

ENVIRONMENTAL AND SOCIAL PERFORMANCE AUDIT

May 2023

Gratomic Graphite – Aukam Mine

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REPORT SIGN OFF AND APPROVALS



Robyn Christians
(Project Manager)

Ed Perry
(Reviewer)

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ACRONYMS AND ABBREVIATIONS

Below is a list of acronyms and abbreviations used in this report:

ACRONYMS / ABBREVIATIONS	DEFINITION
E&S	Environmental and Social
EMP	Environmental Management Plan – Prepared by Risk Based Solutions
Gratomic	Gratomic Graphite Pty Ltd
SLR	SLR Environmental Consulting (Namibia) (Pty) Ltd
SOP	Standard Operating Procedure

1 INTRODUCTION

Gratomic Graphite Pty Ltd (Gratomic) has (2021) acquired the remaining 37% interest in Gazania Investments 242 (Pty) Ltd, the Namibian entity that holds Mining License 215 known as the Aukam Mine. Gratomic has appointed SLR Environmental Consulting (Namibia) (Pty) Ltd (SLR) to conduct a renewal process for the project's Environmental Clearance Certificate. An Environmental and Social Performance Audit was conducted against the approved Environmental Management Plan –Construction Phase (EMP) as part of the submission to the Ministry of Environment, Forestry and Tourism.

1.1 PROJECT BACKGROUND

The Aukam Mine is located approximately 80km from Aus, along the D466 towards Rosh Pinah.



FIGURE 1-1: Aerial view of Aukam Mine, situated on Farm Aukam.

Gratomic approached SLR to assist with the renewal of their Environmental Clearance Certificate (expiring 18 June 2023). An audit report is required by the MEFT, as part of the renewal application, to ascertain compliance with the EMP.

2 ENVIRONMENTAL PERFORMANCE AUDIT

Robyn Christians (RC) (SLR) conducted a performance audit of the current operational activities, with specific attention to environmental and social performance, on 11 May 2023. RC provided this report based on the site visit findings.

The objectives of this audit were to:

- Review monthly reporting, to provide project context and note any potential non-conformances.
- Review the EMP to provide project compliance requirements.
- Review the current waste management practices, with the emphasis on the actions being taken for the safe removal of waste.
- Review hydrocarbon management protocols and ensure compliance.
- View the current status of the project activities.
- Conduct a site inspection at the project site.
- Provide feedback to management regarding the audit findings.
- Utilise the report as supporting documentation for renewal of the Environmental Clearance Certificate.

This entailed a detailed audit of each of the commitments contained in the relevant EMP, procedures and method statements relating to the operational activities.

2.1 METHODOLOGY AND ACTIVITIES COMPLETED DURING THE REVIEW

The following activities were conducted during the site visit:

- Meeting with Raimund Rentel (RR), Senior Exploration Geologist and Antonie Lombaard (AL), SHEQ Manager, to inspect the following:
 - Incident reporting procedure and register;
 - Waste removal methods and certifications;
 - Relevant HR policies and guidelines; and
 - Hazardous Materials Register and MSDS sheets.
- Site inspection included viewing the following; administrative building, clinic, sewerage treatment facility, laydown areas, accommodation camp, plant construction area and hazardous material storage areas.
- RC was accompanied by RR and AL.

The below table (Table 1) is a direct copy of the Construction Phase of the Environmental Management Plan as prepared by Risk Based Solutions during the project EIA update and amendment process. SLR has included a Performance Indicator column for future audits. For purposes of this report the EMP compliance column was added for the purpose of showing the audit findings.

Table 1: Environmental Management Plan (Construction Phase) ML 215 – Aukam Mine

NO	ACTIVITY/PROCESS	ASPECT	IMPACT	MITIGATION MEASURE:	PERFORMANCE INDICATORS	SUGGESTED RESPONSIBLE PARTY	EMP COMPLIANCE
1.	All activities	Management and Monitoring	Social and Environmental Performance	<ul style="list-style-type: none"> • Ensure that all aspects related to the EMP are implemented during the construction phase. • Hold regular site meetings/inspections. Make provision in the minutes of the meetings for reporting on all aspects of the EMP related to the construction activities. 	<ul style="list-style-type: none"> - General Site Inspection Checklist. - Annual Audit Schedule - Incident reporting system. 	SHEQ Manager	Yes Incident reporting is tracked in a site-specific spreadsheet.
2.	All activities	Consultation and Disclosure	Social and Environmental Performance	<ul style="list-style-type: none"> • Maintain open and direct lines of communication between the Employer (Gazania Investment 242 (Pty) Ltd, ECO, Contractor and I&APs with regards to environmental matters. • Consult with project affected communities in a structured and culturally appropriate manner. Consultation should be “free” (of external manipulation, interference or coercion, and intimidation), “prior” (timely disclosure of information) and “informed” (relevant, understandable and accessible information). • Adequately incorporate project affected communities’ concerns. 	<ul style="list-style-type: none"> - Records of meetings held with local farmers. - Formalise Stakeholder Engagement. 		Partial Recent records available, no historic records. Engagement is on-going, however, with visits to neighbouring farmers and settlements.

NO	ACTIVITY/PROCESS	ASPECT	IMPACT	MITIGATION MEASURE:	PERFORMANCE INDICATORS	SUGGESTED RESPONSIBLE PARTY	EMP COMPLIANCE
3.	All activities	Grievance Mechanism	Social and Environmental Performance	<ul style="list-style-type: none"> • Ensure a mechanism for receiving and resolving any concerns and grievances related to the project's social and environmental performance during the construction phase. • Address concerns promptly and transparently and in a culturally appropriate manner. 	- Grievance Mechanism.	HR Manager	Yes Grievance Mechanism is in place (Gratomic document) including record keeping process. No complaints recorded.
4.	All activities	Training including awareness and inductions	Social and Environmental Performance	<ul style="list-style-type: none"> • Train employees, contractors and Subcontractors in matters related to the project's social and environmental performance, Namibia's regulatory requirements. • Ensure adequate environmental awareness training for all senior site personnel. • Give environmental induction presentations to all site personnel prior to work commencement. 	<ul style="list-style-type: none"> - Formal Site Induction to include environmental awareness. - Attendance registers and records for all site inductions and training. 	SHEQ Manager	Yes Formal Induction process with records available for review
5.	All activities	Labour and Working Conditions	Social and Environmental Performance	<ul style="list-style-type: none"> • Establish, maintain and improve the worker-management relationship. Base the employment relationship on equal opportunity and fair treatment and no discrimination to be allowed. 	<ul style="list-style-type: none"> - Implementation of Grievance Mechanism. - Records of Induction and training. - Visual Inspection of site and activities. - Signed Collective Agreement. - Retrenchment Plan. 	SHEQ Manager	Yes All documentation mentioned was provided. Visual inspection indicated no child or forced labour.

NO	ACTIVITY/PROCESS	ASPECT	IMPACT	MITIGATION MEASURE:	PERFORMANCE INDICATORS	SUGGESTED RESPONSIBLE PARTY	EMP COMPLIANCE
				<ul style="list-style-type: none"> • Comply with Namibia’s labour and employment laws and prevent unacceptable forms of labour, i.e. harmful child and forced labour. • Promote safe and healthy working conditions and the protection and promotion of worker health. • Prepare a Human Resources Policy and document and communicate the Working Conditions and Terms of Employment. • Respect Collective Agreements and the right of workers to organize and bargain collectively. • Prepare a Retrenchment Plan. • Implement a Grievance Mechanism. 			Standard Working and Employment conditions in place.
6.	All activities	Employment and procurement opportunities	Socio-economic	<ul style="list-style-type: none"> • Ensure local recruitment (of registered contractors or qualified and certified personnel, registered and certified with the appropriate statutory authority) and procurement to maximize benefit to region. 	<ul style="list-style-type: none"> - Recruitment Policy. - Employee records (showing origin of employees). 	HR Manager	<p>Yes</p> <p>Recruitment Policy is in place and records were available.</p> <p>To be noted, current employees are limited, local contractors with specialist skills are difficult to find.</p>

NO	ACTIVITY/PROCESS	ASPECT	IMPACT	MITIGATION MEASURE:	PERFORMANCE INDICATORS	SUGGESTED RESPONSIBLE PARTY	EMP COMPLIANCE
							Recruitment Policy emphasises wherever possible, local contractors will be employed.
7.	All activities	Occupational Health and Safety	Social and Environmental Performance	<ul style="list-style-type: none"> • Prepare and submit an Emergency Preparedness and Response Plan. • Adhere to all Namibian Health and Safety Regulations under the Labour Act and Mines Safety Regulations. • Occupational Health and Safety Training to be provided to all employees. • Ensure that qualified first aid can be provided at all times. • Provide and ensure the active use of Personal Protective Equipment (PPE). 	<ul style="list-style-type: none"> - Emergency Preparedness and Response Plan. - Appointment of Competent Persons - SHEQ training logs. - Paramedic and clinic on-site. - PPE requirements to be adhered to. 	SHEQ Manager	Yes All competent persons as required have been appointed Paramedic and clinic available at all times for on-site staff. PPE is required to enter site and highlighted during induction.
8.	All activities	Community Health and Safety	Social and Environmental Performance	<ul style="list-style-type: none"> • Prevent communicable disease (e.g sexually transmitted diseases (STDs) such as HIV/AIDS transmission): provide awareness, surveillance and active screening and treatment of employees; prevent illness among employees in local communities (through health awareness and education initiatives); ensure ready access to medical treatment, 	<ul style="list-style-type: none"> - Medicals are conducted upon commencement of employment. - On-site awareness (Posters, Toolbox Talks, Sexual Health Trainings). 	HR and SHEQ Managers	Yes Clinic and paramedic available. Awareness posters in clinic.

NO	ACTIVITY/PROCESS	ASPECT	IMPACT	MITIGATION MEASURE:	PERFORMANCE INDICATORS	SUGGESTED RESPONSIBLE PARTY	EMP COMPLIANCE
				confidentiality and appropriate care, particularly with respect to migrant workers; and promote immunization.			
9.	All activities	Unauthorized public access	Community Safety	<ul style="list-style-type: none"> • Use gates on the access road(s) and the entire mine site must be fenced off. • Mine site should not be accessible to anyone from the public. • Notice or information boards relating public safety hazards and emergency contact details should be put up at the gate(s) and at the mine site. • Create a viewpoint area, possibly including an information centre, for the public/tourists as part of the early stages of the Closure Plan provisions. 	<ul style="list-style-type: none"> - Fence around active construction and exploration areas. - Access control measures in place - Information sign at entry point. 	SHEQ Manager	Yes A view point will be created in due time, currently impractical to create one (no mining activity to view and would be in the way of exploration activities)
10.	All activities	Construction	Change in land	<ul style="list-style-type: none"> • Restrict construction activities to demarcated / disturbed areas; all other areas will be regarded as "no go" zones in order to minimize the impact on the surrounding land. • Adhere to the regulations, rules, procedures, current and future regional and local land use plans. 	<ul style="list-style-type: none"> - Construction activity and waste storage does not occur beyond site boundaries (visual inspection). 	Construction Manager	Yes All activities are limited within the mining license area

NO	ACTIVITY/PROCESS	ASPECT	IMPACT	MITIGATION MEASURE:	PERFORMANCE INDICATORS	SUGGESTED RESPONSIBLE PARTY	EMP COMPLIANCE
11.	Mine Infrastructures and Mine Workings layout planning	Mine Infrastructures and Mine Workings Layout	Visual	<ul style="list-style-type: none"> Minimize the presence of secondary structures: minimize number of access roads, and bury intra-project power lines. Adhere to the regulations, rules, procedures, current and future regional and local land use plans for the area. 	<ul style="list-style-type: none"> Minimal disturbance beyond active areas. (Visual inspection). Any powerlines beyond the central hub to be buried. Current and future land use of surrounding area is agricultural. Implementation of EMP. 	Construction Manager	<p>Yes</p> <p>All activities are limited within the mining license area</p>
12.	Mine Infrastructures and Mine Workings design specifications	Mine Infrastructures and Mine Workings appearance	Visual	<ul style="list-style-type: none"> Structural height and colour must be kept uniform. Mine infrastructures and mine workings installation must be painted with a non-reflective coating to avoid high reflections. Avoid using graphics or lettering on the mine infrastructures and mine workings. 	<ul style="list-style-type: none"> Visual inspection of construction activities. 	Construction Manager	<p>Yes</p> <p>All buildings are neutral toned, non-reflective and blend into the surrounds.</p>

NO	ACTIVITY/PROCESS	ASPECT	IMPACT	MITIGATION MEASURE:	PERFORMANCE INDICATORS	SUGGESTED RESPONSIBLE PARTY	EMP COMPLIANCE
13.	All activities	Construction Activities	Disturbance of fauna and flora and habitat alteration	<ul style="list-style-type: none"> • The planning and design to ensure minimum impact to the environment. • No trees or natural vegetation may be removed from the ML area for the making of fires or sale. • No animal may be injured, fed, trapped, hunted or harmed in any way. • No off-road driving will be allowed. • No trespassing on adjoining properties is allowed and no livestock, game or vegetation are to be interfered with. 	<ul style="list-style-type: none"> - SHEQ Action Report detailing any incidents and resolution of incidents (should include any human-wildlife interactions). - Rules are highlighted during induction. 	SHEQ Manager	<p>Yes</p> <p>Induction includes environmental aspects and specifically poaching, off-track driving and removal of vegetation</p>

NO	ACTIVITY/PROCESS	ASPECT	IMPACT	MITIGATION MEASURE:	PERFORMANCE INDICATORS	SUGGESTED RESPONSIBLE PARTY	EMP COMPLIANCE
			Pollution of biophysical environment (air, soil and water)	<ul style="list-style-type: none"> No fires will be allowed unless a specific area has been identified and set aside by the ER for the cooking of food. Vehicle maintenance/ servicing/ washing not to be allowed anywhere on site/at the camp. Portable toilets to be provided and used at the camp. Sanitary wastewater to be released into a French drain system. Use bio-degradable detergents on site. Enforce proper waste (hazardous and non-hazardous) management practices (as per Waste Management Plan) – waste and litter to be disposed of in scavenger and weatherproof bins and the refuse to be collected by the contractor and disposed of at least once a week. 	<ul style="list-style-type: none"> Equipment maintenance to occur off-site. On-site sanitary facility to be maintained and serviced appropriately. No discharge of effluent into the environment without an Effluent Disposal Certificate. Disposal Certificates to be provided by Aus Sewage Treatment Facility. Waste Management Plan. 	SHEQ Manager	<p>Yes</p> <p>Induction includes environmental aspects and specifically poaching, off-track driving and removal of vegetation.</p> <p>System is well maintained, and no leakage or discharge detected.</p> <p>Waste is properly managed (segregated and collected on a regular basis).</p>

NO	ACTIVITY/PROCESS	ASPECT	IMPACT	MITIGATION MEASURE:	PERFORMANCE INDICATORS	SUGGESTED RESPONSIBLE PARTY	EMP COMPLIANCE
			Occupational Health and Safety	<ul style="list-style-type: none"> No fires will be allowed, unless a specific area has been identified and set aside by the ER for the cooking of food. Ensure that employees are trained in the use of appropriate firefighting equipment and ensure that such equipment is on hand at all times. Comply with all safety regulations regarding electricity supply. Supply potable water for human consumption and other domestic uses; conduct chemical testing of water samples on a monthly basis (if applicable). Make suitable arrangements, as far as practicable, for the maintenance of health, the prevention and overcoming of outbreaks of disease and of adequate first aid services. Ensure that security arrangements are in place. 	<ul style="list-style-type: none"> Electricians are certified. Firefighting and basic first aid training as part of employee on-boarding. Sampling of potable water (monthly sampling not applicable here). See above for safety and security measures. 	SHEQ Manager	Yes Evidence of training supplied. Trade certificates verified. Security/safety verified through visual inspection. Potable water is often trucked in, from a NamWater source. Monthly testing not required. Testing does occur, minimum bi-annual basis.
14.	Site preparation (Continue from Preconstruction)	Clearing of areas for construction	Disturbance of fauna and flora and habitat alteration	<ul style="list-style-type: none"> Restrict construction activities to previously demarcated areas; all other areas will be regarded as "no go" zones in order to minimize the impact on the surrounding land. 	<ul style="list-style-type: none"> Vegetation Clearing Permit system 	Construction Manager/ Senior Exploration Geologist	Yes Activities have been restricted to demarcated areas.

NO	ACTIVITY/PROCESS	ASPECT	IMPACT	MITIGATION MEASURE:	PERFORMANCE INDICATORS	SUGGESTED RESPONSIBLE PARTY	EMP COMPLIANCE
				<ul style="list-style-type: none"> Minimize the removal of native plant species; no vegetation may be removed/damaged without direct instruction. No off-road driving will be allowed. No animal may be injured, fed, trapped, hunted or harmed in any way. 			<p>Measures are implemented to reduce speed on-site.</p> <p>Permit system has not been implemented as yet. It is a recommendation from the audit.</p>
			Soil erosion	<ul style="list-style-type: none"> Sediment mobilization and transport: reduce or prevent soil erosion (schedule activities to avoid heavy rainfall periods; contour and minimize length and steepness of slopes; mulching to stabilize exposed areas; re-vegetate areas promptly; and design channels and ditches for post-construction flow). Structural (slope) stability: provide effective short-term measures for slope stabilization, sediment and subsidence control until long-term measures (during operations) can be implemented; provide adequate drainage systems to minimize and control infiltration. 	- Visual inspection of slopes (where applicable).		<p>Yes</p> <p>Not applicable at this stage of the project.</p>

NO	ACTIVITY/PROCESS	ASPECT	IMPACT	MITIGATION MEASURE:	PERFORMANCE INDICATORS	SUGGESTED RESPONSIBLE PARTY	EMP COMPLIANCE
			Possible loss of the seed bank in the topsoil	<ul style="list-style-type: none"> The upper layer of soil (10-20 cm), where alluvial, to be stripped and stockpiled separately (1-2 m high piles to allow for proper aeration). Install drainage to protect the topsoil pile from (water) erosion and cover it to protect it from (wind) erosion. 	<ul style="list-style-type: none"> Topsoil Stockpile Records (as maintained by surveyor). Visual inspection of stockpiles. 	Construction Manager Surveyor	<p>Partial</p> <p>Stockpiles are present and appropriately stored.</p> <p>No records available for review.</p>
15.	Infrastructure construction	Increased traffic, presence and movement of machinery, and the establishment of soil stockpiles	Air quality (dust or Particulate Matter (PM) pollution)	<ul style="list-style-type: none"> Minimize the area in which the movement of construction machines will take place to reduce the effects of dust pollution. Minimize dust from material handling sources (e.g. conveyors and bins) by using covers and/or control equipment (e.g. water suppression). Minimize dust from open area sources, including storage piles, by using control measures (install enclosures and covers, and increase the moisture content). Avoid the excavation, handling and transport of erodible materials under high wind conditions or when a visible dust plume is present. 	<ul style="list-style-type: none"> Visual inspection. Use of water bowser when appropriate. 	Senior Exploration Geologist	<p>Yes</p> <p>A water bowser is on-site should it be required. Also, due to the location of the site, sheltered by the mountains, there is very little dust despite the high wind speeds.</p>

NO	ACTIVITY/PROCESS	ASPECT	IMPACT	MITIGATION MEASURE:	PERFORMANCE INDICATORS	SUGGESTED RESPONSIBLE PARTY	EMP COMPLIANCE
		Increased traffic/vehicle movement	Air quality (dust or Particulate Matter (PM) pollution)	<ul style="list-style-type: none"> Maintain the road surface to preserve surface characteristics (e.g. texture and roughness). Use dust control/suppression methods, such as applying water or non-toxic chemicals to minimize dust (oil and oil by-products is not a recommended measure to control road dust). 	<ul style="list-style-type: none"> Dust Bucket Network Maintain roads through grading, speed calming measures and dust suppression.. 		Yes
		Increased traffic, presence and movement of machinery (exhaust from diesel engines)	Air quality & Occupational Health and Safety	<ul style="list-style-type: none"> Fleet owners/operators to implement manufacturer recommended engine maintenance programs (to control vehicle emissions: Carbon Monoxide (CO), Nitrogen Oxide (NOx), Sulphur Dioxide (SO2), Particulate Matter (PM) and Volatile Organic Compounds (VOCs)). 	<ul style="list-style-type: none"> Service and maintenance records for heavy equipment 	SHEQ Manager	Yes Records provided and reviewed
		Presence of machinery, construction workers, infrastructure and associated equipment	Visual and noise	<ul style="list-style-type: none"> Avoid critical habitats (for site transmission and distribution rights of way, lines, towers and substations) through using existing utility and transport corridors (transmission and distribution) where possible. 	<ul style="list-style-type: none"> Visual inspection Infrastructure to be placed along existing corridors wherever possible. New service corridors to be kept to a minimum. 	Construction Manager	Yes Currently electricity is supplied on-site with generators. No new corridors created.

NO	ACTIVITY/PROCESS	ASPECT	IMPACT	MITIGATION MEASURE:	PERFORMANCE INDICATORS	SUGGESTED RESPONSIBLE PARTY	EMP COMPLIANCE
		Increased traffic, movement of machinery	Occupational and Community Safety	<ul style="list-style-type: none"> • Adopt best transport safety practices by implementing the following measures: emphasize safety aspects among drivers; improve driving skills and require licensing of drivers; adopt limits for trip duration; avoid dangerous routes and times of day; and use speed control devices. • Regularly maintain vehicles and use manufacturer approved parts. • Use locally sourced materials (where possible) to minimize transport distances. • Employ safe traffic control measures, including the use of traffic and safety warning signs and flag persons to warn of dangerous conditions. 	<ul style="list-style-type: none"> - Rules covered in Induction. - Safety and Toolbox talks. - Road signs. - Vehicle maintenance logs. 	SHEQ Manager	Yes All performance indicators have been met. Records of attendance of induction and toolbox talks supplied. Road signs confirmed visually
		Mine Infrastructures and Mine Workings foundations	Occupational Safety	<ul style="list-style-type: none"> • Ensure that all excavations are properly performed and in accordance with Occupational, Health and Safety (OH&S) regulations. • Ensure that the handling of concrete follow health and safety precautions (as per Material Safety Data Sheets (MSDS)). 	<ul style="list-style-type: none"> - Standard Operating Procedure: Excavations. - MSDS Sheets (Concrete). 	SHEQ Manager	Yes All SOPs and MSDS' provided.
16.	Mine Infrastructures and Mine Workings	Working at heights	Occupational Safety	<ul style="list-style-type: none"> • Test integrity of structure(s) before work commences. 	<ul style="list-style-type: none"> - Induction includes working at heights. 	SHEQ Manager	Yes

NO	ACTIVITY/PROCESS	ASPECT	IMPACT	MITIGATION MEASURE:	PERFORMANCE INDICATORS	SUGGESTED RESPONSIBLE PARTY	EMP COMPLIANCE
	Components Height installations			<ul style="list-style-type: none"> • Implement a fall protection program (including training in climbing techniques and the use of fall protection measures; inspection, maintenance, and replacement of fall protection equipment; and rescue of fall-arrested workers). • Establish criteria for use of 100% fall protection (the system should be fitting for the mine infrastructures and mine workings structure and movements (ascent, descent, and moving from point to point)). • Install fixtures on high components to facilitate the use of fall protection systems. • Provide an adequate work-positioning device system to workers (with connectors on positioning systems compatible with the mine infrastructures and mine workings components to which they are attached). • Ensure proper rating and maintenance of hoisting equipment and training of hoist operators. • Use safety belts of not less than 15.8 mm two in one nylon 	<ul style="list-style-type: none"> - Working From Heights Certification. - SOP: Working from Heights. 		All measure met and documents provided for review.

NO	ACTIVITY/PROCESS	ASPECT	IMPACT	MITIGATION MEASURE:	PERFORMANCE INDICATORS	SUGGESTED RESPONSIBLE PARTY	EMP COMPLIANCE
				<p>or material of equivalent strength; replace rope safety belts before signs of aging or fraying of fibres become evident.</p> <ul style="list-style-type: none"> Workers to use a second (backup) safety strap when operating power tools at height. Remove signs/other obstructions from poles/structures before work commences. Use approved tool bags for lowering/raising tools/materials to workers on elevated mine infrastructures and mine workings structures. Avoid conducting mine infrastructures and mine workings installation during poor weather conditions (especially where there is a risk lightning strikes or strong winds). 			
17.	Power transmission and distribution	Above Ground and Underground cables to transformer station; transmission lines)	Habitat alteration & Occupational and Community Health	<ul style="list-style-type: none"> Restrict excavation activities to previously demarcated areas; all other areas will be regarded as "no go" zones in order to minimize the impact on the surrounding land. Ensure that all excavations are properly performed and in accordance with Occupational, 			Not Applicable Activity not undertaken.

NO	ACTIVITY/PROCESS	ASPECT	IMPACT	MITIGATION MEASURE:	PERFORMANCE INDICATORS	SUGGESTED RESPONSIBLE PARTY	EMP COMPLIANCE
				<p>Health and Safety (OH&S) regulations.</p> <ul style="list-style-type: none"> Restrict trench excavation to a pace that matches cable installation and backfill. No more than 300 m of open trench to exist at any time. 			
18.	Power transmission and distribution	Habitat alteration	Bird and bat collisions and electrocutions	<ul style="list-style-type: none"> Align transmission corridors to avoid critical habitats. Maintain 1.5 m spacing between, or cover energized components and grounded hardware. Consider the installation of underground transmission and distribution lines (sensitive areas). Install visibility enhancement object (marker balls, bird deterrents, or diverters). 			Not Applicable
19.	Power transmission and distribution	Electric and Magnetic Fields (EMF)	Occupational and Community Health	<ul style="list-style-type: none"> Ensure that average and peak exposure levels remain below the reference levels developed by the Commission of Non-Ionizing Radiation Protection (ICNIRP). Reduce the EMF (from power lines, substations, or transformers) by applying engineering techniques (if levels are expected or confirmed above the 			Not Applicable No high voltage lines

NO	ACTIVITY/PROCESS	ASPECT	IMPACT	MITIGATION MEASURE:	PERFORMANCE INDICATORS	SUGGESTED RESPONSIBLE PARTY	EMP COMPLIANCE
				recommended levels): shielding with specific metal alloys; burying transmission lines; increasing the height of the transmission towers; or modifications to size, spacing and configuration of conductors.			
20.	Power transmission and distribution	Hazardous materials management	Pollution of biophysical environment (soil and water)	<ul style="list-style-type: none"> Minimize the use of SF6 (greenhouse gas). The use of PCBs has largely been discontinued (see IFC EHS Guidelines for Electric Power Transmission and Distribution for the management of PCBs should it be used). All activities, Hazardous materials management. Wood preservatives? Needed? 			Not Applicable No high voltage lines
21.	Power transmission and distribution	Live power lines	Occupational Health and Safety	<ul style="list-style-type: none"> Allow only trained/certified employees to install, maintain, and repair electrical equipment. Deactivate and properly ground live power distribution lines before work is conducted on, or close to, distribution lines. Ensure that live-wire work is conducted by qualified workers and in accordance to 			Not Applicable No high voltage lines

NO	ACTIVITY/PROCESS	ASPECT	IMPACT	MITIGATION MEASURE:	PERFORMANCE INDICATORS	SUGGESTED RESPONSIBLE PARTY	EMP COMPLIANCE
				<p>the specific safety and insulation standards.</p> <ul style="list-style-type: none"> Do not approach an energized or conductive part (even if the worker is trained) unless: the person is properly insulated from the energized part (e.g. gloves) and vice versa; the worker is properly isolated and insulated from any other conductive part (live-line work). Implement a Health and Safety Plan, detailing specific training, safety measures, personal safety devices and other precautions, where maintenance and operation is required within minimum setback distances. 			
22.	Power transmission and distribution	Working at heights on poles/structures	Occupational Health and Safety	<ul style="list-style-type: none"> See mine infrastructures and mine workings components, working at heights. 			Not Applicable Activity not undertaken
23.	Power transmission and distribution	Electric and Magnetic Fields (EMF)	Occupational Health and Safety	<ul style="list-style-type: none"> Prepare and implement an EMF Safety Program containing information on: potential exposure levels in the workplace and the use of personal monitors; training of workers to identify EMF levels and hazards; the identification and establishment of safety 			Not Applicable No high voltage lines

NO	ACTIVITY/PROCESS	ASPECT	IMPACT	MITIGATION MEASURE:	PERFORMANCE INDICATORS	SUGGESTED RESPONSIBLE PARTY	EMP COMPLIANCE
				zones (areas acceptable for public exposure vs. those with expected elevated EMF levels and that only properly trained workers may access); action plans dealing with potential or confirmed exposure of levels that exceed those developed by the ICNIRP and Institute of Electrical and Electronics Engineers (IEEE).			
24.	Power transmission and distribution	Electrocution	Community Health and Safety	<ul style="list-style-type: none"> • Use signs, barriers, and education to prevent public contact with potentially dangerous equipment. • Ground conducting objects installed near power lines. 	<ul style="list-style-type: none"> - Induction – electrocution to be covered as a hazard. - Toolbox talks. - SOP. 		<p>Yes</p> <p>Induction covers electrocution. All toolbox attendance records and an SOP is available for working with and around electrical outlets.</p>
25.	All activities	Water Management	Resource use / depletion of natural resources	<ul style="list-style-type: none"> • Implement a water conservation program, promoting the continuous reduction in water consumption and achieving savings in water pumping, treatment and disposal costs, commensurate with the magnitude and cost of water use. 	<ul style="list-style-type: none"> - Induction includes water saving measures. - Water saving campaign – posters, toolbox talks. 	SHEQ Manager	<p>Yes</p> <p>Constant reminders on site to conserve water at all water points.</p>

NO	ACTIVITY/PROCESS	ASPECT	IMPACT	MITIGATION MEASURE:	PERFORMANCE INDICATORS	SUGGESTED RESPONSIBLE PARTY	EMP COMPLIANCE
26.	All activities	Hazardous materials management	Social and Environmental Performance	<ul style="list-style-type: none"> • Establish hazardous materials management priorities (based on hazard analysis of risky operations). • Avoid, or minimize the use of hazardous materials. • Prevent uncontrolled releases of hazardous materials to the environment or uncontrolled reactions that may result in fire or explosion. • Make use of engineering controls (containment, automatic alarms and shut-off systems); implement management controls (procedures, inspections and training, communication and drills) to address residual risks not prevented or controlled through engineering controls. 	<ul style="list-style-type: none"> - MSDS for all hazardous material. - SOP for working with and disposing of hazardous materials. 	Construction Manager SHEQ Manager	Yes Hazardous material are appropriately stored in a bunded area.
27.	All activities	Hazardous materials management (of mainly fuels and lubricating and hydraulic oils for construction and operating vehicles and equipment; substation transformer insulating oil;	Pollution of biophysical environment (soil and water)	<ul style="list-style-type: none"> • Implement prevention and control measures for the use, handling and storage of hazardous materials: <ul style="list-style-type: none"> ○ Materials transfer: regularly inspect, maintain and repair fittings/pipes/hoses; make use of drip trays/other drip containment measures at connection/possible overflow points; 	<ul style="list-style-type: none"> - SOP: Refuelling of generator and machinery. - Disposal certificates from waste contractor. 	Construction Manager SHEQ Manager	Partial Hydrocarbons are appropriately stored in a bunded area. However, waste hydrocarbons are stored separately on a non-concrete area.

NO	ACTIVITY/PROCESS	ASPECT	IMPACT	MITIGATION MEASURE:	PERFORMANCE INDICATORS	SUGGESTED RESPONSIBLE PARTY	EMP COMPLIANCE
		other chemicals used during mine construction, including concrete admixture chemicals such as surface active agents, plasticizers and form release oil (mineral); equipment coolants and maintenance chemicals such as solvent cleaners and paints)		<ul style="list-style-type: none"> ○ Overfill protection: use trained filling operators; install gauges on tanks to measure the volume inside; make use of dripless hose connections (vehicle tanks) and fixed connections (storage tanks); use a catch basin/drip tray around the fill pipe to collect spills; ○ Reaction, fire, and explosion prevention: hazardous materials to be stored in marked containers and separate (from non-hazardous materials); incompatible hazardous materials (acids, bases, flammables, oxidizers, reactive chemicals) to be stored in separate areas and with containment facilities separating material storage; smoking or working with open flames not to be permitted in the presence of these substances; limit access to hazardous waste storage areas and clearly label and demarcate the 			

NO	ACTIVITY/PROCESS	ASPECT	IMPACT	MITIGATION MEASURE:	PERFORMANCE INDICATORS	SUGGESTED RESPONSIBLE PARTY	EMP COMPLIANCE
				<p>area; conduct regular inspections of the areas and document the findings; prepare and implement spill response and emergency plans; train employees in the use of appropriate firefighting equipment and ensure that such equipment is on hand at all times.</p> <ul style="list-style-type: none"> • Train workers on the correct transfer and handling of fuels and chemicals and the response to spills. • Immediately report and clean up any accidental hydrocarbon spill: Spill-Sorb, Drizzat Pads, Enretech Powder or Peat Moss can be used to clean up small spills; in case of larger spills, the spill together with the polluted soil should be removed and disposed of at e.g. a biological remediation site. 			
28.	All activities	Hazardous materials management	Occupational Health and Safety	<ul style="list-style-type: none"> • Implement hazard communication and training programs (including information on Material Safety Data Sheets (MSDS)) to make employees aware of workplace 	<ul style="list-style-type: none"> - MSDS are available for all hazardous materials on-site. - Induction to include working with hazardous substances. 	SHEQ Manager	<p>Yes</p> <p>All hazardous materials have MSDS sheets available</p>

NO	ACTIVITY/PROCESS	ASPECT	IMPACT	MITIGATION MEASURE:	PERFORMANCE INDICATORS	SUGGESTED RESPONSIBLE PARTY	EMP COMPLIANCE
				<p>chemical hazards and how to respond to these.</p> <ul style="list-style-type: none"> • Provide and ensure the active use of Personal Protective Equipment (PPE). 			<p>Training records for Induction available for review Visual confirmation of the proper use of PPE</p>
29.	All activities	Waste management: solid	Air quality	<ul style="list-style-type: none"> • Avoid the open burning of waste (whether hazardous, or non-hazardous). 	<ul style="list-style-type: none"> - Waste Management Plan. - Disposal certificates. 	SHEQ Manager	<p>Yes</p> <p>Plan available No open burning of waste on-site</p>
30.	All activities	Waste management: non-hazardous and hazardous	Pollution of biophysical environment	<ul style="list-style-type: none"> • Prepare and submit a Waste Management Plan before construction commences. The generation of waste should be avoided or minimized as far as practicable; where it cannot be avoided, but has been minimized, waste should be recovered and reused; where waste cannot be recovered/reused, it should be treated, destroyed and disposed of in an environmentally sound manner. • Institute and maintain good housekeeping and operating practices; littering is not allowed. 	<ul style="list-style-type: none"> - Waste Management Plan. 	SHEQ Manager	<p>Yes</p> <p>Plan available</p>

NO	ACTIVITY/PROCESS	ASPECT	IMPACT	MITIGATION MEASURE:	PERFORMANCE INDICATORS	SUGGESTED RESPONSIBLE PARTY	EMP COMPLIANCE
				<ul style="list-style-type: none"> • Non-hazardous and hazardous waste to be collected and stored separately; • Non-hazardous waste to be transported to and disposed at an approved waste disposal site. • Hazardous waste: recycle petroleum (fuels and lubricants) waste products and collect and recycle batteries and print cartridges. The remainder to be transported to a recognized hazardous waste disposal site. 			
31.	All activities	Waste management: sanitary	Pollution of biophysical environment	<ul style="list-style-type: none"> • Portable toilets (1 toilet per 30 employees; preferred 1:15) to be provided on the site; contents to be collected by an approved contractor and disposed of at an approved sewage site. 	<ul style="list-style-type: none"> - Disposal Certificates. - No discharge of effluent to the environment. 	SHEQ Manager	<p>Yes</p> <p>No leakages or discharge from the sewerage works. Disposal certificates available from contractor</p>
32.	All activities	Waste water management - waste water treatment	Pollution of biophysical environment	<ul style="list-style-type: none"> • Ensure that the discharge of process wastewater and/or sanitary wastewater and/or wastewater from utility operations and/or storm water to land conform to the regulatory requirements. • No discharge to Public Streams. 			<p>Not applicable</p> <p>There is no process water or effluent discharge. No Public Streams in the area.</p>

NO	ACTIVITY/PROCESS	ASPECT	IMPACT	MITIGATION MEASURE:	PERFORMANCE INDICATORS	SUGGESTED RESPONSIBLE PARTY	EMP COMPLIANCE
33.	All activities	Waste water management - storm water management	Soil erosion	<ul style="list-style-type: none"> Regular inspection and maintenance of permanent erosion and runoff control features. 	<ul style="list-style-type: none"> General Site Inspection Checklist. Visual inspection. 	SHEQ Manager	<p>Yes</p> <p>Measures taken for the once in 100 year flood event are in place and maintained.</p>
34.	Rehabilitation	Rehabilitation	Social and Environmental Performance	<ul style="list-style-type: none"> Remove all equipment, waste, temporary structures, etc. from the camp and work sites. Reshape all disturbed areas to their original contours. Cover disturbed areas with previously collected topsoil and spread evenly. Manually rip disturbed areas, where compaction has taken place, and cover the areas with previously collected topsoil. Replant any previously removed native plant species in disturbed areas; Adhere to the regulations, rules, procedures, current and future regional and local land use plans. 			<p>Not applicable</p> <p>Construction activities are underway and this phase of operations has not been reached.</p>

3 FINDINGS AND RECOMMENDATIONS

The section below summarises the findings from the site visit, meetings, and site inspection. A document review was conducted prior to the site visit (Environmental Management Plan). A second review of documentation was conducted during the site visit, including registers, incident reports and waste records. Most records were available for review with no issues beyond those highlighted in Table 1 above.

3.1 KEY ISSUES FOUND DURING THE SITE INSPECTION

The following findings during the site visit are based on visual observations.

General

The auditor found the site neat and well organised. Hazardous materials and hydrocarbons are stored on an impermeable bunded surface. However, the storage of waste hydrocarbons is not on a non-permeable surface. Access to the storage area is restricted and a spill kit is maintained adjacent to the area.

Recommendations:

- An internal Vegetation Clearing Permitting system should be implemented.
- Storage of waste hydrocarbons should be on a non-permeable bunded area.
- Should the potable water source change to an on-site borehole, monthly monitoring of water quality should be implemented.
- The Dust Bucket Network should be rotated out monthly and sent for analysis. This will provide a baseline data set that can be compared to operating phase results.
- Conduct a baseline (ambient/environmental) noise survey prior to commencement of mining activities.
- Update and amend the current EMP to be more applicable to the current situation and conditions.

Waste Management

- The Waste Management Plan is being implemented as evident from the ongoing waste removal activities:
 - There is a contractor to remove general refuse from site and dispose of it at Aus general refuse landfill;
 - Recycling bins are utilised appropriately;
 - A register for the waste services is available and up to date; and
 - Housekeeping rules are enforced, and the area is free from rogue construction waste.

Recommendations:

- Gratomic needs to continue to ensure proper housekeeping around the site and that all their workers and sub-contractors implement correct waste management practices and that these principles are regularly conveyed during toolbox talks, etc.

Ablution facilities

Findings:

- Proper ablution facilities for males and females have been established.
- A contractor is utilised to remove effluent from the sewage treatment facility on site. This is taken to the Aus Wastewater Treatment Facility
- The on-site treatment facility surroundings are regularly inspected to ensure no discharge to the environment.

Recommendations:

- Gratomic needs to continue to ensure compliance with the zero discharge requirement through continued inspection, maintenance, and emptying of tank.
- Should the situation change and effluent is to be discharged to the environment, Gratomic must apply and comply with the terms of an Effluent Discharge Permit.

Site fence

Findings:

- The fence and main access gate are in good repair.

Recommendations:

- Gratomic needs to continue to maintain the fence and maintain access control measures.

4 CONCLUSION

RC (SLR) conducted a performance audit of the current environmental and social activities implemented on site on 11th May 2023. The focus of the audit was on the Construction Phase of the EMP.

The following activities were conducted:

- Meeting with Gratomic's Senior Exploration Geologist and SHEQ Manager to inspect the following:
 - Registers and incident reporting practices and procedures; and
 - Implementation of management procedures.
- Site inspection (including, amongst others, waste management, hydrocarbon storage, ablution facilities, plant construction area and clinic).
- Compile Environmental Performance review ('audit') Report (this report) following the site visit.

Depending on the shift cycle, there are 25-30 employees on-site daily, including contractors, with management housed on-site and all other employees bused in daily from Aus.

It is important good management of the site is maintained. Daily toolbox talks should be used as a tool to ensure employees are always aware of their surroundings and potential effects of non-compliance with operating procedures.

With the implementation of the few recommendations mentioned above there is no reason why MEFT should not issue a renewal of the ECC.

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