

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**



SUMMARY AUDIT REPORT

**ICMI Cyanide Code Transportation
C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT
Cyanide Supply Chain Certification Audit
Santo Domingo – República Dominicana**

**Submitted to:
International Cyanide Management Institute (ICMI)
1400 I Street, NW – Suite 550
Washington, DC 20005, USA**

Initial Audit



Geosoluciones Panamá, S.A.
P.O. Box 0923-00340
Santiago - Panamá

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

TABLE OF CONTENTS

A- GENERAL SUMMARY

A.1 Information of the Audited Operation

A.2 Overall Auditor's Finding

B- C. LOGISTICS SOLUTIONS, S.R.L. ROLE AS CYANIDE TRANSPORTATION

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

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

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.

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

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

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

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

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

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

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

3. EMERGENCY RESPONSE: Protect communities and the environmental through the development of emergency response strategies and capabilities.

Transport Practice 3.1: Prepared detailed emergency response plans for potential cyanide releases.

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

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

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

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

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

**C- NEGOCIOS & SERVICIOS DIVERSOS ROLE AS CYANIDE
TRANSPORTATION**

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

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

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.

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

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

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

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

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

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

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

2. EMERGENCY RESPONSE: Protect communities and the environmental through the development of emergency response strategies and capabilities.

Transport Practice 3.1: Prepared detailed emergency response plans for potential cyanide releases.

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

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

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

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

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

A- GENERAL SUMMARY

A.1 Information of the Audited Operation

Name of Cyanide Transportation Facility: C. Logistics Solutions

Name of Facility Owner: Luis Ramon Victoria

Name of Facility Operator: C. Logistics Solutions

Name of Responsible Manager: Alexander Booth

Address: Calle Juan Sanchez Ramirez # 13,

State/Province: Santo Domingo, D.N. Country: Dominican Republic.

Telephone +809 686 5302 Fax: +809 476 0451 E-Mail: AlexBooth@clssa.net

(CERTIFICATION AUDIT)

Location detail and description of operation:

C. Logistics Solutions (CLS) is licensed by the pertinent Dominican Authorities as a transporter & expeditor of hazardous materials, including sodium cyanide in the Dominican Republic.

Cyanide is transported to the Dominican Republic by ship, principally to the Port of Punto Caucedo, but also potentially via the Port of Rio Haina.

Cyanide is packaged by the manufacturer (Cyanco) in a poly propylene maxi-bag with approx.1000 Kgs. within a polyethylene liner. This is then placed in a wooden crate. 20 of these crates are loaded into standard 20-foot dry-van container.

This quantity of cases loaded (2 high x 2 wide x 5 deep) also being ‘blocked & braced’ prevents lateral or longitudinal shifting of the boxes within the container during transport. Prior to shipping, the manufacturer (Cyanco) seals the container with a numbered seal at the production facility to prevent potential encroachment. Per the custom of the Dominican ports, these seals are replaced after inspection at the port and thereafter remain sealed until delivery & discharge at the Mine’s storage facility.

Ship’s operations at the port of discharge (Caucedo) are performed by the port operator (DP World) or contracted agent who transfers the containers to the container terminal also managed & operated by the Port Operator (DP World); the terminal operator uses its own vehicles to deliver the container to the designated Haz Mat storage area within the port/terminal area.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT

CLS transports the cyanide containers direct from the port to the client's site using authorized & compliant contracted vehicles without the intervention of further storage facilities.

Currently **CLS** transports cyanide to the Envirogold, Las Lagunas Mine, however, in the case of additional contractual agreements with other end-users (mines), procedures and contingencies are in place to add/adjust the transport routes and maintain compliance with the Cyanocode.

This audit will comprise of the ground transportation operations from the moment the Port & relevant authorities release the cyanide containers at the port's container terminal to its delivery to the mine.

The activities performed by the Port Operator (ship unloading, interim storage at storage areas, etc.) are not included within the scope of this audit.

The principal transportation route from the Port of Caucedo to the mine has an approximate trajectory of 124.5 km. An alternative route, as a contingency in case of problems on the principal route, 2 additional routes has been mapped with an approximate trajectory of 130.5 & 122 Km respectively.

CLS supply chain company uses "NEGOCIOS & SERVICIOS DIVERSOS", with address in "Autopista 30 de Mayo, Haina, Santo Domingo", as transport company.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT

A.2 Overall Auditor's Finding

This operation is

- in full compliance
- in substantial compliance
- not in compliance

with the International Cyanide Management Code.

Audit Company: Geosoluciones Panamá, S.A.

Audit Team Leader: Jorge Efrén Chong Pérez

Names and Signatures of Other Auditors:

Email: geosoluciones@cwpanama.net

Dates of Audit: April 28-29th, 2014

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

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

<u>C.Logistics Solutions, S.R.L.</u> Name of Facility	 _____ Signature of Lead Auditor	<u>April 28-29th, 2014</u> Dates
--	--	--

<u>C. LOGISTIS SOLUTIONS, S.R.L.</u> Name of Facility	 _____ Signature of Lead Auditor	<u>April 28-29th, 2014</u> Dates
--	--	--

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

B- ROLE AS CYANIDE TRANSPORTATION

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

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

This operation is

- In full compliance
- In substantial compliance Transport Practice 1.1
- Not in compliance

Summarize the basis for this Finding/Deficiencies Identified:

CLS has all the processes, procedures & emergency response plan documented in an extensive 47 pages manual which for local use and reference is in Spanish. Process, procedure and contingency guide for Sodium Cyanide handling and transport. (“Guía de los procesos, procedimientos & contingencias del transporte y manejo de Cianuro de Sodio”).

According to the Route Assessment Procedure, the routes have been selected, in discussion and approval by the Police transit authority “Autoridad Metropolitana de Transporte” (AMET) and other relevant Government Ministries & Departments based upon the origin and destination, the available infrastructure (dimensions and conditions of the road), length of the road, and the avoidance wherever possible of transiting denser populated areas.

Email exchange coordination for transportation, between CLS and heads of department of civil defense, were reviewed.

The criteria of the routes selected were assessed upon the following:

Population

Turns in the road

Maximization of the free transit of the convoy

Inclines

Bridges, Overpasses/Underpasses & tunnels

Potential landslides or road erosion

C. LOGISTIS SOLUTIONS, S.R.L.

Name of Facility



Signature of Lead Auditor

April 28-29th, 2014

Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

Water bodies
Environmentally sensitive areas
Areas with high delinquency or potential civic unrest
Any other conditions that may represent a risk

Caribbean Logistics Solutions (CLS) has established a regular route (A) and alternative (B) from Puerto Caicedo to Las Lagunas Mine.

The route survey affected by the Convoy Manager and a representative of the Transit Authority established the locations of potential risk along the route.

Before each transportation, the Metropolitan Transportation Authority “Autoridad Metropolitana de Transporte” (AMET) evaluates, approves and escort the cyanide load on the entire route. Hospitals & Clinics, Police Stations, Fire stations, sensitive areas, communities, and the quality of wi-fi communications.

The route assessment is reviewed during each delivery of Cyanide and any changes in conditions are recorded within in the trip report for further review and consideration for possible remedial action.

At the end of each transport a trip report is generated which serves for travel reference to any improvements required due to any observation, condition or incident, to make changes to the route procedures, if needed.

The auditor was present during cyanide transport personally, since leaving from the Port of Caucedo, to cyanide delivery in the Lagunas Mine.

CLS hold a constant communication between the convoy manager and the mine. The convoy was always accompanied by Civil Defense Chief Staff and permanent escort from Dominican Republic Metropolitan Authority of Transportation, which is required by law.

Based on the aforementioned assessments general preventive measures have been established in the transportation procedures including: limiting the transportation during daylight hours only, all shipments performed in convoys of up to a maximum of five containers with two safety escort vehicles (Convoy Manager, Fireman, Para-Medic & support staff), Haz Mat equipment vehicle & police outriders.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

This convoy configuration and with the issuance of 2 way radios to each vehicle, permits the convoy manager to maintain control of the operations when the route conditions are unsafe or in case of an emergency, facilitate a rapid response & deployment of the escort emergency crew.

The Convoy Manager's trip report includes;

- Inspection of the trucks, chassis & containers
- Verification of drivers' credentials
- Results of the alcohol test – if taken
- Observations e.g. maintenance operations)/recommendations/remedial actions to be taken
- Emergency equipment inventory checklist
- Trip report with observations & GPS printout.
- Environment Ministry Manifest & shipment documentation & permits.
- A pocket guide containing basic emergency response activities and sodium cyanide hazardous characteristics is issued to each vehicle of the convoy.

To date, five delivery operations have been performed; all the operation files were reviewed. The reports included actions taken to reduce the risk in unexpected events. The project & convoy manager Mr. Alexander Booth, an ex-deck officer & Master Mariner of the British merchant marine and as such is cognizant of the handling and effects of all classes of hazardous materials .

The assessment of the risks in the routes as documented, were used to develop emergency scenarios (e.g. truck rollover on dry soil conditions, crash with another vehicle, etc.) in the different routes. Each scenario has specific preventive measures (e.g. establishing maximum speeds controlled by the lead escort vehicle).

According to the Government Transport Protocols, CLS via the pertinent authorities and the mine informs the communities and the authorities regarding its programmed cyanide transport operations through.

Interaction with the transit police (AMET), emergency & public health services to coordinate emergency response procedures. Additionally, CLS has provided copies of the sodium cyanide MSDS & pocket emergency guide to the pertinent authorities and environmental agencies.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

All shipments from the ports to the mine are performed in convoy which, for safety & logistical reasons, consists of a maximum of 5 x 20' container loads with three safety escort vehicles including a mechanical support vehicle with basic spare-parts, tires and a mechanic, from the time of leaving the Port of Caucedo, until the mine.

CLS holds, and documents, a pre-trip meeting the day before each delivery reviewing the program for the delivery convoy, with a revision of the responsibilities and duties related to cyanide handling and emergency response action for each member of the convoy. In addition to an inspection & review at the time of dispatch prior to the departure from the port area. Government Defense Civil Responders and Paramedic remain with the convoy all the time.

CLS has established a general purchasing and contracting service procedure. According to section 6.6.3.4 of the procedure, CLS requests to all transport carriers or suppliers to sign a service contract which states the terms and conditions of transport service stipulated, acceptance level of service, penalties, terms of presentation, and safety elements.

BASC auditor, Marcos A. Castillo L., from Denvet Business Company, SRL states within the document that the General purchasing and Contracting Service Procedure meets the minimum security guidelines of good practice and BASC security standards, version 4 2012 Word BASC (Business Alliance for Secure Commerce).

CLS, through formal contracts with companies of its supply chain, requests methods such as route selection, driver training, appropriate vehicle units to operate the load in a safe manner, to ensure its subcontractors meet elements 1 thru 7 of this Transport Practice 1.1

CLS supply chain company uses "NEGOCIOS & SERVICIOS DIVERSOS", with address in "Autopista 30 de Mayo, Haina, Santo Domingo", as transport company.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

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.*

This operation is

- In full compliance
- In substantial compliance Transport Practice 1.2
- Not in compliance

Summarize the basis for this Finding/Deficiencies Identified:

CLS has designed and established a training program according to the rules and regulations of the General Department of Land Transport “Dirección General de Transporte Terrestre” (DGT for its Spanish acronym) and the National Land Transport Network “Red Nacional de Transporte Terrestre” (RNTT for its Spanish acronym).

This program will be for both CLS staff and the transport company staff that will carry the sodium cyanide from the Port of Caucedo and Rio Haina to Las Lagunas Mine, in conjunction with the relevant authorities (Police, Fire Department, Civil Defense, Minister of Environment etc.), which includes but not limited to the following topics and objectives:

Cyanide & Haz Mat Transport & Handling

- Learn Basic Safety aspects.
- Learn about hazardous substances and their control.
- Learn about the characteristics of sodium cyanide.
- Learn thoroughly all details related to the risks associated with handling sodium cyanide.
- Identify and put into practice the Sodium Cyanide Emergency Response Plan.
- Evaluate field emergencies and ways to act about them.
- Ensure fast and smooth emergency responses.

Emergency Response

- Know the sodium cyanide rules for storage, transport and handling.
- Know and use safety gear equipment for spill control.

First aid

- Applying First Aid techniques
- The staff will be able to efficiently and safely face an emergency situation caused by sodium cyanide or any other accident / incident by making decisions with the right information.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT

Defensive driving

- Get acquainted with general information about Traffic Accident Prevention
- Distinguish the causes of Traffic Accidents
- Know the General Accident Prevention Method

Drugs use prevention

The convoy manager maintains and updates the Manual of Procedures with the records of all meetings & seminars.

CLS has a professional chemist (Victor Armando Jimenez Padua) and certified emergency medical providers who are part of the Fire Department of Santo Domingo Este.

CLS has designated 7 drivers for cyanide container transport operations, records of their credentials & training are maintained on file.

The convoy manager confirms the drivers included in the list of approved drivers, as documented in the trip operation report. According to the training records and the shipment reports, only employees that participated in the training sessions have or may participate in the convoys all of whom have been instructed by CLS, Firefighter & Medical instructors.

To be certified truck driver in the Dominican Republic every driver must meet the requirements of the National Land Transport Network (RNTT for its Spanish acronym), <http://www.rntt.com.do/>. The main objective is to certify the driver who carries or moves the cargo, ensuring he/she has all the required documents update and if he/she has the necessary experience to handle the cargo.

C.Logistics Solutions, S.R.L. (CLS) supply chain have a procedure to ensure its subcontractors meets elements 1, 2 and 3 of this Transport Practice 1.2; and uses "NEGOCIOS & SERVICIOS DIVERSOS", with address in "Autopista 30 de Mayo, Haina, Santo Domingo", as transport company

Finding: Is the transporter in full compliance, substantial compliance, or non-compliance with Transport Practice 1.2? Explain the basis for the finding.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT

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

This operation is

- In full compliance
- In substantial compliance Transport Practice 1.3
- Not in compliance

Summarize the basis for this Finding/Deficiencies Identified:

CLS has registry of designated & approved trucks for the transport of cyanide containers. The Containers chassis, being supplied by the line, are inspected upon 'pick-up' and prior to transport.

As the Process, procedure and contingency guide for Sodium Cyanide handling and transport states in page 11 and as a requirement of CLS, the equipment used by all companies hired to transport sodium cyanide to Las Lagunas must go through a maintenance program system with scheduled and temporary maintenance work as outlined below:

Daily Inspection

The daily inspections are a very important part of the maintenance system. It will allow the person in charge determine if unscheduled maintenance work must be done to the equipment or if such work can wait until the following scheduled maintenance.

The daily inspection will be conducted using a checklist before every journey. The truck driver will verify the following among other things:

- Tire pressure and condition.
- Engine oil level.
- Hydraulic fluid level.
- Fuel level.
- Cooling fluid level.
- Check brake system.
- State and belt tension.
- Operation of lights and electrical components.
- Operation of instruments and pilot lights.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

- Radio communication system and / or cellphone with enough battery charge and signal for the whole journey.
- A 5 lbs halogen hydrocarbon extinguisher in every truck.

CLS has established procedures to verify the adequacy of the equipment for the load it must bear.

Preventive maintenance

According to manufacturer's recommendations a periodic preventive maintenance should be performed based on operating miles or hours, doing so by using pre-established maintenance guidelines. Included in the work corresponding to the periodic preventive maintenance jobs would be the ones requiring special attention such as: the inspection of the body sealing system and complete power train system checkup, body repairs and equipment cleaning and washing. Staff interviews confirmed that maintenance is performed and also that the National Land Transport Network (RNTT for its Spanish acronym) verifies it.

The trucks utilized for the transport of the cyanide container are manufactured between 1996 & 2002 having their service & maintenance records maintained on file with capacities from 350 to 450 HP. And a load capacities from 30.5 to 32 tons, which is in excess than that of a loaded container of approx. 25 gross tonnes (cargo, container & chassis).

The Transport Protocol establishes the convoy manager is responsible for the inspection of every truck and chassis prior to shipment. A checklist, concerning the truck and trailer conditions, the driver, the required documents, and truck accessories, is used to document the inspection. A checklist form is filled for each truck in the convoy. According to the reports and checklists, this inspection is performed the same day of the shipment. When minor deficiencies are identified these are fixed prior to the vehicle leaving its base to the Port or the vehicle is replaced. This was confirmed through the review of all transport operations that have been performed to date.

C.Logistics Solutions, S.R.L. (CLS) supply chain have a procedure to ensure its subcontractors meets elements 1, 2 and 3 of this Transport Practice 1.3; and uses "NEGOCIOS & SERVICIOS DIVERSOS", with address in "Autopista 30 de Mayo, Haina, Santo Domingo", as transport company.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

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

This operation is

- In full compliance
- In substantial compliance Transport Practice 1.4
- Not in compliance

Summarize the basis for this Finding/Deficiencies Identified:

Per Dominican port procedures and security practices, all import containers at the ports have their containers seals broken, the contents confirmed and thereafter new seals are affixed to the container by a port commission consisting of Customs, Military Intelligence, anti-drug officers & port authority personnel.

As per the Transport Protocols, placards are affixed to the containers declaring the cargo, its IMCO classification destination, expeditor & transporter. In addition warning placards are affixed to each of the escort vehicles. The presence of same are duly recorded within the pre-trip inspection report.

Inspections are performed prior the vehicles departure to the port (documented by checklist included in convoy manager's report) in addition to a preventive maintenance program for the trucks which is cyclical and based on 10,000 Km. being the standard requirements for combustion engine vehicles and equipment. The March 18 and February 19, 2014 pre-trip check list records were reviewed and both stated: presence of government inspectors, state of the chassis / truck, driver requirements, escorts team, emergency response equipment, medical equipment and HazMat team.

If any type of problem or issue is identified during preventive maintenance or inspections, a work order is issued by the maintenance department to solve it. Maintenance records of the six months prior to the initial audit are issued and filed. These documents should be filed together with those that will be issued in the future in order to meet and comply with the requirements for the re-certification audits within the following three years.

The procedure established by The Dominican Republic Ministry of Defense states that load must transported during the day.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT

The CLS Cyanide Convoy Guide (Guía del Convoy de Cianuro), pages 8-9, establishes the procedure to prevent loads from shifting in any type of vehicle used for the transport of sodium cyanide to Las Lagunas Mine. The product to be transported shall be conveniently packaged, with good stability and be resistant to deformation.

The load in the chassis is performed under the standard and direction of the port control operator (DP World). Also the product stowage is performed by the supplier (Cyanco), which complies with national and international standards and regulations for the safe transportation of hazardous substances.

The vehicles used for the transport of sodium cyanide will not cross bridges or overpasses where there are restrictions on the allowable weight or width available.

The maximum loading for transport of sodium cyanide in a vehicle is 20 tons. The load is firmly secured to the vehicle, so that shocks and frictions between containers are avoided.

The day previous and prior to departure, the convoy manager liaises with the police and military authorities to access any potential political or civil unrest on the route and assesses the weather conditions. If it is deemed necessary after consultation and only with agreement of the military authorities the delivery may be postponed.

CLS prohibits the consumption of alcohol, drugs, or any other substance that may impair or reduce the function of the driver or a member of the convoy. Prior to departure of every shipment, if deemed necessary the members of the convoy may be tested for alcohol levels.

Convoy Preview & Procedures

I. Operational meeting before delivery :

- Confirmation of permits & documentation
- Review of convoy participants & configuration
- Responsibilities & Duties
- Equipment & materials inventory
- Route – update of conditions (AMET)
- Confirmation of place & time of meeting point of safety vehicles.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

II. Pre-Trip Inspection & Meeting.

a) Prior to exit of containers from port :

Inspection of escort vehicles & verification of safety equipment & materials inventories
Fixture of placards on escort vehicles

b) Upon exit of containers from the port;

Inspection of trucks & re-verification of drivers credentials, personal safety equipment, GPS & communications
Inspection of container chassis & containers
Fixture or placards to each container
Issuance of 2 way radios to each vehicle & 'Point & Tail' police outriders
General meeting with Police outriders & Military Intelligence officers (J2), confirming route, compartment & conditions expected and any potential compensatory actions anticipated.

Convoy formation:

1. Motorized police outrider at point
2. Safety escort vehicle with Fireman, Para-Medic and support crew
3. Trucks & Containers with police outriders
4. Haz Mat Equipment Vehicle & crew
5. Safety escort vehicle with tools, spare tyres, mechanic & crew
6. Motorized police outrider

Upon the concurrence of the police & military intelligence officers (J2) the convoy then proceeds on its trajectory.

The convoy manager records these processes and procedures in the trip report that is filled out on every operation and all data pertaining to the transportation is archived for at least three years. If any type of problem or issue is identified during preventive maintenance or inspections, a work order is issued by the maintenance department to solve it and should be filed in order to meet and comply with the requirements for the re-certification audits within the following three years.

C.Logistics Solutions, S.R.L. (CLS) supply chain have a procedure to ensure its subcontractors meets elements 1, 2 and 3 of this Transport Practice 1.4; and uses "NEGOCIOS & SERVICIOS DIVERSOS", with address in "Autopista 30 de Mayo, Haina, Santo Domingo", as transport company

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

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

This operation is

- In full compliance
- In substantial compliance Transport Practice 1.5
- Not in compliance

Summarize the basis for this Finding/Deficiencies Identified:

As defined, the scope of this audit is only for ground transportation operations performed by CLS from Port to client's site.

C. Logistics Solutions, S.R.L. (CLS), does not transport by sea or air.

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

This operation is

- In full compliance
- In substantial compliance Transport Practice 1.6
- Not in compliance

Summarize the basis for this Finding/Deficiencies Identified:


All members of the convoy and escort have mobile phones; in addition CLS provide a 2 way walkie-talkie to each vehicle in the convoy and the lead and tail police outriders. As per the pre-trip inspection both telephones & radios are confirmed operational prior to departure from the port area.

Speed record from 0900 to 1430. January 27th, 2014

The convoy trucks are fitted with GPS transceivers and the progress of the convoy is tracked from both the base of the transporter and the main office of CLS. Records of the GPS speed track are maintained and form part of every trip report.

According to the route assessment, there are no blackout areas in the route. This was confirmed during interviews with the drivers and during the audit.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

Throughout the trajectory of the convoy the convoy manager reports the conditions, progress and position of the convoy by means of email or text messages to the CLS main office where from in turn the mine is kept informed of the convoy's progress and estimated time of arrival. These progress reports are also included within the trip report.

The following documents are carried by the convoy manager:

- A Complete set of shipping documents & cargo declarations
- A complete set of the requisite permits for the transportation & delivery of the Sodium Cyanide.
- Ministry of Environment Manifest & requisite supportive documentation.

Sender shipping reference guide include the product name, code number of the Union Nations (UN), number of packages transported and Material Safety Data Sheets.

C.Logistics Solutions, S.R.L. (CLS) supply chain have a procedure to ensure its subcontractors meets elements 1 thru 6 of this Transport Practice 1.6; and uses "NEGOCIOS & SERVICIOS DIVERSOS", with address in "Autopista 30 de Mayo, Haina, Santo Domingo", as transport company.

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

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

This operation is:

- In full compliance
- In substantial compliance Transport Practice 2.1
- Not in compliance

Summarize the basis for this Finding/Deficiencies Identified:

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility



Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

As per Dominican regulations, Sodium Cyanide must be delivered directly to its destination without deviation or interim storage. If any deviation or interim storage does occur this would be under the direct, strict control and direction of the Intelligence branch of the Dominican Armed Forces.

3. EMERGENCY RESPONSE: Protect communities and the environmental through the development of emergency response strategies and capabilities.

Transport Practice 3.1: Prepared detailed emergency response plans for potential cyanide releases.

This operation is

- In full compliance
- In substantial compliance Transport Practice 3.1
- Not in compliance

Summarize the basis for this Finding/Deficiencies Identified:

CLS has prepared a manual for the overall processes, procedures, emergency response and first aid attention for the transportation of Sodium Cyanide in the Dominican Republic, which after each delivery is reviewed for possible amendments against the trip report as issued by the convoy manager.

The manual has been prepared on the basis of interaction with the product suppliers (Cyanco), the mine and information attained through liaisons with Dominican & international authorities.

The Emergency Response plan considers the possible scenarios that may take place in during the transportation process.

The Guide has detailed information concerning sodium cyanide characteristics and toxicity based on the MSDS.

CLS prepared "THE CONVOY GUIDE", which is a document designed to meet the requirements of the Cyanide Code of The International Cyanide Management Institute (ICMI) and comply with the relevant authorities in the Dominican Republic. When there is a conflict between the provisions of this management plan and applicable laws (ie, licenses,

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

permits, consents and laws) the legal requirements of the Dominican Republic will be observed.

The intention of the guide is to outline and define solid sodium cyanide handling and land transport. It includes and provides the procedures and activities employees and contractors who are directly involved with the handling and transportation and supervision of these activities should comply with.

It is mandatory for every person involved in the process to strictly follow and comply with these procedures without exception. This is to safeguard the health and safety of employees and the equipment, the environment and the population, in addition to complying with international codes and regulations applicable in the Dominican Republic.

All emergency scenarios developed are related to ground transportation.

All the scenarios are in relation with accidents of trucks hauling a chassis carrying a 20' standard dry container, which is the only transportation modality utilized.


CLS used trucks and lowboy trailers that are certified for transport of sodium cyanide by the National Land Transport Network (RNTT for its Spanish acronym) "Red Nacional de Transporte Terrestre" (RNTT).

CLS sets response action if incidents occur on the route, which is described below:

Based on the emergency response requirements on each accident scenario, members of the response team and external emergency response teams such as: police department, firefighters, health centers, ambulance, civil defense personnel, paramedics and hazmat team with equipment for spill cleanup have the responsibility to do the follow up and act accordingly on the following situations: Crash with another vehicle, vehicle rollover in steep slope or curve, rollover with spill, rollover with hurt persons, and rollover with the product reaching a water body, amongst others including prevention and mitigation instructions, as well as specific response instructions.

CLS has developed a Sodium Cyanide Transport Emergency Response Plan which considers/states the responsibilities of CLS when facing an emergency situation, the actions that must be taken by the company personnel involved in the transport of cyanide sodium to Las Lagunas, representatives of the Transport Company and supplier. This plan not only considers events related to traffic accidents as well as semitrailer and truck overturns accidents with spill content into the environment.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

Indicated below are the actions that should be carried out according to the type of emergency that may occur. The emergency response plan details the actions step by step.

INCIDENTS WITHOUT INJURED PERSONS

The head of the convoy or the second in charge will carry out the following actions:

The driver must immediately contact the CLS Convoy Manager.

- He/she will check if he/she is in good physical condition and if there are no other injured persons.
- Will do a complete truck inspection: checking the brakes, lights, steering, container anchoring system, door locks and seals, leaks, etc.
- Will write down the details of the incident and gather the necessary information to prepare the accident report. He/she will resume the journey to Las Lagunas.
- When arriving to Las Lagunas the CLS Convoy Manager will report to the Envirogold (Las Lagunas Mine) plant manager what happened.

MECHANICAL OR TIRE PROBLEMS

- The convoy manager and / or the truck driver involved will take the corrective the actions.

COLLISION WITH / WITHOUT INJURED PERSONS, TRUCK OVERTURNS WITH NO SPILL, COLLISION WITH DRIVER, TRUCK OVERTURN WITH CYANIDE SPILL AND TRUCK COUGHT ON FIRE.

- **CLS / Transport Company / HazMat Team:** The CLS Convoy Manager and / or HazMat personnel will immediately go to the accident area.

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

This operation is

- In full compliance
- In substantial compliance Transport Practice 3.2
- Not in compliance

Summarize the basis for this Finding/Deficiencies Identified:

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT

CLS Convoy Manager provides staff training every time a cyanide load is transported. The transport process guide establishes the trainings and their basic contents.

CLS hired the services of "SAFETY EXTREME" a training company for its staff training activities program.

CLS has a team who are well versed in emergency response procedures & their responsibilities for the initial response, communications (contact with the authorities), containment and recovery (IGN) in conjunction with the mine's emergency officer and the Dominican Emergency services.

From page 22 to 31 of the Convoy Guide: Specific Actions are detailed, along with roles and responsibilities of the personnel in charge during emergency cases such as accidents without injuries, equipment mechanical problems, collisions with or without injuries; collision with disabled driver, spill rollovers, rollovers with no spill, trucks on fire, cyanide spill on dry or wet conditions and decontamination of the affected area.

General Actions

During an emergency the person in charge of the convoy or the driver should contact the CLS convoy manager via telephone and /or radio. If the person has no way of contacting the CLS convoy manager then, he should request the authorities that always accompany the convoy (motorized police and civil defense) or a third party to do it for him. The CLS convoy manager or his deputy shall inform the transport company "Negocios y Servicios Diversos, NSD" and the Plant Manager in Las Lagunas Mine. Depending on the condition and severity of the emergency, firefighters or specialized hazardous material handlers, CLS staff for this purpose, will provide the initial emergency response at the incident area.

The person in charge of the convoy has the following functions:

He will instruct the driver the initial actions to be taken to control the situation. Send hazardous material handling team assigned to contain the emergency scene. Depending on the seriousness, Las Lagunas Plan Mine should also be present.

The CLS Manager will request special assistance to the transport company at the incident location. The Convoy Manager will inform the public service authorities about the emergency/incident. According to the law those authorities must always accompany the Convoy.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

The following actions will be taken at the incident site:

CLS staff will serve as an advisor to the authorities, providing the necessary information related to the nature of the product. Check if the area has been protected. Check for traffic and people around the area of the incident. Stop and / or contain spills (protect sewers and watercourses). Request more help if necessary (cranes, backhoes, and trucks). Coordinate the clean-up of the incident area in order for it to return to its initial conditions. If there are casualties from the accident, the driver(s) may be arrested by the police. In this case, CLS must request custody of the truck and its contents and await the arrival of the representatives of the transport company to make a statement.

Paramedic unit: The paramedic accompanying the Convoy will be the person in charge of providing first aid assistance or oxygen supply if needed before the external emergency team arrives.

<u>Safety Equipment & Materials</u>	Qty	
List of emergency contacts.	1	Per Vehicle
First aid Guide	1	Per Vehicle
Pocket emergency response guide.	1	Per Vehicle
First Aid kit	2	1 x escort vehicle
Protective overalls	5	
Haz Mat Suit	1	
Leather gloves	5	
Neoprene gloves	5	
Rubber boots	5	
Safety glasses	5	
Disposable Masks	50	
Respirators with dual respiratory filter (dust-gas)	5	
Reflective vests (1 x convoy member)		
Multipurpose fire extinguishers x 20 Lbs	2	
Calcium/sodium hypochlorite	40 Kgs	
Lime	100 Kgs	
Absorbent Material (sand)	50 Kgs	
Traffic Safety cones	6	
Safety parameter tape	2	
Shovels, brooms, buckets	4	
Flashlights and Lanterns	4	
Large polyethylene bags	25	
HcN Detector	1	

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

Harness & Safety line	2	
Soil & Water Analyzer kit.	1	
Adhesive Tapes (Transparent, Masking & Duct)	2	Each
Emergency Lights	3	
Red Traffic flags	2	
Wind Sock	1	
Tarpaulin	1	
Truck & Chassis Spare tires	2	
Reflective Tape	1	
SCBA	1	
Alcohol-meter	1	
50 gallon tanks	2	
2 way radios (Walkie-talkies)	1	Per vehicle


Medical Equipment

First Aid instructions	1
First aid kit	2
Stretcher	1
Portable Oxygen respiration unit	2
Spare oxygen tank.	1

Personal Safety equipment carried each transport vehicle :

List of emergency contacts	1
Instructions for first aid	1
Pocket emergency response guides.	1
Halotron Extinguisher (5 lbs)	1
Hard hat	1
Protective Goggles.	1
Respirator	1
First aid kit	1
Safety shoes	1
Safety gloves	1
Emergency triangles	1
Tow cable	1
Mobile phone with credit & charger	1
2 way Radio (Walkie Talkie)	1
Copy of the insurance policy	1

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

Copy of the record of vehicle maintenance	1
Current copy of driving permit	1
Valid RNTT carnet	1

Placards & Signs

Escort Vehicles	Warning signs
-----------------	---------------

Containers	Cargo placard	description
------------	---------------	-------------

The emergency equipment & materials are carried by the safety escort & Haz Mat vehicles positioned at the head and tail of the convoy.

CLS's training program includes contingencies for changes in personnel besides a quarterly refresher program all of which are recorded.

An inventory check is affected the day before an operation and also prior to the delivery, the results of which are recorded within the trip report.

C.Logistics Solutions, S.R.L. (CLS) supply chain uses "NEGOCIOS & SERVICIOS DIVERSOS" (NSD), with address in "Autopista 30 de Mayo, Haina, Santo Domingo", as transport company. CLS has clearly delineated its roles and responsibilities of NSD during and emergency response.

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


This operation is

- In full compliance In full compliance
- In substantial compliance Transport Practice 3.3
- Not in compliance

Summarize the basis for this Finding/Deficiencies Identified:

Communications, being the essence in any circumstance, is organized from the Convoy Manager to the Mine Safety Officer & CLS main office where upon after analysis of the

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT

situation, if deemed necessary, the respective emergency services and authorities are called for their assistance.

Full listings of emergency contacts are carried by the response team managers and the Convoy Guide “Guía del Convoy” page 30-31 for all strategic points along the trajectory of the delivery route, enabling a response time of between 20 & 30 minutes anywhere along the route. This listing is continually being verified and updated as changes are established.

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

This operation is

- In full compliance
- In substantial compliance Transport Practice 3.4
- Not in compliance

Summarize the basis for this Finding/Deficiencies Identified:

The established procedure to clean a spill and the decontamination of the area consists of the following prime points’

Isolate & contain the area,
Sweep the cyanide to a recollection area
Collect the debris in plastic bags or drums,

Treat the area with calcium carbonate and then with a 5% sodium hypochlorite solution,
Wait at least 15 min, rinse the area with water.

Wait for the area to dry, recheck for contamination and then, if clear, remove the barricades

The Procedure Guide prohibits the use of chemicals such as sodium hypochlorite, ferrous sulfate, and hydrogen peroxide to treat cyanide that has been released to surface waters.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

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

This operation is

- In full compliance
- In substantial compliance Transport Practice 3.5
- Not in compliance

Summarize the basis for this Finding/Deficiencies Identified:

CLS operations manual establishes that the manual be reviewed in conjunction with the trip reports.

The Ministry of Environment and Natural Resources in Title VIII, Article 51, stipulates that mock emergency drills must be performed and also requires having Emergency Action Plans.

On April 22-23th, 2014 a mock drill was performed which consisted of two parts: The Code requirements, responsibilities and duties of the emergency response teams and equipment inspection were reviewed and conducted in the conference room.

After that at the CLS building parking lot, a cyanide spill involving an injured person drill was performed. Mistakes, solutions and recommendations were discussed at the end. During the simulation Envirogold company staffs were present, a BASC consultant, drivers of the transport company NSD, staff from HazMat team, Civil Defense representatives of the Dominican government, Military Intelligence representatives of the Dominican government (J2), Civil Defense technicians, AMET escorts (Transit Police), firefighters and Paramedics of the Fire Department.

On April 26th, 2014 the same drill was repeated again. The results were the following: the first drill took 2 hours and 45 minutes but on April 26 time was reduced to 2 hours and 15 minutes.

CLS, established procedure to evaluate the Emergency Response Plan, as drills lesson learned or whenever modifications are required or, if no interim modifications are required, an annual review and update should be affected.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

C- NSD ROLE AS CYANIDE TRANSPORTATION

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

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

This operation is

- In full compliance
- In substantial compliance Transport Practice 1.1
- Not in compliance

Summarize the basis for this Finding/Deficiencies Identified:

NSD follow route evaluation procedure documented in an extensive 49 pages manual which for local use and reference is in Spanish. Process, procedure and contingency guide for Sodium Cyanide handling and transport under direction of CLS.

According to the Route Assessment Procedure, the routes have been selected, in discussion and approval by the Police transit authority “Autoridad Metropolitana de Transporte” (AMET) and other relevant Government Ministries & Departments based upon the origin and destination, the available infrastructure (dimensions and conditions of the road), length of the road, and the avoidance wherever possible of transiting denser populated areas.

After Email exchange coordination between CLS and heads of department of civil defense, CLS provides direct instructions to NSD.

The criteria of the routes selected were assessed upon the following:

Population

Turns in the road

Maximization of the free transit of the convoy

Inclines

Bridges, Overpasses/Underpasses & tunnels

Potential landslides or road erosion

Water bodies

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

Environmentally sensitive areas
Areas with high delinquency or potential civic unrest
Any other conditions that may represent a risk

Caribbean Logistics Solutions (CLS) has established and implemented for NSD a regular route (A), and alternative (B) from Puerto Caicedo to Las Lagunas Mine. All cargo transports are performed under the direct leadership of CLS.

The transporter company (NSD) implements a CLS procedure and take the measures necessary to manage these risk. The Convoy Manager and a representative of the Transit Authority established the locations of potential risk along the route.

Before each transportation, the Metropolitan Transportation Authority “Autoridad Metropolitana de Transporte” (AMET) evaluates, approves and escort the cyanide load on the entire route. Hospitals & Clinics, Police Stations, Fire stations, sensitive areas, communities, and the quality of wi-fi communications.

The information obtained from government institutions is passed to NSD, the day before the transportation process.

At the end of each transport a trip report is generated which serves for travel reference to any improvements required due to any observation, condition or incident, to make changes to the route procedures, if needed.

CLS hold a constant communication between the convoy manager, NSD drivers and the mine. The convoy was always accompanied by Civil Defense Chief Staff and permanent escort from Dominican Republic Metropolitan Authority of Transportation, which is required by law.

NSD implement preventive measures to address risk, including: limiting the transportation during daylight hours only, all shipments performed in convoys of up to a maximum of five containers with two safety escort vehicles (Convoy Manager, Fireman, Para-Medic & support staff), Haz Mat equipment vehicle & police outriders.

This convoy configuration and with the issuance of 2 way radios to each vehicle, permits the convoy manager to maintain control of the operations when the route conditions are unsafe or in case of an emergency, facilitate a rapid response & deployment of the escort emergency crew.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

The Convoy Manager's trip report includes;

- Inspection of the trucks, chassis & containers
- Verification of drivers' credentials
- Results of the alcohol test – if taken
- Observations e.g. maintenance operations)/recommendations/remedial actions to be taken
- Emergency equipment inventory checklist
- Trip report with observations & GPS printout.
- Environment Ministry Manifest & shipment documentation & permits.
- A pocket guide containing basic emergency response activities and sodium cyanide hazardous characteristics is issued to each vehicle of the convoy.

To date, five delivery operations have been performed for NSD; all the operation files were reviewed. The reports included actions taken to reduce the risk in unexpected events.

According to the Government Transport Protocols, NSD via CLS, the pertinent authorities and the mine informs the communities and the authorities regarding its programmed cyanide transport operations through.

Interaction with the government transit police (AMET), emergency & public health services to coordinate emergency response procedures. Additionally, NSD has received copies of the sodium cyanide MSDS & pocket emergency guide to the pertinent authorities and environmental agencies.

All shipments from the ports to the mine are performed in convoy which, for safety & logistical reasons, consists of a maximum of 5 x 20' container loads with three safety escort vehicles including a mechanical support vehicle with basic spare-parts, tires and a mechanic, from the time of leaving the Port of Caucedo, until the mine, always under CLS direction.

CLS holds, and documents, a pre-trip meeting the day before each delivery reviewing the program for the delivery convoy, with a revision of the responsibilities and duties related to cyanide handling and emergency response action for each member of the convoy including all NSD drivers. In addition to an inspection & review at the time of dispatch prior to the departure from the port area. Government Defense Civil Responders and Paramedic remain with the convoy all the time.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT

“NEGOCIOS & SERVICIOS DIVERSOS” (NSD), does not subcontract any cyanide handling or transport company.

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.

This operation is

- In full compliance
- In substantial compliance Transport Practice 1.2
- Not in compliance

Summarize the basis for this Finding/Deficiencies Identified:

NSD use only trained, qualified and licensed drivers requested for CLS. Training has designed and established according to the rules and regulations of the General Department of Land Transport “Dirección General de Transporte Terrestre” (DGTT for its Spanish acronym) and the National Land Transport Network “Red Nacional de Transporte Terrestre” (RNTT for its Spanish acronym).


This program will be for both CLS staff and the transport company staff that will carry the sodium cyanide from the Port of Caucedo and Rio Haina to Las Lagunas Mine, in conjunction with the relevant authorities (Police, Fire Department, Civil Defense, Minister of Environment etc.).

NSD has designated 7 drivers and approved for CLS for cyanide container transport operations, records of their credentials & training are maintained on file.

The CLS convoy manager confirms the NSD drivers included in the list of approved drivers, as documented in the trip operation report. According to the training records and the shipment reports, only employees that participated in the training sessions have or may participate in the convoys all of whom have been instructed by CLS, Firefighter & Medical instructors.

Every NSD driver must meet the requirements of the National Land Transport Network (RNTT for its Spanish acronym), <http://www.rntt.com.do/>. The main objective is to certify the driver who carries or moves the cargo, ensuring he/she has all the required documents update and if he/she has the necessary experience to handle the cargo.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT

“NEGOCIOS & SERVICIOS DIVERSOS” (NSD), does not subcontract any cyanide handling or transport company.

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

This operation is

- In full compliance
- In substantial compliance Transport Practice 1.3
- Not in compliance

Summarize the basis for this Finding/Deficiencies Identified:

NSD has registry of designated & approved trucks for the transport of cyanide containers. The Containers chassis, being supplied by the line, are inspected upon ‘pick-up’ and prior to transport.

As the Process, procedure and contingency guide for Sodium Cyanide handling and transport states in page 11 and as a requirement of CLS, the equipment used by all companies hired to transport sodium cyanide to Las Lagunas must go through a maintenance program system with scheduled and temporary maintenance work as outlined below:

Daily Inspection

The daily inspections are a very important part of the maintenance system. It will allow the person in charge determine if unscheduled maintenance work must be done to the equipment or if such work can wait until the following scheduled maintenance.

The daily inspection will be conducted using a checklist before every journey. The truck driver will verify the following among other things:

- Tire pressure and condition.
- Engine oil level.
- Hydraulic fluid level.
- Fuel level.
- Cooling fluid level.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

- Check brake system.
- State and belt tension.
- Operation of lights and electrical components.
- Operation of instruments and pilot lights.
- Radio communication system and / or cellphone with enough battery charge and signal for the whole journey.
- A 5 lbs halogen hydrocarbon extinguisher in every truck.

NSD has implement procedures to verify the adequacy of the equipment for the load it must bear under the RNTT inspections.

Preventive maintenance

According to manufacturer's recommendations a periodic preventive maintenance should be performed based on operating miles or hours, doing so by using pre-established maintenance guidelines. Included in the work corresponding to the periodic preventive maintenance jobs would be the ones requiring special attention such as: the inspection of the body sealing system and complete power train system checkup, body repairs and equipment cleaning and washing. Staff interviews confirmed that maintenance is performed and also that the National Land Transport Network (RNTT for its Spanish acronym) verifies it.

The trucks utilized for the transport of the cyanide container are manufactured between 1996 & 2002 having their service & maintenance records maintained on file with capacities from 350 to 450 HP. And a load capacities from 30.5 to 32 tons, which is in excess than that of a loaded container of approx. 25 gross tonnes (cargo, container & chassis).

The CLS Transport Protocol establishes the convoy manager is responsible for the inspection of every NSD truck and chassis prior to shipment. A checklist, concerning the truck and trailer conditions, the driver, the required documents, and truck accessories, is used to document the inspection. A checklist form is filled for each truck in the convoy. According to the reports and checklists, this inspection is performed the same day of the shipment. When minor deficiencies are identified these are fixed prior to the vehicle leaving its base to the Port or the vehicle is replaced. This was confirmed through the review of all transport operations that have been performed to date.

“NEGOCIOS & SERVICIOS DIVERSOS” (NSD), does not subcontract any cyanide handling or transport company.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT

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

This operation is

- In full compliance
- In substantial compliance Transport Practice 1.4
- Not in compliance

Summarize the basis for this Finding/Deficiencies Identified:

Per Dominican port procedures and security practices, all import containers at the ports have their containers seals broken, the contents confirmed and thereafter new seals are affixed to the container by a port commission consisting of Customs, Military Intelligence, anti-drug officers & port authority personnel.

As per the Transport Protocols, placards are affixed to the containers declaring the cargo, its IMCO classification destination, expeditor & transporter. In addition warning placards are affixed to each of the escort vehicles. The presence of same are duly recorded within the NSD/CLS pre-trip inspection report.

Inspections are performed prior the vehicles departure to the port (documented by checklist included in convoy manager's report) in addition to a preventive maintenance program for the trucks which is cyclical and based on 10,000 Km. being the standard requirements for combustion engine vehicles and equipment. The March 18 and February 19, 2014 pre-trip check list records were reviewed and both stated: presence of government inspectors, state of the chassis / truck, driver requirements, escorts team, emergency response equipment, medical equipment and HazMat team.

If issues are identified during preventive maintenance or inspections, a NSD work order is issued for its execution by the maintenance department. Maintenance records for the previous six months are maintained. These documents should be filed together with those that will be issued in the future in order to meet and comply with the requirements for the re-certification audits within the following three years.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

The procedure established by The Dominican Republic Ministry of Defense states that load must transported during the day.

NSD implement the procedure to prevent loads from shifting in any type of vehicle used for the transport of sodium cyanide to Las Lagunas Mine. The product to be transported shall be conveniently packaged, with good stability and be resistant to deformation.

The load in the chassis is performed under the standard and direction of the port control operator (DP World).

The day previous and prior to departure, the CLS convoy manager liaises with the police and military authorities to access any potential political or civil unrest on the route and assesses the weather conditions. If it is deemed necessary after consultation and only with agreement of the military authorities the delivery maybe postponed.

CLS and NSD prohibit the consumption of alcohol, drugs, or any other substance that may impair or reduce the function of the driver or a member of the convoy. Prior to departure of every shipment, if deemed necessary the members of the convoy may be tested for alcohol levels.

Convoy Preview & Procedures

III. Operational meeting before delivery :

- Confirmation of permits & documentation
- Review of convoy participants & configuration
- Responsibilities & Duties
- Equipment & materials inventory
- Route – update of conditions (AMET), Transit Police.
- Confirmation of place & time of meeting point of safety vehicles.

IV. Pre-Trip Inspection & Meeting.

a) Prior to exit of containers from port :

Inspection of escort vehicles & verification of safety equipment & materials inventories
Fixture of placards on escort vehicles

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

b) Upon exit of containers from the port;

Inspection of trucks & re-verification of drivers credentials, personal safety equipment, GPS & communications

Inspection of container chassis & containers

Fixture or placards to each container

Issuance of 2 way radios to each vehicle & 'Point & Tail' police outriders

General meeting with Police outriders & Military Intelligence officers (J2), confirming route, compartment & conditions expected and any potential compensatory actions anticipated.

Convoy formation:

1. Motorized police outrider at point
2. Safety escort vehicle with Fireman, Para-Medic and support crew
3. Trucks & Containers with police outriders
4. Haz Mat Equipment Vehicle & crew
5. Safety escort vehicle with tools, spare tyres, mechanic & crew
6. Motorized police outrider

Upon the concurrence of the police & military intelligence officers (J2) the convoy then proceeds on its trajectory.

The convoy manager records these processes & procedures within the trip report issued with each operation & all data pertaining to the transportation are maintained of at least three years.

“NEGOCIOS & SERVICIOS DIVERSOS” (NSD), does not subcontract any cyanide handling or transport company.

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

This operation is

- In full compliance
- In substantial compliance Transport Practice 1.5
- Not in compliance

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

Summarize the basis for this Finding/Deficiencies Identified:

As defined, the scope of this audit is only for ground transportation operations performed by CLS/NSD from Port to client's site.

“NEGOCIOS & SERVICIOS DIVERSOS” (NSD), does not transport by sea or air.

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

This operation is

- In full compliance
- In substantial compliance Transport Practice 1.6
- Not in compliance

Summarize the basis for this Finding/Deficiencies Identified:

All members of the convoy and escort have mobile phones; in addition CLS provide a 2 way walkie-talkie to each NSD vehicle in the convoy and the lead and tail police outriders.

As per the pre-trip inspection both telephones & radios are confirmed operational prior to departure from the port area.

The convoy trucks are fitted with GPS transceivers and the progress of the convoy is tracked from both the base of the transporter and the main office of CLS. NSD Records of the GPS speed track are maintained and form part of every trip report.

According to the route assessment, there are no blackout areas in the route. This was confirmed during interviews with the drivers and during the audit.

Throughout the trajectory of the convoy, the convoy manager reports the conditions, progress and position of the convoy by means of email or text messages to the CLS main office where from in turn the mine is kept informed of the convoy's progress and estimated time of arrival. These progress reports are also included within the trip report.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

The following documents are carried by the convoy manager:

- A Complete set of shipping documents & cargo declarations
- A complete set of the requisite permits for the transportation & delivery of the Sodium Cyanide.
- Ministry of Environment Manifest & requisite supportive documentation.

Sender shipping reference guide include the product name, code number of the Union Nations (UN), number of packages transported and Material Safety Data Sheets.

“NEGOCIOS & SERVICIOS DIVERSOS” (NSD), does not subcontract any cyanide handling or transport company.

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

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

This operation is:

- In full compliance
- In substantial compliance Transport Practice 2.1
- Not in compliance

Summarize the basis for this Finding/Deficiencies Identified:

As per Dominican regulations, Sodium Cyanide must be delivered directly to its destination without deviation or interim storage. If any deviation or interim storage does occur this would be under the direct, strict control and direction of the Intelligence branch of the Dominican Armed Forces.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

3. EMERGENCY RESPONSE: Protect communities and the environmental through the development of emergency response strategies and capabilities.

Transport Practice 3.1: Prepared detailed emergency response plans for potential cyanide releases.

This operation is

- In full compliance
- In substantial compliance Transport Practice 3.1
- Not in compliance

Summarize the basis for this Finding/Deficiencies Identified:

NSD implement a CLS manual for the overall processes, procedures, emergency response and first aid attention for the transportation of Sodium Cyanide in the Dominican Republic, which after each delivery is reviewed for possible amendments against the trip report as issued by the convoy manager.

The manual has been prepared on the basis of interaction with the product suppliers (Cyanco), the mine and information attained through liaisons with Dominican & international authorities.

The Guide has detailed information concerning sodium cyanide characteristics and toxicity based on the MSDS.

NSD implemented "THE CONVOY GUIDE", which is a document designed to meet the requirements of the Cyanide Code of The International Cyanide Management Institute (ICMI) and comply with the relevant authorities in the Dominican Republic. When there is a conflict between the provisions of this management plan and applicable laws (ie, licenses, permits, consents and laws) the legal requirements of the Dominican Republic will be observed.

All emergency scenarios developed are related to NSD ground transportation.

All the scenarios are in relation with accidents of trucks hauling a chassis carrying a 20' standard dry container, which is the only transportation modality utilized.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

NSD used trucks and lowboy trailers that are certified for transport of sodium cyanide by the National Land Transport Network (RNTT for its Spanish acronym) “Red Nacional de Transporte Terrestre” (RNTT).

CLS/NSD sets response action if incidents occur on the route, which is described below:

Based on the emergency response requirements on each accident scenario, members of the response team and external emergency response teams such as: police department, firefighters, health centers, ambulance, civil defense personnel, paramedics and hazmat team with equipment for spill cleanup have the responsibility to do the follow up and act accordingly on the following situations: Crash with another vehicle, vehicle rollover in steep slope or curve, rollover with spill, rollover with hurt persons, and rollover with the product reaching a water body, amongst others including prevention and mitigation instructions, as well as specific response instructions.

NSD has implemented a Sodium Cyanide Transport Emergency Response Plan which considers/states the responsibilities of CLS when facing an emergency situation, the actions that must be taken by the company personnel involved in the transport of cyanide sodium to Las Lagunas, representatives of the Transport Company and supplier. This plan not only considers events related to traffic accidents as well as semitrailer and truck overturns accidents with spill content into the environment.

NSD used trucks and lowboy trailers that are certified for transport of sodium cyanide by the National Land Transport Network (RNTT for its Spanish acronym) “Red Nacional de Transporte Terrestre” (RNTT).

CLS/NSD sets response action if incidents occur on the route, which is described below:

NSD has implemented a Sodium Cyanide Transport Emergency Response Plan which considers/states the responsibilities of CLS when facing an emergency situation, the actions that must be taken by the company personnel involved in the transport of cyanide sodium to Las Lagunas, representatives of the Transport Company and supplier. This plan not only considers events related to traffic accidents as well as semitrailer and truck overturns accidents with spill content into the environment.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

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

This operation is

- In full compliance
- In substantial compliance Transport Practice 3.2
- Not in compliance

Summarize the basis for this Finding/Deficiencies Identified:

NSD drivers received training every time a cyanide load is transported. The transport process guide establishes the trainings and their basic contents.

CLS hired the services of "SAFETY EXTREME" a training company for its staff training activities program.

CLS has a team who are well versed in emergency response procedures & their responsibilities for the initial response, communications (contact with the authorities), containment and recovery (IGN) in conjunction with the mine's emergency officer and the Dominican Emergency services.

From page 20 to 29 of the Convoy Guide: Specific Actions are detailed, along with roles and responsibilities of the personnel in charge during emergency cases such as accidents without injuries, equipment mechanical problems, collisions with or without injuries; collision with disabled driver, spill rollovers, rollovers with no spill, trucks on fire, cyanide spill on dry or wet conditions and decontamination of the affected area.

General Actions

During an emergency the person in charge of the convoy or the driver should contact the CLS convoy manager via telephone and /or radio. If the person has no way of contacting the CLS convoy manager then, he should request the authorities that always accompany the convoy (motorized police and civil defense) or a third party to do it for him. The CLS convoy manager or his deputy shall inform the transport company "Negocios y Servicios Diversos, NSD" and the Plant Manager in Las Lagunas Mine. Depending on the condition and severity of the emergency, firefighters or specialized hazardous material handlers, CLS staff for this purpose, will provide the initial emergency response at the incident area.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

The person in charge of the convoy has the following functions:

He will instruct the driver the initial actions to be taken to control the situation. Send hazardous material handling team assigned to contain the emergency scene. Depending on the seriousness, Las Lagunas Plan Mine should also be present.

The CLS Manager will request special assistance to the transport company at the incident location. The Convoy Manager will inform the public service authorities about the emergency/incident. According to the law those authorities must always accompany the Convoy.

The following actions will be taken at the incident site:

CLS staff will serve as an advisor to the authorities, providing the necessary information related to the nature of the product. Check if the area has been protected. Check for traffic and people around the area of the incident. Stop and / or contain spills (protect sewers and watercourses). Request more help if necessary (cranes, backhoes, and trucks). Coordinate the clean-up of the incident area in order for it to return to its initial conditions. If there are casualties from the accident, the driver(s) may be arrested by the police. In this case, CLS must request custody of the truck and its contents and await the arrival of the representatives of the transport company to make a statement.

Paramedic unit: The paramedic accompanying the Convoy will be the person in charge of providing first aid assistance or oxygen supply if needed before the external emergency team arrives.

<u>Safety Equipment & Materials</u>	Qty	
List of emergency contacts.	1	Per Vehicle
First aid Guide	1	Per Vehicle
Pocket emergency response guide.	1	Per Vehicle
First Aid kit	2	1 x escort vehicle
Protective overalls	5	
Haz Mat Suit	1	
Leather gloves	5	
Neoprene gloves	5	
Rubber boots	5	
Safety glasses	5	
Disposable Masks	50	
Respirators with dual respiratory filter (dust-gas)	5	
Reflective vests (1 x convoy member)		

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

Multipurpose fire extinguishers x 20 Lbs	2	
Calcium/sodium hypochlorite	40 Kgs	
Lime	100 Kgs	
Absorbent Material (sand)	50 Kgs	
Traffic Safety cones	6	
Safety parameter tape	2	
Shovels, brooms, buckets	4	
Flashlights and Lanterns	4	
Large polyethylene bags	25	
HcN Detector	1	
Harness & Safety line	2	
Soil & Water Analyzer kit.	1	
Adhesive Tapes (Transparent, Masking & Duct)	2	Each
Emergency Lights	3	
Red Traffic flags	2	
Wind Sock	1	
Tarpaulin	1	
Truck & Chassis Spare tyres	2	
Reflective Tape	1	
SCBA	1	
Alcohol-meter	1	
50 gallon tanks	2	
2 way radios (Walkie-talkies)	1	Per vehicle


Medical Equipment

First Aid instructions	1
First aid kit	2
Stretcher	1
Portable Oxygen respiration unit	2
Spare oxygen tank.	1

Personal Safety equipment carried each transport vehicle :

List of emergency contacts	1
Instructions for first aid	1
Pocket emergency response guides.	1
Halotron Extinguisher (5 lbs)	1
Hard hat	1
Protective Goggles.	1

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

Respirator	1
First aid kit	1
Safety shoes	1
Safety gloves	1
Emergency triangles	1
Tow cable	1
Mobile phone with credit & charger	1
2 way Radio (Walkie Talkie)	1
Copy of the insurance policy	1
Copy of the record of vehicle maintenance	1
Current copy of driving permit	1
Valid RNTT carnet	1

Placards & Signs

Escort Vehicles	Warning signs
Containers	Cargo placard description

The emergency equipment & materials are carried by the safety escort & Haz Mat vehicles positioned at the head and tail of the convoy.

CLS's training program includes contingencies for changes in NSD personnel besides a quarterly refresher program all of which are recorded.

An inventory check is affected the day before an operation and also prior to the delivery, the results of which are recorded within the trip report.

“NEGOCIOS & SERVICIOS DIVERSOS” (NSD), does not subcontracts any of the cyanide handling or transport.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

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

This operation is

- In full compliance In full compliance
- In substantial compliance Transport Practice 3.3
- Not in compliance

Summarize the basis for this Finding/Deficiencies Identified:

Communications, being the essence in any circumstance, is organized from the Convoy Manager to the Mine Safety Officer & CLS main office where upon after analysis of the situation, if deemed necessary, the respective emergency services and authorities are called for their assistance.

Full listings of emergency contacts are carried by the response team managers and the Convoy Guide “Guía del Convoy” page 30-31 for all strategic points along the trajectory of the delivery route, enabling a response time of between 20 & 30 minutes anywhere along the route. This listing is continually being verified and updated as changes are established.

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

This operation is

- In full compliance
- In substantial compliance Transport Practice 3.4
- Not in compliance

Summarize the basis for this Finding/Deficiencies Identified:

The established procedure to clean a spill and the decontamination of the area consists of the following prime points’

Isolate & contain the area,
Sweep the cyanide to a recollection area

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

Collect the debris in plastic bags or drums,

Treat the area with calcium carbonate and then with a 5% sodium hypochlorite solution,
Wait at least 15 min, rinse the area with water.

Wait for the area to dry, recheck for contamination and then, if clear, remove the barricades

The CLS Procedure Guide prohibits the use of chemicals such as sodium hypochlorite, ferrous sulfate, and hydrogen peroxide to treat cyanide that has been released to surface waters.

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

This operation is

- In full compliance
- In substantial compliance Transport Practice 3.5
- Not in compliance

Summarize the basis for this Finding/Deficiencies Identified:

CLS operations manual establishes that the manual be reviewed in conjunction with the NSD trip reports.

The Ministry of Environment and Natural Resources in Title VIII, Article 51, stipulates that mock emergency drills must be performed and also requires having Emergency Action Plans.

On April 22-23th, 2014 a mock drill was performed which consisted of two parts: The Code requirements, responsibilities and duties of the emergency response teams and equipment inspection were reviewed and conducted in the conference room.

After that at the CLS building parking lot, a cyanide spill involving an injured person drill was performed. Mistakes, solutions and recommendations were discussed at the end. During the simulation Envirogold company staffs were present, a BASC consultant, drivers of the transport company NSD, staff from HazMat team, Civil Defense

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates

**C. LOGISTICS SOLUTIONS, S.R.L.
SUMMARY AUDIT REPORT**

representatives of the Dominican government, Military Intelligence representatives of the Dominican government (J2), Civil Defense technicians, AMET escorts (Transit Police), firefighters and Paramedics of the Fire Department.

On April 26th, 2014 the same drill was repeated again. The results were the following: the first drill took 2 hours and 45 minutes but on April 26th, 2014 time was reduced to 2 hours and 15 minutes.

CLS, established procedure to evaluate the Emergency Response Plan, as drills lesson learned or whenever modifications are required or, if no interim modifications are required, an annual review and update should be affected.

C. LOGISTIS SOLUTIONS, S.R.L.
Name of Facility


Signature of Lead Auditor

April 28-29th, 2014
Dates