

MODERN SLAVERY REPORT 2024



This Modern Slavery Report (the “Report”) addresses the period from January 1, 2024 to December 31, 2024. It has been prepared in compliance with the *Fighting Against Forced Labour and Child Labour Supply Chains Act* (Canada) (the “Act”). This Report is made on behalf of Entrada Resources Inc. (“Entrada” or the “Company”).

1. INTRODUCTION

Forced labour and child labour, each as defined in the Act, are crimes and serious violations of human rights. As a Canadian oil and gas company, Entrada recognizes the important role that we have in ensuring that our operations, located in Alberta, Canada, and the supply chains that support our operations, adhere to the highest ethical standards, including the prevention and identification of forced labour and child labour in our supply chain. This Report sets out the steps that we have taken during the fiscal year 2024 to prevent and reduce the risk that forced labour or child labour is used at any step in the production of goods in Canada or elsewhere by Entrada or of goods imported into Canada by Entrada or third parties supplying Entrada.

2. OUR BUSINESS

Entrada is an oil and gas company headquartered in Calgary, Alberta, Canada. We are engaged in the exploration and development of our oil and gas properties located wholly in Alberta. We are focused on developing our Cardium plays located in the Willesden Green area northeast of Rocky Mountain House, Alberta.

Entrada’s supply chain includes businesses that supply goods and services to our organization, primarily encompassing various vendors, suppliers, contractors, and subcontractors involved in the procurement of goods and services necessary for our operations in developing and maintaining our conventional oil and gas properties.

In total, we procure goods and services from approximately 430 suppliers and contractors. The suppliers we engage include primarily local businesses that adhere to Canada’s oil and gas production regulations, which are among the highest standards in the world.

Additional information regarding the corporate structure, operations, and industry conditions relating to Entrada are available on our website <http://entradaresources.ca>.

3. OUR POLICIES

Policies

Through our organization and governance policies, we communicate our values and expectations, setting a high bar for ourselves, our suppliers, and our business partners, and make it clear that we do not tolerate any form of forced labour or child labour. We are committed to consistently evolving and improving our approach. We do not tolerate child, forced or bonded labour in any of our operations or by suppliers working with us. We make every effort, including carrying out due diligence, to monitor the performance of our suppliers to prevent activities that have a negative impact on human rights. Our relevant policies are discussed in further detail below:

Code of Business Conduct and Ethics

We are committed to conducting our business lawfully and ethically. Our Code of Business Conduct and Ethics (the Code) is the foundation of our company policies and sets out guiding principles on professional conduct and establishes that in performing their job duties, Entrada employees should always act lawfully, ethically and in the best interests of Entrada.

Supplier Code of Conduct

Entrada's Supplier Code of Conduct details the requirements and expectations we have of our suppliers, their supply chains, and other service providers with whom we engage. We expect our suppliers to comply with all applicable legal requirements in the jurisdictions in which they operate and consistently monitor and enforce our Supplier Code of Conduct in their own operations and supply chain. Our Supplier Code of Conduct also sets forth our principles of inclusivity and accountability. We engage with suppliers that are committed to these same principles, and suppliers commit to these standards as a condition of doing business with us. We review our Supplier Code of Conduct upon onboarding and on an annual basis to ensure that this policy is in line with current best practices.

Whistleblower Policy

Entrada's Whistleblower Policy provides a mechanism for employees to report concerns regarding wrongdoing without fear of victimization, subsequent discrimination or disadvantage. The Whistleblower Policy is intended to encourage and enable employees to raise serious concerns within Entrada rather than overlooking a problem or seeking a resolution for the problem outside Entrada. The Whistleblower Policy applies to all employees and contractors working for Entrada. It is also intended to provide a method for other stakeholders (suppliers, customers, shareholders, etc.) to voice their concerns regarding Entrada's business conduct.

Due Diligence

We expect third parties with which we work to adhere to business principles and values similar to our own and to comply with all applicable laws and regulations. Before making any commitments towards third parties, we take steps to appropriately evaluate the relationship and mitigate any associated risks by carrying out risk-based due diligence and checks.

We acknowledge that employees working in our supply chain are at potential risk of forced labour or child labour. To mitigate this risk, we follow a due diligence approach that includes the following steps:

- Monitoring and reviewing supply chains and business relationships
- Collecting supplier and service provider attestation on a risk-based basis
- Embedding responsible business conduct into policies and management systems
- Identifying and assessing adverse impacts by training and raising awareness and understanding of modern slavery and human trafficking among our employees and vendors as we track implementation and results, communicating how impacts are addressed and providing our cooperation in remediation when appropriate.

4. ASSESSING OUR RISK

Entrada engages in various activities to identify, assess, and manage supplier risk. In assessing the risk of forced and child labour in our business and supply chains, we refer to external compliance databases for smaller service providers and for larger organizations, we engage with our peers, consult with external experts, map supply chains, and conduct risk assessments during our procurement process and annual review. To identify the business activities with the greatest exposure to these risks, we consider the following factors:

- Reliance on a low-skilled workforce
- Dangerous or undesirable work
- Presence of migrant workers
- Presence of labour intermediaries
- Offshore production and sourcing of materials
- Long, complex, or non-transparent supply chains
- Presence of child labour; and
- Jurisdictional risks, including poverty, conflict, and enforcement of international human rights standards.

Our exposure to the risk of forced labour and/or child labour increases when we engage with third parties, particularly in categories such as protective equipment and clothing and construction materials sourced in whole or in part offshore through third parties.

5. OUR COMMITMENTS

Entrada Resources Inc. is committed to upholding the highest standards of ethical conduct, including the prevention of modern slavery and human trafficking in all aspects of our operations. As a Canadian oil and gas company, we recognize our responsibility to ensure that forced labour or child labour is not used at any step of the production of goods, whether within Canada or abroad, by our entity or within our supply chains. Below are outlined the steps we have taken to address and mitigate these risks:

- Mapping our production activities
- Mapping our supply chains
- Monitoring suppliers
- Gathering information on worker recruitment and maintaining internal controls to ensure that all workers are recruited voluntarily
- Developing and implementing due diligence policies and processes for identifying, addressing and prohibiting the use of forced labour and/or child labour in the organization's activities and supply chains
- Engaging with supply chain partners on the issue of addressing forced labour and/or child labour, and
- Encourage employees and stakeholders to report any concerns or suspicions of modern slavery.

Remediation Measures

In accordance with the Act, Entrada has conducted a comprehensive assessment of its activities and supply chain and has not identified any incident of forced labour or child labour being used. Therefore, we did not need to take any measures to remediate an incident of forced labour or child labour.

The Company acknowledges the importance of vigilance and ongoing monitoring to ensure that modern slavery risks remain mitigated within our operations and supply chains. We are committed to regularly reviewing our risk assessments and implementing any necessary remediation measures should the need arise in the future.

Our Code of Business Conduct and our Whistleblower Policy require all employees and contract workers of Entrada to report actual or possible misconduct. We also undertake diligence efforts (as further described in this Report) to ensure that the risk of forced labour and child labour is mitigated in our business. If we discover any forced labour or child labour in our business and supply chains, we may take one or more of the following measures to remediate such forced labour or child labour:

- *Suspension or termination of a supplier, sub-supplier or contractor*
- *Actions to prevent forced labour or child labour and associated harms from reoccurring*
- *Actions to support victims of forced labour and child labour*
- *Grievance mechanisms, and*
- *Formal apologies.*

Training

Entrada personnel at all levels are required to adhere to our Code of Business Conduct and Ethics policies and ensure that it is understood and properly applied to their daily activities. Every new employee of Entrada must review and sign our mandatory values and policies included in our Code of Business Conduct and Ethics and is informed of how to report wrongdoing under our Whistleblower Policy. We provide employees with ongoing and periodic training opportunities to ensure that all employees have current knowledge.

Supplier Engagement

We engage with our suppliers to raise awareness of modern slavery risks and provide guidance on implementing best practices for prevention and mitigation.

6. OUR PROGRESS AND EFFECTIVENESS

As part of our governance processes, we monitor compliance with our policies on an ongoing basis. We also review any concerns raised through our Whistleblower Policy and other informal mechanisms of employee feedback. To date, no significant concerns or complaints have been identified.

We have selected certain key metrics related to human rights, including forced labour and child labour, and these metrics are reviewed on an annual basis. Any non-conformances identified are dealt with by the appropriate teams. Support is provided to suppliers where necessary to resolve any issues raised.

We also assess the effectiveness of our policies by:

- Setting up regular reviews of the organization's policies and procedures related to forced labour and child labour
- Tracking relevant performance indicators, such as levels of employee, vendor and partner awareness, numbers of cases reported and solved through grievance mechanisms and numbers of contracts with anti-forced labour and child labour clauses, and
- Work with suppliers to measure the effectiveness of their actions to address forced labour and child labour, including tracking relevant performance indicators.

7. APPROVAL AND SIGNATURE

This Report was approved by Entrada's Board of Directors on April 10, 2025, and has been submitted to the Minister of Public Safety and Emergency Preparedness in Canada. This Report is also available on our website at <https://entradaresources.ca>.

Under the requirements of the Act, and in particular section 11 thereof, I 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 Act for the reporting year listed above.

A handwritten signature in black ink, appearing to read "D.W. Long". The signature is fluid and cursive, with a long horizontal stroke at the end.

Daniel W. Long

President and CEO

April 10, 2025

I have the authority to bind Entrada Resources Inc.