



REPORT ON FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT

2023 REPORT OF 543077 ALBERTA LTD. DOING BUSINESS AS SIL INDUSTRIAL MINERALS

Introduction

543077 Alberta Ltd. doing business as Sil Industrial Minerals (“Sil”) has prepared this report in accordance with its obligations imposed by the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”). This report details the actions that Sil has undertaken and intends to undertake to ensure that its business activities and supply chain do not inadvertently or incidentally support the use of forced or child labour in any jurisdiction and identifies opportunities to develop further policies and processes to contribute to the common objective of eliminating forced and child labour globally.

Reporting Requirements under the Act

1. Sil’s structure, activities and supply chains

Sil is a privately held corporation provincially incorporated pursuant to Alberta’s *Business Corporations Act*, RSA 2000, c B-9.

Sil’s business activities consist of the extraction, processing and sale of silica sand.

Sil’s supply chain is primarily located in North America and Sil demonstrates a clear preference for suppliers that operate and source goods in Canada or other jurisdictions with robust legal protections to guard against the use of forced or child labour. In the limited circumstances where Sil cannot control the jurisdiction where a necessary good or material is produced, Sil makes reasonable enquiries regarding the suppliers that Sil contracts with.

2. The parts of Sil’s activities and supply chains that carry a risk of forced labour or child labour being used and the steps it has taken to assess and manage that risk;

As an Alberta corporation, Sil is subject to a robust system of laws that strictly prohibits the use of forced or child labour. In all aspects of its business Sil strictly adheres to all legal requirements as well as an ethical commitment to support the equitable treatment of workers. Sil is in the process of developing policies to formalize its commitment to these values and to ensure that none of its business activities contribute to or tacitly enable conditions that permit the use of forced or child labour in the global economy.

The only portion of Sil’s supply chain that carries a risk of forced or child labour are those goods directly or indirectly procured by Sil that are produced outside of Canada.

Prospectively, Sil will manage and assess the risk of forced or child labour in its supply chain by implementing additional procedural controls in its procurement process. For subcontractors and suppliers with which Sil maintains recurring or ongoing relationships Sil will seek assurances that any

goods supplied to Sil or used in work performed on behalf of Sil, are not the product of forced labour or child labour and that the supplier or subcontractor is not in any way the beneficiary of forced or child labour. Where Sil makes ad hoc purchases from suppliers that it does not have a recurring or ongoing relationship with, Sil will make appropriate assessments and cross reference the supplier with any currently established lists of entities known to benefit from the use of forced labour or child labour issued by reputable government or non-government reporting agencies including the United States' Uyghur Forced Labor Prevention Act Entity List, Customs and Border Protection's Force Labor List.

3. Any measures taken to remediate any forced labour or child labour.

To the best of Sil's knowledge there has been no instances or connection with child or forced labour in Sil's workforce or supply chains. There has therefore been no need for Sil to undertake remediation measures.

4. Any measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains.

Sil is not aware of any measure it has taken to support the elimination of forced or child labour that has resulted in a loss of income to any vulnerable person or family. Sil will continue to assess the impacts of any actions it undertakes, including any incidental impact on vulnerable individuals and families.

5. Training provided to employees on forced labour and child labour.

Sil does not currently provide specific training to employees on forced and child labour. Sil intends to develop due diligence procedures to be used by employees who are involved in supply chain management to ensure that these employees are performing satisfactory due diligence to confirm that Sil's suppliers have reasonable measures in place to guard against the use of forced or child labour.

6. How Sil assesses its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains.

Sil will undertake an annual review of its activities and supply chain to identify areas in which there may be a potential risk that forced or child may be used or where a third party with which Sil is contracting with may be indirectly benefiting from the use of forced or child labour. Where Sil identifies an area of risk, it will explore all reasonable options to eliminate or control of the identified risk.

Approval and attestation of Report

As required by the Act, I have reviewed the information contained herein and attest that it is accurate and correct. I attest that this report has been approved the directors of Sil as required by Section 11(4) (b)(ii) of the Act.

I have authority to bind Sil.



Bruce Hagstrom, President & Director

543077 Alberta Ltd. doing business as Sil Industrial Minerals.