



REPORT RE FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT

Entity Information

Entity Name: Guanajuato Silver Company Ltd.

Entity Address: 578-999 Canada Place, Vancouver, British Columbia, V6C 3E1, Canada

Subsidiary Entities Covered by Report: MMR Minera Mexicana el Rosario S.A. de C.V.,

OMPSA Obras Mineras el Pinguico S.A. de C.V. and 1352168 B.C. Ltd.

Section 11 Information

(1) Describe the steps the entity has taken in the previous financial year 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 by the entity or of goods imported into Canada by the entity.

Guanajuato Silver Company Ltd. and its subsidiaries (collectively, the “Company”) continue to recognize the importance of addressing potential modern slavery risks within our operations and supply chains. Over the past financial year, the Company has taken steps to enhance awareness of potential risks, including preliminary evaluations and internal discussions on strengthening protocols related to forced and child labour. Potential modern slavery risk exposures in our operations have been assessed as follows:

- Employees/labour – a risk of “causing” or “contributing to” modern slavery if any of our employees or temporary workers were in exploitative situations.
- Community – a risk of “contributing” or being “directly linked” to modern slavery if our activity contributes to modern slavery in the community.
- Investments – a risk of being “directly linked” to modern slavery through our investments if our investees are themselves involved in modern slavery.

As it relates to its labor force, the Company only has employees in British Columbia, Canada and the States of Guanajuato and Durango, Mexico. The Company pays all of its employees at or above the prevailing minimum wage in Canada and Mexico and all employees are verified to be employed voluntarily and therefore does not engage in any forced labour practices.

While no specific instances of modern slavery were identified during the year, we have initiated efforts to formalize internal procedures aimed at better identifying, assessing, and managing these risks going forward.

(3)(a) Entity structure, activities and supply chains

The Company’s only production of goods is the production of gold, silver, lead and zinc concentrates extracted from its mines in Mexico. To support its concentrates production the Company sources many items including but not limited to acid, reagents, solutions, gas, propane, spare parts, piping,

flanges, pumps, fasteners, motors, safety equipment and computer equipment. All goods are sourced from suppliers in the United States, Canada and Mexico.

(3)(b) Entity policies and its due diligence processes in relation to forced labour and child labour

The Company continues to ensure that all employees are of legal working age and voluntarily employed. We have begun reviewing our internal employment policies and onboarding processes to strengthen documentation practices, and we are evaluating enhancements to our due diligence procedures to address the broader scope of modern slavery risks.

We have also started exploring formal adoption of company-wide policies explicitly focused on forced and child labour, which are expected to be implemented in the coming reporting periods.

(3)(c) The parts of Entity's business and supply chains that carry a risk of forced labour or child labour being used and the steps it has taken to assess and manage that risk

The Company has maintained its assessment that the risk of child and forced labour within our direct operations remains low. Nonetheless, as part of our evolving risk management framework, we have taken preliminary steps to evaluate exposure within our supply chain.

A phased approach to supplier review has been discussed internally. We are currently developing a process to request supplier attestations regarding labour practices and are working toward incorporating appropriate contractual language in future agreements.

(3)(d) Any measures taken to remediate any forced labour or child labour

The Company believes our activities and supply chains do not carry a risk of forced labour or child labour being used and as such has not taken any measures to remediate any forced labour or child labour.

(3)(e) Any measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains

The Company has not yet implemented specific measures to address income loss for vulnerable families; however, this remains an area under internal review as part of our broader corporate social responsibility objectives.

(3)(f) The training provided to employees on forced labour and child labour

Employees are trained in hiring practices to ensure that all employees are of legal age to work in Mexico and Canada, provided relevant information on applicable minimum wages and directed to ensure that all employees are voluntarily employed. The Company has not yet implemented training on identifying forced labour or child labour risks in its supply chain but is in the process of establishing policies and training employees on such policies.

(3)(g) How the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its business and supply chains

The Company plans to assess if there is a secondary age verification system in Mexico in order to assess its compliance with child labour restrictions at its mine site. However, the Company does not

have a process in place to ensure the effectiveness of ensuring that forced labour and child labour are not being used in its supply chains.

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.

Full name: Richard Silas

Title: Corporate Secretary

Date: May 29, 2025

Signature:  (I have the authority to bind **Guanajuato Silver Company Ltd.**)