

# 2024 MODERN SLAVERY REPORT

## Introduction

This Report constitutes the first report of Uranium Royalty Corp. ("Uranium Royalty" or the "Company") pursuant to Section 11 of Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act") and sets out the steps taken to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere or of goods imported into Canada by the Company ("Modern Slavery Risks").

This Report has been prepared for the Company's fiscal year ended April 30, 2024 (the "Reporting Period").

## Who We Are

The Company is committed to ensuring that forced labour and child labour are not used in its supply chains.

Uranium Royalty is a pure-play uranium royalty company focused on gaining exposure to uranium prices by making strategic investments in uranium interests, including royalties, streams, debt and equity investments in uranium companies, as well as through engaging in physical uranium transactions.

At the end of the Reporting Period, the Company's growing portfolio included 20 interests on 18 development, advanced, permitted and producing uranium projects in multiple jurisdictions, including royalties on the McArthur River and Cigar Lake mines, each located in Saskatchewan. The Company interests in uranium projects and properties are usually limited to receiving payment under its royalties and other interests, which are customarily in cash or through the delivery of physical uranium.

The Company is incorporated under the *Canada Business Corporations Act* and has two wholly-owned subsidiaries, Uranium Royalty (USA) Corp., a corporation incorporated under the laws of Delaware on October 24, 2018, and Reserve Minerals, LLC, a limited liability company existing under the laws of Delaware.

The Company's head office is located in Vancouver, British Columbia.

For further information regarding the Company and its assets, please refer to its most recent Annual Information Form, a copy of which is available on its website at [www.uraniumroyalty.com](http://www.uraniumroyalty.com).

## Our Supply Chain

The Company's operations are focused on acquiring royalties, streams and other interests in the uranium sector, along with engaging in transactions in physical uranium. As such, the

Company's physical supply chain is generally limited to: (i) the acquisition of uranium; and (ii) to a lesser extent, sourcing goods and services for its head office operations, such as office equipment, computer equipment, accounting, legal and other advisory or consulting services and other miscellaneous office supplies. The latter are substantially all sourced within Canada and the United States.

The Company's supply chain for acquiring physical uranium includes the following:

- existing uranium royalty or stream arrangements with operators of uranium mines, whereby physical uranium may be delivered as payment to the Company by the operator of the underlying uranium mine. Currently, all of the Company's such interests in producing mines are mines located in Saskatchewan, Canada; and
- purchases of physical uranium in market-based purchases through brokers, dealers and other counterparties, including pursuant to long term delivery contracts.

During the Reporting Period, the Company sourced uranium through primarily market-based purchases and an existing royalty agreement with a Canadian mine.

## **How We Work to Ensure Our Supply Chains Are Free of Forced Labour and Child Labour**

### ***Governance***

Risk oversight is the responsibility of the Company's board of directors. The Company's Sustainability Policy, which addresses Modern Slavery Risks and is described below, is overseen by the Company's board of directors. The Company's board of directors has delegated to its Audit Committee the responsibility to review and monitor its risk management policies and practices generally and reviewing compliance with the Company's Code of Business Conduct and Ethics (the "Code").

In addition, the Company has appointed a Vice President of Environmental, Social and Governance (ESG), who is accountable to ensure the implementation of programs and processes that support its Sustainability Policy, including the management and mitigation of Modern Slavery Risks.

The Company has established and maintains a number of policies, internal controls and procedures relating to the procurement of goods and services, including physical uranium, that are intended to help manage risk and comply with applicable laws and regulatory requirements in the jurisdictions in which we operate or source supplies.

### ***Policies***

**Code of Business Conduct and Ethics:** Uranium Royalty is committed to the highest ethical standards for conducting its business. The Company's Code establishes standards across the

organization for honest and ethical conduct, fostering a culture of integrity. The Code also requires Company personnel to at all times obey and comply with all federal, provincial, state and local laws, including those relating to forced labour and child labour.

**Whistleblower Policy:** Uranium Royalty has a Whistleblower Policy that provides a formal framework for employees to report any violations of the Code anonymously and confidentially. The Company encourages employees to report any situation that appears to involve any breach of the Code, or ethical or legal obligations.

The Whistleblower Policy also provides that the Company will not tolerate an attempt on the part of anyone to apply any sanction or detriment to any person who has reported to the Company a serious and genuine concern that they may have about any apparent wrongdoing.

**Sustainability Policy:** The Company's Sustainability Policy outlines its ESG related values. The policy is designed to ensure that sustainability-related risks, including Modern Slavery risks, and opportunities facing the Company, its third-party operators and suppliers are assessed appropriately as a part of its risk management processes.

The policy provides that the Company adheres to the following human rights related principles:

- Respect internationally recognized human rights as proclaimed by the Universal Declaration of Human Rights, and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. This means that we are committed to and seek to align our actions with the United Nations Guiding Principles on Business and Human Rights.
- Respect the rights of all people, upholding human rights, and acting with integrity and transparency throughout all of our actions, communications and stakeholder engagement.
- Prohibit the use of any form of forced or compulsory labor, including child labor, both within our operations, and by those with which we enter into any business dealing. We have zero tolerance for such human rights violations committed by our employees, or any third parties entered into business dealings with the Company. We will take appropriate action if a human rights violation is reported.

### ***Procedures***

**Due diligence:** When entering into new royalty, streaming or similar agreements with third parties, the Company conducts specific due diligence on Modern Slavery Risks to ensure that we transact with third parties who share and upholds the values outlined in our Code, as well as our Sustainability Policy.

In evaluating such potential transactions, the Company utilizes a disciplined approach to, among others, safeguard against human rights abuses. When entering into a royalty agreement or other financial arrangement, the Company carefully screens and seeks to select

operators who share our principles of responsible environmental and social stewardship. This process includes reviewing publicly available information, conducting jurisdiction-based reviews and risk assessments and, where available, reviewing the third party's internal policies, procedures and records relating to Modern Slavery Risks.

The Company also regularly reviews sanctions and other lists compiled by governmental and non-governmental organizations to identify jurisdictions and entities that have heightened Modern Slavery Risks.

In the case of market-based transactions, due to the nature of uranium as a fungible commodity, the Company has limited access to information to diligence the mine source and related supply chain in each transaction. However, the Company does have access to information regarding the country of origin underlying each uranium acquisition.

Uranium is not listed as a product where there is a risk of modern slavery on the Global Slavery Index.<sup>1</sup> Further, due to the heavily regulated nature of the industry globally, the Company believes there is a low risk of forced labour and child labour in our supply chain. Given the regulated nature of uranium mining activities globally and the technical nature of such activities, the Company believes Modern Slavery Risks are generally low in relation to its market-based purchases.

In order to further mitigate risks related to market-based purchases, the Company also seeks to deal only with reputable brokers and dealers.

During the Reporting Period, the Company took the following steps to prevent and reduce Modern Slavery Risks in its business and supply chains:

- Reviewed its existing policies and procedures to ensure they remained up to date and applicable;
- In compliance with its policies and procedures, continued conducting due diligence of potential royalty and stream partners and other counterparties before entering into agreements; and
- Conducted a management-led assessment of Modern Slavery Risks in the Company's supply chain.

## **Assessment of Modern Slavery Risks in our Supply Chains**

The Company recognizes that Modern Slavery Risks vary by industry and jurisdiction.

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<sup>1</sup> Walk Free – *The Global Slavery Index 2023*

(<https://cdn.walkfree.org/content/uploads/2023/05/17114737/GlobalSlavery-Index-2023.pdf>)

The Company does not consider that any of its operations carry Modern Slavery Risks, given its limited operations and business model. Additionally, due to the heavily regulated nature of the industry the risk is further mitigated.

Finally, as outlined above, the Company has a number of internal policies and controls designed to safeguard the rights of its employees along with its commitment to respecting and observing human rights in accordance with applicable law and the principles set forth in applicable international standards described herein.

### **Remediation of Modern Slavery Risks and Loss of Income**

Based on the Company's assessment of its activities and supply chain, as described above, during the Reporting Period, there were no measures taken to remediate any forced labour or child labour or loss of income to the most vulnerable families given that there were no incidents of forced or child labour identified in the Company's operations or supply chain.

### **Assessing Effectiveness**

The Company has a number of measures to prevent and reduce Modern Slavery Risks in its activities and supply chain. Given its limited supply chain activities, the Company has not yet taken any formal actions to assess the effectiveness of those measures. It plans to do so at a later stage.

### **Approval and Attestation**

This Report was approved by the Company's Board of Directors. In accordance with the requirements of the Act, and in particular section 11 thereof, I, the undersigned, attest that I have reviewed the information contained in this Report for the Company. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this Report is true, accurate and complete in all material respects for the purposes of the Act, for the Reporting Period.



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Scott Melby  
Chief Executive Officer, President and Director  
May 6, 2024