

**ICMC SUMMARY AUDIT REPORT
N.V. VSH TRANSPORT AT JULES SEDNEY PORT OF
PARAMARIBO, SURINAME
2017**

BRUNO PIZZORNI – CYANIDE CODE AUDITOR

Parque Federico Blume 142, Miraflores – Lima, Peru

E: bpizzorni73@gmail.com

T: +51 94725940



IRCA CERTIFICATED AUDITOR
OCCUPATIONAL HEALTH AND
SAFETY MANAGEMENT SYSTEMS

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Information on the Audited Operation

Name of Cyanide Transportation Facility:	N.V. VSH Transport at Jules Sedney Port of, Paramaribo		
Name of Facility Owner:	N.V. Havenbeheer is landlord; long term lease by N.V. VSH Transport		
Name of Facility Operator:	N.V. VSH Transport		
Name of Responsible Manager:	Sjoerd Poort, VSH Transport Assistant Managing Director		
Address:	Van 't Hogerhuysstraat 9-11 Paramaribo		
State/Province:	Paramaribo	Country:	Surinam
Telephone:	+ 597-402-558 ext. 2243		
E-Mail:	spoort@vshunited.com		

Location Detail and Description of the Operation:

The Jules Sedney Port of Paramaribo (formerly Nieuwe Haven; New Harbour) is the main port facility in Surinam with respect to general cargoes and containers. The port was constructed 40 years ago and was rehabilitated in 2009.

The bulk of ships in Suriname enters and clears the Suriname River, which provides passage to Paramaribo, the capital city and main port. The Suriname River is navigable for oceangoing vessels for up to 42 miles from the entrance. The latter location is a private port, principally utilized for shipments of alumina.

Nieuwe Haven is the principal wharf in Paramaribo and is owned by NV Havenbeheer Suriname, a government corporation. It's located on the Suriname River about 21 miles from the Fairway Buoy. The port has been allocated to two port operators: N.V. VSH Transport and DP World.

N.V. VSH Transport port terminal operator offers cargo consolidation, stevedoring, terminal cargo handling, offshore shore base services, warehousing, project logistic support, customs brokerage and trucking services

N.V. VSH Transport is a subsidiary company of VSH United, a group of companies established in 1958 and headquartered in Paramaribo, Suriname. The group activities include

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shipping, trading, manufacturing, real estate development and management. Other associated companies are involved in insurance, banking and in the hospitality industry.

N.V. VSH Transport (VSH) was founded 1965 and since November 5, 2013 is certified with the standards ISO 9001:2015, ISO 14001: 2015 and OHSAS 18001.

The concrete pier is 600 m long. Approximate depth is 7 m. VSH has an automated terminal cargo discharge/load and release/acceptance under single software platform (GLS). Has an efficient customer truck turn around (gate in to strip zone 15-30 min per container). Was certified by various oil companies as efficient terminal shore based support service provider.

Due to the wide range of services, VSH can manage the complete logistics, stevedoring, agency services, clearance and purchasing demands for offshore and special projects. The ICMI certification audit was focused in VSH's stevedoring activities.

VSH unloads from the vessels solid cyanide in 20 feet containers and ISO tanks and directly loads them into trucks. No cyanide is stored at the port.

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Auditor's Finding

This operation is

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

with the International Cyanide Management Code.

This operation is in full compliance with the International Cyanide Management Code.

Audit Company: Bruno A. Pizzorni

Audit Team Leader: Bruno A. Pizzorni E-mail: bpizzorni73@gmail.com

Names and Signatures of Other Auditors:

Transport Technical Auditor: Bruno A. Pizzorni

Date(s) of Audit: July 26 -27, 2017



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

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

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1 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.

Full Compliance

The operation is in substantial compliance with Transport Practice 1.1

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

N.V. VSH Transport (VSH), as the responsible of the port sector under its administration, has defined the transportation routes of all trucks that move in the port area. VSH has developed and implemented the guidelines “Transport Driving and Road Safety Tips” for the vehicle’s traffic in this port area, to minimize the potential for accidents and releases.

These guidelines determine the truck route approach to the terminal, based on a risk analysis which considers the flow of trucks transiting, the surrounding infrastructure, and workers path in the port. The guidelines are updated annually or when needed.

Risk mitigation measures are noted on the route documentation, where applicable. The dispatch orders indicate the routes.

Extensive interaction occurs between VSH and the port authority, governmental agencies, mine customers and emergency response organisms as fire fighters and police.

Extensive interaction occurs between VSH and the port authority, governmental agencies, mine customers and emergency response organisms as fire fighters and police, where they have opportunity to seek input regarding risks management.

Although all routes within the port are short in length, security concerns are evaluated. VSH has a robust communication system in the port. Once the truck arrives to the port, gate security personnel, drivers, control room operator, and stevedoring crew at the docking area are in permanent communication to ensure that different steps in the activities have occurred (e.g., entrance to the port, truck inspection, en-route to docking area, at loading the cargo, leaving the area and the exit gate.

VSH largely manages communications with local emergency responders. VSH has formal communications and periodically training with local emergency responders and with hospitals. Records from community interactions for 2016 were reviewed and found to be acceptable.

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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.

Full Compliance

The operation is in substantial compliance with Transport Practice 1.2

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

VSH use only trained, qualified and licensed operators to perform the stevedoring activities. Operators of the Liebherr crane are trained in Miami. Re-stacker (big forklift) operators are trained by CHEEC contractor.

Operational training is given upon hire and there is a skills evaluation process to ensure that personnel is competent to perform their job and to operate the designated equipment before being allowed to work.

VSH performs all stevedoring activities with his own personnel and equipment. All other third parties entering to the port, as trucking companies, mooring and tugging contractors and ship's crew must comply with the port authority requirements and VSHs requirements of the Emergency Response Plan which is communicated to all in the induction HSE talk.

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

Full Compliance

The operation is in substantial compliance with Transport Practice 1.3

not in compliance with

Summarize the basis for this Finding/Deficiencies Identified:

VSH only use equipment designed and maintained to operate within the loads it will be handling. Equipment labels were reviewed during the audit. Cranes and forklifts have been checked and all are rated for weights that exceed maximum loaded weights.

Prior to use VSH personnel inspects the equipment to ensure there are no deviations that could affect the operation. They are guided by the load capacity of the equipment.

Equipment inspections and preventive maintenance actions are performed regularly to ensure that the equipment is safe to operate with the loads for which is it designated. Prior to use the

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equipment, VSH personnel inspects it to ensure there are no deviations that could affect the operation. They are guided by the load capacity of the equipment.

Cyanide shipments handled by the cranes during the stevedoring operations have standard loads that do not vary greatly in weight, they are 20 feet containers containing 20 boxes of cyanide and ISO tanks, in average each weighting around 22 t, but information addressed in the bill of ladings documents is always checked prior to each stevedoring operations, to confirm that equipment is not being overloaded.

VSH do not subcontracts any of the cyanide handling or transport, nevertheless controls the load capacity of each truck before loading them. Trucks information is reviewed: category, brand, license plate, year of manufacture, color, serial number, engine number, as well as their net weight, gross weight and payload.

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

Full Compliance

The operation is in substantial compliance with Transport Practice 1.4

not in compliance with

VSH handles solid cyanide in closed 20 feet containers and ISO tanks, transferring it directly from the vessel hold to the trucks, there is no “packaging” other than the container or Isotank itself. Normal safe stevedoring procedures and loading procedures to the truck ensure that the shipment is not damaged during handling and transit.

Appropriate placards showing UN 1689 (solid cyanide), the container's signal and the NFPA rhombus are displayed on all four sides of the sea containers. VSH visually inspects the containers prior to each movement. VSH procedures establishes that placards with cyanide's UN number and poison signs must be placed in the container; this is verified through checklists.

At the entrance to the port all trucks are inspected. If they show signs of worn tires or defective lights, or other sub-standard conditions, will not be allowed to enter to the port and receive the cargo. On other hand, crane operators and other equipment operators, must fill out the inspection sheet, for all equipment's involved in the stevedoring operation - a pre-use equipment check list. VSH has a preventive maintenance plan. Equipment maintenance is performed by the contractor Traverco N.V. and Mines Services Suriname N.V.

VSH has limitations on equipment operator's hours. Liebherr crane operator are replaced every 4 hours due to company fatigue policy. Stevedoring crew can work a maximum of 12 hh.

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To prevent loads from shifting from the truck, VSH stevedoring crew coordinates with the crane operator to ensure the container is fitted perfectly into the trucks fixing cones located at the truck platform.

In conditions of severe weather conditions as rain, strong winds, electric storms or bad sea conditions, both VSH's stevedoring Operation Manager or the ship captain, upon their judgment they stop work.

VSH has an alcohol and drugs violation / abuse politics, dated April 18, 2017 which is communicated to all workers and contractors during the HSE induction. It is published in different environments of the port. VSH retains records documenting all the above activities.

Although VSH do not subcontracts any cyanide handling, they do check for trucks entering to the port to operate in safe conditions and provide HSE induction to all people and contractor entering to the port, as part of his safety program.

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

Full Compliance

The operation is in substantial compliance with Transport Practice 1.5

not in compliance with

VSH unloads the ship and transfer the cyanide containers and ISO tanks directly to the trucks. Before unloading the vessel inspects that cyanide containers are following the standards of the Dangerous Goods Code of the International Maritime Organization (IMO). Any condition bellows the required standard is reported to the maritime agency Intermarine USA, the shipping company from Houston to Surinam ports. VSH does not transport cyanide by air.

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

Full Compliance

The operation is in substantial compliance with Transport Practice 1.6

not in compliance with

VSH has at the port all the necessary means to communicate with the shipping companies, with Haukes transporters, the trucking company receiving the cyanide at the port, with the mining clients and with the local emergency responders as Paramaribo's firefighters, police

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and hospitals. All VSH terminal team leaders, heavy equipment operators and Haukes drivers have held hand radios and cellphones as back up.

The communication and tracking equipment is properly maintained and is used daily. Communication systems is part of the pre-work inspections and is maintained along with the formal preventive maintenance program. The system is used each day and correct operation of the system is confirmed at that time.

There are not communications blackout areas in the port as stated by the Stevedoring Operations Manager. Anyway, VSH personnel has cellphone communications as back up to hand held radios in the port.

The guidelines "Transport Driving and Road Safety Tips", describe communications inside the port. VSH do not tracks cyanide shipments out of the port area. VSH personnel is in permanent communication with the truck drivers once the truck is inside the port area. Trucks in the port are continuously monitored by radio while approaching to the stevedoring area. After loading is complete, trucks position is monitored until its exit at the port gate.

The shipment documentation - bill of lading- issued by the carrier for the shipment by the cyanide provider is delivered to VSH by the agent of the carrier. The transport document includes the number of containers or ISO tanks and net weight, among other useful information to maintain adequate control of the inventory. A copy is provided by the vessel. Haukes transporter upon receipt stamps the transport document which is used for invoicing.

Bill of lading paperwork shows the amount of cyanide delivered. This paperwork is used to document the chain of custody and is signed upon delivery of the product to the customer. The amount of cyanide delivered is carefully monitored by VSH.

Although VSH do not subcontracts any cyanide handling, they do check for trucks entering to the port to operate in safe conditions and provide HSE induction to all people and contractor entering to the port, as part of his safety program, to ensure meeting elements of this Transport Practice.

2 INTERIM STORAGE: Design, construct and operate cyanide transshipping 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.

The operation is Full Compliance
 in substantial compliance with Transport Practice 2.1

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not in compliance with

VSH do not stores cyanide at the port at any time, all shipments are transferred from the ship to the truck in one operation during the stevedoring activities. As an exception, if VSH would find a damage container or ISO tank, immediately will communicate it to all parties involved, will hold the damage container in an area for hazardous materials covered with an impermeable tarp and segregated from incompatible materials, until the administrative process is finished in the same day and the container is dispatched.

The port is completed fenced to prevent unauthorized access.

VSH's procedure addresses that when selecting storage locations for hazardous materials, to consider chemical compatibility, flammability and other risks associated with the materials. VSH do not stores cyanide at the port at any time, all shipments are transferred from the ship to the truck in one operation during the stevedoring activities. If an exception would occur, the area for hazardous materials is an open well and ventilated area.

The port stevedoring and storages areas are totally covered with concrete slab areas. In case of any spilled cyanide material, VSH has capacity to contain it. The spill response equipment and materials include Tychem suits, leather and impermeable gloves, PVC boots, safety goggles, area isolating tape rolls, disposable respirators, shovels, sweeps, polyethylene bags and empty containers, among others.

3 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.

Full Compliance

The operation is in substantial compliance with Transport Practice 3.1

not in compliance with

VSH has an Emergency Response Plan (ERP) called Emergency Response Plan Guideline to respond to potential emergencies during stevedoring activities in the port. The plan was reviewed and was found to be acceptable; it is appropriate for the potential incidents identified during stevedoring activities and include specific information to respond to emergencies within the port operations. The plan considers the physical and chemical form of solid cyanide.

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The ERP considers possible incidents during the stevedoring activities: unloading sealed 20 feet containers and ISO tanks from the vessel and directly transferring them to the trucks. No other methods of transport are used in this stevedoring activities

The ERP reviewed specifically consider all aspects of responses that may be needed for emergency situations in the corresponding activities segment of VSH operations at the port. The plan considers all aspects of the port infrastructure.

The Plan considers the operations handle 20 feet sealed cyanide containers and ISO tanks. Also considers emergencies working with vessels, heavy equipment, the trucks and its platforms receiving the shipment.

The Plan specifically consider response actions that may be needed for emergency situations during the stevedoring activities in the port area. The Plan includes detailed response actions for each case and considers a series of instructions covering the potential hazards that could occur during the stevedoring activities of the cyanide cargo.

The role of outside responders and medical facilities in emergency response procedures is identified in the ERP.

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

Full Compliance

The operation is in substantial compliance with Transport Practice 3.2

not in compliance with

Training on the ERP is given to all employees. The HSQE Coordinator provides training to all personnel, also VSH personnel received cyanide training from his client Newmont Surinam and from Hawkes, the trucking company transporting the cyanide.

The ERP has detailed descriptions of the specific emergency response duties and responsibilities before, during and after an incident / accident or an emergency of personnel.

VSH has defined in the ERP the materials required for emergency response. The list includes Tychem suits, leather and impermeable gloves, PVC boots, safety goggles, area isolating tape rolls, disposable respirators, shovels, sweeps, polyethylene bags and empty containers

VSH has the required emergency response equipment. In addition, the trucking company Haukes has a complete emergency response equipment, including personal protective equipment and spills containment kit.

VSH personnel receive an appropriate level of training to enable them to fulfill their role in emergency response. Formal training in cyanide is given periodically.

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The emergency equipment is inspected on a regular basis through planned inspections. A checklist is used to verify that the response equipment is available.

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

Full Compliance

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

The ERP has current contact information for notifying the shipper, the receiver/consignee, regulatory agencies, outside response providers, medical facilities and potentially affected communities of an emergency. The notification call list is checked for accuracy periodically or annually, when the plan is reviewed and tested.

The ERP is reviewed every year, as stated in it. During this activity, the phone numbers are checked for accuracy to ensure that internal and external emergency notification contacts are kept current.

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

Full Compliance

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

The ERP includes procedures to recover hazardous material spills including cyanide, and management and disposal of spill clean-up debris. Remediation and decontamination of soils and other contaminated media will be performed by a specialized contractor.

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

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

Full Compliance

The operation is in substantial compliance with Transport Practice 3.5

not in compliance with

The ERP is reviewed once each year. Records were available to show that this is done. Interviews and written procedures confirmed that the plan would also be reviewed after any deployment of the plan. Any necessary changes would be made, as necessary.

The ERP address mock drills to be performed periodically and, when possible, that the practices will be scheduled in coordination with the trucking company. VSH conducts mock emergency drills, holds a drill critique, and evaluates the need for further training or adjustment to the emergency procedures. The auditor reviewed the drills reports finding to be effective.

The Plan establishes that after the mock drill, the analysis of the observations or failures detected during the exercise will be carried out, for which it will have to prepare a schedule of actions and courses that must be received by the personnel to correct these observations and of that to complete the equipment or information needed for a real case

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