SECTION 25: ENVIRONMENTAL AUDITS

25.1 OBJECTIVE
To develop a process for scheduling, planning, and performing environmental audits to provide objective evidence of the implementation and effectiveness of the environmental management plan.

25.2 DEFINITIONS
Environmental Audit: a "systematic, documented verification process of objectively obtaining and evaluating audit evidence to determine whether specified environmental activities, events, conditions, management systems, or information about these matters conform with audit criteria, and communicating the results of the process to the client - ISO14010".

25.3 ACTION ITEMS

25.3.1 Audit Schedule
An annual audit schedule shall be prepared to ensure internal and external environmental audits are conducted. All activities (and procedures) with potential to impact on the environment shall be audited.

The audit schedule will show the:

• scope of the audit (function, department or procedures to be audited),
• planned dates (month) of the audits,
• status of the audit (ie. scheduled, completed, report issued, closed out, etc.).

Audit frequency and degree of scrutiny shall reflect the importance and performance history of the activity and its potential to adversely impact the environment.

25.3.2 Internal Audits
A routine audit will be conducted by the Environmental Coordinator or a designated representative. This is a “walk through” inspection of the site with a documented tick sheet (form HR-2-021).

The findings this inspection is communicated with the Management Team. Non conformance items are acted on within a specific timeframe.

The Heldion Resources Environment System audit will be conducted every three years by either internal company representatives or external auditors.

25.3.3 External Audits
An external environmental audit will be conducted as required based on the scale of Operations. Additional external audits can be conducted at any time deemed necessary by Management.

25.3.4 Selecting Auditors
Audits shall be performed by auditor(s) chosen by the Site Manager on the basis of their qualifications (internal and external personnel).

25.3.5 Planning for Audits
Preparatory planning for audits is the responsibility of the Site Manager. Some guidelines for audit planning including:

• review of relevant procedures, previous audit findings and non-compliance reports,
• preparation of an audit checklist to assist with audit investigations,
• Making arrangements with the auditees to allocate time for the audit.
25.3.6 Conducting the Audit

Internal audits shall be conducted with the primary intention of measuring the Company’s compliance with:

- the environmental management plan, work instructions, policy, etc,
- Requirements of the environmental system standard (ie. AS/NZS ISO 14001); and
- Applicable Statutory or Regulatory requirements.

25.3.7 Corrective Actions and Reporting Audit Results

Auditors will record non-compliances found during an audit on the checksheet and:

- also on an Audit Report or Hazard identification system;
- will assist, where possible to identify a suitable course of corrective action;
- have the Site Manager record planned action and dates in the appropriate section of the Report and obtain a copy for monitoring action progress;
- Submit the copies together with all other audit records to the Site Manager.

25.3.8 Follow-up and Close-out of Audits

The Site Manager being audited (or a nominated employee) must document (on the audit report or attached form) and take action to correct non-compliances found during an audit. The appropriate section of the audit or non-compliance report shall be signed off by the Manager or nominee upon completion of the planned action.

The Safety and Environmental Representative or Auditor will confirm that the corrective action has been taken and has been (or will be) effective in eliminating the root cause of the original non-compliance and if so, will close out the issue by signing the Report.

The Safety and Environmental Representative or Auditor will decide on any further action necessary, including whether the audit Schedule needs to be revised to include a follow-up audit. Details will be recorded in the appropriate section of the audit report. If all non-compliances related to an internal audit have been closed out, the Environmental Coordinator will close out the audit by marking the Audit Schedule accordingly.

25.4 RESPONSIBILITIES

The Safety and Environmental Representative shall:

- Develop the annual environmental audit schedule;
- Select the people to conduct the environmental audits;
- Review and store all audit reports/results;
- Ensure any issues identified during the audits are corrected or controlled through the development of procedures.

25.5 DOCUMENTATION

HR-2-021 - Site Environmental Inspection Form