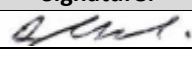






# PROCUREMENT PROCEDURE

Document Quality Review Process				
<b>Document:</b>	Procurement Procedure			
<b>Action:</b>	<b>Name:</b>	<b>Position:</b>	<b>Signature:</b>	<b>Date:</b>
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01				
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## 1 PURPOSE

This procedure provides the processes to enable Heritage Minerals to systematically manage requirements into procurement management, and to enable Heritage Minerals and its contractor / suppliers to fulfil environmental and legal obligations.

## 2 SCOPE

This procedure applies to all Mount Morgan Gold Mine, functions and project within the responsibility of Heritage Minerals, including Mine Maintenance, Construction and Mining Operation. All Risks associated with this Procedure will be assessed and controlled in accordance with the Hierarchy of Control ISO 31000

## 3 LEGISLATIVE REQUIREMENTS

### 3.1 Acts and Regulations

- Qld Work Health Safety Act 2011.
- Qld Work Health Safety Regulations 2011.
- Qld Mining and Quarrying Safety and Health Act 1999.
- Qld Mining and Quarrying Safety and Health Regulation 2017
- Qld Workers Compensation and Rehabilitation Act 2003.
- Qld Workers Compensation and Rehabilitation Regulation 2014.
- Qld Electrical Safety Act 2002.
- Qld Electrical Safety Regulation 2013.
- Qld Heritage Act 1992.
- Qld Building Act 1975; and
- Fair Work (Commonwealth Powers) and Other Provisions Act 2009.

### 3.2 Environmental Acts and Regulations

Heritage Minerals has a suite of Environmental and Federal legislative obligations which shall be met through the adoption of best practices outlined in this Environmental Management Plan. Below provides a summary of applicable key legislation including:

- Qld Environmental Protection Act 1994.
- Qld Environmental Protection Regulation 2019.
- Qld Aboriginal Heritage and Cultural Act 2003.
- Qld Coastal Protection and Management Act 1995.
- Qld Coastal Protection and Management Regulation 2017.
- Commonwealth Environmental Protection and Biodiversity Conservation Act 1999.
- Qld Fisheries Act 1994.
- Qld Planning Act 2016.
- Qld Biosecurity Act 2014.
- Commonwealth Native Title Act 1993.
- Qld Native Title Act 1993.
- Qld Nature Conservation Act 1992.
- Qld Nature Conservation Regulation (Animals) 2020.
- Qld Nature Conservation Regulation (Plants) 2020.

- Qld Heritage Act 1992.
- Qld Heritage Regulation 2015.
- Qld Vegetation Management Act 1999.
- Qld Vegetation Management Regulation 2012.
- Qld Water Act 2000.
- Qld Water Regulation 2016.
- Qld Environmental Protection Regulation 2019.
- Qld Environmental Protection (Noise Policy) 2019.
- Qld Environmental Protection (Water and Wetland Biodiversity Policy) 2019; and
- Qld Environmental Protection (Air policy) 2019.

### 3.3 International Organisation Standardisation (ISO)

- ISO 45001:2018 Occupation any of the Management Systems,
- ISO 14001:2015 Environmental Management Systems.
- ISO 9001:2015 Quality Management Systems; and
- ISO 31000, 2019 Risk Management.

## 4 DEFINITIONS

### 4.1 Contract Definitions

Term:	Definition:
<b>Environmental Aspect</b>	An environmental aspect is defined in ISO 14001 as an element of an organisation's activities, products or services that can interact with the environment.
<b>Principal</b>	Landowner or current holder of the mining lease.
<b>Project</b>	The Mount Morgan mine exploration and care and maintenance activities.
<b>Heritage Minerals Pty Ltd</b>	Contractor for this project.
<b>Contractor</b>	Contractor means the Company, Business or Organisation bound to execute the work under the contract. The term Contractor is used within this document to indicate the party responsible to perform the scope of works. No other legal or contractual meaning is implied and on this project Heritage Minerals is the Contractor.
<b>Sub-Contractor</b>	Any person engaged by the Contractor to perform any work under contract, including a contractor / supplier, consultant or any approved Sub-Contractor, but not including a Worker of the Sub-Contractor.
<b>Contract</b>	Contract means the agreement between Heritage Minerals and the lease holder to perform the works outlined in the Scope of Work.
<b>Worker</b>	A Worker is a person who performs work in any capacity for a business or undertaking including any Workers employed, labour hire Workers, volunteers, work experience students, Contractors, Workers of Contractors,

	<p>apprentices, trainees and outworkers. <b>Note:</b> a ‘person’ in this context can include a whole business or government agency.</p>
<b>Competent Person</b>	<p>- A competent person is any person who has acquired through training a qualification or hold the experience the knowledge and skills to carry out the tasks in accordance with the Scope of Work and has been verified competent with a certified qualification.</p>
<b>Visitor</b>	<p>A Visitor is a person who attends the project who shall not conduct any work practises and be escorted by a fully inducted person at all times.</p>
<b>Project</b>	<p>A project is where work is carried out for a business or undertaking and includes a place where a Worker goes, or is likely to be, while at work.</p>
<b>Reasonably Practicable</b>	<p>According to the Qld WHS Act 2011 and the Qld WHS Regulation 2011, reasonably practicable means that which, or was at a particular time, reasonably able to be done in relation to ensuring Health Safety Environmental and Quality, taking into account and weighing up all relevant matters including:</p> <ul style="list-style-type: none"> <li>• The likelihood of the Hazard or Risk concerned occurring.</li> <li>• The degree of harm that might result from the Hazard or Risk.</li> <li>• What the person concerned know, or ought reasonably to know about.</li> <li>• The Hazard or Risk; and</li> <li>• Ways of eliminating the Risk.</li> </ul> <p>The availability and suitability of ways to eliminate or minimise the Risk. After assessing the extent of the Risk and the available ways of eliminating or minimising the Risk – the costs associated with available ways of eliminating or minimising the Risk, including whether the cost is grossly disproportionate to the Risk.</p>
<b>Stakeholder</b>	<p>A stakeholder is intended to encompass all stakeholders who have a legitimate interest on the project. They may include:</p> <ul style="list-style-type: none"> <li>• Government Authority.</li> <li>• Contractors.</li> <li>• Workers.</li> <li>• Interest groups.</li> <li>• Community organisations.</li> <li>• General public or Visitors the project.</li> <li>• Consultants.</li> <li>• Landowners.</li> <li>• Client; and</li> <li>• Persons or businesses affected by the development.</li> </ul>
<b>Aspect</b>	<p>Aspect means those elements of Heritage Minerals activities, products or services that can interact with the environment can or does interact with the</p>

	environment and may have a significant impact. These interactions and their effects may be continuous in nature, periodic, or associated only with events, such as emergencies.
<b>Impact</b>	Impact is a change to the environment, whether adverse or beneficial, wholly or partially resulting from the organisations aspects
<b>Environmental Objective</b>	An environmental objective refers to the overall environmental aim, arising from the elements of the environmental policy, that an organisation sets itself to achieve.
<b>Environmental Target</b>	Environmental target refers to the detailed performance requirement, quantified where practicable, applicable to the organisation or parts thereof, that arises from the environmental objectives and that needs to be set and met in order to achieve those objectives.
<b>Must</b>	Means when the requirement is documented it is mandatory; and deviation shall constitute non-compliance by law.
<b>Shall</b>	Means when the requirement is documented it is mandatory; and deviation shall constitute non-compliance by law.
<b>Should</b>	Indicates the requirement is recommended or expected.
<b>May</b>	Indicates that the requirement is optional or at the person's discretion.

## 4.2 Acronyms

Acronym:	Definition:
HM	Heritage Minerals
EA	Environmental Authority
HSEQ	Health, Safety, Environmental and Quality
WHS	Work, Health Safety Environmental and Quality
PCBU	Person Conducting a Business or Undertaking.
EPA	Environment Protection Act
DERM	Department of Environment Resources
EMS	Environmental Management System
EMP	Environmental Management Plan
EIS	Environmental Impact Statement
PRA	Project Risk Assessment
HAZID	Hazard Identification
SDS	Safety Data Sheet
SWMS	Safe Method Work Statement.
JSEA	Job Safety and Environmental Analysis
VOC	Verification of Competency.

<b>ICAM</b>	Incident Causal Analysis Method
<b>NCR</b>	Non-Compliance Report

### 4.3 Personal Acronyms

<b>Acronym:</b>	<b>Definition:</b>
<b>CEO</b>	Chief Executive Officer
<b>SSE</b>	Site Senior Executive
<b>HSEQM</b>	Health, Safety, Environmental and Quality Manager
<b>SUP</b>	Supervisor
<b>WRK</b>	Worker
<b>VIS</b>	Visitor

## 5 ENVIRONMENTAL MANAGEMENT SYSTEM

### 5.1 Overall Scope

The Environmental Management System (EMS) is to be used for the management and control of the Operation. The Environmental Management System is a hierarchical system of documentation with the primary objective to manage Risk, Environmental aspects of the Operation. It represents a framework and documentation that will be utilised by Heritage Minerals and Sub-Contractors in the delivery of the Operation.

This Environmental Management Plan contains the main elements of the environmental management for the Project. The interaction and reference to related documents described in this Environmental Management Plan includes but is not limited to:

- Environmental Policy.
- Environmental Management Plan.
- Environmental Procedures.
- Guidelines.
- Training Material; and
- Registers, Forms and Records.

## 6 EMS POLICY

### 6.1 Environmental Policy

The Heritage Minerals Environmental Policy is the principal document of this Environmental Management Plan. All health, safety and in particular environmental objectives, targets and practices are to be consistent with the commitments set out in the policy. The policy is to be communicated to all project Workers, including sub-contractors and where requested, be displayed and introduced during Worker inductions.

Heritage Minerals Environmental Policy describes and confirms the Heritage Minerals commitment to sound environmental management on the Project. Heritage Minerals is committed to sustainable development and recognises that the long-term sustainability of the Heritage Minerals is depended upon good stewardship in



both the protection of the environment, and the efficient management of the exploration and extraction of mineral resources.

## 6.2 Environmental Policy Statement

		<b>Environmental Policy</b>					
							
<p>Heritage Minerals Pty Ltd (the "Corporation") is committed to sustainable development and we recognise that the long-term sustainability of our business is dependent upon good stewardship in both the protection of the environment and the efficient management of the exploration and extraction of mineral resources. Our values and business principles as a Corporation are based on a "zero harm" environmental management performance; they underpin our environmental policy and represent the minimum guidelines for the Corporation in this respect. We will ensure that directors, officers, employees and contractors are aware of this policy as well as the relevant responsibilities which it sets out.</p> <ul style="list-style-type: none"> <li>• We will comply with all applicable environmental laws, regulations and requirements.</li> <li>• We are committed to complying with relevant industry standards relating to the management of environmental risks, including the International Finance Corporation's ("IFC") Performance Standards; the IFC and World Bank Environmental, Health and Safety Guidelines; and the International Cyanide Management Code for the Manufacture, Transport and Use of Cyanide in the Production of Gold.</li> <li>• We are committed to establishing and maintaining management systems to identify, monitor and control the environmental aspects of our activities. Where appropriate, we may require employees to undertake training to ensure they are complying with best industry practices and all applicable environmental laws, regulations and requirements.</li> <li>• We will ensure that resources are available to meet our reclamation and environmental obligations.</li> <li>• We will ensure that our employees and contractors carry out their responsibilities in accordance with this Policy, applicable law and the industry standards we are committed to meeting.</li> <li>• We will work with local representatives in the communities in which we operate to educate the community on the environmental obligations associated with our activities.</li> <li>• We will conduct audits to monitor, measure and evaluate the effectiveness of our environmental management systems, and will communicate findings to the Safety, Health &amp; Environment Committee of the Board of Directors, and, where appropriate, to external stakeholders. We will strive to increase transparency in our annual public disclosure on environmental matters, particularly those relating to risk management systems in place and mitigation of environmental risk.</li> <li>• We are committed to transparent communication and consulting with interested and affected parties on environmental aspects of our activities.</li> <li>• We will work to continually improve our environmental performance over time, including with regard to increasing our energy efficiency and reducing emissions and waste, and to promote sustainable development in the areas in which we operate.</li> <li>• We recognise the increasing awareness within our industry of climate change and the need to participate in solutions that address the long-term impact of climate change, including where feasible, the reduction of greenhouse gas emissions. In particular we recognise the sensitivity around water management and water scarcity, where we will aim to constantly improve water management systems and their efficiency, and to monitor our usage of water resources in our areas of operation.</li> </ul> <p>The Board of Directors of the Corporation will review and evaluate this Policy on an annual basis to determine its efficacy. This Policy will be posted on the Corporation's website. Additionally, a copy of the policy will be posted at mine sites operated by the Corporation.</p>							
<b>Heritage Minerals Representative:</b>	Malcolm Peterson						
<b>Position:</b>	Chief Executive Officer (CEO)						
<b>Signature:</b>							
<b>Date:</b>	07/12/2020						
<b>Doc No.:</b>	HM-MMM-ENV-POL-001-ROA-Environmental	<b>Rev Date:</b>	01/11/2020	<b>Rev No.:</b>	0A	<b>Page:</b>	1 of 1

## 7 ROLES AND RESPONSIBILITIES

### 7.1 Project Responsibilities

Position:	Definition:
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<b>PCBU</b>	<p>A person conducts a business or undertaking when:</p> <ul style="list-style-type: none"> <li>• Whether the person conducts Heritage Minerals or undertaking alone or with others; and</li> <li>• Whether or not Heritage Minerals or undertaking is conducted for profit or gain.</li> </ul> <p>And must:</p> <ul style="list-style-type: none"> <li>• Providing the provision of any information, training, instruction or supervision that is necessary to protect all persons from risks to their health and safety arising from work carried out as part of the conduct of Heritage Minerals or undertaking.</li> </ul> <p>A business or undertaking conducted by a person includes a business or undertaking conducted by a partnership or an unincorporated association. If a business or undertaking is conducted by a partnership, other than an incorporated partnership, a reference in the WHS Act to a person conducting Heritage Minerals or undertaking is to be read as a reference to each partner in the partnership.</p> <p>A person does not conduct a business or undertaking to the extent that the person is engaged solely as a Workers in, or as an Officer of, that business or undertaking. An elected member of a local government does not in that capacity conduct a business or undertaking.</p> <p>A regulation may specify the circumstances in which a person may be taken not to be a person who conducts a business or undertaking for the purposes of the WHS Act or any provision of the WHS Act. A volunteer association does not conduct a business or undertaking for the purposes of the WHS Act. Volunteer association means a group of volunteers working together for 1 or more community purposes where none of the volunteers, whether alone or jointly with any other volunteers, employs any person to carry out work for the volunteer association.</p>
<b>Officers</b>	<p>Under section 27 of the WHS Act, a PCBU has a duty or obligation under WHS legislation, an Officer of the PCBU must exercise 'due diligence' to ensure that the PCBU complies with the duty or obligation.</p> <p>The Officer's obligation of due diligence relates to any duty or obligation that the PCBU may have under the WHS Act or WHS Regulations and is therefore potentially extensive in scope. However, a definition of 'due diligence' is provided, which may help an Officer in finding practical ways to comply with the duty. In particular, section 27 (5) defines 'due diligence' as including taking reasonable steps including:</p> <ul style="list-style-type: none"> <li>• To acquire and keep up-to-date knowledge of work health and safety matters.</li> <li>• To gain an understanding of the nature of the operations of the PCBU's business or undertaking and generally of the hazards and risks associated with those operations.</li> <li>• To ensure that the PCBU has available for use; and uses, appropriate resources and processes to eliminate or minimise risks to health and safety from work Company Vehicle out as part of the conduct of Heritage Minerals or undertaking.</li> <li>• To ensure that the PCBU has appropriate processes for receiving and considering information regarding incidents, hazards and risks and responding in a timely way of that information.</li> <li>• To ensure that the PCBU has; and implements, processes for complying with any duty or obligation of the PCBU under WHS legislation; and</li> </ul>

- To verify the provision and use of the resources and processes referred to in the five preceding dot points.

Further assistance for Officers appears in examples at the end of section 27. The processes for complying with duties and obligations that the PCBU shall have in place and implement under section 27 (5) (e) may include processes for:

- Reporting notifiable incidents.
- Consulting with Workers.
- Ensuring compliance with notices issued under WHS legislation.
- Ensuring the provision of training and instruction to Workers about work health and safety; and
- Ensuring that health and safety representatives receive their entitlements to training.

The section 27 (5) definition of 'due diligence' is inclusive, rather than exclusive. As such, taking the specified steps does not guarantee compliance with the duty of due diligence. However, taking those steps is likely to ensure compliance in most cases.

## Managers

Managers are responsible for:

- Champion the implementation and measurement of this Management Plan and exhibit strong leadership and absolute commitment to HSEQ throughout the project.
- Lead by example, modelling the behaviour expected from all Workers on the project.
- Ensure all works are conducted in a way that ensures the health and safety of all project Workers, the community and in general, the Environment.
- Provide adequate resources and budget for the implementation of this Management Plan.
- Establish clear responsibility and accountability for implementation of this Management Plan.
- Implement change culture in accordance with project requirements for continuous improvement.
- Thoroughly overview all investigations of all incidents, ensuring that corrective actions have been implemented to prevent a reoccurrence.
- Comply with all legislation requirements and Heritage Mineral's policies and procedures. Taking accountability of the effectiveness of the environmental management system.
- Ensuring that the environmental policy and environmental objectives are established and are compatible with the strategic direction and the context of the organisation.
- Ensuring the integration of the environmental management system requirements into Heritage Minerals processes.
- Ensuring that the resources needed for the environmental management system are available.
- Communicating the importance of effective environmental management and of conforming to the environmental management system requirements.

- Ensuring that the environmental management system achieves its intended outcome(s).
- Directing and supporting persons to contribute to the effectiveness of the environmental management system.
- Promoting continual improvement; and
- Supporting other relevant management roles to demonstrate their leadership as it applies to their areas of responsibility.

## Supervisors

Supervisors are responsible for:

- Ensure all Workers under their guidance, know, understand and comply with this Management Plan, associated project plans and procedures so they understand accept and fully carry out their responsibilities for HSEQ.
- Lead by example and work towards achieving all HSEQ objectives.
- Be familiar with; and enforce, work health and safety regulations applicable to Heritage Mineral's projects within their area of responsibility to ensure, as far as reasonably practicable, the safety and wellbeing of the Workers are maintained.
- Establish, maintain, comply and review with SWMS's, JSEA's, Inspections, Take 5's and all lawful instructions by Heritage Mineral Management.
- Implement culture change in accordance with Heritage Mineral requirements for continuous improvement.
- Ensure all injuries and incidents are reported. Thoroughly investigate all incidents that happen in relation to their crews, ensuring that corrective actions are implemented to prevent a reoccurrence.
- Ensure compliance with Heritage Mineral workers compensation and injury management policies and procedures.
- Ensure that all Workers under their supervision correctly use and are trained to maintain the personal protective equipment provided.
- Plan the work and organise the work zone so that work is executed without risk of personal injury or adverse effects on equipment and the environment.
- Facilitate Pre-Start / Toolbox meetings; and ensure corrective actions are followed up; and closed out.
- Carry out daily informal site inspections and initiate action to ensure the safety and wellbeing of Workers.
- Participate in documented project inspections.
- Conduct minimum of one HSEQ Audit monthly and record; and
- Ensure communication and consultation takes place on health and safety related matters.

## Workers

Workers are classified as any person who carry out work, in any capacity, for a PCBU. Workers must:

- Participate in hazard identification and or elimination activities such as SWMS's preparation.

- Regard safety as a central theme in their actions and take reasonable care to ensure their own health and safety and the health and safety of others.
- Ensure that the correct tools and equipment are used for the job.
- Use the HSEQ equipment and protective clothing supplied as appropriate and trained.
- Maintain tools and equipment in good condition.
- Report any defects in plant or equipment to the Supervisor.
- Avoid any improvising task that involves risk.
- Warn other Workers of known hazards and report IMMEDIATELY to their Supervisor.
- Actively participate in Heritage Mineral's HSEQ Programs.
- Report to their Supervisor all incidents IMMEDIATELY.
- Participate in the necessary Incident investigation if required to do so.
- Follow all lawful instructions by their Supervisor; and
- At all times comply with the relevant guidelines formulated and disseminated through induction, pre-start / toolbox meetings; and daily site instructions.

## 8 GOVERNANCE

### 8.1 Good Governance

Broadly, good governance is about the processes for making and implementing decisions and trying to achieve the best possible process for making those decisions. The Environmental Management System (EMS) provides the framework for good Health, Safety, Environmental and Quality governance, it provides instruction and guidance on how to manage and execute a project in terms of Health, Safety, Environmental and Quality Management.

The Environmental Management System provides the HSEQ Team with the tools to successfully manage the Environmental Aspects of Heritage Minerals and their Stakeholders. This framework shall also enable Heritage Minerals to plan and execute the project with the required Quality, efficiency and cost effectiveness. Most importantly, it allows Heritage Minerals to manage the Environmental Aspects of its people and the Environment in which the project is set.

Heritage Minerals project governance incorporates not only all the Management System including Management Plans, Policies, Procedures and forms outlined in the Health, Safety, Environmental and Quality Management processes at the activity or task-based levels in the Environmental Management System, including:

- Incident reporting.
- Change Management.
- Inductions.
- Complaints reporting.
- HSEQ Inspections.
- HSEQ Audits.
- Permits.
- Continuous improvement: and
- These processes provide the Management and control capabilities at the activity and task level.

## 9 CONTINUOUS IMPROVEMENT

### 9.1 Opportunities for Improvement

Heritage Minerals has Procedures which explain the method of planning and implementing the monitoring, measurement, analysis and improvement processes necessary for:

- Demonstrating compliance with the Health, Safety, Environmental and Quality requirements including the Consultation and Communication Procedure and processes.
- Ensuring Health, Safety, Environmental and Quality compliance by carrying out internal HSEQ Audits and Inspections according to the project Audit and Inspection Schedule.
- Improving the efficiency and effectiveness of the Environmental Management System within the Environmental Management System by the application and monitoring of the methods explained in the change Management process and the implementation of continuous improvement processes.
- Ongoing checks and reviews are conducted in order to ensure the capacity of the processes to reach the results planned, as well as the applicable legal and regulatory requisites, have been fulfilled.
- The degree in which the objectives have been reached depending on each of the process indicators is checked and if necessary when the planned results are not achieved, to establish corrective and or preventive actions, which ensure project compliance. Ongoing reporting of compliance is provided in the monthly project Reports; and
- Final reporting of all Health, Safety, Environmental and Quality Assurance, Risk Management, cost and scheduling shall be included in the Monthly project report that provides aggregated data on all criteria for review by the Senior Management Team in the Monthly Management Review Meetings.

### 9.2 Management Commitment and Participation

Heritage Minerals is committed to the Environmental wellbeing of all project aspects on the project and shall demonstrate leadership in achieving the highest attainable standards on the project's Environmental protection.

The Heritage Minerals project Management team engages through consultation and communication with Stakeholders and their Workers participating on the project to commit to Environmental principles and core values.

All Heritage Minerals team members shall participate in daily Pre-Start / Toolbox meetings, Inspections and Audit forums in line with the expectations of Key Stakeholders, this process shall be informed of their duties and participation shall be monitored throughout the project's lifecycle.

### 9.3 Environmental Accountability

Implementation of this Construction Environmental Management Plan requires clearly defined delegation of responsibilities, accountabilities and authorities. All Heritage Minerals Stakeholders involved in the management and daily onsite construction activities of the project shall have a general Environmental duty of care as defined in the Environmental Protection Act 1994, "no person must undertake an activity that causes or is likely to cause Environmental harm unless they take all reasonable and practicable measures to prevent or minimise such harm".

**9.4 Seeking Continuous Improvement**

Continuous improvement isn't about setting a high pace. It's about finding a rhythm that works for Heritage Minerals, it's about changing everyone's mindset to a systematic way of finding better ways to do things. Finding out how to work better as a team.

Showing our Workers that are important and that their thoughts, ideas and questions all matter. Everything shall be more fun if you get your team to take a greater interest in Heritage Minerals results and achievements, instead of just the individual members' goals. Employ the KISS principle, "Keep It Super Simple".

**10 PROCUREMENT PROCEDURE**

**10.1 Management Process**

Environmental Procurement Management is a planned, proactive, formal and systematic 4-step process, which provides for:

- Planning and Preparation.
- Supplier Evaluation and Selection.
- Procurement Performance.
- Monitoring and Measurement.

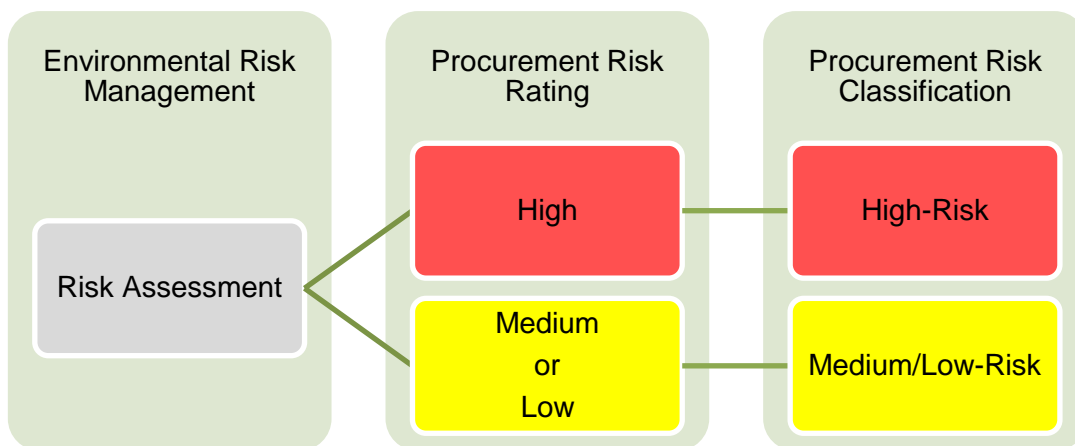
**10.2 Planning and Preparation**

The manager responsible for the procurement activity shall conduct a risk assessment (as per the Risk Management Procedure). The procurement risk assessment shall identify the:

- Procurement scope.
- Goods and or services required to be procured; and
- Environmental hazards and risks that may arise from, or because of, the procurement activity.

The risk assessment shall determine the level of risk identified as being associated with the procurement activity. The following table describes the procurement risk classification process.

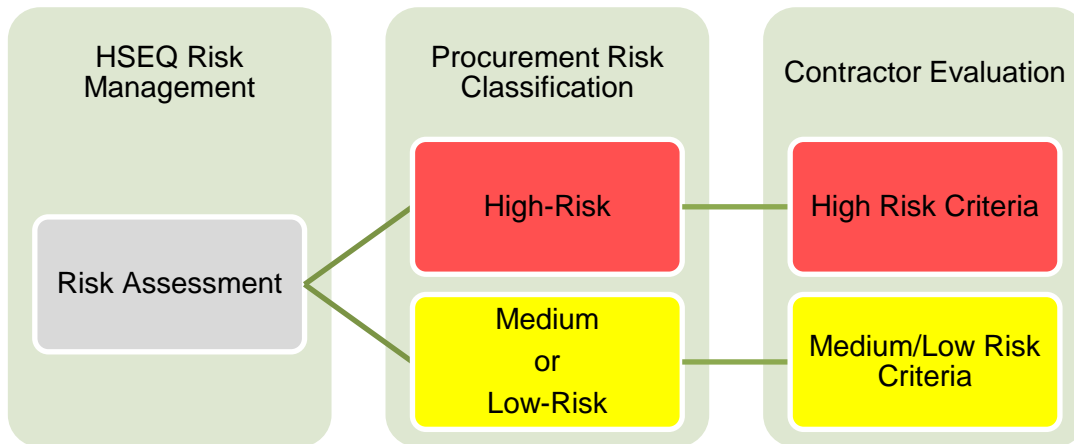
The risk assessment and classification shall be used to notify contractor / suppliers of the general and specific environmental hazards and risks associated with the procurement activity.



## 10.1 Supplier Evaluation and Selection

Evaluation and selection require contractor / suppliers to demonstrate environmental competency and systems to effectively identify hazards and to assess and control risks that may arise from, or because of, the provision to Heritage Minerals of the contractor / supplier’s goods and or services.

The following table summarises the Contractor Evaluation criteria that is required to be completed, depending on the risk classification of the procurement activity, (HM-MMM-EVN-FRM-007-R0A-Contractor Evaluation).



### 10.1 Contractor Evaluation

The Supplier Contractor Evaluation shall be incorporated into the sourcing documentation for the contractor / supplier to respond to as part of the tendering process.

Suppliers are to respond to the relevant criteria dependent on the identified risk classification for the procurement activity. The relevant manager is to ensure that the completed Contractor Evaluation is reviewed to evaluate the contractor / supplier’s environmental capabilities.

Suppliers who do not or cannot demonstrate adequately their ability to meet the procurement environmental requirements should not be considered further in the contractor / supplier selection process.

### 10.1 High-Risk Procurement

Where procurement activities have been identified as presenting risk that have been classified as being high-risk, contractor / suppliers shall be expected to demonstrate a higher level of development of their environmental systems and performance. Environmental requirements for high-risk procurement activities can include, but not be limited to, the following:

- Review of the contractor / supplier’s environmental management systems and plans.
- Requiring the contractor / supplier to undertake risk assessment and planning in relation to the procurement activity prior to commencement.
- Requiring the contractor / supplier to develop specific work methodologies for the performance of high-risk work.
- The provision of periodic environmental performance reports by the contractor / supplier to Heritage Minerals.



## 10.2 Medium / Low-Risk Procurement

The environmental requirements for medium / low risk procurement activities require contractor / suppliers to identify hazards related to the procurement activity and to have in place suitable controls as part of a risk assessment process. The environmental requirements for medium / low risk procurement activities shall ensure the following:

- Suppliers understand the hazards and risks associated with the procurement activity.
- Suppliers have systems and processes for managing environmental risk associated with the activity.
- Suppliers are licensed where relevant and that contractor / supplier personnel have appropriate competencies and licensing for the procurement activity.
- Plant, equipment and materials to be supplied are assessed for risk, and those risks controlled.
- Works to be performed as part of the procurement activity are assessed for risk and those risks controlled, and where required specific work methodologies are developed.

## 11 PROCUREMENT PERFORMANCE

### 11.1 Pre-Commencement

Prior to the commencement of the supply of goods or services, environmental documents and processes described in the contractor / supplier agreement will be required to be completed by the contractor / supplier and provided to Heritage Minerals.

All contractor / supplier Workers who are to perform work for Heritage Minerals must complete the HSEQ Site Induction prior to commencing work.

#### 11.1 Supplier Monitoring

The responsible manager will ensure that the procurement activity is supervised and monitored to ensure environmental performance. The procurement risk assessment shall be used to determine the level, nature and frequency of the supervision and monitoring required for the procurement activity.

The level of supervision and monitoring required will be dependent on the following factors related to the procurement activity:

- The risk classification.
- Complexity of the procurement activity.
- Expertise, skill and experience of both Heritage Minerals and of the contractor / supplier in relation to the procurement activity.
- Duration of the procurement activity.

Supervision and monitoring of the procurement activity shall be undertaken as part of the executive, management, and frontline safety activities. These safety activities shall include, but not be limited to, the following:

- Behavioural safety activities.
- Project audits and inspections.
- Consultative forums; and
- Pre-Start / toolbox meetings.

## 11.2 Monitoring and Measurement

At completion of the procurement activity, or at periodic intervals during long-term procurement activities, the responsible manager shall review the environmental performance of the contractor / supplier.

The review shall assess the contractor / supplier's environmental performance and their compliance with the environmental requirements of Heritage Minerals. The review shall also ensure that the contractor / supplier has met the following environmental requirements:

- That there are no outstanding corrective actions or non-conformances.
- All planned environmental activities have been carried out and completed.
- Consideration has been given to environmental issues which may arise after the completion of the procurement activity.

Where any Environmental controls have been implemented, the HSEQ Team shall perform a formal HSEQ Audit of the project and work crew to assess the effectiveness of the corrective actions implemented via this procedure.

If any non-compliance is observed, the details shall be included on the HSEQ Audit Form and recommendations entered and recorded on the form. When the Corrective Action is taken it shall be recorded in the Corrective Actions Register for close out.

## 12 TRAINING REQUIREMENTS

### 12.1 Training Maintenance

Training will be conducted in accordance with the National Training and Assessment Criteria of Australia. The type of training will typically include but not be limited to any requirements under statutory legislation.

Heritage Minerals shall supply the provision of any information, training, instruction or Supervision that is necessary to protect all Workers from risks to their Health Safety Environmental and Quality arising from work carried out as part of the conduct of Heritage Minerals or undertaking shall be given. A Training Needs Analysis will be completed where required for all Heritage Minerals Operations.

The Heritage Minerals Training Matrix is maintained for all Workers involved in the Heritage Minerals Operations. The Training Matrix will follow the Heritage Minerals Training Matrix format. All Worker records will be maintained on the Training Matrix, kept up to date and reviewed on a monthly basis to ensure that all records are accurate and complete.

## 13 PROCEDURE REVIEW

### 13.1 3 Yearly Review

This Procedure may be reviewed from time to time by the Site Senior Executive or the HSEQ Team, a review shall be mandatory every 3 years or before according to changes or circumstantial needs. New Procedures may be introduced or amended should the Site Senior Executive or the HSEQ Team determine that it is needed and appropriate to do so. Updates of the Procedures will be made available. Procedures are to be read in conjunction with the references below. All Risks associated with this Procedure will be assessed and controlled in accordance with the Hierarchy of Control ISO 31000.

## 14 REFERENCE DOCUMENTS

### 14.1 Standards

Document Number:	Document Title:
ISO 14001:2015	Environmental Management Systems

### 14.2 EMS Management Plans

Document Number:	Document Title:
HM-MMM-ENV-PLN-001-R0A	Environmental Management Plan

### 14.3 EMS Policies

Document Number:	Document Title:
HM-MMM-ENV-POL-001-R0A	Environmental

### 14.4 EMS Procedures

Document Number:	Document Title:
HM-MMM-ENV-PRO-001-R0A	Legal Obligations Procedure
HM-MMM-ENV-PRO-002-R0A	Risk Management
HM-MMM-ENV-PRO-003-R0A	Objectives and Targets
HM-MMM-ENV-PRO-004-R0A	Monitoring and Measurement
HM-MMM-ENV-PRO-005-R0A	Dust and Air Management
HM-MMM-ENV-PRO-006-R0A	Waste Management
HM-MMM-ENV-PRO-007-R0A	Water Management
HM-MMM-ENV-PRO-008-R0A	Noise and Vibration
HM-MMM-ENV-PRO-009-R0A	Heritage and Cultural
HM-MMM-ENV-PRO-010-R0A	Hazardous Substances
HM-MMM-ENV-PRO-011-R0A	Flora Management
HM-MMM-ENV-PRO-012-R0A	Fauna Management
HM-MMM-ENV-PRO-013-R0A	Fire Management
HM-MMM-ENV-PRO-014-R0A	Consultation and Communication
HM-MMM-ENV-PRO-015-R0A	Audit and Inspection
HM-MMM-ENV-PRO-016-R0A	Management Review
HM-MMM-ENV-PRO-017-R0A	Emergency Management
HM-MMM-ENV-PRO-018-R0A	Stakeholder Consultation
HM-MMM-ENV-PRO-019-R0A	Document Control

HM-MMM-ENV-PRO-020-R0A	Procurement
HM-MMM-ENV-PRO-021-R0A	Soil Management
HM-MMM-ENV-PRO-022-R0A	Incident Reporting

## 14.5 EMS Registers

Document Number:	Document Title:
HM-MMM-HSE-REG-001-R0A	HSEQ Registers

## 14.6 EMS Forms

Document Number:	Document Title:
HM-MMM-ENV-FRM-001-R0A	Environmental Compliance Matrix
HM-MMM-ENV-FRM-002-R0A	Management Review Meeting
HM-MMM-ENV-FRM-003-R0A	Management System Audit
HM-MMM-ENV-FRM-004-R0A	Weed and Seed Declaration
HM-MMM-ENV-FRM-005-R0A	HSEQ Induction Questionnaire
HM-MMM-ENV-FRM-006-R0A	Pre-Start-Toolbox
HM-MMM-ENV-FRM-007-R0A	Contractor Evaluation
HM-MMM-ENV-FRM-008-R0A	EMP Review
HM-MMM-ENV-FRM-009-R0A	HSEQ Monthly Report
HM-MMM-ENV-FRM-010-R0A	Annual EA Audit
HM-MMM-ENV-FRM-011-R0A	Objectives and Targets Guideline
HM-MMM-ENV-FRM-012-R0A	Aspects and Impacts Guideline
HM-MMM-ENV-FRM-013-R0A	HSEQ Monthly Audit
HM-MMM-ENV-FRM-014-R0A	HSEQ Inspection
HM-MMM-ENV-FRM-015-R0A	Water Testing
HM-MMM-ENV-FRM-016-R0A	Erosion and Sediment Audit
HM-MMM-ENV-FRM-017-R0A	Corrective Action Plan
HM-MMM-ENV-FRM-018-R0A	Fauna Inspection
HM-MMM-ENV-FRM-019-R0A	Heritage Inspection
HM-MMM-ENV-FRM-020-R0A	Air Quality Inspection
HM-MMM-ENV-FRM-021-R0A	Waste Management
HM-MMM-ENV-FRM-022-R0A	Noise Audit
HM-MMM-ENV-FRM-023-R0A	Ground Disturbance Permit
HM-MMM-ENV-FRM-024-R0A	EMS Document List
HM-MMM-ENV-FRM-025-R0A	Environmental Risk Assessment

HM-MMM-ENV-FRM-026-R0A	Management Observation
HM-MMM-ENV-FRM-027-R0A	Emergency Contact
HM-MMM-ENV-FRM-028-R0A	Emergency Drill
HM-MMM-ENV-FRM-029-R0A	Incident Notification
HM-MMM-ENV-FRM-030-R0A	Vegetation Removal Permit
HM-MMM-ENV-FRM-031-R0A	SWMS
HM-MMM-ENV-FRM-032-R0A	JSEA
HM-MMM-ENV-FRM-033-R0A	Incident Investigation
HM-MMM-ENV-FRM-034-R0A	Chemical Risk Assessment