

**Finding:** Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 4.9? Explain the basis for the finding.

- ☑ Full Compliance
- ☐ Substantial Compliance
- ☐ Non-Compliance

San Andrés has documented monitoring procedures for the effect of cyanide on wildlife and surface and groundwater quality are in place.

Competent individuals from Aura Minerals have developed, reviewed and approved the environmental monitoring procedures. Their names are included in the POP documents: Javier Romero, HSE Manager and forestry engineer with 11 years’ experience and Emma Palma a chemistry engineer.
The auditor reviewed the environmental monitoring procedures prepared by Aura Minerals and the environmental sampling and analytical protocols prepared by ASL and confirmed that the procedures included appropriate information on: where and how samples should be taken, sample preservation techniques, chain-of-custody procedures, shipping instructions and cyanide species to be tested.

Sampling conditions such as temperature, weather conditions, wildlife activity or other abnormal conditions that may affect the analysis are recorded on field report forms, in sampling log books, or on monitoring checklists.

San Andrés monitors for cyanide in the discharges from Pond 6 to the river and for free cyanide at locations both upstream and downstream of the discharge points. Groundwater wells downgradient of the heap leach and the storage ponds are also monitored.

Inspection frequency is sufficient to characterize the medium being monitored and to identify changes in a timely manner. Inspections for wildlife mortalities are completed daily for Ponds 1-4 by employees from the ADR Plant; the booster pond is inspected for wildlife mortalities daily by local employees from the heap leach group; Ponds 5 and 6 are inspected regularly by the technical services group for wildlife mortalities when they are in use.

Daily inspections are completed of ponds for wildlife mortality. Only discharge to surface water is from Pond 6 following government sampling and issuance of a permit this is done only once or twice per year. Groundwater testing is completed weekly for cyanide.
5 DECOMMISSIONING: Protect communities and the environment from cyanide through development and implementation of decommissioning plans for cyanide facilities.

5.1 Standard of Practice 5.1: Plan and implement procedures for effective decommissioning of cyanide facilities to protect human health, wildlife and livestock.

Finding: Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 5.1? Explain the basis for the finding.

☑ Full Compliance ☐ Substantial Compliance ☐ Non-Compliance

San Andrés has a closure plan for decommissioning the mine site and cyanide facilities, it is approved by the government agencies. The plan includes decommissioning procedures and cost estimate for closure.

The closure plan includes descriptions for decontamination of cyanide-containing equipment, removal of residual cyanide reagents and installation of any measures necessary for surface and ground water management post-closure. A separate plan for the heap leach operation includes rinsing of the leach pads during decommissioning of San Andrés.

The plan includes an implementation schedule for decommissioning activities in Appendix 3. The plan shows the order in which the planned decommissioning activities will be completed, including closure of the ADR Plant, solution pipelines, heap leach pads and solution ponds.

San Andrés completes a review and revision of the Closure Plan every year, considering concurrent reclamation of certain areas of the mine and other factors, including social and economic agreements reached with local stakeholders. It is a corporative requirement to review the closure plan annually.

5.2 Standard of Practice 5.2: Establish an assurance mechanism capable of fully funding cyanide related decommissioning activities.

Finding: Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 5.2? Explain the basis for the finding.

☑ Full Compliance ☐ Substantial Compliance ☐ Non-Compliance

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Closure costs for San Andres, including costs for site reclamation, heap rinsing, mining and processing operations and associated infrastructure, have been estimated by Aura. The estimate represents the third-party costs for implementation of the decommissioning of the San Andres operation. The auditor reviewed the Closure Plan from MINOSA (Aura’s corporate entity in Honduras), version 3, dated 2016.

San Andres updates the Closure Plan every year, considering concurrent reclamation of certain areas of the mine and other factors, including social and economic agreements reached with local stakeholders. The decommissioning costs estimates are updated at that time.

Closure costs bank guarantees for each project are in place with Banco Atlántida, are approved by government agency DECA (Dirección Evaluación y Control Ambiental) and are updated annually. The bank guarantee is issued by Banco Atlántida based on a payment made by Aura Minerals, in accordance with requirement for this type of financial instrument in Honduras. The bank guarantee is required by SERNA as part of the Terms of Reference for approval of the environmental impact statement for the mine.
6  WORKER SAFETY: Protect workers’ health and safety from exposure to cyanide.

6.1 Standard of Practice 6.1: Identify potential cyanide exposure scenarios and take measures as necessary to eliminate, reduce and control them.

Finding: Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 6.1? Explain the basis for the finding.

☑ Full Compliance  ☐ Substantial Compliance  ☐ Non-Compliance

San Andrés has formally controlled procedures for operations to help minimize the possibility of worker exposure to cyanide. The procedures were found to be acceptable. Documented procedures have been prepared for unloading and storage of solid cyanide; mixing of cyanide solutions; operation of the ADR Plant; operation of the leach pads and ponds; entry into confined spaces; and equipment decontamination.

The use of appropriate personal protective equipment (PPE) is included in the POP. This requirement applies to all employees and contractors. Pre-work inspections are addressed through the mine’s pre-work risk. The process requires that workers evaluate the job that is about to be performed for potential hazards and plan the work to ensure that the hazards are appropriately managed.

A change management procedure is available in electronical version. The change management procedure includes a requirement for the environmental and safety departments to sign-off on the proposed operational change prior to it being implemented. The auditor reviewed the procedure and examples of change management documentation prepared during the certification audit period.

San Andrés actively considers worker input into the development of health and safety procedures. All operators and maintenance personnel interviewed demonstrated knowledge and understanding of the company’s pre-work risk assessment program. During the pre-work risk assessment process, workers identify potential risks associated with the work and communicate any potential procedural or other problems to a supervisor.
6.2 **Standard of Practice 6.2**: Operate and monitor cyanide facilities to protect worker health and safety and periodically evaluate the effectiveness of health and safety measures.

**Finding:** Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 6.2? Explain the basis for the finding.

- [x] Full Compliance     - [ ] Substantial Compliance     - [ ] Non-Compliance

The operating procedure POP-SA-ADR-CO-06 *Transporte Interno de Cianuro y Preparación de Solución Cianurada*, address pH lower limit to 10.5 to maintain cyanide in alkaline solution and limiting the evolution of HCN. The auditor confirmed this through interviews with safety and environmental department members and during inspections of the ADR Plant.

San Andrés has stationary cyanide detectors Sense Alert Plus located in the ADR Plant and other stationary cyanide detectors are at the stacker area, the agglomerator, conveyor, Pond 1, cyanide storage area and near the booster pond. Personal monitors, Gas Alert Altair MSA are in use during operations where cyanide is present, as storage, mixing, agglomerator, conveyor and maintenance.

San Andrés has identified the locations where workers may be potentially exposed to elevated levels of HCN gas. Monitoring for cyanide exposure was completed. Stationary cyanide detectors have a data logger system which records data for 22 days. The auditor reviewed examples of these readings for the agglomerator area, ponds and ADR Plant, where highest reading recorded was 3.7 ppm. PPE requirements are identified in the relevant POP documents.

HCN monitoring equipment is inspected regularly by HSE Department. The auditor reviewed manufacturer specifications and found maintenance and calibration records frequency to be according these requirements.

All cyanide monitors alarms are set in 4.7 ppm and 10 ppm to limit worker exposure to HCN. If HCN gas levels trigger the high level (4.7 ppm) workers in the area must stop and withdraw from the area until HCN levels fall. In case of a high-high level (10 ppm) alarm, workers must evacuate personnel from the area, go to an open and ventilated point, according to the meeting point established on the area risk map.

Calibration records for the stationary and personal monitors are tracked and recorded in the preventive maintenance system. Records are maintained indefinitely. Records were...
available to demonstrate that all required calibrations had been performed during the certification audit period.

Warning signs were posted in all areas where cyanide is present. The warning signs are used to advise workers that cyanide is present, and that smoking, open flames and eating and drinking are not allowed. PPE requirements are also posted in each area. Pictograms indicate the required PPE.

Shower /eye-wash stations and non-acidic fire extinguishers are located strategically throughout the operation. Emergency showers and eye-wash stations are in all areas where there is a potential for exposure to cyanide.

Fire extinguishers in the ADR Plant are dry powder, the extinguishers inspected during the auditor’s walk through to the mine site were current. Showers and low-pressure eye-wash stations are present at the ADR Plant. Eye wash bottles are used in the administrative area of the ADR Plant.

Inspections of the fire extinguishers, showers and eye wash stations are completed weekly by the Safety Department. Records were available to show that all emergency equipment is inspected and tested on a regular basis.

All unloading and storage areas, as well as mixing and process tanks and piping containing cyanide are properly identified to alert workers of their contents. The direction of cyanide flow in pipes designated. All areas observed during the audit had appropriately identified tanks, pipes, and cyanide storage areas.

MSDS, first aid procedures, and all procedures and training information about cyanide safety is maintained in Spanish, the language of the workforce.

A corporative procedure to report investigate and evaluate all accidents and incidents is in place, including cyanide exposure incidents. The incident investigation procedure was reviewed during the audit and was found to be comprehensive. Examples were available to show that several minor incidents had been appropriately investigated and corrective actions taken.

6.3 Standard of Practice 6.3: Develop and implement emergency response plans and procedures to respond to worker exposure to cyanide.

Finding: Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 6.3? Explain the basis for the finding.
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☑ Full Compliance  ☐ Substantial Compliance  ☐ Non-Compliance

All necessary safety equipment including fresh water, oxygen, a resuscitator, antidote kits, radios, telephones, and alarm systems is available for use at the cyanide unloading, storage and mixing locations and throughout the operational area where cyanide is present.

There are several cyanide kits on site – ADR, agglomerator, metallurgy, heap leach, stacker, booster pond and dining room by the conveyor that contain oxygen and amyl nitrite. Five additional cyanide antidote kits for intravenous injection are in the medical clinic. The procedure POP-SA-CO-CO-07 Treatment in Case of Acute Intoxication by Cyanide states to administrate intravenously sodium nitrite in 3% solution and then sodium thiosulfate.

Kits are inspected regularly by safety group, records of inspections were available, also an Excel spreadsheet to follow-up the validity dates of the emergency kit. The antidote was all found to be within expiration date, the locations of the emergency equipment were deemed to be appropriate for the operation.

San Andres has an Emergency Response Plan (ERP) and an emergency procedure for cyanide exposures. Both describe what is to be done in the event of a cyanide exposure. Specific instructions are given for treating victims who are exposed to sodium cyanide via inhalation, ingestion, and dermal routes.

San Andres has a complete medical facility able to complete treatment of exposure to cyanide which is staffed 24 hours/day by a medical doctor.

Treatment is provided on-site by company medical staff in the medical clinic. Large scale exposure may require involvement of clinic in Santa Rosa, whose staff have received training on cyanide exposure and treatment from Chemours. Procedures are in place for treatment of cyanide exposure, for determining the need to evacuate a victim to a hospital, and for evacuating victims using the ambulances.

Chemours has provided training to physicians in Santa Rosa and San Pedro Sula on treatment for cyanide exposure, if required. San Andres would manage any cyanide exposures without involving other local clinics.

Periodically mock emergency drills for cyanide exposures are completed in accordance with an established schedule. Different scenarios are tested each time. Extensive records, photos, sign-in sheets, and actions taken from “lessons learned” were available for review during the audit.
7 EMERGENCY RESPONSE: Protect communities and the environment through the development of emergency response strategies and capabilities.

7.1 Standard of Practice 7.1: Prepare detailed emergency response plans for potential cyanide releases.

Finding: Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 7.1? Explain the basis for the finding.

☑ Full Compliance  □ Substantial Compliance  □ Non-Compliance

San Andrés has an Emergency Response Plan (ERP). The ERP addresses multiple types of emergencies, but it does include response procedures for cyanide releases and injuries. It was developed on 2010, is updated yearly, last update is from April 2017.

The ERP provides response procedures for all potential cyanide failure scenarios required by the ICMC mine protocol, including: catastrophic release of hydrogen cyanide, transportation accidents, releases during unloading and mixing, releases during fires and explosions, equipment failure (valve, pipe or tank ruptures), overtopping of the ponds, power outages, uncontrolled seepage, failure of the cyanide treatment process, and failure of the heap leach facilities. San Andrés mineral processing do not generate tailings. This requirement was verified though discussion with the Safety Manager and the review of the ERP and emergency procedures.

Transportation of cyanide to the site by truck is included in the San Andrés ERP, and considers the condition of the road from Puerto Cortes. Texas Bunkering the cyanide trucking company, would have primary responsibility for a spill of solid cyanide on way to the mine for Puerto Cortes by road, but would draw on resources from San Andrés for support if the spill occurred close to the mine site.

Site specific response actions for site personnel and potentially-affected communities, first aid and cyanide kits, control of releases and assessment, mitigation and future prevention are included in the ERP.

7.2 Standard of Practice 7.2: Involve site personnel and stakeholders in the planning process.

Finding: Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 7.2? Explain the basis for the finding.

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☑ Full Compliance ☐ Substantial Compliance ☐ Non-Compliance

San Andrés Mine seeks input from operators and supervisors for emergency planning purposes, including the trained members of the emergency response team. Local communities have been involved in ERP development/planning to a limited extent. Communications have been held in San Andrés, La Union and Santa Rosa to discuss operations and use of cyanide at the San Andrés mine and actions that would be taken if there was a release into the local community. Local authorities, emergency responders and representatives from the local hospital were present.

San Andrés has advised the local community of their planned responses in the event of an emergency incident involving a release of cyanide. Communications channels are in place to advise the local community leaders. Many of the local community members either work or have close family members who work at San Andrés.

There are no outside responders or medical facilities immediately adjacent to the operation that could provide support in the event of a cyanide emergency. Medical staff in Santa Rosa have received briefings on dealing with cyanide poisoning.

Copies of the ERP are provided to local communities for information purposes, as well as information on cyanide hazards during meetings with the local community.

7.3 Standard of Practice 7.3: Designate appropriate personnel and commit necessary equipment and resources for emergency response.

Finding: Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 7.3? Explain the basis for the finding.

☑ Full Compliance ☐ Substantial Compliance ☐ Non-Compliance

The ERP describes the roles and responsibility of the emergency coordinators, designating primary and alternative members with the appropriate authority to implement the plan. San Andrés emergency brigades are identified and receive pertinent training on an annual basis. In addition to the brigades, the operation has a full service medical clinic on-site with professional personnel on-duty always and doctors and nurses on-duty or on-call always.

The ERP includes twenty-four-hour contact information, the emergency response equipment list, including personal protective equipment (PPE). Cyanco, the supplier of cyanide to mine, ensures that the cyanide transporter has the necessary emergency response equipment available to respond to transportation incidents along the
transportation routes. Emergency response equipment is checked monthly. Records were available for review and were found to be complete.

The ERP includes appropriate information, except for outside responders, medical facilities and communities, as San Andres does not intend to rely on outside support for addressing a release of cyanide off the mine site and into the local community.

No outside entities are included in the ERP, except for medical facilities in Santa Rosa who are trained by San Andres response to cyanide exposures. They are approximately 1-hour drive away and would only be involved if there was a major incident involving a release of cyanide Santa Rosa. Anyway, current contact information for fire, police and ambulance is included in the ERP.

**7.4 Standard of Practice 7.4: Develop procedures for internal and external emergency notification and reporting.**

Finding: Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 7.4? Explain the basis for the finding.

☑ Full Compliance ☐ Substantial Compliance ☐ Non-Compliance

The ERP describes the procedure for contacting regulatory agencies in the event of a spill. Current contact information for fire, police and ambulance is included in the ERP. It also includes contacting the local community, regulatory agencies and the media in the event of a spill. Many members of the local community are employees of San Andres and they would also advise members of the local community of any cyanide releases.

**7.5 Standard of Practice 7.5: Incorporate into response plans and remediation measures monitoring elements that account for the additional hazards of using cyanide treatment chemicals.**

Finding: Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 7.5? Explain the basis for the finding.

☑ Full Compliance ☐ Substantial Compliance ☐ Non-Compliance

The ERP includes remediation measures for both solid and liquid cyanide spills, including materials to be used for cleanup and for disposal of contaminated spill clean-up materials. All cyanide-contaminated material is included in the heap leach area.
The drinking water supply for local communities around the San Andres mine is from springs in the hills above the mine. No alternative drinking water supply would be required in the case of a cyanide spill.

The ERP specifically prohibits the use of cyanide treatment chemicals (sodium hypochlorite, ferrous sulphate and hydrogen peroxide) when responding to a cyanide emergency where cyanide has been released into surface water.

The ERP includes information on environmental monitoring following a cyanide release to surface soils and water, including sampling and analytical methodologies to be followed. Possible sampling locations are also included.

7.6 Standard of Practice 7.6: Periodically evaluate response procedures and capabilities and revise them as needed.

Finding: Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 7.6? Explain the basis for the finding.

☑ Full Compliance ☐ Substantial Compliance ☐ Non-Compliance

The ERP is reviewed at least annually to ensure that information is kept up-to-date and that the plan remains appropriate for the mine. It was developed on 2010, last update is from April 2017.

Drills to test the ERP are completed periodically. Reviews are completed to identify lessons learned. Different scenarios are tested each time. Extensive records, photos, sign-in sheets, and actions taken from “lessons learned” were available for review during the audit.

As stated in the Plan, it would be reviewed as part of the corrective action completed following any cyanide-related emergency that utilized the ERP.
8 TRAINING: Train workers and emergency response personnel to manage cyanide in a safe and environmentally protective manner.

8.1 Standard of Practice 8.1: Train workers to understand the hazards associated with cyanide use.

Finding: Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 8.1? Explain the basis for the finding.

☑ Full Compliance ☐ Substantial Compliance ☐ Non-Compliance

All employees and contractors at San Andres receive initial training in health and safety at work before they can work in the mine. This introductory training lasts two days. Information on the mine’s processes includes the use of cyanide, what it is, its characteristics, health effects, risks, controls, storage and handling, areas of risk, signaling and emergency response.

San Andres training program provides refresher to his workers periodically. The auditor reviewed refresher training records which were offered at different times to cover all shifts, covering the certification audit period.

8.2 Standard of Practice 8.2: Train appropriate personnel to operate the facility according to systems and procedures that protect human health, the community and the environment.

Finding: Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 8.2? Explain the basis for the finding.

☑ Full Compliance ☐ Substantial Compliance ☐ Non-Compliance

Supervisors provide training on cyanide hazards, work procedures and PPE in classroom sessions and in the field using the POP operating procedure documents. Supervisors are trained to provide this training to workers.

San Andres also brings in outside specialists for training, including Chemours for cyanide handling.

The training elements such as required personal protective equipment (PPE) and decontamination requirements are included in the training materials used to train operators and maintenance personnel.
Trainers for cyanide management related tasks at San Andres are trained by Chemours, records are maintained. The auditor reviewed the training material on cyanide management and found it to be effective. Training is then provided to employees by supervisory staff on cyanide management.

All employees receive induction training, including cyanide hazards, prior to working with cyanide, for example, at ADR Plant and heap leach operations.

Personnel who may work with cyanide have three trainings per year. Written testing and physical testing are done. Topics include cyanide safe handling, first aid, and antidote application. Training is also done by external personnel on an annual basis.

Observations by supervisor are used to evaluate competency of workers. Evaluation of the cyanide training received is by a supervisor observing a worker to ensure they are following appropriate work procedures and using suitable PPE for working with cyanide.

Training records documenting the training that was received are retained throughout an individual’s employment.

8.3 Standard of Practice 8.3: Train appropriate workers and personnel to respond to worker exposures and environmental releases of cyanide.

Finding: Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 8.3? Explain the basis for the finding.

☑ Full Compliance ☐ Substantial Compliance ☐ Non-Compliance

Cyanide unloading, mixing, production and maintenance personnel are trained in the requirements of operational procedures as well as relevant cyanide management procedures, including emergency response procedures. Response procedures are covered during hazard and awareness training and during cyanide refresher training.

Personnel who work in areas where cyanide is present receive training in decontamination and first aid procedures. These personnel include unloading, mixing, and production operators, as well as maintenance workers.

Operators receive training on response to cyanide spills during their initial induction, during regular DDS toolbox talks and as part of their refresher training.
Emergency response drills are held with production and maintenance personnel to ensure that they can respond to an emergency and that their skills remain current. Records were available for table top emergency response exercises held.

All members of the emergency response team, including the emergency response coordinators, are trained in the procedures described in the ERP.

Records of any external training provided to San Andres’ employees are maintained in individual training files. Confirmed through review of training records for emergency response team members.

No off-site emergency responders would be included in an emergency response to a cyanide release. The San Andres operation would manage the responses including immediate cyanide exposure treatment in the mine’s clinic.

Refresher training for emergency response team members is provided on site and by external contractors. Regular refresher training is provided to the emergency response team on first aid, including CPR.

Drills to test the ERP are completed annually. Reviews are completed to identify lessons learned. Periodic mock emergency drills for cyanide exposures are completed in accordance with an established schedule.

The emergency drills are reviewed afterwards to identify lessons learned, including any additional training that may be required, either for operators or for members of the emergency response team. A written report is prepared including lessons learned. Training procedures would be revised if any deficiencies.

Records are maintained of training provided to emergency response team members by means of attendance sheets showing the names of the employees attending the training course and the topics covered. The large-scale training on emergency response provide by external contractors includes on-going evaluation of understanding of the training materials and provision of certificates of completion.
9 DIALOGUE: Engage in public consultation and disclosure.

9.1 Standard of Practice 9.1: Provide stakeholders the opportunity to communicate issues of concern.

Finding: Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 9.1? Explain the basis for the finding.

☑ Full Compliance ☐ Substantial Compliance ☐ Non-Compliance

San Andrés has a community relations committee, that is the primary mechanism for stakeholders to communicate issues of concern to San Andrés. There is a written procedure on dialogue with local communities. Presentations are made to school groups and other local community members visiting the mine. Minutes of the meetings are maintained.

Community in San Andrés has not raised issue of cyanide in past years. Community concerns are primarily with water pollution, wildlife impacts and human health impacts of mining in general. No open house events are required in Honduras.

9.2 Standard of Practice 9.2: Initiate dialogue describing cyanide management procedures and responsively address identified concerns.

Finding: Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 9.2? Explain the basis for the finding.

☑ Full Compliance ☐ Substantial Compliance ☐ Non-Compliance

San Andrés offers opportunities for interaction with local communities including hosting public meetings with local communities and schools. A brochure describing cyanide use at the San Andrés mine has been prepared for use with local communities at these meetings. Minutes of these meetings and the brochure were reviewed by the auditor.

9.3 Standard of Practice 9.3: Make appropriate operational and environmental information regarding cyanide available to stakeholders.

Finding: Is the operation in full compliance, substantial compliance, or non-compliance with Standard of Practice 9.3? Explain the basis for the finding

☑ Full Compliance ☐ Substantial Compliance ☐ Non-Compliance
A brochure (dated March 2012) describing cyanide use at the San Andres mine has been prepared for use with local communities at community meetings. Minutes of these meetings and the brochure were reviewed by the auditor.

A description of the mining and processing operations at San Andres is available on the Aura Minerals’ website. Local communities would be advised about spill events involving cyanide by means of workers at mine returning to the local communities. Spills are reported to regulatory agencies in accordance with local reporting requirements.

The adult literacy rate in Honduras is approximately 85.1% according to the last UNICEF statistics. San Andres uses local radio and TV for providing information on community meetings that might be held on cyanide releases.

Although there have been social unrests with the local community, no issue was raised for cyanide use in the past years at community meetings. Community concerns are primarily for jobs and impacts of mining in general.

During the period of the certification audit at San Andres mine there have been no cyanide exposures resulting in hospitalization or fatalities, cyanide releases off the mine site requiring response or remediation, cyanide releases on or off the mine site resulting in significant adverse effects to health of the environment, cyanide releases on or off the mine site requiring reporting to regulatory authorities in Honduras, and releases that exceed applicable discharge limits or that cause applicable discharge limits to be exceeded. Information on these issues would be made available publicly, by means of local community meetings and by reporting to regulatory agencies in Honduras.

Information on cyanide releases would also be included in the annual corporate responsibility report.

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