

**SUMMARY AUDIT REPORT**

**Transporter  
RSB Logistic Inc**

**FINAL  
Report**

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

**Audit Dates:  
June 6 to 8-2016: Onsite**

**ICMI Lead auditor: Guy Auclair  
Auditee: RSB Logistic Inc  
Auditee representative: Mr Bruce Natske, Safety & Maintenance Manager**

**August 6, 2016  
Montréal, Canada**



## SUMMARY AUDIT REPORT

Name of Cyanide Transportation Facility: RSB, Inc, Saskatoon, Saskatchewan – Canada  
Name of Facility Owner: Mr Michael Müller  
Name of Facility Operator: Mr George Eckel  
Name of Responsible Manager: Mr Bruce Natske  
Address: 219 Cardinal Crescent, Saskatoon, SK, S7L7KB  
State/Province: Saskatchewan, Country: Canada  
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### **Location detail and description of operation:**

RSB LOGISTIC INC. is the North American subsidiary of RSB LOGISTIC Projektspedition GmbH, (previously RSB LOGISTIC GmbH) located in Cologne, Germany. The Kieserling Group of Germany acquired RSB LOGISTIC Projektspedition GmbH in January 2004. The Kieserling Group, located in Bremen, Germany, has over 60 years of transportation experience and is a well-established European road transportation company, specializing in hazardous materials transport. The company name was updated in 1995 to reflect the broad range of logistic services it offered and to provide the same name for company locations worldwide. The company was renamed: RSB LOGISTIC INC located at 219 Cardinal Crescent, Saskatoon, SK, S7L7KB, Saskatchewan, Canada. In January 2013, Compass Logistics International AG acquired the entire Kieserling Group.

RSB Logistic has been certified initially in September 2010 under ICMI code for transporter. RSB Logistic transported an average of 400,000 pounds of NaCn per year since its certification. The auditor reviewed the RSB Logistic database and it indicates no NaCn events or incident recorded since last 6 years based on last 6 years of certification. In addition RSB Logistic did not record any complaints from customers, community concerning its NaCn transportation activities.

RSB Logistic did not store at any time NaCn (sodium Cyanide product) under its scope of certification. RSB is responsible for route determination, shipment tracking, truck inspections, preventive maintenance, training, safety program management, and emergency response planning. All of these operations were reviewed during the certification audit. The ICMI-approved Transportation Auditor verified that RSB operations are in FULL COMPLIANCE with Cyanide Code requirements for transporters.



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*Auditor's Findings*

This operation is

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

with the International Cyanide Management Code.

This operation has maintained full compliance with the International Cyanide Management Code throughout the previous three-year audit cycle.

Audit Company: RSB LOGISTIC Inc

Audit Team Leader: Guy Auclair, E-mail:ceauclair@videotron.ca

Names and Signatures of Other Auditors: Guy Auclair; ICMI lead auditor & technical expert

Date(s) of Audit: June 6, 7, 8-2016

Date(s) of reporting: June 9, 10, 11-2016

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 Transportation Operations and using standard and accepted practices for health, safety and environmental audits.

**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.*

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



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Documented procedures had been developed by April 2013 036 Rev 2 form named Driver Routing Instruction guide 166 updated march 2014. RSB logistic cooperate with client receptor to identify hazards, evaluated risk level and implemented action plan to eliminate and mitigate risk while transporting NaCn while:

- Choosing roads, bypasses, perimeter roads
- Highway type, choose much divided as reasonably possible
- Sensitive area as schools, hospital, water sources.
- Terrain, choosing areas that allow easier, safer transport
- Climatic conditions, avoid stormy regions, near great lakes, mountain passes,
- Traffic congestion and accident history, avoid portion of highways with incidence of accidents
- Emergency response capabilities, areas those are readily accessible by emergency responders.

Transporter also complies with all legal requirements and other requirements as but not limited to:

- Transport Canada
- CT-PAT-PIP ( Partner and protection) Partners in Protection (PIP) membership number 11938
- Customs Trade Partners Against Terrorism (CTPAT) SVI number 532adbda-dce7-4257-8bfa-533db9caee
- Zurich insurance cie
- Provincial government SGI ( Government insurance)
- Safety profile ( National safety code) NSI
- ISO 9001-2008 independent registrar (Intertek)
- Customer (vendor) audit and assessment
- DOT ( US department transportation)
- DOE ( US department of energy)
- CNSC ( Canadian Nuclear Safety Commission)
- Department of energy of provincial government

Transporter documented a procedure which takes into account seasonal deliveries per Auditor reviewed drivers' handbook page 83 and page 91, 6.7 route control roads. Auditor reviewed the satellite system database Q-TRACS-message list formed by operators and forms and emergency manual 2015 including employee's Handbook. Risk mitigation measures to be taken on a specific route are documented in the Routing Package. The driver signs the Routing Package and acknowledges receipt of the route and risk mitigation information when he picks up the shipping paperwork, before picking up the loaded trailer.

Overall RSB LOGISTIC have seventy-seven, (77) fully authorized and qualified drivers including mine site specific training requirements and first aid responder. ERP (transportation emergency response plan) recently revised by dated May 2016 and ERAP communicated to Transport Canada and CHEMTREC and CANUTEC agencies.



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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.*

The operation is  in full compliance with  
 in substantial compliance with Transport Practice 1.2  
 not in compliance with

Transporter RSB LOGISTIC hire, and use only fully trained person full time to operate its

- Trucks (75)
- Trailers (200)

Full time truck drivers with 3 years HAZMAT-TDGs qualified and licenses: 64 by june 2016. In remaining don't have 3 years cycle experiences and not use by transporter as per requirement. Auditor confirms competencies and truck driver's awareness structure and control of records 2014-2015-2016 had been reviewed on site. Employee's truck drivers received accurate academic and practical NaCn training, on a two (2) years reoccurrence. Written exams TDGs, cargos and security exams records are kept on a soft copies and electronic preservation database. The RSB LOGISTIC does not subcontract the last 3 cycle any of the sodium cyanide transportation.

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

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

RSB transporter implemented a procedure and form RSB orientation vehicle integrity check list. Including the truck driver carry on following paper works:

- Bill of lading
- Dangerous good declaration
- Routing package including customer and government documentations based on state and provincial requirements.
- Emergency response guide
- HAZMAT paper work up to date
- Labelling and placard (shipper's responsibilities)

Auditor reviewed following adequacy inspection records:

- 01/03/2016: serial number IFMJGLDROCSBMOO32
- 29/03/2016: serial number IXKWD40X4CJ953123
- 18/02/2015: serial number SHSCXAPR3BN291386
- 03/03/2015: serial number 4V4NC9ETXEN16284
- 03/03/2015: serial number 4V4NC9EJOEN162373



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RSB Logistic Drivers are instructed to weigh all transports at certified scale to ensure conformity to regulations before commencing the transport of Cyanide. Section 5.3 1 RSB Employee Handbook.

RSB Logistic utilizes only properly specified Tractor and Trailers for Legal road transportation of Cyanide (and indeed all freight) throughout North America as determined by Federal and local regulators. RSB Logistic maintenance practices either meet or exceed all regulations of same regulators and or customer requirements. All Cyanide transported currently is a solid and a standard 53' dry van is utilized.

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

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

Driver secures the load by:

- Block and brace the load to ensure safe transport of goods;
- Adjust the load where necessary to ensure safe transport of goods;
- Call Dispatch immediately if trailer is sealed and a problem is suspected;
- Supply an RSB seal if a seal is required and the shipper does not have their own.

Loading distribution and load securement are the responsibility of the driver at all times. Before commencing the trip, the loading and securement must be in conformance with 49 CFR Parts 393.100 through 393.106/NSC. When they pick up a load at mid-point or switch loads with another driver, the load is properly blocked and safe to move. The fact that another driver initially started with the load does not excuse in the event of a claim in some cases.

The preventive maintenance frequencies are determined per vehicle including tractors. Following inspections forms and records had been considered sufficient by the auditor.

- Form #017 Rev August 2013, tractor Express Lube Check list
- Form #016 Rev August 2013, Trailer service sheet

Auditor reviewed following records:

- Government SGI-trailer and semi-trailer licence # 294IFC dated 31/03/2013
- Government SGI-trailer and semi-trailer licence #Z94IFL dated 01/01/2015
- Government SGI-trailer and semi-trailer licence #294IFL dated 09/04/2013
- Driver equipment report trailer Unit# 253162 RSB dated 04/10/2015
- Trailer inspection report, trip # 80043 Unit # 58114, trailer # 253162 dated 2/11/2015
- Trailer service sheet, trailer # 253162 dated 1/10/2015
- Trailer service report # W059102 October 2-2015
- Trailer service report # W059178 October 15 2015

RSB logistic drivers are required to affix and maintain placard during transportation. Documented records had been reviewed thru handbook transporter RFB section 2, 3, 3.1 a) and b) security procedure confirms safety program is fully implemented, communicated and appropriate training records are maintained on a regular basis. Top management reviewed on regular frequency the output of management of changes while addressing any changes by immediate action.



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A checklist form is fulfilled and signed by fulltime truck driver. The following controlled of records based on last 3 years cycle had been audited and considered as significant evidences. An electronic driving log controlled by satellite capturing information's. The driver *Call-in system* ensure for Canadian and USA driver cycle time remaining on duty hours per driver are well controlled and managed. Handbook instruction form clearly indicates reporting to RSB Logistic any changes to the planned shipment route.

An ISO 9001-2008 controlled of records uses to ensure all management documentations are controlled as per requirements. Internal and external audits are performed annually by internal qualified auditor and validated by independent registrar (Intertek) to ensure control of records system is harmonized thru organization RSB Logistic

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

The operation is  in full compliance with  
 in substantial compliance with Transport Practice 1.5  
 not in compliance with

Non applicable (N/A)

The transporter does not shipped by sea and air.

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

The operation is  in full compliance with  
 in substantial compliance with Transport Practice 1.6  
 not in compliance with

Truck driver has a satellite system communication SHAW tracking process for all North America countries. All driver carry cell phones and few CBs radio for local emergency communications. Dispatcher and Operations manager responsible on a daily basis to track, receive, handle and manage all truck drivers' written, vocal communications and ongoing reporting.

A daily check call by 10 am by GPS satellite system. Identification related to vehicle (tractor, van, truck) is recorded. Any deviation or deficiencies are recorded into log book and immediately repair. RSB Logistic truck driver inspected and report every two (2) hours electronically to RSB Logistic planner all follows checkup:

- Driver Routing Instruction
- Check trailer seal for tampering
- Secure trailer and tractor stop engine
- Keep unit visible when unattended
- Maintain contact via satellite and cellular

Auditor reviewed routes records identified as per tracking safe route planning. Transporter identified few North America areas which require satellite communication phone system. In addition auditor confirms material safety data sheets are maintained up to date as per DOT and TDGs (Transportation dangerous goods)



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### **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.*

The operation is  in full compliance with  
 in substantial compliance with Transport Practice 2.1  
 not in compliance with

Non applicable (N/A)

RSB Logistic does not store sodium cyanide NaCn at any time, at anywhere and for any circumstances. RSB Logistic only transits its NaCn materials under its scope of certification.

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

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

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

ERP has been revised, revised and updated by May 2016.

ERP (emergency response plan) is developed, reviewed and revised in a proper manner take into account MOC (management of changes) circumstances.

When transporting any cargo all drivers must practice routine awareness of surroundings and take extra precautions when transporting Hazardous Materials as:

- Use alternate routes that avoid high population areas when possible;
- Keeps the load moving? (Maintain Hours of Service Regulations);
- Trailers must be sealed and regularly checked for tampering;
- Avoid tunnels and bridges where possible;
- Secure tractor when unattended – windows closed, doors locked, engine off (no idling), no keys left inside;
- Keep unit visible when unattended;
- Take caution when entering a detour;
- Authorization is required to disconnect from trailer; and,
- Never leave disabled units unattended.





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En route Parking absolutely no hazmat loads to be parked where the public gather i.e. malls, theaters, casinos, or within 500' of a roadway etc., other than commercial truck stops Regardless whether attended or not. Even hotels are unacceptable, if unit is broke down the load needs to be at repair facility in locked compound any suspicious incident or actions local authority are contacted.

For Poor Road Conditions, a good routine to follow when driving in less than ideal conditions is to drop the speed to where drivers feel comfortable and safe, then drop the speed another 10 mph after that.

For Bad Road Conditions – Drivers are to get off the road and not proceed until conditions improve when:

- a. roads are icy or freezing rain,
- b. chains Required Laws” are in effect,
- c. heavy fog conditions exist,
- d. any road conditions exist which will put the driver, load, equipment or the general public at risk.

When transporting any cargo all drivers must practice routine awareness of surroundings and take extra precautions when transporting Hazardous Materials. RSB logistic did not carry, load, and transport NaCn liquefied. The transporter carries out only NaCn in solid pallets form.

The guidelines for Loads Containing Radioactive Material or Other Hazardous Material/Dangerous Goods including NaCn (Sodium Cyanide solid form) indicate RSB logistic transport NaCn in solid pallets only.

An identified road conditions are performed for each shipment considering the risk assessment output results to determine safe and acceptable transportation route on public and private road. All specific drivers are informed the output results of those specific risk assessments and the routing package. RSB Logistic transports solid cyanide only in dryer.

All RSB drivers transporting cyanide are provided with routing packages which include emergency responses information's and customer specific instructions. Auditor reviewed routing packages Form 036 updated January 2015 and confirmed implemented and applied for each shipment. RSB Logistic response plan includes the following scenarios for:

- Driver instructions
- External responders
- Contacts information's for responders as examples, CANUTEC service provider, CHEMTREC service provider and Federal Highway Administration Motor Carrier Safety Investigators National Response Center.



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

The operation is  in full compliance with  
 in substantial compliance with Transport Practice 3.2  
 not in compliance with

Auditor reviewed training procedure and employee's package profile. All seventy seven (77) employees (truck drivers) are fully trained and demonstrate competencies related to emergency preparedness and response plan.

A detail inventory kits are available inside the truck cabin and inspected on a monthly basis and report to routing package. All truck driver carry inside the truck cabin PPE (personal protective equipment's):

- Safety google and glasses
- Cover shooed
- Coverall
- Rubber Gloves

Initial emergency response training includes but not limited to:

- Mandatory Video's:
- Dangerous Goods "The Training Video"
- DuPont — Sodium & Potassium Cyanide
- Coupling & Un-coupling
- Hazard Perception
- Dry Van Cargo Securement
- Testing: Pre-employment Drug Test Pre-employment Road Test
- Spill kit usage
- Direct and indirect cross contamination

All employees and truck drivers received full and completed initial approved package training and receive on two (2) years basis a refresh including updating procedure and instructions provide by RSB Logistic. Auditor confirms emergency response plan equipment is fully inspected as per ERP and employees Handbook 2015 up dated.

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

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

Contact the Safety Department in Saskatoon at (306) 242-8300 24 hours a day, 7 days a week. The after-hours answering service has the emergency contact numbers to reach the appropriate personnel. The Safety Department requires, as per § 171.15 Immediate notices of certain hazardous materials incidents, the following information to start with:



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Regulation §171.15: Under 40CFR 302.6, EPA requires persons in charge of facilities including transport vehicles to report any release of a hazardous substance in a quantity equal to or greater than its reportable quantity, as soon as that person has knowledge of the release, to DOT's National Response Center at (toll free) 800-424-8802 or (toll) 202-267-2675.

If an accident involves hazardous materials, and is deemed reportable according to Regulation 49CFR 171.15 or 49 CFR 171.16, notice and/or written report must be submitted in accordance with said regulations §171.16 Detailed hazardous materials incident reports.

Auditor confirms management review minutes and archiving records are reviewed and preserved as per ERP and ISO 9001-2008 control of records process.

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

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

RSB Logistic contracts with emergency response companies in the U.S. and Canada to respond to any spills of any hazardous materials. The general procedure for the management and disposal of contaminated solids including contaminated dirt and/or spill clean-up debris is noted in the Emergency Preparedness Package documentation. RSB contracts with emergency response companies in the U.S. and Canada to respond to any spills of any hazardous materials.

There was no sodium hypochlorite, ferrous sulfate and hydrogen peroxide to treat cyanide use, carry or documented thru the transporter documentations. The customers in Canada and USA are considered the specialist related to water surface contamination.

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

The operation is  in full compliance with  
 in substantial compliance with Transport Practice 3.5  
 not in compliance with

The emergency procedures are reviewed as necessary, and contact information is reviewed at least annually. The roles and responsibilities document for the Safety/Maintenance Manager defines that a mock emergency drill is held each year.

The emergency response procedures are reviewed regularly, and contact information is reviewed annually. The roles and responsibilities defined documents for Safety/Maintenance Manager in ISO that a mock emergency drill is held each year.



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Emergency preparedness and response plan and employees programs indicate conducted MOCK emergency drills are conducted on an annual basis. Annual budget is allowed and revised as needed to ensure all new employees hired and or ERP (emergency response plan) requirements are met.

Auditor reviewed management review minutes 2014, 2015 and confirms above documented statements.

A handwritten signature in blue ink, appearing to read "A. P. ...", is centered on the page.