

# Fighting Against Forced Labour and Child Labour

Steps taken by Horizon Copper Corp. for the year ended  
December 31, 2023

The *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”) requires certain governmental and larger private-sector entities to submit an annual report regarding their supply chains, policies relating to forced and child labour, and steps taken to reduced forced and child labour. The report will also be available on Horizon Copper Corp.’s website.

## **A STRUCTURE, ACTIVITIES AND SUPPLY CHAINS**

Horizon Copper Corp. (“**Horizon**” or the “**Company**”) was incorporated under the *Business Corporations Act* (British Columbia) (“**BCBCA**”) on March 17, 2011. On February 17, 2016, the Company changed its name from “Bluefire Mining Corp.” to “Royalty North Partners Ltd.” and from “Royalty North Partners Ltd.” to “Horizon Copper Corp.” on August 31, 2022. On August 31, 2023, Horizon and its wholly owned subsidiary, 1359212 B.C. Ltd., completed a vertical amalgamation, under the BCBCA. Horizon Copper Corp. was the continuing entity as a result of this amalgamation.

The Company’s head office and registered office is located in Vancouver, British Columbia, Canada. The Company has three wholly owned subsidiaries, being (1) 1363013 B.C. Ltd., incorporated under the BCBCA which holds shares of Entrée Resources Ltd.; (2) 1359205 B.C. Ltd., incorporated under the BCBCA, which holds a 55% operating interest in the Peninsula Project, an exploration gold project located in Michigan, United States, through its subsidiary Upper Peninsula Holdings Inc., a Michigan company; and (3) Hod Maden Holdings Ltd., incorporated under the BCBCA, the parent company of Mariana Resources Limited, incorporated under the laws of Guernsey, which in turn is the parent company of Mariana Turkey Limited, incorporated under the laws of Guernsey, which holds a 30% non-operating interest in the Hod Maden Project, a copper-gold project in Artvin, Türkiye through its 30% equity interest in Artmin Madencilik AS, a Turkish Company. As used in this report, reference to “**Horizon**” or the “**Company**” means only Horizon Copper Corp., which is a reporting entity for the purposes of the Act.

Horizon is a growth company focused on copper mining projects. In 2023, the Company had an indirect 30% interest in the copper-gold Hod Maden project, exposure to the Hugo North and Heruga deposits at the Oyu Tolgoi copper mine through an indirect 24% equity ownership in Entrée Resources Ltd., and acquired a 1.66% net profits interest on the Antamina copper mine (the “Antamina NPI”). Horizon’s only interest in an income-generating property in 2023 was through the Antamina NPI. The Antamina copper mine is held on a property that is developed and operated by an independent mining company, and as such Horizon has no control over on-site operations. The payor of the Antamina NPI is considered Horizon’s direct supplier, and both the operator of the mine and suppliers to the operating mining company, which can include the third-party trader, smelter, and/or refinery, as well as suppliers of goods and services to the mining partners are considered indirect suppliers.

Pursuant to the Company’s acquisition of the Antamina NPI, Horizon entered into a silver purchase agreement whereby the Company is required to sell and deliver refined silver in the amount of 1.66% of the produced silver from the Antamina property to Sandstorm Gold Ltd. Horizon purchases silver from an independent intermediary and sells these ounces to Sandstorm Gold Ltd. for 2.5% of the London Bullion Market Association quoted price of silver for each ounce of silver delivered. The intermediary that Horizon purchases the silver from is a direct supplier for Horizon and has a code on Sustainability and Responsible Sourcing of materials related to modern slavery, labour practices and human rights.

Horizon’s direct suppliers are the focus of the due diligence activities performed by the Company.

## **B POLICIES AND DUE DILIGENCE PROCESSES IN RELATION TO FORCED LABOUR AND CHILD LABOUR**

### **01 Due Diligence Process**

Horizon does not operate mining projects directly and does not exercise control over on-site operations. Therefore, the key period for assessing and identifying risks, including labour-related risks, is prior to making an investment with mining partners. Accordingly, there is a due diligence process for potential operating partners.

Horizon’s management team applies a multi-disciplinary approach when completing a due diligence review. In addition to relying on management’s expertise, Horizon leverages the oversight and involvement of the Board of Directors to evaluate risks specific to a mining operation and the plans adopted by the operator to manage such risks. These risks include but are not limited to: the impacts of mining, operations and related activities on surrounding communities, including women, children, employees and migrant workers; an operator’s ethical track record and history of corruption; the reputation of the operator, locally and internationally; workplace standards, protections and policies; and the commitments by, and track record of, the operator with respect to fundamental freedoms of individuals (including relating to freedom of association, non-discrimination and equal opportunity, and freedom from forced labour, human trafficking, and child labour).

If forced labour or child labour are identified in the Company’s due diligence process, this would result in the Company’s decision not to proceed with an opportunity.

## 02 Policies

Horizon has several policies and procedures relevant to human rights, including the Code of Business Conduct and Ethics, which are guided by several international statements and principles.

These policies document the principles of conduct and ethics to be followed by employees, officers and directors of the Company and its subsidiaries. The Code of Business Conduct and Ethics aims to promote honest and ethical conduct; avoid conflicts of interest; promote full, fair, accurate, timely and understandable disclosures; and promote compliance with government laws, rules and regulations.

These policies also provide a procedure for reporting concerns regarding adherence to the Code, while providing protection to the individual reporting the concern, and establishes a process for investigating any reported concerns.

### **C PART OF ACTIVITIES AND SUPPLY CHAINS THAT CARRY A RISK OF FORCED LABOUR OR CHILD LABOUR BEING USED AND STEPS TAKEN TO ASSESS AND MANAGE RISK**

Horizon does not operate any of the mining or other assets in which it has partial ownership or an indirect interest in and does not directly produce or import goods. Horizon has also not identified any forced labour or child labour in our activities and supply chains and considers that there is a low risk of forced labour or child labour in its current supply chains given their nature, and the limited size and scope of such supply chains. However, Horizon recognizes its business model is dependent on the industry operating in a responsible fashion and actively supports the industry in its efforts and initiatives and also has policies in place to mitigate related risks, as outlined above.

### **D MEASURES TAKEN TO REMEDIATE ANY FORCED LABOUR OR CHILD LABOUR**

As Horizon has not identified any forced labour or child labour in its activities and supply chains, no measures are required or have been undertaken.

### **E MEASURES TAKEN TO REMEDIATE THE LOSS OF INCOME TO THE MOST VULNERABLE FAMILIES THAT RESULTS FROM MEASURE TAKEN TO ELIMINATE THE USE OF FORCED LABOUR OR CHILD LABOUR IN ACTIVITIES & SUPPLY CHAIN**

As Horizon has not identified any forced labour or child labour in its activities and supply chains, no measures are required or have been undertaken.

### **F TRAINING PROVIDED TO EMPLOYEES ON FORCED LABOUR AND CHILD LABOUR**

Horizon's employees are required to acknowledge in writing, when hired, the key corporate policies, and the Board of Directors complete an annual review for compliance with the Code. Horizon offers indirect training opportunities for its employees, and employees are encouraged to seek training on human rights & anti-corruption.

**G ASSESSMENT ON EFFECTIVENESS IN ENSURING THAT FORCED LABOUR & CHILD LABOUR ARE NOT BEING USED IN ACTIVITIES AND SUPPLY CHAINS**

As Horizon has not identified any forced labour or child labour or material risks of forced labour or child labour in its activities and supply chains, a formal assessment process with regards to the Company's effectiveness in ensuring that forced labour and child labour are not being used in Horizon's business and supply chains has not been implemented at this time. The Company will consider implementing measures to assess their effectiveness in managing such risks, should the Company's assessment of such risks change.

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**Attestation by Horizon Copper Corp.**

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that the Board of Directors of Horizon Copper Corp. has approved this report and that I have reviewed the information contained herein. Based on my knowledge, and having exercised reasonable diligence, I attest, on behalf of Horizon Copper Corp., 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/ Erfan Kazemi

President, CEO and Director

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FULL NAME

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TITLE

May 31, 2024

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DATE