



Forced Labour in Canadian Supply Chains

Calibre Mining Report

January 1 to December 31, 2023

Contents

- 1. Overview 3
 - 1.1. About the Company..... 3
 - 1.1.1. Entity covered in this report 3
 - 1.1.2. Business number(s) 3
 - 1.1.3. Categorization 3
 - 1.1.4. Sector..... 3
 - 1.1.5. Location..... 3
 - 1.2. About this Report..... 3
 - 1.2.1. Financial reporting year 3
 - 1.2.2. Identification of a revised report..... 4
 - 1.2.3. Identification of a joint report..... 4
 - 1.2.4. Identification of reporting obligation in other jurisdictions 4
- 2. Risk management of Forced and Child Labour 4
 - 2.1. Steps taken to prevent and reduced risk of forced and child labour 4
 - 2.2. Supplementary information 5
 - 2.2.1. Requirement (a) - Structure, activities and supply chain 5
 - 2.2.2. Requirement (b) - Policies and due diligence processes 6
 - 2.2.3. Requirement (c) - Forced and child labour risks 6
 - 2.2.4. Requirement (d) - Remediation measures..... 6
 - 2.2.5. Requirement (e) – Remediation of loss of income..... 7
 - 2.2.6. Requirement (f) - Training 7
 - 2.2.7. Requirement (g) – Assessing effectiveness 7
- 3. Attestation 8

1. Overview

1.1. About the Company

1.1.1. Entity covered in this report

Calibre Mining Corp. (individually, or collectively with its subsidiaries, as applicable, "Calibre" or the "Company") is a gold mining, mine development, and exploration company.

1.1.2. Business number(s)

- Calibre Mining Corp. – BN 125683201
- Desarrollo Minero de Nicaragua SA – Tax ID J0310000001626
- Triton Minera SA – Tax ID J0310000000174
- Calibre Mining Nicaragua SA – Tax ID J0310000183031
- Borosi Rosita Siuna SA – Tax ID J0310000276226
- GRP Pan, LLC dba Calibre Pan Mine - EIN 88-2612872
- Marathon Gold Corporation – BN 836245050

1.1.3. Categorization

The following categorizations apply to the entity:

- Listed on a stock exchange in Canada: The Company's common shares are listed on the Toronto Stock Exchange in Canada under the ticker symbol CXB.
- With Canadian business presence: Has a place of business in Canada, does business in Canada, and has assets in Canada.
- Meets size-related thresholds:
 - It has at least \$20 million in assets for at least one of its two most recent financial year
 - It has generated at least \$40 million in revenue for at least one of its two most recent financial years
 - It employs an average of at least 250 employees for at least one of its two most recent financial years

Detailed information including the Company's MD&A, the audited consolidated financial statements for the years ended December 31, 2023 and 2022, press releases, and other corporate filings are available on the SEDAR website, www.sedarplus.ca, and the Company's website, www.calibremining.com.

1.1.4. Sector

The entity operates in the mining, quarrying, and oil and gas extraction sector.

1.1.5. Location

Calibre is incorporated under the laws of British Columbia, Canada and maintains its corporate head office at Suite 1560 – 200 Burrard Street, P.O. Box 49167, Vancouver, British Columbia, Canada, V6C 3L6.

1.2. About this Report

1.2.1. Financial reporting year

This report covers all Calibre the activities undertaken from January 1 to December 31, 2023.

1.2.2. Identification of a revised report

This is not a revised version of a report already submitted this reporting year.

1.2.3. Identification of a joint report

This is a joint report. This report has been prepared for Calibre Mining actions and those of entities it controls (i.e., subsidiaries listed in section 1.1.2).

1.2.4. Identification of reporting obligation in other jurisdictions

Calibre Mining is not subject to reporting requirements under supply chain legislation in other jurisdictions.

2. Risk management of Forced and Child Labour

2.1. Steps taken to prevent and reduced risk of forced and child labour

The following steps have been taken to ensure that none of Calibre's activities result in direct or indirect support of child or forced labour:

- **Developing and implementing anti-forced labour and/or -child labour standards, codes of conduct and/or compliance checklists:** Corporate policies strictly prohibit child or forced labour. Written acknowledgement is required from staff and suppliers. The Valentine project upholds a Supplier Protocol which refers to forced and child labor laws; sign-off was requested from all suppliers.
- **Gathering information on worker recruitment and maintaining internal controls to ensure that all workers are recruited voluntarily:** Strict proof-of-age policies and hiring procedures and records are in place to prevent anyone under the legal working age from obtaining employment or even entering the mine sites.
- **Mapping supply chains and developing and implementing due diligence policies and processes for identifying, addressing and prohibiting the use of forced labour and/or child labour in the organization's activities and supply chains:** Due diligence processes are in place, including the mandatory completion of Integral Client Profile Forms for all business partners.
- **Developing and implementing anti-forced labour and/or -child labour contractual clauses:** Tendering process terms and conditions and supplier contracts include precautionary clauses and controls, specifically prohibiting the use of child or forced labour. All contractors are required to read and acknowledge receipt of Corporate Governance Policies.
- **Monitoring suppliers:** Suppliers are monitored through periodic request of relevant documentation and random site inspections.
- **Developing and implementing grievance mechanisms:** Employees, contractors, and community members can bring human rights concerns to our attention through our site-level grievance mechanisms or the Company's confidential whistleblower hotline.
- **Developing and implementing training and awareness materials on forced labour and/or child labour:** Training is provided to all company staff on the Corporate Code of Conduct, and, in Nicaragua, all employees and contractors' workers are required to undergo a social induction, which includes a section focused on human rights risks.

2.2. Supplementary information

2.2.1. Requirement (a) - Structure, activities and supply chain

Structure

Calibre Mining Corp. ("Calibre" or the "Company") is incorporated under the Business Corporations Act (British Columbia) ("BCBCA").

Our organizational mandate is established in the Company's Corporate Governance Policies and Procedures Manual available in our website at <https://calibremining.com/corporate/corporate-governance/>.

As per the Company's Annual Information Form for the years ended December 31, 2023 and 2022, available on the SEDAR website, www.sedarplus.ca, and the Company's website, www.calibremining.com, material mineral properties consist of the following:

- El Limon mine (100% ownership), an underground and open pit gold mining operation located in northwestern Nicaragua, approximately 100 km northwest of Managua ("El Limon Complex");
- La Libertad mine (100% ownership), an underground and open pit gold mining operation located 110 km due east of Managua ("La Libertad Complex" or "La Libertad");
- Pan gold mine (100% ownership), an open-pit, heap leach mine located in Nevada, USA ("Pan Mine"); and
- Valentine gold project (100% ownership), an open pit mining and conventional milling operation under construction located in Newfoundland and Labrador, Canada ("Valentine Gold Project").

As at December 31, 2023, the Company employed approximately 1,322 employees and 2,964 contractors.

The Company's business does not have a substantial economic dependence on any single commercial contract or group of contracts either from suppliers or contractors.

Activities

The Company's principal product is gold, with silver produced and sold as a by-product. The gold doré produced at the Company's operations is refined to market delivery standards by a refinery in Canada and the United States that is an arm's length party.

Calibre operates across Nevada and Washington in the United States, Newfoundland and Labrador in Canada, and Nicaragua. Calibre owns three producing mines comprised of a large portfolio of exploration and development concessions in Nicaragua and the United States.

The following accurately describes the entity's activities:

- Producing goods (including manufacturing, extracting, growing and processing) outside Canada,
- Selling goods in and outside Canada, and
- Importing into Canada goods produced outside Canada

Supply chain

In 2023, Nicaraguan subsidiaries sourced 83% of total procurement from domestic suppliers, followed by Costa Rica (4%) and the United States (3%). The main commodities procured encompass fuel, explosives, reagents for process plants, grinding media, gas, oils, lubricants, and laboratory supplies, most of which are manufactured internationally. The principal services obtained pertain to mining operations, civil engineering, ore transportation, energy services, and logistics.

Calibre's 2023 Report on Forced Labour in Supply Chains

Most suppliers of goods and services for our Pan Mine are utilizing domestic (US). Steel items (8% of 2023 operating costs) are imported from China.

Goods and materials purchased for the Valentine's project were primarily for construction of the core building, camp and the shell of the process plant. All materials including consumables and maintenance support items & rentals were sourced locally. Nonetheless, mining equipment was purchased from a Canadian supplier with some of the equipment manufactured in Canada and balanced in the United States. Drilling Equipment purchased was manufactured primarily in Sweden, and shovels manufactured in Germany.

Additional information on Calibre's structure, mandate, controlled entities, employees, and activities can be found in the Company's regulatory filings and Annual Information Form for the years ended December 31, 2023 and 2022, available on the SEDAR website, www.sedarplus.ca, and the Company's website, www.calibremining.com.

2.2.2. Requirement (b) - Policies and due diligence processes

The Company has policies and due diligence processes in place related to forced and/or child labour, including:

- **Embedding responsible business conduct (RBC) into policies and management systems:** Prohibition of child or forced labour is embedded in Calibre policies and processes, including the Code of Conduct and People and Social Policies available in our website at <https://calibremining.com/corporate/corporate-governance/>.
- **Identifying and assessing adverse impacts in operations, supply chains and business relationships:**
 - Internal and external human rights due diligence processes are conducted regularly, including Human Rights Impact Assessments commissioned externally to evaluate risks associated with key contractors.
 - Annual externally assured progress reports are produced on our conformance against the World Gold Council's Responsible Gold Mining Principles.
 - Nicaraguan subsidiaries perform due diligence processes to all suppliers before and after establishing a business partnership, including a screening process and risk classification. Medium-risk suppliers undergo reviews every two years, and high-risk suppliers on an annual basis.
 - If a supplier is found to have a negative impact on society or the environment, no commercial relation is established or the relation is terminated.
- **Communicating how impacts are addressed:** We communicate how impacts are addressed in our Annual Sustainability Reports available in our website at <https://calibremining.com/esg/overview/#sustainability-2>.

2.2.3. Requirement (c) - Forced and child labour risks

Calibre has started the process of identifying parts of its activities and supply chains that carry a risk of forced or child labour being used at its operations, but there are still gaps in our assessments.

No risks of forced or child labour have been identified in our activities or supply chains that carry a risk of forced or child labour being used.

2.2.4. Requirement (d) - Remediation measures

The Company has not taken any remediation measures, as we have not identified any forced or child labour in our activities and supply chain.

2.2.5. Requirement (e) – Remediation of loss of income

Calibre considers this requirement not applicable, as we have not taken any remediation measures.

2.2.6. Requirement (f) - Training

The Company provides mandatory training to employees related to forced and/or child labour.

At Nicaraguan and US assets, an on-boarding and annual refresher training is imparted to all staff on expectations and obligations established in Calibre's Code of Business Conduct and Ethics, including the prohibition to employ children or utilise forced labour.

Complementarily for our Nicaraguan operations, a social performance induction and annual refresher training is mandatory for all employees and contractors' workers. It includes a section on human rights aspects based on the UN Guiding Principles, covering risks related to forced and child labour.

At our Valentine project, references to child and forced labour are mentioned as part of the policy commitments during employee onboarding.

2.2.7. Requirement (g) – Assessing effectiveness

Calibre has policies and procedures in place to assess its effectiveness in ensuring that forced and child labour are not being used in its activities and supply chains. These include:

- Setting up a regular review or audit of the organization's policies and procedures related to forced labour and child labour: corporate policies are reviewed every two years by the Board of Directors
- Tracking relevant performance indicators, including:
 - Review of workers ID to confirm compliance with age requirements.
 - Number of suppliers that have completed the Integral Client Profile Forms and due diligence risk assessment.
 - Number of contracts signed with precautionary clauses that prohibit child or forced labour.
 - Number of suppliers that have provided written acknowledgment of Calibre's governance framework.
 - Number of employees and contractors' workers that have completed mandatory training.
 - Number of ASM sites inspected with evidence of presence of child labour.
 - Number of cases reported and solved through Calibre's various mechanisms for raising concerns.
- Partnering with an external organization to conduct an independent review or audit of the organization's actions:
 - External consultants are commissioned every two years to conduct human rights impact assessments covering our activities and those of our key contractors for operations identified as high risk.
 - Annual conformance with the world gold council's responsible gold mining principles is externally assured. Independent limited assurance reports are available in our website at <https://calibremining.com/esg/overview/>.
 - In Nicaragua, monthly reports of company transactions, and semi-annual reports of compliance tasks executed within the reported period are submitted to the national Financial Analysis Unit. Mandatory annual audits are conducted, which include the review of supplier files.

Calibre's 2023 Report on Forced Labour in Supply Chains

Greater information is disclosed in our Annual Sustainability Reports available in our website at <https://calibremining.com/esg/overview/>.

3. Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

I have the authority to bind Calibre Mining Corp.



Darren Hall
President, Chief Executive Officer and Director
May 5, 2024