Independent Assurance Report

To the Management of Mitsui Mining & Smelting Co., Ltd.

We were engaged by Mitsui Mining & Smelting Co., Ltd. (the “Company”) to undertake a reasonable assurance engagement of its Mitsui Mining & Smelting LBMA Responsible Gold Guidance and LBMA Responsible Silver Guidance Compliance Report (the “Compliance Report”) for the year ended 31 March 2019. The assurance scope consists of the Company’s Compliance Report.

The Company’s responsibility
The management of the Company is responsible for the preparation and fair presentation of its Compliance Report in accordance with the requirements of the LBMA Responsible Gold Guidance and the LBMA Responsible Silver Guidance (the “Guidance”). This responsibility includes establishing appropriate risk management and internal controls from which the reported information is derived. The criteria identified by the management as relevant for demonstrating compliance with the Guidance are the activities described within the Company’s Compliance Report.

Our responsibility
Our responsibility is to carry out a reasonable assurance engagement in order to express a conclusion based on the work performed. We conducted our assurance engagement in accordance with International Standard on Assurance Engagements ISAE 3000 Assurance Engagements other than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board and the guidance set out in the LBMA Responsible Gold Programme - Third Party Audit Guidance for ISAE 3000 Auditors and the LBMA Responsible Silver Programme - Third Party Audit Guidance for ISAE 3000 Auditors (the “Audit Guidance”).

This report has been prepared for the Company for the purpose of assisting the management in determining whether the Company has complied with the Guidance and for no other purpose. Our assurance report is made solely to the Company in accordance with the terms of our engagement. We do not accept or assume responsibility to anyone other than the Company for our work, or for the conclusions we have reached in the assurance report.

Inherent limitations
Non-financial information, such as that included in the Company’s Compliance Report, is subject to more inherent limitations than financial information, given the more qualitative characteristics of the subject matter and the methods used for determining such information. The methods used by Refiners to comply with the Guidance may differ. It is important to read the Company’s gold and silver supply chain policy available on the Company’s website: http://www.mitsui-kinzoku.co.jp/en/seihin/s_meta_supply/.

Conclusion
In our opinion, the Company’s Compliance Report for the year ended 31 March 2019, in all material respects, describes fairly the activities undertaken during the year to demonstrate compliance, and management’s overall conclusion contained therein is in accordance with the requirements of the Guidance.

Independence, quality control and competency statement
We have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. In accordance with International Standard on Quality Control 1, we maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

In conducting our engagement, we confirm that we satisfy the criteria for assurance providers as set out in the Audit Guidance to carry out the assurance engagement.

KPMG AZSA Sustainability Co., Ltd.

Tokyo, Japan
13 June 2019
Mitsui Mining & Smelting LBMA Responsible Gold Guidance and LBMA Responsible Silver Guidance Compliance Report

The LBMA Responsible Gold Guidance and LBMA Responsible Silver Guidance have been established for Good Delivery Refiners to adopt high standards of due diligence in order to combat systematic or widespread abuses of human rights, to avoid contributing to conflict, to comply with high standards of anti-money laundering and combating terrorist financing practice.

Table 1: Refiner's details

<table>
<thead>
<tr>
<th>Refiner’s name</th>
<th>Mitsui Mining &amp; Smelting Co., Ltd.</th>
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</thead>
<tbody>
<tr>
<td>Location</td>
<td>1-11-1 Osaki, Shinagawa-ku Tokyo 141-8584 Japan</td>
</tr>
<tr>
<td>Reporting year-end</td>
<td>31 March 2019</td>
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<tr>
<td>Date of Report</td>
<td>28 June 2019</td>
</tr>
<tr>
<td>Senior management responsible for this report</td>
<td>Nobuyuki Nakamoto, General Manager, Lead Unit, Metals Sector, Metals &amp; Recycling Division</td>
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</tbody>
</table>

This report summarizes how Mitsui Mining & Smelting has implemented the LBMA Responsible Gold Guidance and LBMA Responsible Silver Guidance.

Mitsui Mining & Smelting’s evaluation

Table 2: Summary of activities undertaken to demonstrate compliance

Step 1: Establish strong company management systems

Compliance Statement with Requirement:
We have fully complied with Step 1: Establish strong management systems.

Has the Refiner adopted a company policy regarding due diligence for supply chains of gold and silver?
We have adopted a strong policy regarding due diligence for supply chains of Gold and Silver Metal.

Comments and Demonstration of Compliance:
In 2018, our Gold Supply Chain Policy was revised into Gold and Silver Supply Chain Policy to accommodate the requirements of the LBMA Responsible Silver Guidance. During the reporting year, we implemented properly our Gold and Silver Supply Chain Policy which is consistent with the model set out in the Annex II of the OECD Due Diligence Guidance. This sets out our commitment to respect human rights, to avoid contributing to conflict over our supply chain and to support efforts to contribute to the effective elimination of money laundering.

Has the Refiner set up an internal management structure to support supply chain due diligence?
Comments and Demonstration of Compliance:
An internal management system was set up and has been implemented since December 2012 to define the governance, roles and responsibilities, internal audit, communication and senior management
review as per the adopted policy. We made changes to the internal management system in October 2018 to broaden the scope to include silver.

The compliance officer is assigned to manage the process, and has a direct line of reporting to the senior management.

Has the Refiner established a strong internal system of due diligence, controls and transparency over gold and silver supply chain, including traceability and identification of other supply chain actors?

Comments and Demonstration of Compliance:
Mitsui Mining & Smelting has a robust receipts process for gold- and silver-bearing materials, and specific documents must be received and transactional details entered before we process the material. Two of our subsidiaries, Kamioka Mining & Smelting and Mitsui Kushikino Mining, which process gold- and silver-bearing materials, have a similarly robust materials receipts process.

Has the Refiner strengthened company engagement with gold and silver supplying counterparties, and where possible, assisted gold and silver supplying counterparties in building due diligence capabilities?

Comments and Demonstration of Compliance:
In fiscal 2018, we sent our Gold and Silver Supply Chain Policy to our new suppliers and asked them to reply back with an acknowledgement.

Has the Refiner established a company-wide communication mechanism to promote broad-based employee participation and risk identification to management?

Comments and Demonstration of Compliance:
Building upon our existing internal reporting system, we have developed and maintained a mechanism allowing employees to voice concerns over gold supply chain risk. In 2018 we revised the mechanism so that external stakeholders are allowed to raise concerns and concerns over silver supply chain risk can also be raised. There was no concern expressed over such risk in fiscal 2018.

Step 2: Identify and assess risks in the supply chain

Compliance Statement with Requirement:
We have fully complied with Step 2: Identify and assess risks in the supply chain.

Does the Refiner have a process to identify risks in the supply chain?

Comments and Demonstration of Compliance:
Mitsui Mining & Smelting, along with Kamioka Mining & Smelting and Mitsui Kushikino Mining, identifies and assesses risks in the supply chain. For every supplier, we have established a client database and allocated a risk profile according to our risk profile criteria. We send a KYC questionnaire to those suppliers that meet our internal risk criteria. This process is a formal requirement before entering any business relationship with a supplier of gold and/or a supplier of materials containing 15% or more of silver by weight. We carry out a risk assessment on materials containing less than 15% of silver by obtaining a letter of consent to our Gold and Silver Supply Chain Policy.

Does the Refiner assess risks in light of the standards of their due diligence system?
Comments and Demonstration of Compliance:
Supply chain due diligence comprising all measures required by the LBMA Responsible Gold Guidance and LBMA Responsible Silver Guidance is performed before entering into a business relationship with a supplier of gold and/or a supplier of materials containing 15% or more of silver by weight. We are to perform enhanced due diligence when we identify higher risk in the supply chain, but we identified no higher risk supplier in fiscal 2018.

We conduct appropriate scrutiny and monitoring of transactions undertaken through the course of the relationship following a risk-oriented approach.

Does the Refiner report risk assessment to the senior management?
Comments and Demonstration of Compliance:
The Compliance officer, based on the results of internal audits and other monitoring activities, reported the results of the implementation of the system to the senior management in April 2019. The senior management retains the ultimate control and responsibility for the gold and silver supply chain.

Step 3: Design and implement a management system to respond to identified risks
Comments and Demonstration of Requirement:
We have fully complied with Step 3: Design and implement a management system to respond to identified risks.

Has the Refiner devised a strategy for risk management of an identified risk by either (i) mitigation of the risk while continuing to trade, (ii) mitigation of the risk while suspending trade or (iii) disengagement from the risk?
Comments and Demonstration of Compliance:
We devised a strategy for risk management of an identified risk. Results of due diligence performed at Mitsui Mining & Smelting, Kamioka Mining & Smelting and Mitsui Kushikino Mining are reported to the compliance officer, who then decides whether to proceed. When we identify higher risk, we report the results of enhanced due diligence to the senior management, who then decides whether to proceed and/or what kind of actions/measures have to be taken. We identified no higher risk supplier in fiscal 2018.

Where a management strategy of risk mitigation is undertaken, it should include measureable steps to be taken and achieved, monitoring of performance, periodic reassessment of risk and regular reporting to designated senior management.
Comments and Demonstration of Compliance:
During fiscal 2018, we did not identify reasonable risks of money-laundering, non-state armed groups, serious abuses associated with the transport or trade of gold and silver minerals.

Step 4: Arrange for an independent third-party audit of the supply chain due diligence
Comments and Demonstration of Requirement:
We have fully complied with Step 4: Arrange for an independent third-party audit of the supply chain
due diligence.

Comments and Demonstration of Compliance:
Mitsui Mining & Smelting has engaged the services of the assurance provider KPMG AZSA Sustainability Co., Ltd, and their independent reasonable assurance report is attached.

Step 5: Report on supply chain due diligence

Compliance Statement with Requirement:
We have fully complied with Step 5: Report on supply chain due diligence

[Comments]
Our Gold and Silver Supply Chain Policy is available on our website. [http://www.mitsui-kinzoku.co.jp/en/seihin/s_meta_supply/](http://www.mitsui-kinzoku.co.jp/en/seihin/s_meta_supply/)

Table 3: Management conclusion

Is the Refiner in compliance with the requirements of the LBMA Responsible Gold Guidance and LBMA Responsible Silver Guidance for the reporting period?
Yes

In conclusion, Mitsui Mining & Smelting implemented effective management systems, procedures, processes and practices to conform to the requirements of the LBMA Responsible Gold Guidance and LBMA Responsible Silver Guidance, as explained above in Table 2, for the reporting year ended 31 March 2019.
Mitsui Mining & Smelting is committed to continuous improvement, and any corrective actions identified will be monitored internally on a regular basis.

Table 4: Other report comments

If users of this report wish to provide any feedback to Mitsui Mining & Smelting with respect to this report, they can send an email to the following email address: [http://www.mitsui-kinzoku.co.jp/en/input_form/?division=31&mode=input_form](http://www.mitsui-kinzoku.co.jp/en/input_form/?division=31&mode=input_form)