



Atlas Salt Inc.

Report – Bill S-211: Forced Labour in Canadian Supply Chains

May 2024

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About This Report

This report marks the inaugural report filed by Atlas Salt pursuant to subsection 11(2) of the Fighting Against Forced Labour and Child Labour in Supply Chains Act, S.C., 2023, c.9 (the Act).

As required by the Act, this report summarizes the steps that we have taken in the financial year ending December 31, 2023 to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada by Atlas Salt Inc. (Atlas Salt" or the "Company") or of goods imported into Canada by Atlas Salt.

This report will be published annually to track our progress with respect to steps taken to protect human rights and reduce the risk of forced labour and child labour within our operations and supply chain.

Who We Are

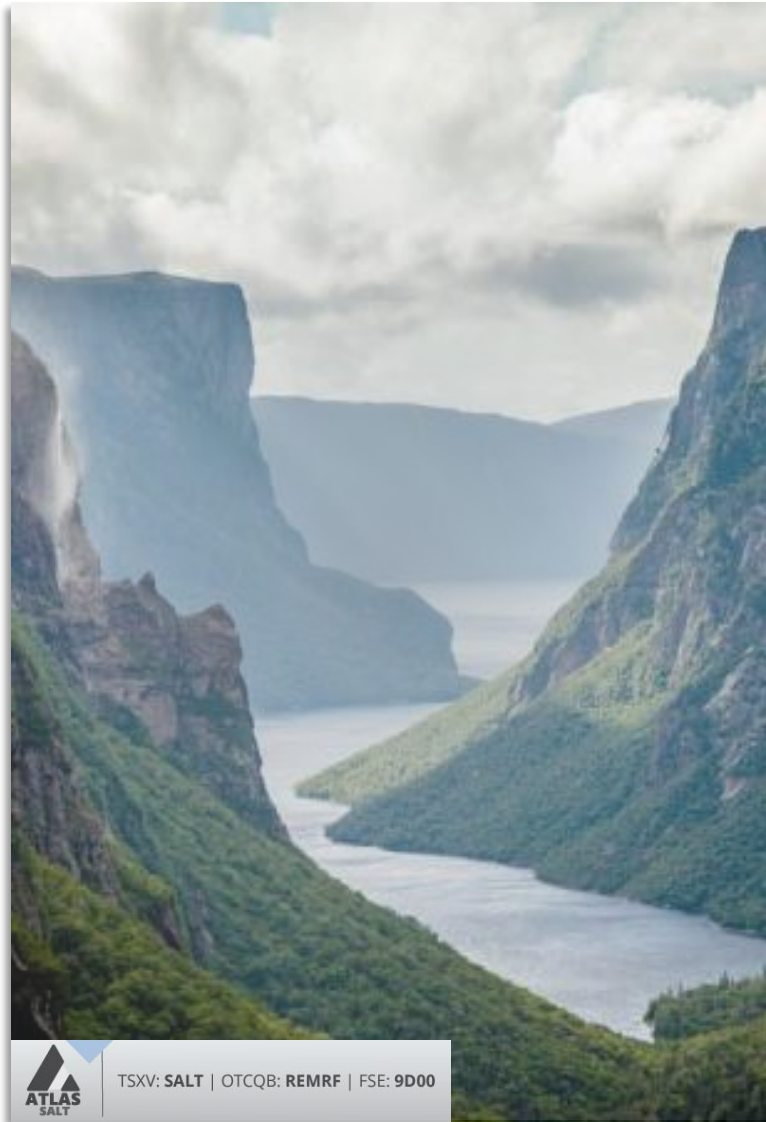
Atlas Salt is developing Canada's next salt mine and is committed to responsible and sustainable mining practices. With a focus on innovation and efficiency, the company is poised to make significant contributions to the North American salt market while upholding its values of environmental stewardship, community engagement and innovation.

Incorporated in British Columbia, with a Corporate Office in St. John's Newfoundland and a Field Office in St. George's Newfoundland, Atlas Salt is in the pre-construction development stages of the Great Atlantic Salt Project in St. George's Newfoundland. All locations are working together toward the common goal of developing the Great Atlantic Salt Project.

Atlas Salt is a publicly traded company on the TSX Venture Exchange (TSXV:SALT).

More information can be found at www.atlassalt.com.

Environmental Stewardship



Environmentally Responsible Design

- Proactive environmental design incorporates layout and technologies to minimize impact.
- Use of covered and enclosed conveyer, dust collection systems to prevent dust, noise, for the protection of public health.
- Conveyor burial and enclosure, water management plan, site design to limit environmental interaction.
- Baseline environment and biodiversity assessments to guide development and construction.

Operating Responsibly

- Operations will integrate monitoring and avoidance for project site and access routes to protect flora and fauna, natural habitats, and water resources, with adaptive management responsive to any changes.
- Benign mining operations with no chemical use or tailings generation minimizes potential impacts.
- Active community member working with and making positive contributions to communities in which we operate.

Sustainable Land Use

- Minimal site footprint over life of mine.
- Regular monitoring and adaptive management plans to ensure ongoing environmental stewardship and preservation of biodiversity throughout life of mine.
- Ecosystem restoration commitments and closure plans for reclamation and rehabilitation post-mining.

Community Engagement



Town hall meeting on January 31, 2024 — St. George's, Newfoundland

Community Benefits (Employment, Infrastructure)

- Local Job Creation: 170-250 employment opportunities for residents.
- Long-term sustainable employment.
- 3-5x Economic Multiplier Effect Expected: Increased local spending and business opportunities, boosting the regional economy.

Operating Responsibly

- Regular Town Hall Meetings: Open forums for community feedback and project updates.
- Collaboration with local leaders & Indigenous groups: Partnering with community representatives for tailored project integration and feedback.
- Transparent Communication: Maintaining open lines for local input.

CSR Initiatives

- Local Office: Setup office in the local community providing a venue for community feedback and field office to facilitate work.
- Local First Nation Support: Donations to first nation food bank programs in the area.
- Community Food Bank: Donations and support for local initiative Helping Hands.

Innovation



Innovative project highlights

Technological Integration

- Incorporation of geotechnical studies and modern equipment in mine design and planning.

Advanced Conveyor Systems

- Efficient covered transport of salt over approximately 2kms to dedicated storage and port facilities.

Environmental Considerations

- Implementation of sustainable practices and waste management protocols.

Energy Efficiency

- Use of electric and battery-powered mining equipment.

Advanced Processing Plant

- Located underground to minimize surface impact, with multi-stage crushing and screening.

Port Infrastructure Enhancement

- Modifications for increased shipping capacity and efficiency.

Stakeholder Engagement

- Inclusive approach with local communities and indigenous groups.

Our Business

Structure

Atlas Salt was incorporated in August of 2021 in British Columbia, becoming a publicly held company under the Canada Business Corporations Act, with common shares listed on the Toronto Stock Exchange Venture Exchange as TSXV:SALT.

Atlas Salt is headquartered in St. John’s Newfoundland, with a Field Office in St. George’s Newfoundland. Currently in the project development stages, Atlas Salt has fewer than 20 employees, all located within Canada.

Activities

Our operations are based in Canada, where strong human rights legislation is enforced.

Atlas Salt is currently in the project evaluation stage of the Great Atlantic Salt Project, located in Western Newfoundland. While we do not currently produce or sell goods, we did provide access to a quarry on our site to remove gypsum in 2023 through a subcontractor: Turf Point Resources, a Canadian based company, operating under the strictly enforced Canadian labour standards.

Turf Point operated as an independent subcontractor and is not a part of Atlas Salt’s supply chain. No activity related to the

gypsum quarry is scheduled for 2024.

Supply Chain

The project development activities Atlas Salt undertook in 2023 did not require a supply chain. We have not yet determined what our production supply chain will look like. Atlas Salt has no physical goods involved in its supply chain.

Atlas Salt understands that our suppliers will play a key role in our ability to live up to our sustainability commitments and attain our environmental, social and governance (ESG) goals. To that end, procurement policies and procedures are being drafted for implementation in 2024.



Position on Human Rights

Atlas Salt respects the human rights of all individuals impacted by our operations and activities. We have zero tolerance for any human rights violations committed at our operations, by our employees, our work partners or other third parties operating on our behalf.

Atlas Salt's official Human Rights Statement is in development for approval and implementation in 2024.

Forced Labour Risk in Supply Chain

Operational Risk

We have determined that our operations have no inherent risk since all our workforce is legally eligible to work in Canada. Atlas Salt adheres to the Canadian labour standards and current employees are all verified for legal age requirements.

In addition, we currently only work with registered businesses in Canada contracted directly by Atlas Salt, not through subcontractors, who must uphold the same high standards of labour regulations.

Supply Chain Risk

Atlas Salt acknowledges a risk that forced labour and/or child labour might be used in our extended supply chain as we grow through the future project development stages. We understand the importance of risk mitigation and relationship management throughout the procurement process, including complying with the Act.

In our current stage, we have not started the process of identifying risk, but as we start to build our supply chain we will gain visibility into whom we do business with through establishing policies and procedures for Procurement, ESG, and Subcontractor Code of Conduct.



We acknowledge that our ability to operate and ensure long-term success of our project is linked to how well we will manage and identify potential risk to our company. Atlas Salt will consider risk associated with forced labour and child labour when developing all policies and procedures for our operations and supply chains.

1. Organizational Policies
 - We are currently working on implementing policies and procedures as part of our operational development stage.
2. Suppliers
 - Supplier Standards: Atlas Salt is in the process of approving and adopting our supplier code of conduct in line with applicable laws and international standards for the prevention of forced labour.
3. Reporting
 - As we build out our systems during project development, we will develop appropriate reporting mechanisms for concerns, complaints and violations.
4. Training and Awareness
 - Atlas Salt will build a training program on forced labour and child labour as a part of our project development systems.

Assessing Effectiveness

Atlas Salt is committed to addressing the risks of forced labour and child labour, and as mentioned in the report will introduce a number of policies in the upcoming year, however we currently do not have a self-assessment process to assess the effectiveness in preventing and reducing risks of forced labour and child labour in our activities and supply chains.



Steps To Prevent and Reduce Risk


Atlas Salt is a pre-construction mining company in the beginning stages of the Great Atlantic Salt project. We are using this initial reporting on Bill S-211 as our benchmark for future reporting for the steps and processes we will put in place to prevent, reduce and remediate the risk of child and forced labour practices within our policies, procedures and standards.

This report is set to follow the steps taken by Atlas Salt during the year 2023. With no supply chain and no inherent risk with all our workforce legally eligible to work in Canada, implementing such steps were not a requirement. Looking forward we will continue to improve our practices, ensuring that Atlas Salt will continue to be a conscientious and responsible driver of the economy.

Throughout this report actions were noted for the planned development of policies, processes and any other relevant actions that will be used to measure and track their success in preventing and reducing risks of forced labour and child labour in their activities and supply chains as part of project development.

Attestation

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.



Rick LaBelle

Chief Executive Officer

May 27, 2024

I have the authority to bind Atlas Salt and this report covers financial year 2023 and applies to Atlas Salt and all entities considered reporting entities in terms of the Act and any controlling subsidiaries of Atlas Salt if they apply.

Contact Us

If you have any inquiries concerning the 2024 Fighting against forced labour and child labour in supply chains report, please contact workingtogether@atlassalt.com

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