



Independent Limited Assurance Report

To the Board of Directors and Management of Asahi Refining USA, Inc.

We have carried out a limited review engagement on the London Bullion Market Association ("LBMA")'s Responsible Gold Programme Compliance Report for Asahi Refining USA, Inc.'s Salt Lake City refinery ("SLC") for the period from January 1 to 31 December, 2014. During this period, SLC was owned and operated by Johnson Matthey, and Johnson Matthey was responsible for the execution of SLC's responsible gold policies and procedures.

Subject matter and criteria

The subject matter consists of SLC's Compliance Report ("the Report"), which includes a description of SLC's responsible gold program that has been designed and implemented in accordance with the LBMA Responsible Gold Guidance ("the Guidance"). Our review assessed the design effectiveness of SLC's program in meeting the requirements of LBMA.

The criteria used to evaluate the subject matter consisted of the relevant information contained within the Guidance.

SLC's management responsibilities

The management of SLC is responsible for the preparation and presentation of the Report in accordance with the Guidance. This responsibility includes establishing appropriate risk management and internal controls from which the reported information is derived. The criteria identified by management as relevant for demonstrating compliance with the Guidance are the activities described within the Report.

Our responsibilities

Our responsibility is to carry out a limited assurance engagement and to express a conclusion based on the work performed. Our assurance engagement has been planned and performed in accordance with the International Standard on Assurance Engagements ISAE 3000 *Assurance Engagements other than Audits or Reviews of Historical Financial Information* and the guidance set out in the *LBMA Responsible Gold Program - Third Party Audit Guidance for ISAE 3000 Auditors* (the "Audit Guidance").

Our procedures were designed to obtain a limited level of assurance on which to base our conclusions.

This report has been prepared for Asahi Refining USA, Inc. for the purpose of assisting management in determining whether SLC has complied with the Guidance and for no other purpose. Our assurance report is made solely to Asahi Refining USA, Inc. in accordance with the terms of our engagement. We do not accept or assume responsibility to anyone other than Asahi Refining USA, Inc. 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 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 each gold refiner to comply with the Guidance may differ.

Independence and competency statement

In conducting our engagement, we have complied with the applicable requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants.

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.

Conclusion

In our opinion, SLC, in all material respects, describes fairly management's activities with respect to the responsible gold program and management's conclusion contained therein, for the assessment period 1 January 2014 to 31 December 2014, which have been designed and implemented in accordance with the requirements of the *LBMA Responsible Gold Guidance*.



Chartered Professional Accountants
Licensed Public Accountants

Toronto, Canada
June 30, 2015



Johnson Matthey

Compliance Report LBMA Responsible Gold Guidance

Foreword

The LBMA Responsible Gold Guidance has 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 practices.

The following outlines Johnson Matthey Gold & Silver Refining Inc “Johnson Matthey”’s commitment to compliance with the requirements of LBMA Responsible Gold Guidance during the year ending on 31 December 2014.

On March 5, 2015 Asahi Holdings acquired the Johnson Matthey Gold & Silver refining business. The acquisition includes the refineries located in Salt Lake City, Utah, USA and Brampton, Ontario, Canada.

The Salt Lake City, USA and Brampton, Canada refineries are collectively operated as “Asahi Refining.”

At purchase Johnson Matthey’s LBMA London Good Delivery status was transferred to Asahi Refining for each gold and silver refinery. The following compliance report is prepared in the name of Johnson Matthey by Asahi Refining to certify LBMA Responsible Gold compliance for the 2014 calendar year.

Table 1: Refiner’s details

Refiner:	Asahi Refining USA, Inc, formerly Johnson Matthey Gold & Silver Refining Inc.
Location:	Salt Lake City, Utah, USA
Reporting Year-end:	31 December 2014
Date of Report:	4 March 2014
Audit Date	28 May 2015
Senior Manager Responsible:	Grant Angwin, Executive Vice President grant.angwin@asahirefining.com



Johnson Matthey

Johnson Matthey's Evaluation

The following table lists the minimum requirements that must be satisfied by Refiners in accordance with the LBMA Responsible Gold Guidance to demonstrate compliance.

Table 2: Summary of activities undertaken to demonstrate compliance

Step 1: Establish strong company management systems

Johnson Matthey has fully complied with Step 1.

1. Adopt a company policy regarding due diligence for supply chains of gold

Throughout 2014 Johnson Matthey built on existing formal precious metal supply chain policies and procedures, which had been initially developed in 2012. These are consistent with the model set out in Annex II of the OECD Due Diligence Guidance. In combination, these set out our responsibility for conducting risk based due diligence, screening and transaction monitoring.

2. Set up an internal management structure to support supply chain due diligence

Johnson Matthey has implemented an internal management system to support supply chain due diligence. Duties, roles, authorities and responsibilities for implementing the policy and to manage the Due Diligence process are clearly defined. A Compliance Officer has been assigned to manage and oversee the process and has a direct line of reporting to Senior Management.

3. Establish a strong internal system of due diligence, controls and transparency over gold supply chains, including traceability and identification of other supply chain actors.

Johnson Matthey has a strong, well-established material traceability system for each lot received. Documentation is reviewed for each incoming lot to ensure compliance with both our internal handling procedures and our external supply chain procedures. During 2014, Johnson Matthey further developed policies and procedures concerning material management.

Johnson Matthey has developed a procedure that indicates that training is required to help employees execute responsibilities relating to the responsible gold programme. Throughout 2014 different types of training were delivered to different employee groups within the company. We will continue to identify training needs for relevant employee groups and carry out training as required throughout the year.



Johnson Matthey

4. Strengthen company engagement with gold supplying counterparties and, where possible, assist gold supplying counterparties in building due diligence capacities.

Johnson Matthey has built dynamic relationships with its gold supply counterparties. Each client has been provided with Johnson Matthey's policies regarding Responsible Gold Guidance. During routine client visits, LBMA's Responsible Gold Guidance, Johnson Matthey's Compliance Policies, and industry compliance news is regularly shared and addressed with said clients. Where applicable, Johnson Matthey consults clients on strengthening due diligence capacities.

5. Establish a company-wide communication mechanism to promote broad employee participation and risk identification to management.

Johnson Matthey has a company-wide communication system in place for its employees to voice any concerns over supply chain issues or any other newly identified risk. Johnson Matthey widely distributes training and references to this system across business units.

Relevant employees are trained to identify "red flags" and escalate any concerns to their immediate supervisor.

Step 2: Identify and assess risks in the supply chain Johnson Matthey has fully complied with Step 2.

1. Does the refiner have a process to identify risks in the supply chain?

Johnson Matthey has a detailed Risk Assessment Matrix to identify and assess risks in the supply chain. Our Matrix evaluates a number of criteria which establish a risk profile for each client to define the due diligence to be performed. This process is a formal requirement in the onboarding procedure, and must take place before entering into a business relationship with a potential counterparty.

2. Does the refiner assess risks in light of their due diligence system?

Supply chain due diligence comprising scoping and filtering as required by the LBMA Responsible Gold Guidance is performed before entering into a relationship with a counterpart. Enhanced due diligence is performed on high-risk counterparties, especially where their gold originates from or transits through a conflict-affected or high-risk region. In addition, ongoing transaction monitoring is undertaken on all client transactions.

3. Does the refiner report risk assessment to the designated manager?

All risk assessments are conducted by the Commercial Group (Business Development and Customer Service) and passed to the Compliance Officer for sign off. All risk assessments are reviewed by the Compliance Officer, and high-risk new clients are reported to and approved by the Commercial Director, who retains the ultimate control and responsibility for the precious metal supply chain.



Johnson Matthey

Step 3: Design and implement a management system to respond to identified risks.

Johnson Matthey has fully complied with Step 3.

1. Devise a strategy for risk management of an identified risk by either (i) mitigation of the risk while continuing trade, (ii) mitigation of the risk while suspending trade, or (iii) disengagement of the risk.

Our Procurement Procedures outline the protocol where a risk is identified on a current client. Once the presence of the risk is confirmed and whether it is a low-, medium-, or high-risk, the appropriate steps to mitigate that risk are taken.

2. Where a management strategy of risk mitigation is undertaken, it should include measurable steps to be taken and achieved, monitoring of performance, periodic reassessment of risk and regular reporting to designated senior management.

Johnson Matthey's risk mitigation process includes

- confirmation and assessment of the risk level
- agreement of steps to be taken
- ongoing transaction monitoring to ensure the agreed outcome with periodic reassessment
- reporting outcome to senior management.

Johnson Matthey senior management hold an annual management review which includes a review of actions arising from our due diligence system for the gold supply chain. As we move forward, we will continue to strengthen the documentation process of how we have followed these procedures.

Step 4: Arrange for an independent third-party audit of the supply chain due diligence.

Johnson Matthey has fully complied with Step 4.

Johnson Matthey has engaged the services of Ernst and Young LLP, an LBMA approved assurance provider to provide a limited level of assurance over this Report.



Johnson Matthey

Step 5: Report on supply chain due diligence

JM has fully complied with Step 5.

Johnson Matthey has published its LBMA Responsible Gold Independent Assurance Report along with its relevant policies in the corporate governance section on its website www.matthey.com. These reports will also be available at www.asahirefining.com as of November 2015.

Table 3: Management conclusion

Is the refiner in compliance with the requirements of the LBMA Responsible Gold Guidance for the reporting period?

JM is in compliance with the requirements of the LBMA Responsible Gold Guidance for the year January 1 to December 31, 2014 and will continue to develop and refine systems, policies and procedures throughout 2015 and beyond.

Grant Angwin
Executive Vice President
Asahi Refining formerly Johnson Matthey Gold & Silver