1. PURPOSE
The purpose of developing, implementing and maintaining the Safety, Health, Environmental and Quality Management System is to ensure that SHEQ performances are conducted and assessed within a structured management system to ensure that the performance not only meets, but shall continue to meet and improve, the OREZONE DRILLING Management System, legal and policy requirements.

2. OBJECTIVE
The objective of this document is to define the SHEQ Management System for the OREZONE DRILLING Operations within Africa and / or where Orezone Drilling operates.

3. SCOPE
This manual is applicable to all OREZONE DRILLING Operations within Africa and / or where Orezone Drilling operates.

4. PROCEDURE
The operations have developed an effective SHEQ management system to assist OREZONE DRILLING to achieve the documented SHEQ Policy as well as SHEQ objectives and goals. The scope of this SHEQ Management System is applicable to all OREZONE DRILLING Operations in Africa related to exploration drilling.

It is OREZONE DRILLING policy to establish and practice a SHEQ Management System which shall comply with all the requirements of ISO 9001, ISO 14001 and OHSAS 18001, Legislation and Client Requirements.

4.1. SHEQ – Management System Description
The SHEQ Management System is implemented, maintained and continuously improved on all the elements of ISO 9001, ISO 14001 and OHSAS 18001 Standards with regards to the Safety, Quality and Environmental requirements which OREZONE DRILLING, as a Group, can control and over which it is expected to have an influence.

The overall implementation and monitoring of the effective application of the SHEQ Management System is done by the Operations Manager in conjunction with the relevant Site Managers and area specific employees. They are assisted by the Group and Site SHEQ Departments with the implementation of the SHEQ Management System. The interaction between processes is depicted within the integrated SHEQ Management System.
4.2 SHEQ Policy

Orezone Drilling has developed, implemented, maintained and continually improves, on a regular basis, a SHEQ Policy, which is aligned to the Group requirements. This SHEQ Policy provides the basis for developing Objectives and Targets to implement, maintain and continually improve on the Operation’s SHEQ Management System.

4.3 PLANNING

4.3.1 SHEQ Hazard/Aspect identification, risk assessment and determining controls

OREZONE DRILLING has a Significant Aspect/Risk Assessment process.

Once the hazards/aspects have been identified and rated, Objectives and Targets are developed to mitigate the identified significant Aspects/Risks to control the potential risks/impacts of the Operation’s activities, processes, and services.

Following the development of Objectives and Targets, a Safety, Health, Environmental and Quality Management Programme is developed to clearly describe the actions that need to be implemented to achieve the objectives and targets to minimise the associated Significant Aspect/Risk.

4.3.2 Legal and other requirements

This Procedure describes the process of identifying applicable Legal and Other Requirements in the various countries within which Orezone Drilling Operates, ensuring awareness and understanding of these legislative and client requirements and updating applicable Legal Requirements.

4.4 Implementation and Operation

The implementation and operation of the SHEQ Management System is in line with the ISO 9001, ISO14001 and OHSAS 18001 standards.

4.4.1. Resources, Roles and Responsibility

The overall responsibility for the SHEQ Management System rests with the Managing Director of OREZONE DRILLING, but he has delegated responsibilities to the Group SHEQ Management Representative and applicable resources at operational level which is responsible to manage, monitor, evaluate and coordinate the SHEQ Management System. Any improvements and/or changes to the system are done in conjunction with the Group SHEQ Management Representative. The Group SHEQ Management Representative shall report to Senior Management on the progress, implementation and continual improvement of the SHEQ Management System.
Managers appointed as Head of Operations and Departments have been given the responsibilities and authority to enable them to contribute to the achievement of the SHEQ management objectives in their operations and departments.

Senior Management shall ensure that all resources are determined and provided in terms of both finance and human resources.

4.4.2 Training, Awareness and Competence
All personnel whose work may interact and can influence the processes and environment that the services that OREZONE DRILLING provide are identified and adequately trained to ensure that they understand the potential risks associated with deviation from procedures and understand the potential impact that such deviation may have on the product/service and environment.

All personnel shall receive the required training to ensure that they are adequate qualified to conduct their jobs and are aware of the potential risks associated with their job function.

The philosophy is to employ the locals as Drill Assistants, utilise Orezone Drilling’s in-house expertise to train the locals and at the same time identify any locals who have the potential to become Drill Operators.

4.4.3 Communication
Communication of the SHEQ Policy, SHEQ hazards/aspects, the SHEQ Management System and client SHEQ Requirements are channelled through the respective induction training, meetings, e-mails and notice boards. All employees working for OREZONE DRILLING operations forms part of the internal communication process.

Relevant communication, regarding SHEQ matters, from and to, external parties are addressed by the suitable level of Management based on the level of communication required. The Management shall consider the process for external communication.

Incidents that could be reported to the client and / or relevant authorities as is required by applicable legislation.

4.4.4 SHEQ Management System Documentation
This procedure describes the interrelation of the core elements of the SHEQ Management System. Related documentation is referred to as the core element. Further reference to recent documentation are addressed in each procedure.

The core elements are the key areas of the SHEQ Management System and are documented through the following procedures and applicable processes:

- SHEQ Management System Manual;
4.4.5 Document Control

The purpose of the documentation and data control system is to ensure that all documentation within the Operation’s SHEQ Management System is formalised, easily identifiable, easily located and that latest issues are available and on record within the SHEQ Management System.

4.4.6 Operational Control

All processes within operations are identified and defined in the SHEQ Management System, Operation’s business overview and departmental or the process system descriptions. The Safe Work Procedures (SWP’s) or plans defined to manage the processes include:

- Activities within the processes
- Identification, assessment and mitigation of risk/impacts (Risk/Aspect Assessment register)
- Corrective and preventative actions (corrective and preventative procedure refers)
- Opportunities and actions for process improvements
- Control of changes to processes, including maintenance

Situations/actions which could lead to the deviation from the SHEQ Policy and objectives and targets are included in the SHEQ Management System as part of the Safe Work Procedures.
Inspections, Planned Task Observations and Non-Conformance Reporting, amongst others, are used as Operational Control Methods.

4.4.7. Emergency Preparedness and Response

SHEQ risks/impacts which could arise from potential emergency situations are, as far as reasonably possible, identified through previous experience in the Orezone Drilling Operation’s Risk/Aspect Assessments.

These emergency situations have been documented and forms part of the Emergency Procedures. Procedures are reviewed after the occurrence of incidents or emergency situations and revised, if required. All personnel are trained on the Emergency Procedures and these Procedures are periodically tested where practicable.

4.5.1 Checking and Corrective Action (Performance Measurement and Monitoring)

Significant Risks/Impacts on the safety and health of employees and on the environment, and other risks identified through the Risk Assessment, surveys or any statutory and regulatory requirements are monitored and measured as described in related Safe Work Procedures (SWP’s).

Objectives and targets progress and status are monitored through the SHEQ management review and other meetings,

Pro-active monitoring of the Operation’s compliance with the SHEQ Management System, Operational criteria and Legal requirements are defined in the system procedures.

Calibration of equipment shall comply with the relevant Monitoring and Measurement Procedure.

4.5.2 Evaluation of Compliance

OREZONE DRILLING operations are committed to ensure that it complies with all applicable SHEQ legislation. Where relevant, the individual Operation’s shall also comply with regulations made by designated government agencies. Operation’s shall further comply with all applicable, legally enforceable policies and guidelines generated by governmental departments responsible for Safety, Health, Environmental and Quality management and control in the specific countries they operate. Other Requirements such as Client Requirements will be adhered too.

Internal Audits and Legal Compliance Evaluations within the SHEQ Management System are conducted.

All legal requirements that require routine checks are identified and integrated in the applicable operation’s Safe Work Procedures. Monitoring and measurements is an integral part of the business environment and results are reported to Senior Management to ensure effectiveness and compliance to legal and other requirements.
Deviations from legal, other requirements and other standards are reported as non-conformances and dealt with as per the Non-conformance, Corrective and Preventive Action Procedure.

### 4.5.3 Incident investigation, nonconformity, corrective action and preventive action

Non-conformances and incidents are managed in accordance with Non-conformance, Corrective and Preventive Action Procedures.

These procedures detail the investigation of the incident, identification of direct and indirect causes, and development of the corrective and preventive actions, and the assignment of responsibility to relevant personnel to implement the actions.

All corrective and preventative actions are monitored by the SHEQ Department and reported to Senior Management to ensure progress and continual improvement of the SHEQ Management System, and importantly to prevent repeat incidents/non-conformances.

### 4.5.4 Control of Records

This procedure is developed to ensure records are identifiable, stored for easy retrieval, protected, adhere to retention periods and disposed of when obsolete as per the Record Control Procedure.

Records are identified that is necessary to demonstrate conformity to the requirements of the ISO 9001, ISO14001 and OHSAS 18001 standards.

Records kept as part of the Operation’s SHEQ include, but are not limited to:

- Operational Control Documents
- Medical records
- Audit records
- Legal documents
- Risk register
- Objectives, Targets and SHEQ Management Plans
- Incident Investigations
- Communication internal and external
- Training Records
- Meeting Minutes etc.
4.5.5 Safety, Health, Environmental and Quality Management System Internal Audits

SHEQ Audits are conducted as per the Internal Audit Procedure and applicable protocol. The results of these audits are reported to Management for corrective and preventive action.

Findings are closed-out as discussed and as per the agreed target dates.

The internal audits shall specifically review the conformity to the SHEQ Management Plan and the implementation and maintenance there off.

Priorities are based on the importance of the activity concerned and the result of the process audits.

Routine audits are undertaken by individual operations.

Where inspections and monitoring highlights problems internal reports are produced.

4.6 Management Review

Management reviews are conducted on an annual basis to ensure continuing effectiveness, suitability, and adequacy and to ensure continual improvement of the SHEQ Management System.