

Mina La Colorada

Health and Safety Plan

Prepared by:

 DewPoint International, LLC
Fort Collins, Colorado

Prepared for:

 Plata Panamericana, S.A. de C.V.
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1.0 Introduction

Plata Panamericana S.A. de C.V. presents its Health and Safety Program developed specifically for the La Colorada work site. The Plan is designed to preserve the best interests of all workers, contractors and visitors, as well as the integrity of the natural environment. Plata Panamericana supports a comprehensive health and safety program developed in conjunction with its contractors, employees and workers, and with input from Canadian head office health, safety and environmental staff. The plan is designed to minimize, and ideally to prevent, potential hazards and/or accidents, and to ensure implementation of preventative measures that can be used as guidelines for all activities during the upcoming construction, as well as during operations at the La Colorada project.

Employee and contractor supervisory personnel are responsible and accountable for ensuring safety, proper observation of the internal safety rules and regulations described below, and for ensuring that all workers and visitors prior to the assignment of their duties understand health and safety procedures and the on-site enforcement of applicable rules, procedures and regulations. Additionally, contractors must ensure their visitors comply with site health and safety rules, regulations and practices as well as taking preventive actions to ensure public health and safety. Supervisors must conduct regular inspection of work practices and conditions in the area of their control and ensure that prompt corrective action is taken immediately to eliminate potential hazards. In addition, the Safety and Environmental Departments will carry out regular planned health, safety and environmental inspections noting defects, with a time frame for correction by the responsible Supervisor. The Safety and Environmental Departments also carry out unplanned inspections on a non-routine basis; the same procedure is followed for correction of any defects. Outstanding defects are reported on a monthly basis to the General Manager.

Contractor management, supervisors and crew leaders are required to follow all applicable health and safety regulations and simultaneously promote the health and safety activities addressed in the program. Crew leaders must properly instruct each worker with respect to safe and efficient ways to complete their daily activities, and must ensure that workers comply with applicable rules, regulations and practices. Crew leaders must also take prompt and immediate corrective action when unsafe acts or conditions become evident.

Workers must observe and implement all health and safety rules, regulations and practices, must conduct themselves in a manner that does not endanger their own or others' well being, cause property damage to the mine site or to the ambient environment. Workers are required to report to their Supervisors immediately all work-related accidents, near misses and illnesses, as well as damage to company property. Supervisors are required to file accident and incident reports with the

Safety Department. Workers are strongly encouraged to submit recommendations for improved safety measures via their supervisor or safety committee meetings.

This Health and Safety Plan includes all project activities and all people working at La Colorada, whether they are contractors, employees, workers, management or visitors. It is in force today, and will be updated prior to commencement of construction, and again prior to commencement of operations, anticipated in the third quarter of 2003.

2.0 Worker Responsibilities

This information has been prepared for each worker's health and protection. It should be read and observed. Questions or comments about any rule should be discussed with the Supervisor, contractor representative, or Site Safety Manager.

The goal at La Colorada is to ensure the safety and well being of all people working at the site, and to protect the natural environment. The information in this handbook should be used sensibly and constructively to ensure safe working conditions prevail throughout the project.

Workers are responsible for:

- Understanding and complying with the requirements of the applicable environmental, health and safety programs, including Plata Panamericana's Health, Safety and Environmental Policy and the Internal Rules of Safety, in addition to the manuals of specific procedures developed at the site.
- Reporting all detrimental practices and conditions to their Supervisor immediately.
- Taking immediate action when necessary to eliminate potential hazards or risks to co-workers.
- Immediately reporting all work-related injuries, incidents and near misses to the Supervisor.
- Maintaining a clean and safe working environment in their work area.
- Removing any jewelry or other loose fitting objects, such as clothing or hair, which could become caught in machinery or equipment.
- Wearing and maintaining appropriate personal protective equipment where required.
- Acting as a positive role model for other co-workers.
- Operating only equipment, machinery and vehicles for which they have received appropriate training and on which the Safety Department has certified that appropriate training has been completed.
- Before operation, checking all machinery or equipment to be sure that appropriate safeguards are in place, and for operating this machinery and

equipment at all times in a safe manner, making sure that appropriate measures have been taken to ensure that no person will be endangered.

- Avoiding all alcohol or drugs during working hours. No alcohol or drugs are permitted within the confines of the work site.
- Avoiding horseplay, wrestling, practical jokes, or any other type of behavior that may endanger other co-workers. Such behavior will not be tolerated.

Applicable regulations are those of the Mexican Federation of States, but in addition, Plata Panamericana will follow IFC Health and Safety guidelines. The World Bank Group has written general health and safety guidelines to be used with the environmental guidelines for new IFC projects. The health and safety guidelines contain general information on workplace air quality, workplace noise, working in confined space, drinking water, training, and occupational health and safety monitoring.

3.0 Accident Investigation Policy

The Accident/Incident Investigation Policy is designed to obtain the highest possible performance in the reporting and investigation of all injuries, accidents, incidents, and other near misses occurring at the job site. Proper evaluation and corrective actions are critical for developing attitudes of respect for, and observance of, safe work practices. These attitudes will increase general health and safety, as well as the overall productivity of the operation, and will work towards instilling a culture of respect and understanding of the concepts of Risk Management and Loss Control.

All personnel are required to report all occupational injuries and illnesses, property damages, environmental damages, production delays, near miss events, or any other events that may affect the efficiency of the operation. Reports will be made to the Shift Supervisor at least by the end of the shift in which an event occurs.

All reported accidents must be investigated immediately by the Safety Department in conjunction with the appropriate Supervisor or area team following the Accident Investigation Policy, including:

- All lost time accidents where a worker is absent from his job for more than one shift, or is unable to perform to his/her full job duties.
- Near miss incidents with serious or major potential for loss;
- Chemical spills or other damages to the environment; and,
- Any other incident that the Supervisor is unsure of whether to report.

Lost time accidents and their investigation are reported to the corporate head office on a monthly basis, and are discussed at the monthly meeting of the Mine Safety

Committee. Any chemical spills or other damages to the environment are similarly reported.

3.1. Purpose

The purpose an accident/incident investigation is to determine the contributing factors or sources, as well as the immediate and basic causes of undesirable events. Proper investigation procedures must identify the following information:

- A description of the event;
- Causes for the event;
- The long-term risks and loss potential of the event;
- Potential solutions; and,
- Long-term monitoring and corrective actions.

Data are compiled on a monthly and yearly basis to develop statistical indices of frequency and severity. In addition statistics are maintained with respect to body parts affected, the name of the Supervisor of the injured worker, timing within the shift schedule, whether overtime or regular time, mine level or zone, general cause assigned, etc. This information is used to improve management of known risks and develop better Loss Control.

3.2. Procedures

Response to any accident/incident that requires immediate action (an emergency situation) demands that the response be based on best judgment at the time of incident. Although independent decision-making is vital to a successful, quick response, the following guidelines should be adhered to during response to any accident/incident:

Ensure medical aid and protect personnel - The Supervisor should immediately assess the situation and take care to ensure safety for all personnel. If medical assistance is needed, medical personnel should be notified immediately. Reporting of the event to medical personnel should be as specific as possible.

Take control - The most senior person at the location of the accident should take charge of the event, keeping in mind that safety and protection of personnel is the *highest priority*. The person in charge should then consider potential damages to the environment, property, and lastly, production.

Control of secondary events - Positive measures should be performed to ensure that additional, secondary events to not occur due to upset of the normal controls.

Preserve the scene - When a significant event occurs, a detailed investigation will be required and therefore, preserving the scene of the event will be more important than lost work time.

Exert Control – The person in charge of responding to the event should maintain control of the scene by securing the area to prevent additional access to the scene by people not directly involved in response.

Determine the loss potential - A quick appraisal should be completed to ensure that the later investigation properly quantifies how bad a situation was and how likely it is to happen again.

Notify managers - All appropriate managers should be notified so that additional appropriate actions can be implemented.

3.3. Responsibilities

The Shift Supervisor has the following responsibilities:

- Provide emergency care to the injured personnel as necessary;
- Control the site to prevent further loss;
- Conduct initial investigations to prevent further losses;
- Assist in the follow-up investigations as needed;
- Initiating any corrective action measures within his/her authority to prevent recurrence;
- Follow-up on completion of any corrective actions implemented; and,
- Keeping appropriate managers informed on the status of the corrective actions.

The Superintendent of the Health, Safety and Environmental Department, in conjunction with the Supervisor, is required to report and conduct an investigation in the following events:

- Fatality;
- Disabling occupational injury/illness;
- Non-disabling occupational injury/illness;
- Outbreak of fire or unplanned explosion;
- Property or equipment damage;
- Near miss incidents with serious or major potential for loss;
- Chemical spills or other damages to the environment; and,
- Any other incident that the Supervisor is unsure of whether to report.

The Superintendent of the Health, Safety and Environmental Department also has the following responsibilities:

- Determine whether a team must be formed to investigate an incident;
- Follow-up on any lost time accident to ensure that a proper and thorough investigation is completed;
- Initiate corrective measures in a timely manner; and,
- Conduct a review meeting for all Supervisors on the next working day for fatalities and major accident/incidents;
- Make sure that communication of the incident is properly carried out and documented.
- Present all lost time accidents and serious incidents to the monthly meeting of the Mine Safety Committee. Record the conclusions of this meeting in formal minutes to be retained on file.
- In the event of an accident/incident, the Superintendent's prompt response is critical for ensuring that the effects of an accident are controlled and that an investigation is promptly started. This involvement sends a clear message of Management's commitment to Health and Safety.
- Ensure thoroughness and promptness of investigations to permit the General Manager to meet Corporate reporting requirements;
- Advise on corrective action measures to ensure that there are no recurrences;
- Provide training as needed; and,
- Ensure reporting and record keeping is in compliance with Mexican and Pan American Silver corporate guidelines.
- Following the investigation prepare for submission by the General Manager the appropriate documentation required under Mexican law.

The General Manager is responsible for:

- Participating in at-the-scene investigations of fatalities and major/high potential accidents/incidents;
- Reviewing any investigation reports of major/high potential accidents or incidents; and,
- Remaining aware of the status for any compliance problems or corrective actions required.
- As the responsible corporate officer, submitting materials prepared by the Superintendent of Health, Safety & Environment as required under Mexican law.

The General Manager (or Designee) will conduct, with the assistance of the Superintendent of Health, Safety & Environment, an at-the-scene investigation for any accident/incident that includes:

- Fatalities;
- Major accidents/incidents; or,
- Accidents that had serious potential to loss of life or property.

The Employee, Worker or Contractor is responsible for:

- Reporting any accidents/incidents immediately to his/her Supervisor; and,
- Providing information for the investigation and suggestions for potential corrective actions.

3.4. Investigation Procedures

In the event of an accident/incident, an investigation will be promptly completed after completing the procedures found earlier in Section 3. The Mina La Colorada Investigation Form, based on the format required by the Mexican government, will be completed and forwarded to the General Manager. A verbal report should also be provided to all involved personnel as soon as possible to ensure that the incident is properly documented and addressed. All initial accidents/incident reports should be completed by the immediate Supervisor of the persons involved (or his/her designee). These are typically reviewed for completion by the Superintendent of Health, Safety & Environment who must also sign the form. The Supervisor should document the following information during an investigation:

- Steps taken to adequately secure the area or preserve evidence and prevent further loss;
- All pertinent information to include estimation of accuracy of the information, all witnesses, any contradictory statements, etc.;
- Whether the accident/incident involved alcohol/drugs;
- Immediate and basic causes for the accident/incident;
- Whether the causes were routine or exceptions to normal operating procedures;
- Assessment of loss potential;
- Determination of who is responsible for ensuring corrective actions are performed;
- Completion (to include signature) of the company's investigation forms; and,
- Follow-up recommended to ensure corrective action was taken.

The Superintendent of Health, Safety & Environment will be responsible for evaluating each written report based on the Investigations Report, as well as ensuring that a systematic plan is implemented for any necessary remedial actions. Additionally, the Superintendent of Health, Safety & Environment will monitor compliance with applicable Mexican laws, and IFC guidelines, as well as corporate guidelines of Pan American Silver Corp.

The Superintendent of Health, Safety & Environment, who in conjunction with the Supervisor, approves the remedial action is responsible for following-up on the action

and ensuring that the corrective actions are being carried out as planned. A log of the status is maintained until the remediation action is completed.

The person responsible for carrying out the remedial actions will report in writing, no less than weekly to their immediate Supervisor and Superintendent of Health, Safety & Environment on the status of the remedial action. When the remedial action is completed and verified, the copies of all documentation will be forwarded to the Superintendent of Health, Safety & Environment and kept on file for internal audit purposes.

On site is a copy of the Health and Safety Guidelines that includes the proper technique for reporting of incidents.

3.4.1. Accident Location Preservation

Plata Panamericana management requires that: “In the event of a serious accident, nothing must be removed from or changed at the accident location before a safety representative has given clearance to do so, except where necessary to facilitate rescue operations or to prevent further injury.”

4.0 Health and Safety Under Working Conditions

4.1. Compressed Air

The following rules should be followed when working with compressed air:

- Hose couplings (twist fittings) are to be secured against dislodgment.
- Check hoses regularly for cuts or bulges.
- Hose to fitting connections are to be completed with adjustable clamps.
- Never use compressed air to clean debris from your or other person’s body. Air under pressure can enter the blood stream through the skin and cause death.
- Workers using compressed air to clean surfaces are to wear eye and ear protection and ensure other workers are away from the operation and fallout area.
- Compressed air should not be used for in-line breathing apparatus, unless the equipment provides for filtering/purifying.

4.2. Compressed Gas Cylinders

The following rules should be followed when working with compressed gas cylinders:

- Cylinders must be secured at all times to prevent them from falling over.
- Cylinders must not be allowed to drop or bump together during transport.
- Cylinders must not be hoisted by slings or magnets.
- Cylinders must stand in a vertical position.
- Cylinders must not be placed near excessive heat.
- Sparks, molten metal, electric current or flames must not be allowed to come in contact with cylinders or their attachments.
- Oxygen cylinders and their fittings must not come in contact with grease or oil, including that from hands, gloves or clothing.
- Oxygen must never be used as a substitute for compressed air.
- Valves must be closed and the lines emptied at the end of every shift.

4.3. Confined Spaces

A confined space is any space (open- or closed-topped) that has limited entry and exit openings, insufficient ventilation, contains or may potentially contain a hazardous atmosphere (toxic, flammable, corrosive, irritating or asphyxiating) and is not intended for continuous worker occupancy. Any enclosed space is to be considered a confined space until necessary monitoring and assessment procedures are completed and documented. The following rules should be followed when entering a confined space:

- Entry into confined spaces requires Supervisor's approval.
- A written procedure for the work must be developed and followed.
- The confined space atmosphere must be monitored prior to and during the work.
- The location must be labeled as a hazardous location.
- The confined space must be purged and ventilated if required.
- If a worker is down in the space, do not attempt a rescue without proper protective equipment, procedures, and assistance!
- It is imperative that regulations for confined space entry be reviewed and compiled with prior to commencing the work.

4.4. Electrical Safety

The following rules should be followed concerning electrical safety:

- All temporary wiring must be installed and maintained in accordance with applicable codes.
- Temporary electrical cords are to be kept clear of locations where they may be subjected to damage or present tripping hazards.
- Splices in electrical cords must retain the mechanical, water penetration and electrical strength of the original.
- Energized wiring in junction boxes, circuit breaker panels, etc., must be protected from accidental contact whenever it is left unattended.
- Temporary lighting lamps that are broken or burned out are to be replaced as soon as possible. Bulbs must not be removed from other areas to provide lighting.
- Avoid working on any circuits when standing on metal or in water.
- Avoid having electrical cable or connections in water.
- UNDER NO CIRCUMSTANCES SHALL WORKERS (OTHER THAN QUALIFIED, PROPERLY INSTRUCTED WORKERS WORKING IN AN EMERGENCY SITUATION) WORK, MATERIALS BE STACKED, SCAFFOLDS BE ERECTED, OR TOOLS AND EQUIPMENT BE OPERATED IN PROXIMITY TO POWER LINES WITHIN THE LIMITS OF APPROACH SPECIFIED IN TABLE 1.

Table 1. Power Line Working Distances

VOLTAGE	MINIMUM DISTANCE
751V to 75kV	3 meters (10 feet)
Over 75kV to 250kV	4.6 meters (15 feet)
Over 250kV to 550kV	6.1 meters (20 feet)

Sufficient distance shall be added to the specified distance to prevent unplanned or accidental movements bringing the worker, tools, equipment or material within the specified distance. The specified distance used, applies to all parts of the equipment, including booms, hoisting cables and any part of the load being raised. Distances shall be increased to provide for any change in boom angle, swing of the hoisting cable and the load while it is being raised, lowered or removed laterally, to ensure that safe distance is maintained at all times.

When power lines are encountered within a work area, alert your immediate Supervisor. The Supervisor will ascertain the voltage and minimum distance required.

4.5. Fall Protection

The following guidelines should be followed when working in areas where there is a fall danger:

- Workers must have their immediate Supervisor's permission to bypass guardrails or barriers erected to prevent them from entering areas where there is a falling hazard.
- In situations where it is necessary to temporarily bypass guardrails or barriers, workers must use lifeline, lanyard, and safety belt or harness, or job-specific procedures to prevent them from falling.
- In situations where fall-restraint equipment is inadequate for fall protection, workers must wear fall-arresting equipment.
- A fall protection system must be used wherever there is a fall hazard of 3 meters (10 feet) or more, or where a fall from a lesser height presents an exceptional hazard or injury. Acceptable fall protection includes the use of guardrails, personal fall protection systems, other protection systems.
- Consult with your immediate Supervisor prior to entering areas that appear to be unlikely to support the additional load of workers, equipment, or materials.
- Workers must not walk upon the structural members that have shear connectors, dowels, or other protrusions until unobstructed walkways or runways have been provided.

4.6. Fire Protection and Prevention

The following information related to fire protection and prevention:

NOTE: ABC extinguishers will handle all construction-related fires.

- If a fire occurs, try to extinguish it, if necessary summoning the assistance of fellow workers. If there is any indication that the fire will not be able to be extinguished simply, then an alarm must be raised and evacuation procedures implemented.
- Any workers assigned to firefighting duties must be trained in firefighting procedures.
- The worker who first reported the fire must inform their immediate Supervisor of the circumstances of the fire.
- Fire equipment must always be kept accessible and in good working condition. It must be inspected annually, or as required by fire regulations. Tampering with fire protection equipment is a serious offense and will result in immediate dismissal.

4.6.1. Flammable Liquids

- Flammable liquids must be stored in designated storage areas, away from sources of ignition and the direct sun.
- When not in use, containers must be kept tightly closed to prevent hazardous vapor loss.

- When flammable liquids are used or stored inside a building, approved safety containers are to be used.
- The fuel tanks of mobile equipment must not be filled while:
 - The engine is running;
 - Anyone is smoking in or around the vehicle; and,
 - There is any known source of ignition in the immediate area.
- Volatile or flammable materials must not be carried on a vehicle transporting workers unless such materials are carried:
 - In an isolated compartment accessible only from the outside; or,
 - In an inside compartment separated from all persons by a firewall.
- Gasoline and other flammable liquids may only be transferred from one container to another if steps to prevent static electricity accumulation have been implemented. Static electricity may be controlled through the use of container contact or grounding.
- Gasoline dispensing from storage containers by means of an approved pump or gravity, must be accomplished utilizing hoses and fittings approved for that purpose.
- Gasoline must not be used to start fires.
- Keep fuel off clothing and promptly remove clothing that has been soaked with a flammable liquid.

4.7. Forklifts

Forklift operators are to follow all applicable Vehicle and Mobile Equipment safety rules. In addition, the following rules apply specifically to forklift operation:

- Materials and equipment are to be loaded on the forklift in a manner that prevents any movement of the load that could create a hazard to workers.
- All loads that could be subjected to shifting during transportation are to be restrained if such shifting would result in the forklift becoming unstable.
- Carry loads as low as possible.
- Must drive with arms, head or legs inside the confines of the forklift.
- Any operator who cannot clearly see the load or off-load points and the full path of travel must use a signal person (see Obstructed Vision).
- Sound horn and slow down when approaching pedestrians, ramps and other forklifts or vehicles.
- Forklifts used in enclosed spaces must be shut down when not in use, to minimize emissions into the work area.
- Must not exceed the load capacity of the forklift.
- When shutting a forklift down, level and lower the forks, apply the parking brake and put the controls in neutral.
- Do not elevate anyone on the forks unless they are in a registered man cage that is secured to the forklift.

- This is not a passenger vehicle.

4.8. Grinders

The following rules apply to the use of grinding devices:

- Only authorized persons shall operate grinders.
- Always wear eye and hearing protection when operating a grinder.
- Must confine long hair, loose clothing, and remove jewelry.
- Operators shall ensure that all guards are in place and operational. If a spark guard is installed, adjust it to the correct place.
- Check to ensure that blotters and wheel flanges have been used on the wheels onto the shaft.
- Adjust and tighten the tool rest to within 3 mm (1/8") from the wheel.
- Inspect the wheels to ensure they have a speed rating greater than or equal to the grinder's speed rating and that they are in good condition. Cracked or chipped wheels must be replaced.
- Do not stand in line with the wheel when starting the grinder.
- Do not use the side of the wheel when grinding; use the face only.
- Use pliers or a vice grip to hold small items.
- If the wheel vibrates, dress it (on the face only), replace it or replace the shaft bearings if they are worn.
- Allow the object you were grinding to cool before handling it.
- Unplug or lock-out the grinder before doing repairs.
- Never leave a grinder unattended while the wheel is turning.

4.9. Hand Tools

The following rules apply to the use of hand tools:

- Do not use tools for jobs are not intended for.
- Do not apply excessive pressure on tools.
- Carry sharp or pointed tools in a heavy belt or apron rather than pockets, and hang tools at your sides, not behind your back.
- Carry tools in a manner that does not interfere with using both hands when climbing a ladder or a structure.
- Wear appropriate personal protective equipment (safety glasses, gloves, etc.)
- Maintain tools carefully, keep them clean and dry, and store them properly after use.
- Inspect tools for defects prior to use.
- Replace cracked and broken handles on files, hammers, sledges and screwdrivers.

- Re-dress burred or mushroomed heads of tools such as chisels.
- Exercise extreme caution when using tools near live electrical circuits. Do not use cushion grip handles as a replacement for insulated handles.
- Pull on wrenches and pliers. Never push unless you are using an open hand.
- Face adjustable wrenches forward, and turn wrench so pressure is against permanent jaw.
- Do not increase leverage by adding sleeves to increase tool length.
- Do not cut or chip towards yourself when using cutting tools or chisels.
- Do not re-dress, grind, weld or heat-treat hammer heads.
- Do not use one hammer to strike another.

4.10. Housekeeping

The following rules apply to general housekeeping:

- Work areas must be kept clean and free from obstructions at all times. Tools, waste and other materials cluttering the area can be hazards.
- Workers must help to keep project roads, walks and yard areas clean by depositing refuse in designated containers or locations.
- Materials, tools and equipment must not impede access or egress routes.
- All materials must be staked and secured to prevent sliding, falling or collapse. Pipe, conduit, and bar stock should be stored in racks or stacked and blocked to prevent movement.

4.11. Chemical Impairment

The following rules apply to any worker deemed to be under the influence of drugs or alcohol while on the project site:

- Any worker deemed unfit to perform their assigned duties safely, by reason of influence of drugs (prescription or otherwise) or alcohol, will be subject to dismissal.
- Any worker deemed unfit to perform their assigned duties safely, by reason of influence of medication, may be subject to reassignment to a less hazardous job. Any worker under the influence of medication that may affect their ability to perform their duties safely may request reassignment to a less hazardous job.
- Consumption of alcoholic beverages within work areas is forbidden and will result in dismissal.
- Consumption or possession of illegal drugs within work areas is forbidden and will result in dismissal.

4.12. Ladders

The following rules apply to the use of ladders:

- Ladders must be inspected for defects prior to use. Ladders with broken rungs, split rails, worn or broken safety feet, frayed or damaged ropes must be taken out of service and reported to your immediate Supervisor.
- Working from the top two rungs or steps of a ladder is prohibited unless permitted by the ladder manufacturer's specifications.
- Ladders used for ascending or descending from one level to another must extend at least 1 meter (3 feet) above the upper landing except where the is restricted clearance and the ladder is adequately secured.
- Metal ladders must not be used near energized electrical equipment unless permitted by manufacturer's specifications.
- Ladders used in locations where they may be struck by workers or equipment in the area, must have a watcher stationed at the bottom. Ladders must not be left standing in such a location when not in use.
- Ladders used in corridors, stairwells or aisles must be barricaded.
- Doorways must be blocked, locked or guarded against while ladders are used in front of them.
- Ladders in use must be tied off to prevent movement.
- Workers on ladders must use suitable hoisting equipment to lift or lower heavy or bulky items.
- Do not over-reach while working from a ladder.
- Ladders are to be used by one person at a time, unless on opposite halves of a gang ladder.
- Do not use ladders in a horizontal position, as components of runways

4.13. Lock-outs

The following guidelines apply to lock-out of equipment:

- Understand the equipment and be aware of its potential hazards. If you require more information confer with your immediate Supervisor.
- A proper lockout device must be used when performing maintenance or repair work on air, electric, hydraulic or steam-driven equipment.
- Installation, maintenance and repair work on machinery, equipment or hazardous energy sources must not be performed unless there is no hazard to workers while doing the work.
- Where it is essential that machinery or equipment remain in operation, only those parts of the machine or equipment that must remain in operation shall be operating. All other parts, which can present a hazard, must be locked-out.

- Work other than that described in item 3 above must not begin until all isolating devices have been secured in the OFF or STOP position by the use of locks.
- The first worker applying a lock in the lock-out procedure must ensure that the locked-out equipment cannot be operated and has been tagged. If more than one worker is assigned to a task, each worker must place their own lock and tag on the isolating devices.
- Installation, maintenance and repair work on machinery and equipment must not begin until all parts, extensions and attachments have been secured against inadvertent movement and stored energy has been released.
- Any locks used in lock-out procedures must be marked to identify the worker whose lock it is and be operable only by worker's key.
- Only the person identified on the lock must remove lock-out locks. Unauthorized removal of another person's lock will result in disciplinary action.
- Master keys must only be used to remove lock-out locks in emergencies, and only under the guidance of a worksite supervisor. When master keys are used to remove locks, a report must be completed and sent to the Superintendent of Health, Safety & Environment and the Contractor's office. The report should indicate the date, location, supervisor and a brief description of the circumstances of the emergency.
- In the event that the work is not completed before the shift ends, workers coming on shift must place their own locks on all isolating devices before the workers coming off shift remove their locks.

4.14. Manual Handling and Lifting of Materials

- Do not attempt to lift or move objects that are obviously too heavy or bulky for one or which require getting into an awkward position. Get assistance.
- Ensure you have a firm grip on the object before lifting it, and ensure your hands and bodies are in the clear.
- Watch out for splinters, nails, and sharp ends when handling objects. If possible, these should be removed from the object.
- Ensure that you have a clear view of your route when carrying materials.
- When lifting:
 - Keep your back as nearly upright as possible;
 - Use leg muscles instead of back or stomach muscles; and,
 - Avoid twisting motions.

4.15. Obstructed Vision

When a vehicle or equipment operator's vision is obstructed, the unit should not be moved until suitable precautions have been taken to protect the operator and any other workers from possible injury. Precautions include:

- Inspection, on foot, of the area into which the equipment will be moved;
- Direction by a signal person stationed in a safe position in continuous view of the operator and having an unobstructed view of the area into which the equipment will move;
- Direction by traffic control or warning system; and,
- When reversing, the repeated sounding of an audible warning device while the equipment is in motion.

4.16. Personal Protective Equipment

The following guidelines apply to personal protective equipment:

- Certified hard hats with properly adjusted suspensions must be worn on worksites.
- Workers must wear non-conductive hard hats.
- Workers wearing contact lenses must inform their immediate Supervisor so that the lenses can be removed in case of an accident.
- Workers must not wear contact lenses where gases, vapors, flying objects, dust or other materials are present that may harm the eyes or be absorbed by the lenses.
- Workers must wear appropriate eye protection all the times on the site.
- Workers must wear safety goggles over non-safety prescription glasses where an eye hazard exists.
- Workers must wear protective equipment when handling materials likely to puncture, abrade or irritate the skin.
- Workers must wear appropriate footwear and ensure that is in a condition to provide the required protection.
- Hearing protection must be selected, maintained and worn in accordance with Health and Safety Guidelines.
- Workers must use additional protective equipment such as fall-arresting equipment, respiratory protection, aprons, etc. as the work requires it.

4.17. Rigging and Hoisting

The following guidelines apply:

- Rigging and slinging work may only be done by or under the supervision of qualified and authorized persons.
- The weight of the load must be determined to select the proper ropes, chains, slings and fittings. The load imposed on the lifting materials must not exceed the manufacturer's recommended safe working load.
- A professional engineer must determine safe working load if a manufacturer's specification is not available.
- Cable clips, shackle pins, heel pins, wedge sockets, anchors, sheaves and slings must be visually inspected prior to use.
- Do not hoist with C-clamps. Use specialized lifting clamps.
- Sharp edges and corners of the materials being rigged must be softened to prevent damage to the choker. Cable strength is drastically reduced where it passes over sharp edges or corners.
- Softeners must be used to prevent slippage and material damage.
- Tag lines must be used when flying windsail or awkward loads.
- Material or equipment rigging must not be rigged from unsound structural points.
- Sling must be used handled and stored in a manner that ensures they will not be damaged.
- Operators are to avoid swinging loads over workers. Workers are to be alerted to overhead loads and avoid being under them.
- Booms should never be subjected to side loads. Load lines are to be directly over the load.
- Frayed or damaged slings are to be removed from service.
- Safety latches must be installed on all hooks designed to accommodate same.
- Makeshift fittings, including those of reinforcing steel are not to be used for load-bearing purposes.
- Spreader bars and similar lifting devices must be engineered and clearly marked with their safe working load.
- Shackle pins are to be secured to prevent dislodgment.

4.18. Scaffolding

The following guidelines apply:

- Inspect all the parts of the scaffold before and regularly during use. Do not use damaged or heavily rusted equipment; its strength in this condition is not known. If in doubt, do not use.

- Scaffolds may only be erected or dismantled by or under the direction of qualified persons.
- When grade conditions are uneven, use adjusting screws rather than blocking to achieve a level surface (height adjustment devices must not be extend more than 2/3 of their total length or 61 cm (24”), which is less).
- Do not force the brace to fit. Instead, plumb and leveled the scaffold during erection which will make fitting easier.
- It is recommended that scaffold frames and components manufactured by different companies not be intermixed.
- Locking devices (stud and wingnut locks, sliding locks and gravity locks) should be inspected regularly.
- Freestanding scaffolding must be restrained from tipping when the height exceeds 3 times the minimum base dimensions.
- Open ends and sides of scaffold platforms must be provided with upper guardrails, mid rails and toe boards where there is a drop of 3 meters (10 feet) or more.
- Do not use ladder or other devices on top of scaffolds to increase the working height.
- Remove snow and ice from the scaffold before work is begun.
- Do not keep more material than what is required for a day’s work on the scaffold and never exceed the load capacity.
- Remove all lightweight materials at the end of the work period so that they will not blow off should a storm develop.
- Distribute scaffold loads as evenly as possible rather than concentrating them at any one point on the scaffold.
- Do not throw or drop objects from the scaffold. Use a hand line to raise or lower them.
- A work platform must consist of lumber or manufactured scaffold planks placed side by side to provide a work surface with a minimum nominal width of 50 cm (20 inches).

4.19. Signs, Tags and Tape

The following guidelines apply:

- Direction or warning signs, tags or tape must be placed where there is an immediate or potential hazard.
- The only persons authorized to remove an accident prevention sign, tag or tape is the person who placed it or a designate as assigned by Supervisor. Signs, tags or tape must be removed when their purpose is done.

4.20. Trenching, Shoring and Excavations

The following guidelines apply:

- Excavation work must be carried out in accordance with the specifications and requirements of a registered professional engineer.
- The location of underground utility services must be accurately determined before starting excavation work.
- Do not probe with pointed tools to find underground electrical.
- Excavation work close to a utility must be undertaken in conformity with applicable provincial and federal regulations and with the requirements of the owner of the service.
- Workers must not enter any excavation more than 1.2 meters (4 feet) deep unless:
 - The sides of the excavation are sloped to a safe angle as specified in the regulations or in accordance with the written instructions of a professional engineer; or,
 - The sides have been supported by the use of sheet piling or shoring and bracing meeting the standards set out or by a manufactured trench box; or,
 - The workers are protected by other acceptable means.
- Sloping of the sides of excavations may be done instead of shoring only where workers have protection equivalent to that provided by shoring. Materials such as rocks or stumps are to be removed from slopes where there is a danger that they may become dislodged.
- Trench support system must be inspected daily and maintained in effective condition. Manufacturer's instructions are to be kept with the physical system.
- Shoring uprights must extend from at least 30 cm (12") above ground level to within 60 cm (2 feet) from the bottom of the trench. Exception: Shoring extensions are not required where traffic-crossing plates are to be used provided that measures are taken to prevent material from falling into the excavation.
- The work procedures for installation or removal of shoring must ensure that workers are not exposed to undue risk. In general, shoring must be installed from the top down and removed in reverse order.
- When workers are required to enter excavations more than 1.2 meters (4 feet) deep, a ladder extending from the bottom to 0.9 meters (3 feet) above ground level must be provided within 7.5 meters (25 feet) of the work area.
- Excavated material must be kept back a minimum distance of 60 cm (2 feet) from the edge of the trench and 1.22 meters (4 feet) from the edge of any other excavation.
- Water must not be allowed to accumulate in excavations where it may affect the excavation's stability or endanger workers.
- Where dump trucks or like vehicles are backfilling from the excavation edge, wheel stops or a spotter are to be used.

4.21. Vehicles and Mobile Equipment

The following guidelines apply:

- All drivers of vehicles and mobile equipment must possess the appropriate driver's license.
- Every worker required to operate vehicles or mobile equipment must have read the applicable safety rules
- Workers must not operate company vehicles while impaired (e.g., alcohol, fatigue, sickness or drugs).
- Seatbelts are to be worn by drivers and passengers.
- Operators are to use running lamps or illuminated headlamps during daytime hours.
- Workers must not operate equipment unless they have been adequately instructed in the safe use of the equipment at Mina La Colorada, have demonstrated to the satisfaction of the Superintendent of Health, Safety & Environment, or a Supervisor within their work areas that they are competent to operate the equipment. This rule does not apply when a trainee is operating the equipment under the direct supervision of an authorized instructor.
- The mobile equipment operator is the only worker allowed riding the equipment, unless seats or other safe facilities for other workers are provided and used. No person may be on any part of powered mobile equipment not intended for operator or passenger transport while the equipment is in motion.
- Operators of mobile equipment or vehicles are responsible for the safe operation of the equipment, and must comply with all laws and rules regarding the operation of the equipment.
- Vehicles and powered mobile equipment must be driven and operated at safe speeds with due regard for the weather, road and traffic conditions.
- When an operator has reason to believe that the equipment or the load is hazardous, the operator must report it to the Supervisor and is not to move the equipment or load unless authorized to do so.
- Operators must obey all signs governing the movement, operation or packing of vehicles on any worksite, public or private road.
- Workers must not get on or off a moving vehicle except in an emergency.
- Operators must not leave the controls unless the equipment or vehicle has been secured against movement by setting parking brakes and transmission locks, lowering any blades, buckets or forks to the ground and chocking wheels where necessary.
- Operators must keep the cab, floor or deck of mobile equipment free of materials, tools or other objects that could interfere with the operation of controls or interfere with entering or existing the vehicle.
- Tools and equipment carried in any part of a vehicle or piece of mobile equipment where workers are riding must be placed or secured to prevent injury to workers.

- Mobile equipment used for lifting or hoisting must not be operated if the load exceeds the safe working load.
- Where the equipment operator's vision is obstructed and the motion is in reverse, an audible warning device is required.
- Workers must not ride with any part of their bodies outside the vehicle or equipment.
- Do not jump on or off a vehicle or equipment.
- Check loads periodically for condition of blockings, hold-downs, lashings and clearance signals.
- Truck drivers are to remain in the truck while waiting their turn to be loaded.
- Persons, other than the truck operator, should stand well clear of loading operations.
- Trucks should be spotted in a position so that the loading machine does not swing over the cab.
- Truck drivers and other operators of equipment must not drive into the swing radius area of cranes, excavators or shovels unless a procedure is established.
- Truck drivers are to leave the loading position only upon receiving the signal to do so.
- Rocking the truck to loosen a load is dangerous and should be avoided.
- No person shall enter the raised box of a truck unless it is safety blocked up from the frame of the truck by a heavy timber or other safety device.
- Suspended loads must not be left unattended.
- Activities by the operator that could cause a loss of attention or otherwise interfere with the safe operation of the vehicle such as the use of a cellular phone, map reading, etc., should be done when the vehicle has been safely stopped off the traveled portion of the road.

4.22. Vehicle Breakdowns and Accidents

The following guidelines apply:

- If a vehicle breaks down, operators must get the vehicle off and away from traveled portion of the road if possible. If they can't, then they must:
 - Activate vehicle emergency flashers;
 - All breakdowns are to be immediately reported to the Supervisor.

5.0 First Aid Requirements

The following guidelines apply:

- Plata Panamericana and each site Contractor are required to provide and maintain a first aid program for the purpose of minimizing the effects of job-related injuries and illnesses.
- First aid services, supplies and equipment must be made available to workers during working hours. In addition, the Superintendent of Health, Safety & Environment, as well as each Contractor must ensure that workers receive instruction in the procedure for summoning first aid and reporting injuries.
- Employees who sustain a work-related injury or illness, regardless of seriousness, must immediately report it to their immediate Supervisor.

6.0 Chemical Hygiene Plan

The following guidelines apply:

- A chemical hygiene plan (CHP) has been created that sets forth procedures, equipment, personal protective equipment, and work practices that are capable of protecting employees from the health hazards presented by hazardous chemicals used in the workplace. Components of the CHP include standard operating procedures for safety and health, criteria for implementation of control measures, measures to ensure proper operation of engineering controls, provisions for training and information dissemination, permitting requirements, provisions for medical consultation, designation of responsible persons and identification of particularly hazardous substances.
- To ensure the safety of all plant and laboratory employees, and maintain a safe working environment, all personnel handling chemicals or reagents must know and follow the procedures outlined in this plan. All operations performed in these areas must be completed in accordance with the enclosed procedures. In addition, all employees are expected to develop safe, personal chemical hygiene habits, aimed at the reduction of chemical exposure to themselves and co-workers.

This policy applies to all persons trained and authorized to work in the Mina La Colorada plant and laboratories. These individuals must be trained after assignment to these work areas and then on an annual basis. The CHP will be updated/reviewed on an annual basis to ensure that the provisions and procedures described are consistent with the proper requirements and standards. The Superintendent of Health, Safety & Environment in conjunction with the Plant and Warehouse Supervisors is responsible for maintaining this standard.

The following sections describe the Standard Operating Procedures for Mina La Colorada.

6.1. Chemical and Reagent Procurement

The decision to purchase a chemical or reagent shall be considered a commitment by Plata Panamericana to handle, store, and use the chemicals properly from initial receipt to ultimate disposal.

Requests for procurement of new chemicals or reagents shall be submitted to the Supervisor of the Warehouse. Information on proper handling, storage, and disposal shall be known to all involved personnel prior to the procurement of the chemicals. Chemicals utilized in the plant and laboratory shall be those that are appropriate for the ventilation installed.

6.2. Chemical and Reagent Storage

- All shipments must be dated when received and opened. Large glass containers shall be placed in carrying containers or shipping containers during transportation.
- The storage area will be well illuminated. Chemical and reagent storage will be maintained below eye-level to the extent practically possible. Within the laboratory, large bottles shall be stored no more than two feet from ground level.
- Chemicals and reagents shall be segregated by hazard classification and compatibility in a well-identified area, with adequate local ventilation.
- Mineral acids will be separated from flammable and combustible materials by as much space as practical.
- Acid-resistant trays shall be placed under bottles of mineral acid.
- Acid-sensitive materials such as sulphides shall be separated from acids or protected from contact with acids.
- Highly toxic chemicals or other chemicals whose containers have been opened shall be stored in unbreakable secondary containers.
- The storage area shall not be used as a preparation or repackaging area. The storage area shall be accessible during normal working hours, but will otherwise be secure.
- Storage of chemicals at the lab bench or other work areas shall be limited to those amounts necessary for one operation or shift. The container size shall be the minimum size that is convenient for work. The amount of chemicals at the lab bench shall be as small as possible.
- Chemicals in the workplace shall not be exposed to sunlight or heat.
- Stored chemicals and reagents shall be examined at least annually by the Supervisor of the Warehouse or the Plant Superintendent respectively for

replacement, deterioration, and container integrity. The inspection should determine whether any corrosion, deterioration, or damage has occurred to the storage facility as a result of leaking chemicals.

- Periodic inventories of chemicals outside the storage area shall be conducted by the Supervisor of the Warehouse. Unneeded items shall be properly discarded or returned to the storage area.

6.3. Chemical and Reagent Handling

Each laboratory and plant employee with training, education, and resources provided by the Superintendent of Health, Safety & Environment in conjunction with the Plant Superintendent shall develop and implement work habits consistent with this CHP to minimize personal and co-worker exposure to the chemicals in the plant or laboratory. Based on the realization that all chemicals and reagents are dangerous under certain conditions, exposure will be minimized. General precautions that will be followed for the handling and use of the chemicals and reagents are:

- Skin contact with the chemicals and reagents should be avoided;
- All employees shall wash all areas of exposed skin prior to leaving the laboratory or industrial area;
- Eating, drinking, smoking, gum, tobacco, or the application of cosmetics in the areas where laboratory chemicals are present will be avoided; all such areas will have a sign clearly posted;
- Storage, handling, and consumption of food or beverages shall not occur in storage areas or refrigerators or with glassware/utensils that are also used for laboratory operations;
- Any chemical mixture shall be considered as toxic as its most toxic component;
- Substances of unknown toxicity shall be assumed to be toxic;
- Plant and laboratory employees shall be familiar with symptoms of exposure for chemicals and reagents with which they work and the precautions necessary to prevent exposure;
- The intent and procedures of this Chemical Hygiene Plan shall be continuously adhered to;
- In all cases of chemical exposure, neither the Mexican Standards or World Bank Guidelines shall be exceeded;
- Engineering controls in the plant and laboratory shall be utilized and inspected in accordance with manufacturer's recommendations;
- Specific precautions based on the toxicological characteristics of individual chemicals and reagents shall be implemented as deemed necessary by the Superintendent of Health, Safety & Environment in conjunction with the Plant Superintendent.

6.4. Chemical Equipment and Glassware

Each employee shall keep the work area clean and uncluttered. All chemicals, reagents and equipment shall be properly labeled in accordance with internationally acceptable standards. At the end of each day of operations, the work area shall be thoroughly cleaned and all equipment properly cleaned and stored. In addition, the following procedures shall apply to the use of laboratory equipment:

- All laboratory equipment shall be used only for its intended purpose;
- All glassware will be handled and stored with care to minimize breakage;
- All broken glassware will be immediately disposed of in an appropriate manner;
- Labels should be attached to all chemical and reagent containers identifying the contents and related hazards;
- All laboratory equipment will be inspected on a periodic basis and replaced or repaired as necessary.

6.5. Personal Protective Equipment

The following equipment requirements apply to the plant and laboratory:

- Safety glasses with side shields are required for all employees and visitors in the laboratory and will be worn at all times;
- Contact lenses are prohibited in the laboratory;
- Chemical goggles and/or full-face shield shall be worn during chemical transfer and handling operations whenever dealing with acids or caustics;
- Sandals and bare feet are prohibited in the laboratory and plant;
- Never pipette by mouth;
- Laboratory coats and outwear shall be removed immediately upon discovery of significant contamination;
- Appropriate chemical-resistant gloves shall be worn at all times when there may be skin contact with chemicals. Used rubber gloves shall be inspected and washed prior to reuse. Damaged or deteriorated gloves will be immediately replaced. Gloves will be washed prior to removal from the hands.
- Thermal-resistant gloves shall be worn for operations involving the handling of heated materials and exothermic reaction vessels. Thermal resistant gloves shall be non-asbestos and shall be replaced when damaged or deteriorated.

6.6. Personal Work Practices

The following equipment requirements apply to the plant and laboratory:

- Laboratory and plant supervision must ensure that each employee knows and follows the rules and procedures established in this plan;
- All employees will immediately report any negligent practices and/or conditions to their Supervisor. The Chemical Hygiene Officer must correct unsafe practices and/or conditions promptly;
- Long hair and loose-fitting clothing shall be confined close to the body to avoid being caught in moving machine/equipment parts;
- Do not smell or taste any chemicals.

6.7. Labeling

The following equipment requirements apply to the plant and laboratory:

- All containers in the laboratory and plant shall be labeled. This includes chemical containers and waste containers. The labeling shall be informative and durable, and at a minimum will identify contents, source, and date of acquisition, storage location, and indication of hazard.
- Portable containers shall be labeled.
- The labeling program will be periodically inspected by the Chemical Hygiene Officer (see section 6.13) to ensure that labels have not been defaced or removed.

6.8. Housekeeping

- Each laboratory and plant worker is responsible for the cleanliness of his or her workspace, and jointly responsible for common areas of the plant and laboratory. Plant and laboratory management shall insist on the maintenance of housekeeping standards;
- All spills on lab benches shall be immediately cleaned and properly disposed of. Large spills may necessitate the implementation of the Emergency Response Plan;
- The lab benches shall be kept clear of equipment and chemicals except for those chemicals/equipment that are currently being used;
- All floors, aisles, exits, fire-extinguishing equipment, eyewashes, showers, electrical disconnects and other emergency equipment shall remain unobstructed;
- All labels should face the front;

- Chemical containers should be clean, properly labeled and returned to storage upon completion of usage;
- All chemical wastes will be disposed of in accordance with the waste disposal plan, Mexican Law, and World Bank Guidelines.

6.9. Safety and Emergency Equipment

- Telephone numbers of emergency personnel, Supervisors, and other workers as deemed appropriate must be posted in the work area in plain sight;
- All laboratory and plant personnel will be trained in the proper use of fire extinguishers when hired and annually thereafter. Prior to the procurement of new chemicals, the Chemical Hygiene Officer will verify that extinguishers and other emergency equipment are appropriate for such chemicals;
- Any employee who might be exposed to chemical splashes shall be instructed in the location and proper usage of emergency showers and eyewashes. Emergency showers shall be inspected weekly by the Head of the Laboratory or his/her designee. Records shall be maintained with daily work area inspections;
- Location signs for safety and emergency equipment must be posted.

6.10. Engineering Controls

The engineering controls installed in the laboratory and plant are intended to minimize employee exposure to chemical and physical hazards in the workplace. These controls must be maintained in proper working order. No modifications of engineering controls will occur unless testing indicates that proper worker protection will be maintained. If it is determined that the engineering controls are not properly functioning, the system will be taken out of service immediately and the Plant and Health, Safety Environment Superintendents should be notified.

6.11. Employee Information and Training

All employees will be apprised of the hazards presented by the chemicals in use in the laboratory and plant. Each employee shall receive training at the time of initial assignment to the laboratory or plant, prior to assignments involving new exposure situations, and annually thereafter.

This training shall include methods of detecting the presence of a hazardous chemical, physical and health hazards of chemicals in the laboratory and plant, and measures employees can take to protect themselves from those hazards. The training shall present the details of this plan and include:

- Location of this plan;
- Permissible exposure limits;
- Signs and symptoms associated with exposure to chemicals present in the plant and laboratory; and,
- Location and availability of reference materials on chemicals.

This training will be conducted by the Superintendent of Health, Safety & Environment or a designee.

6.12. Medical Consultations and Examinations

An opportunity to receive medical attention is available to all employees who work with hazardous chemicals in the plant or laboratory. The opportunity for medical attention will be made available to employees under the following circumstances:

- Whenever an employee develops signs or symptoms associated with a hazardous chemical to which the employee may have been exposed in the laboratory;
- Monitoring reveals that an exposure may have occurred above allowable exposure levels; and,
- Whenever an event takes place in the laboratory such as a spill, leak, explosion, or other occurrence resulting in the likelihood of a hazardous exposure to the employee.

These medical consultations will be provided without loss of salary to the employee and within a reasonable time frame.

6.13. The Chemical Hygiene Officer

The Superintendent of Health, Safety & Environment in conjunction with the Plant Superintendent and Warehouse Supervisor will act in the capacity of Chemical Hygiene Officer with the following responsibilities:

- Work with management at Mina La Colorada management and other employees to develop and implement appropriate chemical hygiene policies and practice;
- Monitor procurement and use of chemicals in the lab and reagents in the process plant, including determining facilities use and training levels which are appropriate;
- Perform regular chemical hygiene and housekeeping inspections including inspections of emergency equipment;
- Maintain current knowledge on the legal requirements of regulated substances in the laboratory and process plant;

- Review and improve the Chemical Hygiene Plan on an annual basis;
- Maintain overall responsibility for the safety and hygiene of laboratory and plant operations;
- Ensure workers know and follow the chemical hygiene rules;
- Determine the proper level of personal protective equipment;
- Ensuring that protective equipment is in working order;
- Ensuring that the appropriate training is provided to all employees; and,
- Inspections of disposal of hazardous chemicals.

6.14. Record keeping

The following records will be collected by the Superintendent of Health, Safety & Environment in his capacity as Chemical Hygiene Officer:

- Accident reports will be retained for life of project;
- Exposure record for hazardous chemicals will be retained for life of project;
- Medical records for employees exposed to hazardous chemicals will be retained for life of project;
- Inventory and usage records for high-risk substances shall be maintained for 3 years;
- Records of inspections of equipment will be maintained for life of the project; and,
- Records of employee training will be maintained for the life of the project.

6.15. Audits

The Chemical Hygiene Officer will conduct an audit of the Chemical Hygiene Plan each year along with a corporate environmental person. Results will be provided to the General Manager and corporate health, safety and environmental management.

7.0 Transportation Safety Plan

The construction site represents many potential safety hazards, and one of them - traveling to and from Mina la Colorada is a major safety concern. The following guidelines are appropriate:

- All drivers must have experience and knowledge of the road to Mina La Colorada.
- Each vehicle will carry sufficient gas, a spare tire and First Aid Kit.
- Where possible travel should take place in daylight hours

- Personnel traveling will not be under the influence of alcohol, or drinking alcohol during the trip.
- Company-owned or leased vehicles which travel away from the La Colorada mine site will have a two-way radio for emergency contact.

First aid kits should be located in conspicuous place with location clearly marked in the vehicle at all times, are to be used for the immediate response to an emergency to assist in the aid to minor injuries. First aid kit contents should include items such as band-aids, sterile gauze pads, bandages, scissors, antiseptic wipes or ointments, ice pack compresses, tourniquet and a first aid card. All kits should contain examination gloves for response to emergencies in which blood is present.

8.0 Health and Safety Staffing

Health and safety of all workers is considered of paramount importance for all phases of the project from construction through operations. All installations and equipment will be designed and operated to protect the health and safety of all employees. To ensure implementation of the Health and Safety Plan, Plata Panamericana and its Contractor will take the following steps during construction and operations.

During construction and operations, Plata Panamericana will have a Superintendent of Health, Safety & Environment as a full time resident at the mine. The Superintendent will be responsible for ensuring all aspects of the Health and Safety Program are implemented, and that activities comply in all aspects with Mexican laws, regulations and guidelines with respect to Health, Safety and Industrial Hygiene. The Health and Safety Department will report directly to the General Manager and indirectly to Pan American Silver Corp's corporate office in Vancouver. He/she will also ensure that all World Bank Group guidelines on Health and Safety will be followed during construction and operation of the Mina La Colorada project.