

Coalspur Mines (Operations) Ltd

Modern Slavery Report

Introduction

This document constitutes the joint report (“**Report**”) made by Coalspur Mines (Operations) Ltd and Chinook Mine Construction Company Ltd (“Chinook”) (collectively, “**Coalspur**”) pursuant to Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”) for the financial year ended December 31, 2023 (the “**Reporting Period**”).

Coalspur believes that everyone should be treated with dignity, fairness, and respect. We believe in protecting, respecting, and supporting human rights and are committed to conducting our operations in a socially responsible manner in full compliance with all applicable laws. Coalspur aims to identify and address any risks of forced labour or child labour in our supply chain and operations through continuous improvement and collaboration with all relevant stakeholders across our operations.

Steps to prevent and reduce risks of forced labour and child labour:

In general terms, Coalspur took the following steps during the Reporting Period and the first half of 2024 to prevent and reduce the risk of forced labour or child labour in our business and supply chains:

- established an internal working group comprised of personnel from Management and Legal to review the impact of the Act on Coalspur; and
- discussed and began the process of mapping our supply chains.

Details of the above actions are set out in this Report.

Structure and Operations

Coalspur Mines (Operations) Ltd and Chinook Mine Construction Company Ltd are Canadian-based thermal coal development companies incorporated under the Alberta *Business Corporations Act*. The Coalspur group holds approximately 55,000 hectares of leases and a coal mine located within the Hinton region of Alberta, Canada. The group also owns a coal mine in Nova Scotia that is currently idle.

Chinook Mine Construction Company Ltd. is a Canadian-based company, wholly owned by Coalspur Mines (Operations) Ltd. and is incorporated under the Alberta *Business Corporations Act*. Chinook provides labour to Coalspur Mines (Operations) Ltd and has no supply chains.

As of December 31, 2023, Coalspur, through its subsidiaries: Chinook Mine Construction Company Ltd, Bighorn Mining Ltd, and Kameron Coal Management Ltd, employed approximately 418 permanent employees. Our staff largely consists of mine labourers, professionals, and corporate and administrative services providers.

The Vista Mine

Coalspur’s Vista Mine is an open pit surface mine that utilizes a truck and shovel strip/terrace mining method with conventional and through-seam blasting methodologies. The mine is also equipped with a highwall mining system. Mine production equipment consists of hydraulic mining shovels, off-highway haul trucks, rotary blasthole drills, dozers, wheel loaders and other small support equipment. The Vista Mine also includes a coal preparation plant and high-speed rail load-out, which provides logistical access to coal terminals located in western Canada.

Supply Chains

Coalspur procures a range of goods and services to support exploration, mining, processing, transportation, and other activities. We do business with a wide range of suppliers who source materials and services locally and globally. We strive to work with direct suppliers who operate legally, ethically, and responsibly. During the Reporting Period, we procured goods and services across a wide range of categories and industry sectors including the following key goods and services: fuel, mining supplies, mining parts, transportation and freight services, and professional services.

The majority of our suppliers are located in Canada and the United States, although we appreciate that many of our suppliers supply us with products that originate from other jurisdictions, and all have their own global supply chains. Our approximate supply chain spend by jurisdiction during the Reporting Period is represented below.

Country	Percent
Canada	87%
United States	13%
Other	<0.01%

Policies and Due Diligence Processes

Coalspur believes that everyone should be treated with dignity, fairness, and respect. We are committed to conducting our operations in a socially responsible manner in full compliance with all applicable laws. We also believe in protecting, respecting, and supporting human rights and will not tolerate any form of forced labour, child labour or human trafficking within our operations or supply chains.

We are committed to:

- employing workers who are legally authorized to work in the location of our operations;
- working with suppliers, vendors, contractors and service providers who are committed to conducting business with integrity and in compliance with applicable laws and regulations;
- not using or tolerating the use of forced or child labour; and
- ensuring legal and regulatory reporting requirements are met.

We also expect our suppliers, vendors, contractors, and service providers to comply with all applicable laws and regulations in this regard and to uphold a similar commitment to protecting human rights.

Although Coalspur does not currently screen potential suppliers or conduct due diligence on existing suppliers on the basis of forced labour or child labour-related risks, we are committed to respecting human rights in all aspects of our operations and business activities and are considering how such processes may be incorporated into our procurement processes.

Identifying and Managing Modern Slavery Risks:

Our workforce is mainly comprised of miners and office staff in the Province of Alberta who are employed on a permanent basis. None of our workers are under the age of 18. Therefore, we consider that there is a low risk of modern slavery risks in our direct operations. In addition, all staff are hired in accordance with platform-wide standard policies.

In terms of our supply chain, Coalspur sources the majority of its equipment and other supplies from vendors headquartered in Canada and the United States. Accordingly, we consider the risk of modern slavery in

the first tier of our supply chain to be low. Coalspur acknowledges that additional work is required in order to better understand the risks of modern slavery in our supply chains.

Remediation Measures

Coalspur has no knowledge of forced labour or child labour in its operations or supply chain. As a result, we have not had to take any measures to remediate any forced labour or child labour or to remediate a loss of income for vulnerable families. Coalspur is dedicated to upholding our commitments to combat these issues while actively working to mitigate any resulting adverse impacts.

Training

Coalspur does not currently provide training to employees on forced labour or child labour.

Assessing Our Effectiveness

Coalspur recognizes that we have a responsibility to assess and mitigate the risk of modern slavery in our operations and supply chain over the long term. We are continuing to assess the risks of modern slavery in our operations and supply chains. We have not yet taken any actions to assess the effectiveness of any actions.

Approval and Attestation

This Report was approved pursuant to subparagraph 11(4)(b)(ii) of the Act by the board of directors of Coalspur Mines (Operations) Ltd.

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 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 make the above attestation in my capacity as a director of the board of Coalspur Mines (Operations) Ltd. for and on behalf of the board.

I have the authority to bind Coalspur Mines (Operations) Ltd.

Per: Anthony Webb
Name: Anthony Webb
Title: Director
Date: 5/29/2024