

Cyanide Transportation

Summary Verification Protocol

INTERNATIONAL CYANIDE MANAGEMENT CODE

CONCÓRDIA TRANSPORTES RODOVIÁRIOS Ltda.

	SUMMARY AUDIT REPORT	Auditor (LA)	Júlio Monteiro
	BASE TRANSPORTATION, Dias D'ávila – BA, Brasil	VERSION	01. 1
		FECHA	29/10/2015

INTERNATIONAL CYANIDE MANAGEMENT INSTITUTE

Cyanide Transportation Operations Summary Audit Report



For The International Cyanide Management Code Summary Verification Protocol

www.cyanidecode.org
October 2015



**RIO DE JANEIRO,
BRASIL**



OCT./ 2015 | CONCÓRDIA TRANSPORTES


Lead Auditor Signature

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INTRODUCTION

Information on the audited operation

Name of Cyanide Transportation Facility: Concórdia Transportes Rodoviários Ltda.

Name of Facility Owner: Concórdia Transportes Rodoviários Ltda.

Name of Facility Operator: Benedito Teles and Rogério Leodegário

Name of Responsible Manager: Leandra Pessoa Alves

Address: Av. Raul Seixas, nº 141

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Aspects of the location and description of the operation:

Concórdia Transportes Rodoviários S.A. is a Road Transportation Company, working in its major volume with hazardous liquids originated from Camaçari Petrochemical Complex with destination to several regions of Brazil. Concórdia has enlarged its business focus to Container Transportation, transporting loads from Salvador Port to the Camaçari Petrochemical Complex and Salvador Metropolitan Region.

Concórdia was found in 1979 and located initially in a little base in Cajazeiras locality, City of Salvador, with only four employees. It is currently located in the city of Dias D'Ávila, near to Camaçari Petrochemical Complex, where approximately 80% of its clients are situated.

All Truck Drivers have the MOPP training (Movimentation and Operation of Hazard Products) training, refreshed by the Company every five years. As defined in the Company Quality, Security and Environment Policy, most of investments regarding training, qualification in Health, Environment and Quality, awards and labor incentives is directed to these employees, because the Concórdia believes that they are the big fraction that daily presents itself to the Client, driving the equipment's (trucks and containers), and represents the most important Company assets. Moreover, these Employees are exposed to the risks in the transportation activities and to the risks of Client's processes (Chemical and Petrochemicals Industries).

High Technology, environment monitoring, satellite tracking and monitoring, permanent training and captive fleet are in place: more than 300 last-generation specific equipment's for chemical transportation general included semi-towing tanks, containers port and grain trucks.

Concórdia has a fleet with preventive maintenance and no older than 5 years-old average age.

Concórdia's is member of a selected team of companies that have partnerships firming with ABIQUIM (Chemical Industry Brazilian Association) and with Accountability Actuation Program, this one firming since 2001.

In 2001, Concórdia joined a pilot project for the implementation of (Eye Alive in the Road) Program. Nowadays, Concórdia is part of the workgroup of this program, with monthly participation in meetings and discussions to improve the program.

Concórdia operations focus the respect to Environment, Health and Safety.

The proper destination of effluents has determined the facility to provide its own collecting and initial treatment station, properly registered and approved by the Environment Authorities.

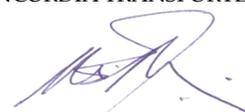
In the pursuit, improving services and enforcing quality procedures; Concórdia was obtained the recertification in the ISO 9001 certification and maintain this Certification since then.

Aligned with the new world order regarding environment preservation, in January 2003 Concórdia was evaluated and approved by SGS Brasil – Industrial Services Division in the SASSMAQ (SHE and Quality Evaluation System) program coordinated by ABIQUIM.

Concerns with Environment led Concórdia to acquire an Insurance Policy for environment damages, reinforcing the portfolio of the ones already existing.

The adaptation to new technologies is permanent, as traceability and satellite monitoring. The investment in last-generation road equipment's is a subject discussed constantly. The process of continuous improvement results in new management practices and innovation of the fleet.

Concórdia Transportes Rodoviários was certified by ICMI in April 2009, so this is the 2st.
Recertification. See www.cyanidecode.org.



SUMMARY AUDIT REPORT
FOR CYANIDE TRANSPORTATION OPERATIONS

Instructions

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

International Cyanide Management Institute (ICMI)

1400 I Street, NW, Suite 550

Washington, DC 20005, USA

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

Auditor's Finding

This Operation is:

X in full compliance

in substantial compliance

not in compliance

**The International
Cyanide
Management Code**

with the International Cyanide Management Code.

No significant cyanide incidents or exposures and releases were note as occurring during the audit period.

Audit Company: JMAQ – Julio Monteiro Auditores da Qualidade Ltda.

Audit Team Leader: Julio C. M. Monteiro

E-mail: jmaq@ig.com.br

Date(s) of Audit: 28 and 29 October 2015

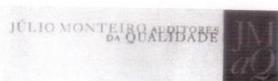
I attest that I meet the criteria for knowledge, experience and conflict of interest for Code Verification Audit Team Leader, established by the International Cyanide Management Institute and that all members of the audit team meet the applicable criteria established by the International Cyanide Management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

Name and Signatures of Other Auditors

Name	Position	Signature	Date
Julio Monteiro	Lead Auditor and Transportation Technical		29 OCT. 2015



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Lead Auditor Signature

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Lead Auditor Signature

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Verification Protocol

TRANSPORT

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

1.1 TRANSPORT PRACTICE 1.1

SELECT CYANIDE TRANSPORT ROUTES TO MINIMIZE THE POTENTIAL FOR ACCIDENTS AND RELEASES.

X in full compliance with

- The operation is in substantial compliance with Transport Practice 1.1
 not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

Concórdia is in FULL COMPLIANCE with Standard of Practice 1.1 requiring an operation Select cyanide transport routes to minimize the potential for accidents and releases. There is a procedure NA 012 – “Preparation of Travel Routes and Control Kilometers” Rev.9 dated 04/08/15, which establishes that all transport routes must be previously evaluated and selected by an expert Driver and approved by the client. In his selection, the expert Driver must considers inclinations (pitch and grade), curves, assault risk, traffic conditions, distances, and gas stations, safety aspects in case of accidents involving communities, water bodies and wildlife. Population density, signs, general infrastructure, fog, needing of escort or another additional safety measure, police station and response emergency agencies must also be consider in the selection. Information for preparation and review of Travel Routes can be obtained through applications (local or web) available on Travel Routes.

Was include in the transport infrastructure of the Concordia Monitor Driver function, which in addition to design and improve Travel Routes.

The selected route is inform to the risk management company named SASCAR, which monitors the trucks by satellite. In case of any emergency, this company will start the Emergency Response Plan and notify the agencies and stakeholders in order to mitigate the consequences.

In addition, the Drivers are training by the company with the risks of products and too in the emergency response. Beyond the equipment's are specific to the Cyanide Transportation, with a control of preventive maintenance. Records are available to demonstrate that both initial and annual refresher training is undertaken, with accreditation documents provided to all personnel upon successful completion of the training. The Program “Eye Alive in the Road”, created by ABIQUIM – (Chemical Brazilian Association), support the revisions of Travel Routes, trough fulfilling of specific form to this program, where the Drive must be report unsafe behavior of other drivers during the trip.

Concórdia have too Internal Security Programs, where exist award with the security objectives and targets. The Maintenance Program is describe in the procedure “NA.011 – Planning and Control of Maintenance of Equipment.

Concórdia identified the fire stations, Police stations and hospitals or medical centers in the area,

as well as phones and contacts. The Concórdia Transport Management Plan describes the responsibilities, roles and procedures relating to identification, handling, loading, load restraint, approved routes, transport, unloading, fatigue management, preventative maintenance, incident reporting and emergency response for the transport of both liquid and solid cyanide by road.

The integrity is ensure by using of a seal. There is an operational instruction where the daily checking is requested, using a checklist. The container with solid cyanide must be seal at Proquigel. During selection of routes, the procedure NA 012 – “Preparation of Travel Route Control and Mileage” takes into account the input from communities, governmental and Non-Governmental Agencies to select the best routes. They also contribute with suggestions to develop risk management measures, as evidenced in the route maps.

Through the Program “Ver de Dentro” (See Inside), conducted by PROQUIGEL beyond of several trainings by the Police, Environmental Secretary, Attendance Emergency Company and Community Representative, according Training Attendance Records, new prevision of carried out October 2012.

A general Training was carried out in 2012 year about Cyanide and yours risks, were management personnel of Concórdia was involve with the maintenance, program and transportation security, with the participation of Proquigel. During this training doubt and complementary information’s was consider. As established in the procedure NA 012, in case of utilization of escort or other additional safety or security measures and after the expert driver confirms the real need or after a client request, the Sales Manager shall contact the client and renegotiate the contract. There can only be charge ONE (01) container per platform and each wagon can only drag one chassis. The convoy may include one or more escort vehicles at the client’s request. The travel of the convoy will depend on weather conditions; the Convoy Leader shall evaluate the safety of the route in each case, being able to stop the convoy if he considers the conditions do not allow safe transit.

Concordia Transportes has contracts with SUATRANS /COTEC and Environmental, emergency response companies that can be contact 24 hours in case of emergencies. These Companies can provide full assistance for safety and environmental emergencies along the Country.

Concórdia Transportes does not subcontract the cyanide transport and does not handle cyanide. The SUATRANS / COTEC, as well as BLEVE that are companies that participate in the service to a possible emergency with Cyanide. The same ones were train with Proquigel and Concordia on the Code of Cyanide and their demands. Through the simulated of emergency accomplished, it is possible to make a practical training approaching the sceneries of possible emergencies during the transport. The entities as Police, Customers that receive the products also received training on the Code.

1.2 TRANSPORT PRACTICE 1.2

ENSURE THAT PERSONNEL OPERATING CYANIDE HANDLING AND TRANSPORT EQUIPMENT CAN PERFORM THEIR JOBS WITH MINIMUM RISK TO COMMUNITIES AND THE ENVIRONMENT.

X in full compliance with

The operation is in substantial compliance with Transport Practice 1.2

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

The Operation is in FULL COMPLIANCE with Standard of Practice 1.2 requiring an operation Ensure that personnel operating cyanide handling and transport equipment can perform their jobs with minimum risk to communities and the environment.

There are 76 Drivers trained and qualified to transport cyanide.

The procedure NA 035 – “Planning Implementation and Evaluation of Training” establishes that an annual training plan must be in place, according to operational tasks and positions. This procedure also states that any training with duration above 16 hours shall be evaluate regarding its effectiveness.

Licenses are monitor by the software Guberman (Fleet Management System).

The training for the Drivers is base in tasks and positions and includes both cyanide and transport of hazardous materials. Evidences were find in the Annual Training Plan and training lists.

The Concordia has a system that allows the Driver to perform their activities, if in training with expiry date.

Concordia Transportes does not subcontract the cyanide transport and does not handle cyanide.

1.3 TRANSPORT PRACTICE 1.3

ENSURE THAT TRANSPORT EQUIPMENT IS SUITABLE FOR THE CYANIDE SHIPMENT.

X in full compliance with

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

Summarize the basis for this Finding/Deficiencies Identified:

Concórdia is in FULL COMPLIANCE with Standard of Practice 1.3 requiring an operation Ensure that transport equipment is suitable for the cyanide shipment.

The requirements for the acquisition of new vehicles and equipment's are rule by the procedure NA.031 – "Acquisition of Vehicles and Equipment Transport Products", Rev. 15 dated 16/Jun/2014, which establishes that the vehicles and equipment's must comply with Brazilian Legislation and standards and be check at its delivery.

The Maintenance Program is described in the procedure "NA.011 – Planning and Control of Maintenance of Equipment and includes truck, container and tanks.

Equipment's used are dedicate for the transport of cyanide. Additionally, there is a procedure and its respective check lists for trucks and equipment's that depart and arrive to Concórdia Transportes.

The Procedure IO.008 – "Programming Applications for Customers" Rev. 06, of 05/April/2014 defines how a customer request is treated in the company, their particularities and dimensions. For each product to be transport, the equipment is defined their characteristics accordingly: density, type of appropriate material to the transport, equipment type to drive the cart, necessary documents for the transport, for instance: (Tickets of Balance). In the case of the transport of Cyanide, Rafts, Boats are not used. The transport is exclusively by the road.

ISO Tanks are adequate by the Cyanide transportation according the IM.013 – "Identification and Standardization of Vehicle."

Concórdia Transportes does not subcontract the cyanide transport and does not handle cyanide.

1.4 TRANSPORT PRACTICE 1.4

DEVELOP AND IMPLEMENT A SAFETY PROGRAM FOR TRANSPORT OF CYANIDE.

X in full compliance with

- The operation is in substantial compliance with Transport Practice 1.4
 not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

Concórdia is in FULL COMPLIANCE with Standard of Practice 1.4 requiring an operation develop and implements a safety program for transport of cyanide.

The integrity is ensure by using of a seal. There is an operational instruction where the daily checking is requested, using a checklist. The container with solid cyanide must be seal at Proquigel. After the shipment of the Cyanide, it should be verified, if the load is complete, without damages or leaks, is filled out by the Driver a check list, that one find integrated to the Map of Trip. This document registers the whole report of the trip.

The signage is establish by the Brazilian Legislation: "DECRETO 96.044, dated 18 of May, 1988 (NBR-7500 e NBR-8286)" and its checking prior to the transportation are request on the checklist FNA.013. Annex 01 (Checklist of Driver).

The Guide Driver Manual version 21 conduct the Drivers according to the Brazilian Legislation. Evidences found on the Board Diary and Tachograph Discs. This revision was make according the last Brazilian Legislation – Law 13.103-2015 – "Driver Journey"

Programme for the Prevention of Alcohol and Drug Use "PAD" is intend to produce thoughts and actions that contribute positively to the understanding of the problematic use of drugs and alcohol and its consequences. As well as, reducing the risk factors that encourage the use, increasing protective factors for all Employees, Directors and Third Parties Concórdia, describe in the procedure NA.036 - "Program Prevention of Alcohol and Drug Use"

Evidenced was available in the Procedure "NA. 013 – "Equipment Inspection" Rev.21, 17/Sept./15. Evidenced was available in the Procedure NA. 011 – "Planning and Control of Maintenance of Equipment's" Rev.21 dated 03/Sep/2015.

The Guide Driver Manual Rev.21 of 30/Apr./15 orients the Drivers according to the Legislation. Evidences found on the Board Diary and Tachograph Discs.

The Procedure is "SEG.P.03 - Emergência para transporte de produtos químicos - Proquigel" Rev.05 of 25/Apr./2012 and the form to be filled is SEG.P19 - Plano de resposta a emergência para planta de cianeto" According to the procedure - Rev.03 of 25/Apr./2012" as evidenced in records.

The Guide Driver Manual, Rev.21 dated 30/Apr./2015 in the topic Security Police orients the Driver in case of the transportation can be modify or suspended if conditions such as

severe weather or civil unrest are encounter.

This revision was make according the last Brazilian Legislation – Law 13.103-2015 – “Driver Journey”

All the evidences, trough retention records, were check by the Auditor.

Concordia Transportes does not subcontract the cyanide transport and does not handle cyanide.

1.5 TRANSPORT PRACTICE 1.5:

FOLLOW INTERNATIONAL STANDARDS FOR TRANSPORTATION OF CYANIDE BY SEA AND AIR.

X in full compliance with

The operation is in substantial compliance with Transport Practice 1.5

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

The operation is in NOT APPLICABLE with Standard of Practice 1.5 requiring operation Follow international standards for transportation of cyanide by sea and air.

Concórdia not transported by sea transport and air transport within the territory of Brasil.

1.6 TRANSPORT PRACTICE 1.6:

TRACK CYANIDE SHIPMENTS TO PREVENT LOSSES DURING TRANSPORT.

X in full compliance with

The operation is in substantial compliance with Transport Practice 1.6

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

Concórdia is in FULL COMPLIANCE with Standard of Practice 1.6 requiring operation Track cyanide shipments to prevent losses during transport.

Concórdia has a contract for supplying of trackers via satellite with SASCAR. Communication using Cell Phone technology is also used. The systems are describe in the operational instruction Satellite Tracking, IO.004. For vehicles transporting cyanide, a communication test is perform prior to each departure, as described in the Procedure IO.004, “Satellite Traceability” establish the steps that have follow by the Driver in cases of blackout areas during the trip. This orientation is part of the Driver Manual. In the same Procedure IO.004, “Satellite Tracking” establishes the steps that have follow by the Driver in cases of blackout areas during the trip. This orientation is part of the Driver Manual in the topic Security Political. According to the procedure NA.010 – “Product Identification and Traceability” the progress of shipments is monitor via software, identified by its

Fiscal Document Number and ACT (Authorization for Loading and Transportation).

The Concordia possesses 100% of her fleet with traceability through GPS / Telephone. The Concordia contract a Company that monitors through GPS/ Telephone the load during the whole trip negotiates, could locate where the same is.

The process of inventory is describe in the Procedure IC.003 – “Billing” Rev. 21 of 07/Aug./15. There is no transfer of cyanide from one vehicle or vessel to another or a change of vehicle operator. Inspection of locks is perform daily by the driver. The ACT issued by Concordia Transportes is sign by the client at the arrival of the transporter, confirming the amount of product after weighing.

Besides the sealing waxes used in the ISO tanks and the controlled restraints through the Satellite Traceability in the containers, check lists before and during the load, after the transportation finalization, Concórdia check the weight to this load that was confirm in the product, according the Procedure IC.003 – “Billing” Rev. 21 of 07/Aug./15. This Procedure establishes the values for the final conference. A rigorous control exists based on the weight of the load that is register through Balance Tickets. After the shipment, the load has registered weight. When arriving to the destiny place, again the load is weigh and the Operational Section and the Control of Revenue observe if there was divergence in these registered weights. All these data are register in electronic system.

The documents GCT (Guider for Loading and Transportation) and weighing-machine ticket present the amount of cyanide transported. The MSDS is check prior to the transportation in the Check List FNA 013 Annex 01 “Checklist of Driver”.

Records of these activities were verify during the Audit.

INTERIM STORAGE

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

2.1 TRANSPORT PRACTICE 2.1

STORE CYANIDE IN A MANNER THAT MINIMIZES THE POTENTIAL FOR ACCIDENTAL RELEASES.

X in full compliance with

The operation is in substantial compliance with Transport Practice 2.1

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

The Concórdia is in NOT APPLICABLE with Standard of Practice 2.1 requiring operation Store cyanide in a manner that minimizes the potential for accidental releases.

Concórdia has no stores or warehouses in territory of Brasil.

EMERGENCY RESPONSE:

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

3.1 TRANSPORT PRACTICE 3.1:

PREPARE DETAILED EMERGENCY RESPONSE PLANS FOR POTENTIAL CYANIDE RELEASES.

X in full compliance with

- The operation is in substantial compliance with Transport Practice 3.1
 not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

The operation is in FULL COMPLIANCE with Standard of Practice 3.1 requiring an operation Prepare detailed emergency response plans for potential cyanide releases.

Concórdia has an NA 028 – “Emergency Response Plan”. This procedure establish that the MSDS must be consulting, immediately after a transportation emergency. In this document are including all the information’s about the chemical product, including the actions to minimize the risks in case of emergency. There is only one transportation method: road. Other process is not applicable to the Concórdia. Information on road conditions is define in the Roadmap document.

The Emergency Response Plan describes the response actions for anticipated emergencies. These were verify during the audit. The item 5.3 of the Plan NA.028 considers the aspects of the transport infrastructure. For the transportation of Cyanide, there are specifications described in the procedure NA.031 – Acquisition of Vehicles and Equipment Transport Products". There is a Flowchart “FNA.028 Annex 01 – “Flowchart to Assist Emergency”, describing how to proceed in case of an emergency.

IMPORTANT: To cyanide transport, besides the steps described above, the Driver should take the shipping kit cyanide emergencies if there is intoxicated by victim’s product. The driver should follow the guidelines outlined on the back of the emergency form, which contains steps for first aid with the infected person.

These roles of outside responders, medical facilities or communities in emergency are identify in the item document NA.028 – “Emergency Response Plan”.

3.2 TRANSPORT PRACTICE 3.2:

DESIGNATE APPROPRIATE RESPONSE PERSONNEL AND COMMIT NECESSARY RESOURCES FOR EMERGENCY RESPONSE.

X in full compliance with

The operation is in substantial compliance with Transport Practice 3.2

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

Concórdia is in FULL COMPLIANCE with Standard of Practice 3.2 requiring an operation Designate appropriate response personnel and commit necessary resources for emergency response.

The Training Plan NA 035 – “Planning, Implementation and Evaluation of Training” Rev.19 dated 19/May./15, establishes which trainings shall be applied to the teams.

Records, Videos and Interviews submitted the realization of these activities.

Duties and responsibilities are list in this document “FNA 028 Annex 01 and 03 – Participants in the Scheme and its Emergency Care. “Emergency Response Team training provided by a combination of internal personnel, accredited external trainers and participation in mock drill exercises, plan, according to the Annual Training Plan.

They are part of the Team of Firefighters is 16 people in various functions of Mechanics, Welders, Technical Security, Driver Monitor, Managers and Coordinators.

The Procedure SEG.P.03 - EMERGÊNCIA PARA TRANSPORTE DE PRODUTOS QUÍMICOS" of the PROQUIGEL, establish the responsibilities, actions, human resources, and materials in case of emergency in the transport by the management the risks to mitigation the effects on the peoples, to the environmental and the public patrimonial, according with the Brazilian Legal Requirements.

The Concórdia has a contract with SUATRANS / COTEC and AMBIENTAL. The Contract with SUATRANS COTEC / Environmental 311 are describe for the Service to Emergencies. They are

part, in the outline of emergencies for the Code of Cyanide, of the Team of Service. Your evidence was available in the flowchart (FNA 028 – Annex 01, Flowchart of the Emergency Attendance).

Every truck has an emergency set, periodically checked by the Maintenance Plan. Evidences of an Emergency Vehicle (Brigade Car), this vehicle consists of emergency items needed in case of accident to should be available. This vehicle has a control of monthly inventory and weekly inspection, according the annex 05 and 06 of the FNA 028 – Attendance and Emergency Plan. Verify the Auditor reviewed evidences of checklists of this controls and inspections.

A visit in this Vehicle (Brigade Car) carry out and checks the quality and the importance in case of emergency.

Operators receive initial and periodic refresher training in emergency response procedures include in the Annual Training Plan.

Biweekly Inspection "FNA.028 Annex 5 - Checklist 01 biweekly Brigade Car. Bimonthly inspection "FNA.028 Annex 6 - Check list 02 bimonthly Brigade Car. The auditor consider that this frequency is adequate.

Concordia Transportes does not subcontract the cyanide transport and does not handle cyanide.

3.3 TRANSPORT PRACTICE 3.3:

DEVELOP PROCEDURES FOR INTERNAL AND EXTERNAL EMERGENCY NOTIFICATION AND REPORTING.

X in full compliance with

- The operation is in substantial compliance with Transport Practice 3.3
 not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

Concórdia is in FULL COMPLIANCE whit Standard of Practice 3.3 requiring an operation develop procedures for internal and external emergency notification and reporting.

The procedure NA.028 – “Attendance and Emergency Plan” Rev.34, date 10/March/2015, cover the several scenarios and respective actions and contacts. The contact list is the FNA.028 Annex 02 – Table of Telephones (Tel. Phones Helpful) reviewed every three months. Concórdia maintain a dedicated Tel. +55 71 3878.6633 emergency contact telephone number which reports direct to the PROQUIGEL Emergency Control Room.

The Procedure SEG.P.03 - EMERGÊNCIA PARA TRANSPORTE DE PRODUTOS QUÍMICOS" of PROQUIGEL producer of Cyanide (Proquigel Química). In this document they are defined the responsible for executing the mitigation activities for an occurrence. The item describes the step exactly the step for these actions. Establish also, actions, human resources, and materials in case of emergency in the transport by the management the risks to mitigation the effects on the peoples, to the environmental and the public patrimonial, according with the Brazilian Legal Requirements. To ensure that internal and external emergency notification and reporting procedures are keep current the procedures are update by the Procedure of revision of documents NA.001 –

“Documents Control”.

A flow of emergency attendance and tables of telephones call of the Logistical Support Group and of Soldierly Police, Fire Brigades, Federal Road Police, Civil Defense, Angels of Asphalt, COFIC, CETESB, OPAS (Pan-American Health Organization), SESAB (Secretary of Health – Bahia State), SAMU (Medical and Urgency Attendance Service), DIVISA (Sanitary Vigilance), Civil Defense of POJUCA District.

The document “Emergency and Response Plan” NA 028, Revision 34 of 10/March./2015 establish emergency measure in case of incidents during the transportation, well with assurance the quality of environmental and the safety of communities. This plan has as objective assured the attendance in all states and localities were they move the vehicles, with the support of delivery and final destiny in the Client.

3.4 TRANSPORT PRACTICE 3.4:

DEVELOP PROCEDURES FOR REMEDIATION OF RELEASES THAT RECOGNIZE THE ADDITIONAL HAZARDS OF CYANIDE TREATMENT CHEMICALS.

X in full compliance with

The operation is in substantial compliance with Transport Practice 3.4
 not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

Concórdia is in FULL COMPLIANCE with Standard of Practice 3.4 requiring an operation develop procedures for remediation of releases that recognize the additional hazards of cyanide treatment chemicals.

The collection and proper disposal of contaminated media is define in the Attendance Emergency Plan, NA.028 and Operational Procedure Proquigel Quimica – Security Cyanide Data Sheet – Element 1.2.

The procedure NA.028 is very clear about this prohibition of the use of chemicals such as sodium hypochlorite, ferrous sulfate and hydrogen peroxide to treat cyanide that has been release to surface waters. Likewise, this information appears on Driver's Manual.

It was too notice in the Emergency Response Plan the description of how to recover or neutralize the solids, the procedure of decontamination of soils or other contaminated medium and how to manage these wastes.

3.5 TRANSPORT PRACTICE 3.5:

PERIODICALLY EVALUATE RESPONSE PROCEDURES AND CAPABILITIES AND REVISE THEM AS NEEDED.

X in full compliance with

The operation is in substantial compliance with Transport Practice 3.5

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

Concórdia is in FULL COMPLIANCE with Standard of Practice 3.5 requiring an operation periodically evaluate response procedures and capabilities and revise them as needed.

The Procedure Master Plan establishes safety's guidelines adopted by the Concordia for the transport of the products. The procedure NA.001 establishes of, as it is make the control of revisions and updating of the several procedures adopted by the company, when necessary.

Emergency Response Plan, NA.028 – "Emergency Care Plan" establishes in its objectives that the company keeps an emergency response team trained and equipped.

There is a specific schedule for mock emergency drills related to cyanide: Program Annual Simulated Emergency Transportation - Sodium Cyanide".

After the initial certification of Concordia were performed the following simulations:

- Jul/ 2012 – Report of Mock Drill – Transportation Emergency – Solution Cyanide – Leakage of Cyanide Solution after Trip Inspection 2 / 2 hours of Concordia Driver, with contamination of a victim, community member. Participants: Yamana Gold, Proquigel Química and Concordia Transportes.

- Oct 2015 - Sodium Cyanide Solution - Scenario: cyanide leak at Isotank flange.

Was producer reports and a DVD with all the steps of the simulation during. The purpose is to measure the efficiency of the response procedure to ensure that the staff involved in an emergency act according to the Emergency Response Plan.