



Toronto Stock Exchange: ARG

FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR REPORT

For the year ended December 31, 2023

INTRODUCTION

Amerigo Resources Ltd. (“Amerigo” or the “Company”) is committed to conducting business to the highest standards of corporate social responsibility, including preventing and mitigating human rights impacts associated with the Company’s activities.

This **Fighting Against Forced Labour and Child Labour Report** (the “Report”) for the financial year ended December 31, 2023, has been prepared in accordance with Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act (S.C. 2023) (the “Act”).

This is a joint report made under Section 11 of the Act on behalf of the Company and the following entities, which are reporting entities under the Modern Slavery Act for the reporting period:

- Amerigo Resources Ltd., the group’s parent company domiciled in Canada
- Minera Valle Central S.A. (“MVC”), domiciled in Chile, a producer of copper concentrates

The Report describes the steps taken by Amerigo to assess and address modern slavery risks. In this Report, unless otherwise stated, references to “Amerigo”, the “Company”, “we”, “us”, and “our” include all reporting entities listed above.

COMPANY STRUCTURE AND ACTIVITIES

Amerigo is a company domiciled in Canada. Its shares are listed for trading on the Toronto Stock Exchange (“TSX”) and traded in the United States on the OTCQX. Amerigo, through its 100% owned MVC operation in Chile, produces copper and molybdenum (as a by-product) concentrates through a long-term contract with the El Teniente Division (“DET”) of Corporación Nacional del Cobre de Chile (“Codelco”).

As of December 31, 2023, MVC had 292 employees and contractors employing 804 employees and Amerigo had one employee and three contractors at its head office in Vancouver, Canada.

OUR SUPPLY CHAIN

Amerigo’s supply chains prioritize a national supplier base. During 2023, the Company made purchases of goods and services with a total of approximately 712 suppliers, with 97% of our supplier network located in Chile, 2% in Canada, and 1% in other countries¹. The leading suppliers provided goods or services in the following categories: electrical supply, process inputs or flotation reagents, materials and spare parts, technical and general support services, and administrative services.

Our commercial contracts with suppliers contain clauses of knowledge and adherence to our corporate governance policies and specific clauses related to ethical performance. This helps ensure suppliers share our values and have acceptable policies and procedures in place.

Our production consists of copper and molybdenum concentrates. Our copper concentrate is delivered to DET under a tolling or “maquila” contract, and our molybdenum concentrate is processed under smelting contracts with Molibdenos y Metales S.A. (“Molymet”). Copper concentrates are predominantly trucked to the Las Ventanas smelter north of Valparaiso, Chile, approximately 240 km from MVC. Molybdenum concentrates are trucked to Molymet’s smelter, located approximately 70 km north of MVC.

Note 1: Based on the percentage of spend

POLICIES AND DUE DILIGENCE PROCESSES

Governance

Amerigo does not tolerate any form of slavery, human trafficking, or compulsory, forced or child labour. Our Code of Business Conduct and Ethics defines the standards and values the Company expects its personnel to follow, and our Suppliers Code of Conduct sets out ethical and responsible practices that Amerigo expects its suppliers to follow, including suppliers working with us or on our behalf. These codes explicitly refer to Amerigo's commitment to protecting the human rights of all individuals impacted by our operations.

Policies

Our policies are consistent with the Company's core values, including actively supporting human rights and avoiding modern slavery. Our policies can be found on the Company's website at:

https://amerigosources.com/compliance/corporate_governance/.

Our policies include:

Code of Business Conduct and Ethics – defines the standards and values that the Company expects its personnel to follow in all of their dealings with stakeholders and activities with the Company. Consultants and contractors retained by Amerigo are also expected to conduct themselves according to the principles of this code in their activities relating to Amerigo.

Diversity, Equality, and Inclusion Policy – expresses the Company's commitment to diversity, equality and inclusion in the workplace and condemns prejudice and bias, both conscious and unconscious, that may exist within the organization.

Safety, Occupational Health, Environmental and Social Responsibility Policy – outlines the Company's responsibility to respect human rights at every level of its operations in accordance with the *United Nations Guiding Principles on Business and Human Rights*. This includes maintaining ethical practices that forbid any child labour, discriminatory practices or practices of discrimination or exclusion in hiring workers and suppliers due to disability, ethnic diversity, gender, race, religion, marital status or any other type of practice that violates human rights.

Suppliers Code of Conduct – sets out ethical and responsible practices that Amerigo expects its suppliers to follow. Amerigo will routinely assess compliance with this Supplier Code of Conduct as part of its decision and everyday business practice relating to the Company's evaluation, selection and management of its Suppliers. Amerigo expects its Suppliers to ensure that they have appropriate policies and procedures to protect human rights and avoid any human rights abuses. Amerigo strictly prohibits any form of forced or child labour.

Whistleblower Policy - establishes procedures for the receipt, retention and handling of complaints and concerns received relating to, among other things, alleged or suspected violations of the Company's Code of Business Conduct and Ethics, other internal policies and guidelines, or any applicable law or regulation.

SUPPLY CHAIN RISK MANAGEMENT

Our risk management process includes preventing, identifying, addressing, and remediating any human rights risks, including the risk of modern slavery. We also outline any measures taken to assess the effectiveness of our actions where relevant.

PREVENTION AND IDENTIFICATION

Amerigo, through the corporate policies outlined above, has developed an environment that helps to provide security and respect for the rights of its workers. MVC also has in place Corporate Governance documents that align with corporate policies and ensure that these policies are enforced at the subsidiary level.

In Chile, where MVC operates, the Company must abide by the Crime Prevention Model (Law No. 20,393). This law provides that legal entities will be responsible for various crimes committed in their interest or for their benefit by their officers, employees, directors, or third parties of the company in the absence of an effective compliance program. The crimes for which the legal entity will be responsible include money laundering, financing of terrorism, receiving stolen goods, disloyal administration, improper negotiation, water pollution, marketing prohibited products, bribery, corruption, acts associated with illegal migration, human trafficking, sexual exploitation, forced labour, child labour, or slavery, and cybercrime.

MVC has implemented a Crime Prevention Model, which includes the following:

- Creation of a Crime Prevention Manual
- Appointment of a Crime Prevention Officer
- Creation of a Crime Prevention Risk Matrix
- Establishment of Internal Policies that mitigate the risks identified in the Crime Prevention Risk Matrix
- Incorporation of clauses within contracts with employees and suppliers
- Training Plan for workers and collaborators

In addition to implementing a Crime Prevention Model at MVC where most of the Company's operations occur, the Company has established procedures for the reception, investigation, and handling of complaints received in relation to, among other things, violations of the Company's policies or the Crime Prevention Model or any law or regulation applicable to the Company's activities. The Company maintains open channels of communication with all suppliers. It encourages them to raise any issues or concerns arising in their business with the Company through the appropriate channels.

The Company monitors compliance with its policies through the services of Whistleblower Security and management. Toll-free numbers for Whistleblower Security are posted at the MVC plant and online. During the year ended December 31, 2023, we received no complaints through our whistleblowing channel related to modern slavery or human trafficking.

The Company also completes due diligence procedures for each new supplier. Suppliers who enter MVC must register in MVC's online electronic platform, which helps MVC evaluate and monitor suppliers' commercial, financial, tax, legal, labour, technical, and security risks. The suppliers must also follow the Company's Suppliers Code of Conduct according to the clauses in all supplier contracts.

REMEDIATION MEASURES

If a complaint is received, a formal investigation will be carried out. If it is found that one or more of the Company's Policies has been violated, the corresponding disciplinary measure will be applied, depending on the seriousness of the act.

During 2023, the Company did not detect situations of modern slavery in its operation or supply chain, nor did it receive complaints or reports from employees, suppliers or other interested parties. Consequently, it was not necessary to implement corrective actions during the year.

TRAINING AND AWARENESS ACTIVITIES

All new Officers, Directors, and employees of the Company are required to read and be familiar with the Company's Policies and are bound by their provisions.

As part of the Crime Prevention Manual, a training plan was implemented in 2023 for MVC workers and collaborators.

ASSESSMENT

The Company assessed its effectiveness at ensuring that modern slavery is not being used in its business and supply chains through a review of its Crime Prevention Risk Matrix and continuously improving its controls throughout the organization and incident identification through its Whistleblower Policy. The Company is committed to the continuous improvement of its controls throughout the organization to ensure that no modern slavery is present in our supply chain. The Company will continue to monitor the effectiveness of the policies in place.

Amerigo Resources Ltd.

Fighting Against Forced Labour and Child Labour Report



ATTESTATION

This Report was approved by the Board of Directors of Amerigo Resources Ltd. on May 6, 2024, for the year ending December 31, 2023.

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.

/s/ Aurora Davidson

Aurora Davidson, I have the authority to bind Amerigo Resources Ltd.
President, Chief Executive Officer and Director
May 6, 2024