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February 20th, 2019

1- Company Information

Marsam Refinadora de Metais Ltda.

The Responsible Sourcing Initiative CID number is CID002606

Head offices and refinery are located at Rua Antonio das Chagas, 1733, São Paulo, SP Brazil.

The company was established in 1997 under the name of UBR (Brazilian Union Refiners) as a merger of three other refiners: (i) Vanity Metals founded in 1982, (ii) Goldmine Refiner founded in 1984 and (iii) Ourinvest Refiner founded in 1981.

The company engages in refining gold and other precious material for third parties. It does not purchase gold and does not take title of the refined material. The company processes dore, fine gold bars and jewelry. The company's clients are mining companies, gold dealers/brokerage companies, jeweler manufacturers, retailers and banks.

This report covers calendar year 2018.

2- RMAP Assessment Summary

Marsam refinery has been audited for the first time, under CSFI protocol for the period of 01/01/2016 through 31/03/2017. The assessment was conducted by Intertek do Brazil on March 27, 2017. The final report was issued on June 31, 2017.

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Subsequently the company has been audited under the new RMI protocol for the period of 04/01/2017 through 31/05/2018. The assessment was conducted by UL Responsible Sourcing (formerly STR Responsible Sourcing) on June 14 and 15, 2018. The final report was issued on September 7, 2018.

The RMAP summary rereport is available at:

<http://www.responsiblemineralsinitiative.org/media/docs/Public%20Reports/Marsam%20Public%20Report.pdf>

3- Company Supply Chain Policy

The company for the last 6 years has implemented a Supply Chain Policy with a focused to avoid processing of any material that potentially could be classified as conflicted material. Marsam's policy is in line with OECD Annex II. It is clearly communicated to stakeholders, and covers gold and other precious metals. The policy has been reviewed by senior management who are committed to support it's implementation with a focus to address any identified risks.

Company policy is available at:

<http://marsam.com.br/2016/eng/governanca.php>

4- Company Management System

a- Management Structure

The company has developed an Internal Procedures Manual, for implementing Know Your Counterparty (KYC) and Supply Chain Process. The following Managerial responsibilities are defined in the Manual:

- Director, responsible to oversee the implementation of the policies.
- Plant Manager, responsible to implement and to review the day to day due diligence process.

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- Compliance Officer, responsible for the day to day due diligence process.
- Commercial Department is responsible to develop the KYC processes and evaluate clients' Supply Chain policies and programs.

Training is conducted annually for appropriate personnel. Trained persons: Preparation Operator; Head of Laboratory; Commercial Manager; Plant Manager; Compliance Officer.

The company has updated its internal compliance process to be aligned with the RMI's Responsible Minerals Assurance Process (RMAP), Gold Refiner Standard, in February of 2018 and periodically reviews the process and procedures and updates as needed.

b- Internal Systems of Control

The company reviews the KYC related documentation of its clients approximately once every 18 months, to update client's KYC status; for the ones considered to represent potential source of higher risk, the company also verifies the client's specific KYC and Supply Chain Processes and issues a due diligence report addressing client's suitability, level of risk of the client's material and relevant public and grievance information. Such report is used as a basis to establish, continue or discontinue a client's relationship.

For all incoming shipments of non-certified refiner, it is required that the client provide a certified statement of the origin of the material with each invoice. Clients are required to confirm that the shipped material complies with OECD norms and do not come from conflicted-affected or high-risk areas.

Monthly compliance meetings are held with relevant staff to review the conformance of suppliers that have sent material during that month. Documents for each review are maintained and are part of our records.

As part of the Management review, Marsam has hired Responsible Trade, LLC to review its practices to assure its compliance with the OECD Due Diligence standard and RMAP Gold Standard.

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c- Record Keeping

All client and company invoices are electronically registered in its accounting system and records are kept for at least five years.

All files, compliance reports are maintained for at least five years.

In addition to the Process of RMI, the RMAP Marsam does an annual evaluation review of its systems and processes, aiming at its improvement. The company also maintain as external audit for its financial and accounting systems. These Auditors also perform a mass balance. The external audit accompanies the Annual closing of inventory. In this audit, a physical count of the material is performed and compared with internal controls.

5- Risk Identification

Marsam only processes material from Brazil. For all incoming shipments of non-certified refiners, it is required that clients provide a certified statement of the shipped material (**Declaration of Origin**). All transactions are reviewed monthly in a compliance meeting to identify any inconsistencies or risks. Approximately every 18 months, all active client's files are reviewed.

Prior to acceptance of any client, Marsam conducts a KYC evaluation, verifying clients' legal status, final beneficiary owners, existence and commitment to a Supply Chain Policy compatible with OECD's requirements, and the kind of material that will be sent to be refined (primary mine material, artisanal miners' material, scrap material and secondary gold). For higher risk clients a Due Diligence report is produced on clients' suitability.

Any inconsistencies or potential red flag risks identified on clients file review or on the day to day transactions are communicated to clients for clarification and or mitigation, if needed. Eventually, if red flag risks are identified the client relationship can be terminated.

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All identified risks are communicated to the Managing Director.

No risks as defined by the OECD Annex II and –Gold supplement have been identified.

6- Public Reporting

The annual report that conforms to RMAP Gold Standard and OECD Due Diligence requirements is available on the Marsam website along with a summary copy of the RMAP audit report and Supply Chain Policy.