

Atlantic Mining NS Inc

Forced Labour and Child Labour Report

1 May 2024





Contents

1. About Atlantic	3
1.1. Reporting Entity and Structure	3
1.2. Status as a reporting entity under the Act	3
1.3. Activities and Operations	3
1.4. Values & Strategic Priorities	4
1.4.1. Our Commitments	4
1.4.2. Our Values	4
1.4.3. Strategic Priorities	4
2. Supply Chain	4
3. Forced Labour and child labour risks	5
3.1. Direct Risk	5
3.2. Indirect Risk	6
4. Steps taken in the Reporting Period to prevent and reduce the risk of forced labour and child labour	6
5. Assessing Effectiveness	7
6. Commitments	7
7. Attestation	7

1. About Atlantic

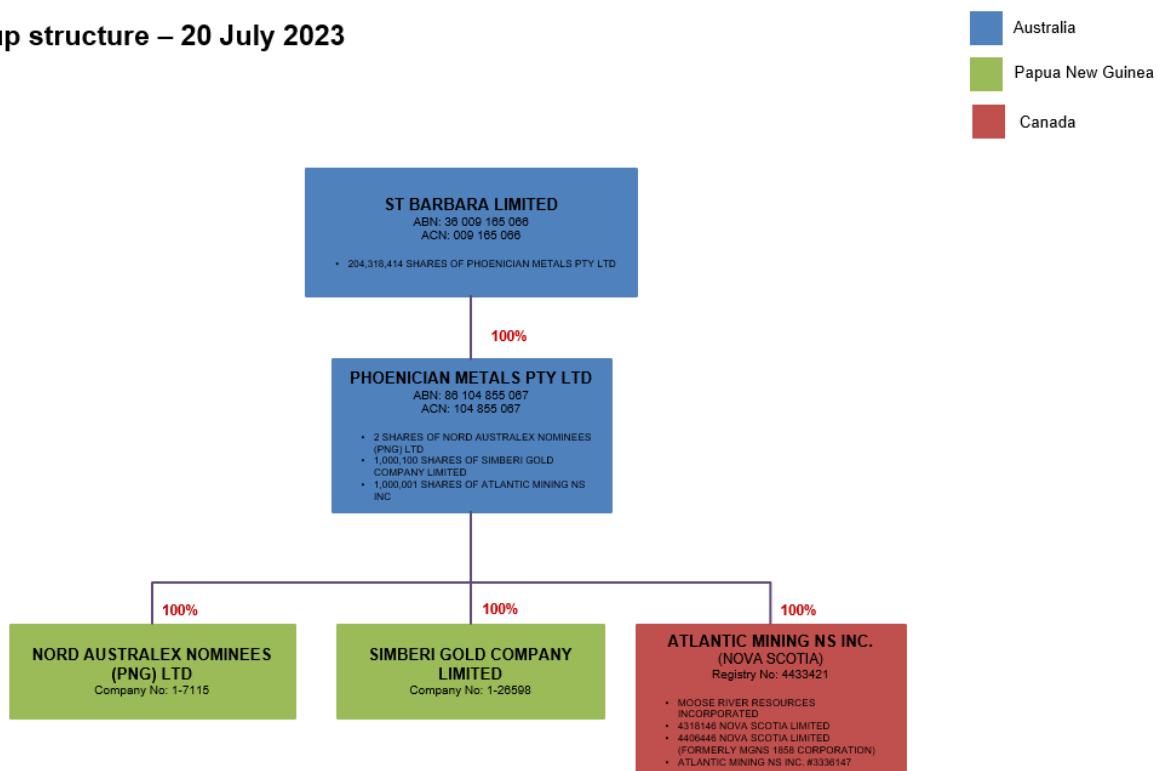
1.1. Reporting Entity and Structure

As at the date of this report, Atlantic Mining NS Inc. (Registry Number: 4433421) (“**Atlantic**”, “**We**” or “**Us**”) is a wholly owned subsidiary of Phoenician Metals Pty Ltd (ACN 104 855 067). St Barbara Limited (ACN 009 165 066) (“**St Barbara**”) is the ultimate holding company of Atlantic.

St Barbara is listed on the Australian Stock Exchange and is a gold mining company headquartered in Perth, Western Australia. St Barbara is engaged in the exploration, development, mining and sale of gold in Australia, Canada and Papua New Guinea. St Barbara is committed to upholding high standards of integrity and ethical conduct in all its operations.

The below diagram indicates St Barbara’s group structure and Atlantic’s position in the group structure.

St Barbara Group structure – 20 July 2023



Our Atlantic operations are managed by the Vice President, Atlantic Operations who reports into the Managing Director and Chief Executive Officer of St Barbara based in Perth, Western Australia. Atlantic’s head office is based in Halifax, Nova Scotia.

1.2. Status as a reporting entity under the Act

We consider that we are not currently producing goods or importing goods for the purposes of the application of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act (Act)*.

However, in the interests of ongoing transparency, we are choosing to make this statement pursuant to the Act because:

- we operated the Touquoy mine site (therefore producing goods in Canada) up until October 2023;
- we currently have a number of exploration projects underway in Canada including 15 Mile, Beaver Dam and Cochrane Hill and may produce goods in Canada at a future date;
- for the financial year ending 30 June 2023, we had assets to the value of CAD 230,575,000 in Canada; and
- for the financial year ending 30 June 2023, we earned revenue of CAD 106,620,000 from our Canadian assets.

The reporting period for the purposes of this report is 1 July 2022 until 30 June 2023 in alignment with our latest fiscal year (**Reporting Period**).

1.3. Activities and Operations

We mined and processed gold from our Touquoy mine site in Nova Scotia, Canada until the site was placed into care and maintenance in November 2023. We employed between 200 and 320 personnel at the Touquoy site until the suspension of operations.

Our current activities include the closure and reclamation of Touquoy mine site, exploration in various areas of Nova Scotia (specifically for gold) and environmental monitoring and permitting of various properties and tenements in Nova Scotia including 15 Mile, Beaver Dam and Cochrane Hill.



Following the changes to our operations, Atlantic now employs approximately 45 personnel in Canada across various roles including permitting, tenement management, exploration, financial management, human resources, community relations and site operations and management.

1.4. Values & Strategic Priorities

We recognise our responsibility to ensure that our business practices do not contribute directly or indirectly to forced labour, child labour or human trafficking in any form. We understand that responsibility extends beyond the well-being of our direct employees to the prosperity of the communities we touch and the environments we operate in. We believe that, together with our stakeholders, we can make a meaningful difference and set an example for ethical and responsible business practices in the mining industry.

As a subsidiary of St Barbara, we are driven by St Barbara’s values and commitments including the following:

1.4.1. Our Commitments

- Safety Always.
- Empowered People, Diverse Teams.
- Stronger Communities.
- Respecting the Environment.
- Growing Sustainably.

1.4.2. Our Values

- We act with honesty and integrity.
- We treat people with respect.
- We value working together.
- We deliver to promise.
- We strive to do better.

1.4.3. Strategic Priorities

The strategic focus areas for Atlantic comprise:

- Prioritising development of 15-Mile and target development in FY26.
- Repurposing of parts of the Touquoy processing plant for use at 15-Mile.
- Pausing permitting process for Beaver Dam to allow further stakeholder engagement.
- Continuing exploration at Cochrane Hill, Mooseland, South-West and Goldboro East.

Additional strategic focus areas at the corporate level comprise:

- Establishing a refreshed corporate culture and identity focused on value.
- Actively managing the investment portfolio.

2. Supply Chain

Our suppliers are a crucial partner in achieving our forced labour and child labour related objectives. We endeavor to buy locally in Canada, mitigating supply chain risk to business continuity and providing economic support to the communities in which we operate.

The St Barbara value chain and supply chain process is broadly described as follows: exploration, development, mining, processing, delivery of gold doré to the gold refinery and closure and rehabilitation.



Up until the suspension of our Touquoy operation in October 2023, our supply chain encompassed goods and services broadly from the following categories:



- Heavy machinery fleet, including parts and tyres;
- Engineering and construction services;
- Fuel;
- Processing equipment including prefabricated equipment; and
- Labour hire and other contracted services.

The procurement of goods and services was managed through a centralized procurement function during this period.

Following suspension of our Touquoy operations, we have focussed solely on exploration and mine development activities. Subsequently, the scale and complexity of our supply chain has reduced.

We now mainly source specialized professional services including engineering and technical subject services (hydrologist, geochemistry, geophysical, drilling, electricians, mechanics, construction/civil contractors) to progress the future development of our assets as well as supporting the reclamation/care and maintenance of our existing assets. We also source commodities such as personal protective equipment, pump fittings, fuel, pipe (both solid and flex), and environmental testing supplies.

Our suppliers provide goods and services from around the world, but most of our suppliers are domiciled in Canada.

The procurement function has also been decentralized with goods and services generally being procured directly by our business units as required. However, procurement activities are overseen by our project controller who reports to the Vice President, Atlantic Operations. Business units are required to adhere to group procurement policy and raise a requisition to purchase goods and services for approval by the project controller and relevant management personnel.

3. Forced Labour and child labour risks

In consultation with management and key internal stakeholders, we have assessed forced labor and child labor risks across all our operations to identify and evaluate the potential risks of forced labour and child labour in our operations and supply chains in the Reporting Period.

Recognizing the shared responsibility, we collaborate with industry partners, Non-Government Organisations, and governmental bodies in Canada to tackle the challenges associated with forced labour and child labour.

Consistent with the UN Guiding Principles on Business and Human Rights, we assess the risk of forced labour and child labour practices in our operations and supply chain by determining whether we have caused, contributed to, or are directly linked to forced labour and child labour. In response risks have been categorised into "Direct" (caused by Atlantic) and "Supply Chain" (directly contributed to by Atlantic) forced labour and child labour risks.

3.1. Direct Risk

Our operations are majority locally supplied and operate in a strong regulatory environment.

According to the Global Slavery Index, forced labor predominantly occurs in high-risk industries such as agriculture, construction, domestic work, meat processing, cleaning, hospitality, and food services. The mining industry is not listed directly, and whilst we utilise construction, cleaning and hospitality services, they generally are supplied on our premises therefore providing transparency and the contractual requirement to adhere to our policies and procedures.

Labour hire has a high risk of forced labour. However, we have not engaged many labour hire resources since closing our Touquoy operations in early 2023.

Canada is not only affected by forced labour and child labour within its borders: as one of the world's largest economies, Canada – like other G20 countries – is exposed to the risk of forced labour and child labour through the products it imports. The risk of forced labour and child labour for Atlantic is within the small number of first tier suppliers (2% of St Barbara's suppliers in the Reporting Period) and second tier suppliers that are in forced labour and child labour risk jurisdictions.



3.2. Indirect Risk

The key high-risk procurement categories where there is a potential to be directly linked to forced labour and child labour are listed below. This is with respect to tier 1 suppliers only:

Product/Service Category	Explanation of Risk
Electronic and electrical equipment.	Like all businesses, we source a range of electrical equipment including computers and mobile phones. The electronic and electrical industry is recognized globally as being a high-risk industry for modern slavery where workers are often lower skilled and manufacturing occurs in countries with a higher risk for modern slavery. There is also a risk that raw materials incorporated into electrical goods have been extracted using modern slavery.
Rubber products	We use a range of rubber products including tyres for our vehicles and gloves. Rubber is generally produced in countries that have a higher risk of modern slavery and most items are manufactured overseas.
Cleaning, catering and security services	Cleaning, catering and security services are obtained for our offices. These industries generally have a higher modern slavery risk although the services are performed in Canada.
Labour Hire and Short-Term Contract Workers	Temporary work carries a higher risk of modern slavery due to a higher rate of migrant workers and strong competition putting pressure on suppliers to minimize costs.

4. Steps taken in the Reporting Period to prevent and reduce the risk of forced labour and child labour

We have conducted a number of activities to address the risk of forced labor and child labor in our supply chain, although we believe that the risk is low given the scope of goods and services that we acquire and the nature of our business activities.

Supplier Screening

We have introduced screening for all new suppliers by external third party software for human rights violations including forced labour, child labour and trafficking.

Suppliers are also required to complete a questionnaire to assess forced labour and child labour risk. The questionnaire also helps Atlantic understand if the suppliers adhere to Atlantic’s Code of Conduct and if the suppliers have their own human rights policy.

Contract Terms and Conditions

We have included provisions in our supply contracts requiring minimum standards in regard to health & safety, environment, anti-bribery and anti-corruption and forced labor and child labor.

Policies and Procedures

We have ensured that forced labor and child labor risk is addressed in our governance framework in alignment with our values. To that end, we have adopted and implemented the following policies and supporting procedures established by St Barbara across the corporate group:

- Modern Slavery Policy
- Modern Slavery Procedure
- Community and External Relations Policy

Moreover, our commitment to forced labour and child labour is reflected in the following St Barbara policies and guidelines adopted by Atlantic:

- Code of Conduct
- Supplier Code of Conduct
- Procurement Policy
- Human Resource & Recruitment guidelines



Awareness and Prevention

Training was introduced so all our employees are required to complete periodic training to ensure they understand our commitment to addressing forced labour and child labour and know how to identify risks.

5. Assessing Effectiveness

It is our policy not to engage with third parties where the minimum national and/or international legally required labour standards are not adhered to or where we believe, following a forced labour and child labour risk assessment, that the third party or its suppliers engage in forced labour or child labour.

We will not enter into or renew any contract with a third party whose risk of forced labour or child labour is assessed as high without evidence that the third party has in place adequate controls to manage the risk of forced labour.

Modern slavery questionnaires are a self-assessment tool for suppliers who can elect to complete the questionnaire. Therefore, the questionnaire communicates the organisation's priority to not contribute to forced labour and child labour, but also leads to the data having application limitations. Our audits and site visits of suppliers have indicated their workforces are not at risk of exploitation.

We are confident that the schedules and rates negotiated with our suppliers are reasonable and commercial and do not place the suppliers' workforce at risk of exploitation by their employer.

We are committed to continuous improvement. We review our policies, procedures, and practices regularly to ensure they remain effective. An annual review of our forced labour and child labour initiatives will be published to promote transparency and accountability.

6. Commitments

We are committed to continually developing and improving the effectiveness of the actions we are taking to assess and address forced labour and child labour risks. The evaluation of effectiveness is vital to ensuring that we are on the right track and effecting meaningful change.

Forced labour and child labour are global challenges that require collective effort. At Atlantic, we are strongly committed to playing our part in eradicating and removing such practices from our operations and supply chain wherever they might exist. We will be focused on making commitments that create real change in our highest areas of risk. We urge our stakeholders to join us in this endeavour.

7. Attestation

This Statement has been prepared on behalf of Atlantic Mining NS Inc in compliance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada) ("**Act**").

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in this report. Based on my knowledge, and having exercised reasonable due 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 ending 30 June 2023.

I also confirm that I have the authority to bind Atlantic as its sole Director.

Andrew Strelein
Director
Atlantic Mining NS Inc