

# ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG)

BASELINE DISCLOSURE REPORT

*Report generated on 8 May 2023.*

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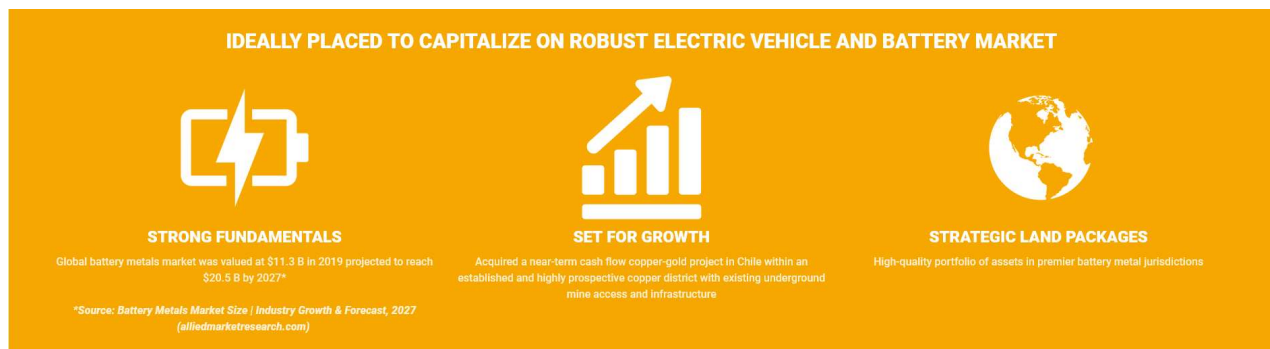
# Foreword

## Note to Readers

The Company's various documents and policies are referenced to throughout this report. Links to these documents and policies, which are posted on the Company's website, can be identified as being in blue all-caps font (e.g., "CODE OF CONDUCT POLICY").

## About Battery Mineral Resources Corp.

Battery Mineral Resources Corp. ("BMR Corp.", "BMR" or the "Company") is a Canadian-based mining company dedicated to supplying the minerals necessary for the global trend towards electrification. The Company is acquiring, exploring and developing projects in mining friendly jurisdictions including Chile, Canada, USA, and South Korea to meet the goal of transforming BMR into a cash flowing entity.



In Chile, BMR's flagship project, the Punitaqui copper-gold complex, is under development to resume mining operations in 2023, followed by production at a rate of up to 25 million pounds of copper per year.

In Canada, the Company is building on a recently discovered one million-pound cobalt resource in Ontario's Cobalt Belt by testing several high-grade targets on its expansive land package.

In the USA, BMR has a highly prospective and expansive cobalt, copper, gold property which is strategically contiguous to Jervois Mining's Idaho Cobalt Operations, which have the potential to enter into commercial production in the near-to-medium term. BMR also has a property that is prospective for lithium brines (the Amargosa Lithium Project), located in the southern Basin & Range province and central Mojave Desert of Nevada. Finally, BMR has a 100% ownership interest in ESI Energy Services Inc. ("ESI"), a company in the business of renting and selling backfill separation machines to wind and solar and other utility construction contractors, mainline pipeline contractors as well as oilfield pipeline and construction contractors (not shown in the map on the following page).

In South Korea, BMR has two formerly producing graphite mines – high purity brownfield flake graphite deposits that supplied battery producers in the country.

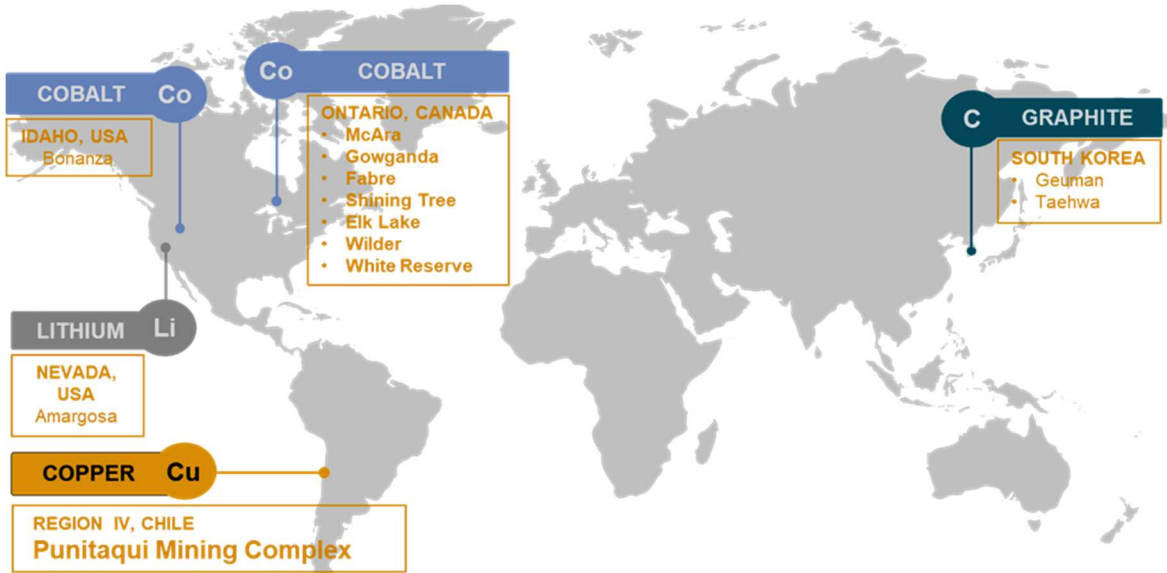


Figure 1. Overview of BMR's project sites



Figure 2. A view of the belt leading to the three tertiary cone crushers (left) and the concentrate shed at Cinabrio (right).



Figure 3. The two primary grinding mills on-site (left) and one of the two ball mills in the secondary grinding system (right).

# Environmental, Social, and Governance (ESG)

BMR is committed to the principles of ESG as a means of enhancing long-term enterprise value and addressing the societal priorities enshrined in the United Nations' Sustainable Development Goals. In April of 2023, we made a commitment to commence reporting on the Environmental, Social, and Governance (ESG) disclosures of the Stakeholder Capitalism Metrics (SCM) of the World Economic Forum (WEF).

The Company is in the process of making ESG disclosures in the form of a set of universal, comparable ESG metrics focused on people, planet, prosperity and principles of governance that organizations can report on regardless of industry or region. This report represents our reporting against the 21 core metrics, being reviewed quarterly and updated periodically.

BMR uses this universal ESG framework to align our mainstream reporting on performance against ESG indicators. By integrating ESG metrics into our governance, business strategy, and performance management process, we diligently consider pertinent risks and opportunities in running our business that may not have otherwise been considered. We continue to look for opportunities for further transparency on the topics which are material to our business.

To track our disclosure progress and demonstrate our sustainability performance against the WEF SCM framework, we utilize Socialsuite's ESG Go disclosure platform. ESG Go enables BMR to build our ESG credentials by providing a dedicated solution to track, report, and share our ESG disclosures.

# Governance

## GOVERNING PURPOSE

### Setting purpose

*Code: GO-01-C1 | Type: Full disclosure | Status: Verified*

Battery Mineral Resources' purpose is to engage in the responsible and profitable mining and production of minerals that are powering a sustainable planet. This draft purpose statement was reviewed in February 2023 by BMR's Board of Directors, who approved this draft version as properly reflecting the Company's core principles and values. BMR has started the process of stakeholder consultation on this purpose statement, and it is targeting the incorporation of this stakeholder feedback into the purpose statement in Q3 2023. BMR is targeting obtaining Board approval of a final purpose statement in Q3 2023.

## QUALITY OF GOVERNING BODY

### Governance body composition

*Code: GO-02-C1 | Type: Full disclosure | Status: Verified*

BMR has assembled a diverse and socially inclusive Board of Directors with strong ESG competencies. To ensure that the Board's composition continues to fit the Company's needs, BMR completed an ESG-inclusive Board skills matrix in February 2023. The purpose of this exercise was to ensure that the Board includes non-executive Directors and has majority independence, that it reflects gender and stakeholder diversity, that its Directors have sufficient relevant experience, and that its Directors are not unduly burdened by additional commitments and obligations.

Board members were evaluated on their experience, governance competencies, and behavioral competencies in the relative context of the other Board members as well as on a stand-alone basis. Board members were scored on a scale of 1 to 3 (with fractional scores not permitted), with higher scores indicating a higher degree of competency or experience.

The matrix was reviewed by management and benchmarked against key requisite skills for Directors of companies operating in the metals & mining industry. The matrix was reviewed again upon completion, and BMR determined that all members of the Board have at least some ESG competencies, while several directors have extensive ESG experience and skills. Furthermore, BMR's Board has non-executive Directors, and the majority of the Company's Board is independent. BMR has reviewed the tenure and other commitments of its Directors and has publicly and transparently reported such tenure and other commitments. BMR continues to enhance and diversify its Board, with the objective of achieving further gender, stakeholder, and social diversity going forward, including but not limited to female Board members constituting not less than 30% of the Company's Board.

## BOARD OF DIRECTORS OVERVIEW

### Board Skills Matrix

Level of board skill and experience

<b>Strong:</b> 3	<b>Good:</b> 2	<b>Limited:</b> 1
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Name	Lazaros Nikeas	Martin Kostuik	John Kiernan	Dr. Stephen Dunmead	Joseph Tuso	Derek White	Julia B. Aspillaga
Title	Executive Chairman	Director	Non-Executive	Non-Executive	Non-Executive	Non-Executive	Non-Executive
Independent	N	N	Y	Y	Y	Y	Y
Age	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Gender	M	M	M	M	M	M	F
<b>Experience</b>	<b>2.3</b>	<b>2.4</b>	<b>2.6</b>	<b>2.3</b>	<b>2.5</b>	<b>2.8</b>	<b>2.5</b>
Corporate leadership	3	3	3	3	3	3	2
International experience	3	2	3	3	2	3	3
Industry & sector experience	3	3	3	3	1	3	3
Board experience	3	2	3	2	3	3	3
Capital projects	3	2	3	2	3	3	1
Strategy Development	3	3	3	3	3	3	3
Finance & Accounting	3	3	2	2	2	2	2
Legal & Regulatory	2	2	1	1	3	2	2
Digital & Information Technology	1	2	2	2	1	2	1
Human Resources & People	2	3	3	3	3	3	3
Public Relations, Marketing & Communications	1	2	3	2	3	3	3
Risk & Compliance	2	2	2	2	3	2	3
Capital Markets	3	2	3	1	3	3	2
Stakeholder engagement	2	3	3	2	3	3	3
Environment & Climate	1	2	3	2	2	3	3
Social & Sustainability	1	3	2	3	2	3	3

<b>Governance Competencies</b>	<b>2.2</b>	<b>2.5</b>	<b>2.8</b>	<b>2.7</b>	<b>2.8</b>	<b>2.8</b>	<b>2.7</b>
Financial literacy	3	2	2	2	2	3	2
Strategic thinking	3	3	3	3	3	3	3
Executive performance management	2	2	3	3	3	3	3
Risk management and mitigation	2	3	3	2	3	3	2
Compliance focus	1	3	3	3	3	2	3
Profile / reputation	2	2	3	3	3	3	3
<b>Behavioural Competencies</b>	<b>2.5</b>	<b>2.7</b>	<b>2.9</b>	<b>3.0</b>	<b>3.0</b>	<b>2.9</b>	<b>3.0</b>
Team player / collaborative	2	3	3	3	3	3	3
Ability and willingness to challenge and probe	2	3	3	3	3	3	3
Common sense and sound judgement	3	3	3	3	3	3	3
Integrity and high ethical standards	3	3	3	3	3	3	3
Mentoring abilities	2	2	3	3	3	3	3
Interpersonal relations	2	3	3	3	3	3	3
Listening skills	2	2	2	3	3	2	3
Verbal communication skills	3	2	3	3	3	3	3
Understanding of effective decision-making process	3	3	3	3	3	3	3
Willingness and ability to devote time and energy to	3	3	3	3	3	3	3

*Table 1. Board skills matrix completed by the BMR Board of Directors in February 2023 via self-evaluation and subsequent review by executive management.*

# STAKEHOLDER ENGAGEMENT

## Material issues impacting stakeholders

Code: GO-03-C1 | Type: Partial disclosure | Status: Verified

The Company, working together with its consultants, Integratio, has identified key stakeholders through a stakeholder mapping process. Using both electronic and in-person means, BMR and Integratio have consulted these stakeholders and created a materiality matrix to assess and prioritize topics material to the Company and its stakeholders alike. To rank the importance of each material issue, two dimensions were considered: internal relevance, or the extent to which a topic is directly related to Company activities; and external relevance, or interest from Company stakeholders on topics that are not directly related to Company activities.

With the results of this materiality assessment, the Company has now commenced the process of data collection and verification in order to identify and implement measures relating to these material topics. The Company will engage in on-going stakeholder consultation to keep this list of material issues up to date.



Figure 4. Materiality matrix mapping the topics most relevant to the Company and its stakeholders against internal impact on the Company and external interest by stakeholders.



## Legend for Materiality Matrix

### 50% most relevant topics

1	Human Rights
2	Local Communities / Society
3	Regulatory Compliance
4	Ethical Conduct
5	Protection of Biodiversity
6	Quality, Satisfaction and Customer Loyalty
7	Emissions
8	People Management
9	Research, Development and Innovation
10	Climate Change
11	Mining
12	Economic Aspects
13	Health and Safety
14	Environmental Management
15	Environmental Impact

### 50% secondary topics

16	Lack of communication with the company
17	Use of Local Labor
18	Water Scarcity
19	Job Generation
20	Concern About Mining Tailings
21	Water Use in Production Process
22	Contamination
23	Pollution
24	Noises
25	Training of the Local Labour
26	Payment of Mining Patents
27	Increase of Trafficking and Drug Use
28	Migration for Job Search
29	Bad State of the Roads
30	Negative Image of Previous Mining Companies
31	Lack of Transportation in Rural Sectors

Table 2. Legend for the topics mapped in the materiality matrix (Figure 1). Topics listed in white font color represent the top 50% most relevant topics as identified by stakeholders. Topics listed in black font color represent the bottom 50% least relevant topics as identified by stakeholders.

Furthermore, BMR understands the importance of maintaining a consistent stakeholder engagement plan. At the Punitaqui copper mining complex in Chile, the Company holds regularly scheduled community meetings (at least once per calendar quarter, if not more frequently) to address any issues or concerns raised by community representatives, on behalf of their constituents. BMR has maintained, and will continue to maintain, an open and honest dialogue with the aforementioned communities.



Figure 5. Community meeting to discuss a road paving that will benefit BMR and local communities alike.



Figure 6. Visit by the management team of BMR with community members from Potrerillos Alto.

## ETHICAL BEHAVIOUR

### Anti-corruption practices

*Code: GO-04-C1 | Type: Full disclosure | Status: Verified*

BMR is committed to maintaining high standards of integrity and accountability in conducting our business. We firmly believe that corruption and unethical behavior have no place in the modern business world and are dedicated to ensuring that our operations are free from such practices.

To this end, we have implemented a number of initiatives aimed at combating corruption and promoting ethical behavior. These include the development of comprehensive policies and procedures (“Policies”), namely:

- Code of Conduct Policy
- Anti-Corruption Policy

These documents establish the procedures and expectations of all Company operatives when working for BMR. Compliance with applicable anti-bribery and anti-corruption laws is critical to preserving the Company’s corporate integrity, reputation and operational flexibility. As such, the Policies clearly state that bribery and other corrupt behavior is strictly prohibited.

In addition, all officers, directors and employees are required to read the Policies and comply with them. Both are published on its website and all officers, directors and employees have been provided a digital copy. are expected to maintain and enhance the Company’s standing as an ethical member of the business community. BMR is also proud to have established a reporting system that allows us to quickly identify and respond to any corruption-related incidents.

We are proud of our efforts to foster a culture of responsibility and care. This commitment is reflected in having zero corruption-related incidents in the current year.

The Company’s stakeholders expect the highest standards of ethical behavior from us. We are committed to meeting those expectations by conducting business in a responsible, transparent and compliant manner. We are also committed to maintaining this standard in the future, and will continue to take the necessary steps to ensure that our business practices remain free from corruption and unethical behaviour.

BMR is putting in place an anti-corruption training program for its employees and expects to complete such a program by the end of Q3 2023. The Company intends to offer 'refresher' courses on anti-corruption on an annual basis thereafter.

BMR expects to report on the total percentage of governance body members, employees and business partners who have received training on the organisation’s anti-corruption policies and procedures, broken down by region, by the end of 2023.

[CODE OF CONDUCT POLICY](#)  
[ANTI-CORRUPTION POLICY](#)

### Mechanisms to protect ethical behaviour

*Code: GO-04-C2 | Type: Partial disclosure | Status: Verified*

Ethical behavior is a core principle in BMR’s every-day activities, throughout the organisation. The Company has enacted and published a formal whistleblower policy detailing its whistleblower process to prevent and remedy ethical issues. In this policy, there are clear and formalised internal and external mechanisms for reporting concerns about unethical or unlawful behaviour and lack of organisational integrity.

The Company intends to continue providing mechanisms for individuals who have questions or are seeking advice about ethical and lawful behaviour and organisational integrity.

[WHISTLEBLOWER POLICY](#)

## RISK AND OPPORTUNITY OVERSIGHT

### Integrating risk and opportunity into business process

*Code: GO-05-C1 | Type: Explanation | Status: Verified*

The Company intends to integrate the assessment and management of risks and opportunities, including emerging, non-traditional (ESG) risks and opportunities, into the day-to-day operations and governance of the business, as much as possible. A company-specific risks and opportunities assessment is in progress to identify material economic, environmental, and social issues, including climate change and data stewardship. The Company intends to complete this assessment by the end of 2023.

# Planet

## CLIMATE CHANGE

### GHG emissions

*Code: PL-01-C1 | Type: Explanation | Status: Verified*

BMR recognizes that greenhouse gas emissions are one of the most important indicators to consider when reporting ESG. Stakeholders are increasingly looking for this information.

BMR's long-term objectives include creating an effective GHG emissions reporting mechanism, which will enable BMR to identify areas for potential GHG emissions reduction within its operations, and to subsequently implement solutions for GHG emissions reduction.

### TCFD implementation

*Code: PL-01-C2 | Type: Explanation | Status: Verified*

The Task Force for climate related Financial Disclosures, or TCFD, is part of the growing, global effort to address climate change. It seeks to encourage firms to report on climate change in a structured and consistent manner.

BMR recognizes the importance of the TCFD framework as a means for corporate disclosure of climate related impacts. As BMR advances its various mineral projects and increases the financial and human resources available to it, the Company will seek to implement TCFD disclosures.

## NATURE LOSS

### Land use and key biodiversity areas

*Code: PL-02-C1 | Type: Explanation | Status: Verified*

BMR recognizes that the long-term sustainability of our business is dependent on good stewardship in the protection of people and the environment, and in the responsible exploration and extraction of mineral resources.

The Company intends to explore for minerals and extract metals in an environmentally responsible manner. Exploration shall be undertaken with care for the environment and respect for the interest of landowners and other stakeholders. The Company and its employees shall develop and implement plans for land use and reclamation that, as far as possible, return the land to its former condition or to a state that is acceptable to the appropriate regulatory authorities.

The Company is sensitive to the environmental, health and safety consequences of its operations. Accordingly, the Company operates with the goal of strict compliance with all applicable Federal and State environmental laws and regulations. These laws address emissions into the air, discharges into water, management of waste and hazardous substances, protection of natural resources and reclamation of lands disturbed by mining operations. In addition, BMR has established a Health Safety Environment Community Technical (HSECT) Committee to review, approve and enhance company practices and policies in relation to the environment, land use and biodiversity, among other things.

Sound and safe operations, environmental stewardship and the development of local communities are at the core of our values. Minera BMR SpA, through which the Company operates its flagship Punitaqui Project in Chile, is preparing a social management plan, while the community relations team is carrying out its actions and activities based on a recently established and evolving community relations plan.

BMR intends to complete a High Conservation Values (HCV) Assessment inclusive of identifying protected areas and/or key biodiversity areas (KBAs) by the end of 2023. Once this assessment is complete, BMR intends to put environmental and social management plans in place to ensure effective stewardship of HCV sites by the end of 2023. BMR intends to implement processes and procedures for a regular monitoring and reporting process, including impact updates on the protected areas/KBAs and HCV management plan implementation, by the end of Q1 2024.

## FRESHWATER AVAILABILITY

### Water consumption

*Code: PL-03-C1 | Type: Partial disclosure | Status: Verified*

The Company has established a Health, Safety, Environment, Community and Technical (HSECT) Committee (the “Committee”). One of the purposes of the Committee is to review, approve, and enhance, as appropriate, Company practices and policies relating to health, safety, environment, community and technical matters, including the consumption of water during BMR's various activities in Chile.

The Company's Chilean subsidiary has secured an agreement with the local water utility (SAGA) for additional water supply for its operations. Between the water BMR is able to pump from its own wells and this new supply agreement with SAGA, BMR is confident it has a sufficient supply of water to resume full operations at its Punitaqui copper mining complex.

BMR will consume only those volumes of water that are required to operate the Punitaqui copper mining complex in an environmentally responsible manner and is investigating techniques to potentially reduce consumption of water.

BMR has reached agreements with the communities surrounding the Punitaqui copper mining complex to provide the funds necessary for the drilling and completion of community, non-industrial use, water wells which are expected to provide the communities with additional access to water for their consumption.

The Company consumed 40,168 megalitres of water in 2021. The Company consumed 38,765 megalitres of water in 2022 year to date (January-November), being the most recent period for which data is available. The Company intends to implement a regular water consumption monitoring and reporting process by the end of 2023.

# People

## DIGNITY AND EQUALITY

### Diversity and inclusion

*Code: PE-01-C1 | Type: Full disclosure | Status: Verified*

Battery Mineral Resources Corp. is a company that believes its workforce should reflect the diversity of the countries and communities in which we operate. BMR believes that diversity promotes the inclusion of different perspectives and ideas, encourages independent thinking and ensures that the Company benefits from all available talent. BMR values the benefits that diversity can bring to its Board of Directors, members of senior management and employees of the Company and its subsidiaries.

Our commitment to Diversity and Inclusion is permanently ingrained in our culture and is outlined in our Diversity, Equality & Inclusion (DEI) Policy which can be found on our website. The policy establishes clear objectives to improve inclusion at the Company and foster a culture based on merit and free of conscious or unconscious bias.

BMR also has specific objectives and mechanisms in place to promote diversity at the Board and senior management level to set the 'tone at the top' and demonstrate inclusivity.

At BMR it is our objective to behave according to our values, to embrace diversity and inclusion, and to foster a culture based on merit and free of conscious and unconscious bias. We strive to achieve:

- a diverse and skilled workforce at all levels of the Company reflective of the talent available in the areas we operate;
- a diverse environment where the ability to contribute and access employment opportunities is based on performance, skill and merit, while recognising the benefits of and actively promoting;
- greater representation of diversity in leadership positions throughout the organization, including;
  - at the Board level and in executive officer positions.
- a respectful work environment where our employees honour differences in backgrounds, experiences and perspectives;
- elimination of any systemic biases that are exclusive or could be a barrier to the selection, assessment, or professional development of diverse talent;
- engagement practices that value the perspectives of diverse stakeholders in the communities where we operate;



- investment in community initiatives that reflect our commitment to diversity and inclusion;
- awareness in all staff of their rights and responsibilities with regards to fairness, equity and respect for all aspects of diversity;
- zero tolerance for all forms of discrimination and harassment in our workplaces; and
- the maintenance of confidential and, if desired, anonymous mechanisms for our employees, contractors and external stakeholders to report actual or suspected incidents of unlawful discrimination and harassment without fear of retaliation or reprisal.

BMR’s Corporate Governance, Compensation and Nominating Committee (CGCNC) is responsible for the appointment and re-election of executive officers and Board members. The CGCNC considers candidates using objective criteria and on their merit, with the needs of the Board/Company and diversity at the forefront of decision making. The CGCNC is also responsible for monitoring and periodically reporting the Board’s and senior management’s diversity performance in relation to each of the designated groups. Finally, the CGCNC reviews and recommends amendments to the DEI Policy on an annual basis.

The Board of Directors is made up of 7 directors. 1 director is female, and 6 directors are male.

The Executive Management team is made up of 6 people. All 6 are male.

Diversity of employees at the Company's Punitaqui Project site, which is the Company's principal asset, includes the following:

By age:

- 18-30 years old: 8
- 31-40 years old: 16
- 41-50 years old: 8
- 51-64 years old: 5
- 65+ years old: 0

By gender:

- Men: 29
- Women: 8

By ethnicity:

- Mapuche: 1
- Latino: 36

At this stage, BMR is establishing the opportune way to represent and report on diversity data at the Company and plans to disclose these statistics in a future update to this ESG report.



## Dia de la Mujer – Employee Highlight

*My name is Natalia Margarita Zapata Leiva. I am 28 years old, and I born in the south of Chile in the city of Chillán. I am a 2021 Environmental Engineering graduate from University of Concepción de Chillán.*

*I always had the support of my parents to train us as professionals, both me and my brother.*

*I am currently in charge of Permits and Environment matters at Minera BMR in Punitaqui, Chile.*

*I consider myself a proactive professional with the teamwork development focus and I feel comfortable and excited with the hard work to accomplish all the permits requested by the project.*

*My vision of working in mining corresponds to "an area of discipline and broad challenges, having the strength to work away from the family and fulfilling great responsibilities." In the 5 months that I have been in the Company, I have grown a lot professionally, and I have learned from the different areas of mining, acquiring knowledge that I did not obtain in my university education.*

On Natalia's behalf, BMR salutes women working in the Chilean mining industry who work and give the best of their skills and commitment to make companies grow and contribute to the mining development of the country.

Figure 7. Highlight for employee Natalia Margarita Zapata Leiva in celebration of Dia de la Mujer - International Women's Day.

## Pay equality

Code: PE-01-C2 | Type: Explanation | Status: Verified

Corporate policies promoting pay equality reflect an organization's culture and help companies bridge diversity gaps, attract talent and drive long-term competitiveness.

It is BMR's policy to offer the same wage for the same job, with variances based on level of experience and knowledge, regardless of age, gender, sexual orientation, or ethnicity.

BMR intends to undertake an analysis of its corporate pay structure, and if necessary, to put in place processes and procedures to ensure pay equality within the organization. BMR intends to complete the analysis by the end of 2023.

## Wage level

*Code: PE-01-C3 | Type: Partial disclosure | Status: Verified*

BMR ensures that it complies with minimum wage laws across all of its operations, including a review of all employee contracts by at least the Company's country manager, and where the contract is deemed material, also by the Company's CFO, to ensure compliance.

However, since a significant percentage of its employees earn above the minimum wage in the jurisdictions where they reside, and since a significant percentage of its employees identify as males, the Company does not believe the disclosure of the ratio of entry-level wage to minimum wage, specifically by *gender*, is warranted or helpful to its stakeholders in the assessment of the Company. The Company does, however, estimate and disclose the ratio, as it concerns *all* of its employees (without classification by gender) at the Punitaqui Project in Chile. As of March 2023, the ratio of entry-level wage to minimum wage is estimated to be approximately 1.3-to-1.

## Child, forced or compulsory labour

*Code: PE-01-C4 | Type: Explanation | Status: Verified*

BMR acknowledges that the topic of child, forced and compulsory labour is a human rights related issue, and is often considered under the banner of 'modern slavery'. Stakeholders are asking companies to take on a proactive role in identifying, mitigating and managing these risks. Investors, shareholders, customers and the governments, are demanding that businesses take ownership of social risks that they are supporting or contributing to.

BMR has not, does not, and will not employ any child, forced and compulsory labour in any of its operations.

BMR follows the definition of 'child' pursuant to the UN Convention on the Rights of the Child, including any human being below the age of eighteen years unless under the law applicable to the child, majority is attained earlier.

## HEALTH AND WELL-BEING

### Health and safety

*Code: PE-02-C1 | Type: Partial disclosure | Status: Verified*

At BMR, we believe that our employees and business partners are critical to our success as a business, and we are committed to providing a safe working environment for them. We believe in the principle of safe production, that occupational injuries and illnesses are preventable and that there is no job so important that we cannot take the time to do it safely. To achieve this, we empower our employees and work partners to ensure that safety is a personal value.

For each of 2021 and 2022, BMR experienced no fatalities, no lost time accidents and no health and safety incidents.

BMR intends to provide a description of the scope of access to non-occupational medical and healthcare services provided to employees and workers by the end of Q2 2023.

[SAFETY AND HEALTH POLICY](#)



Instituto de Seguridad Laboral  
 Dirección Regional Coquimbo

### **CERTIFICADO DE TASAS**

Certificamos que la empresa **MINERA ALTOS DE PUNITAQUI LTDA.**, RUT 76.099.463-4, código de actividad económica 040000, está adherida a esta Institución y registra la siguiente información estadística:

	Periodo Enero 2021 - Diciembre 2021	Periodo Enero 2022 - Diciembre 2022
<b>Total de accidentes (CTP)</b>	<b>0</b>	<b>0</b>
<b>Total días perdidos</b>	<b>0</b>	<b>0</b>
<b>Nº promedio de trabajadores</b>	<b>15</b>	<b>15</b>
<b>Índice de gravedad</b>	<b>0</b>	<b>0</b>
<b>Índice de frecuencia</b>	<b>0</b>	<b>0</b>
<b>Horas Hombres</b>	<b>32.400</b>	<b>32.400</b>
<b>Tasa de accidentabilidad</b>	<b>0.00</b>	<b>0.00</b>
<b>Nº de Pensionados por Acc. y Enf.</b>	<b>0</b>	<b>0</b>
<b>Nº de Indemnizados por Acc. y Enf.</b>	<b>0</b>	<b>0</b>
<b>Nº de accidentes fatales</b>	<b>0</b>	<b>0</b>
<b>Tasa de Siniestralidad por Incapacidad Temporal</b>	<b>0</b>	<b>0</b>
<b>Tasa de Siniestralidad por Invalideces y Muerte</b>	<b>0</b>	<b>0</b>
<b>Tasa de Siniestralidad Total</b>	<b>0</b>	<b>0</b>
<b>Total de accidentes sin tiempo perdido (STP)</b>	<b>0</b>	<b>0</b>
<b>Tasa Total de Incidentes Registrables (TRIR)</b>	<b>0</b>	<b>0</b>

Se extiende el presente certificado a solicitud de para los fines que estime conveniente.

*-Se deja constancia que las horas hombres han sido proporcionadas por el interesado.*

  
**MAURICIO VARGAS SUAZO**  
**DIRECCIÓN REGIONAL COQUIMBO**  
**INSTITUTO DE SEGURIDAD LABORAL**

La Serena, 28 de marzo de 2023

Instituto de Seguridad Laboral, Infante N° 750, La Serena  
[www.isl.gob.cl](http://www.isl.gob.cl)

Figure 8. Certificate from the Chilean authorities confirming zero health and safety related incidents at the Punitaqui project in 2021 and 2022.

## SKILLS FOR THE FUTURE

### Training provided

*Code: PE-03-C1 | Type: Explanation | Status: Verified*

BMR provides training for any and all of its staff that require it, in order to perform their jobs safely, efficiently and in compliance all applicable laws and regulations. BMR maintain records of which employees have been trained, and what type of training they have received.

BMR does not currently have a formalized mechanism to track and monitor the average hours of training per person, or the average training and development expenditure per full time employee.

Once BMR begins operations at its Punitaqui project in Chile, it will assess whether the benefits of a formal tracking system for the above-said metrics would exceed the costs of such a system. Should BMR determine that benefits exceed the costs, the Company will put in place a tracking and reporting system, potentially through an HR module to supplement the Company's enterprise resources planning ("ERP") system, or through a stand-alone solution.

# Prosperity

## EMPLOYMENT AND WEALTH GENERATION

### Rate of employment

*Code: PR-01-C1 | Type: Explanation | Status: Verified*

BMR maintains records of employee turnover and new hires but does not currently have in place a formal tracking system to monitor and report on metrics related to employee turnover and new hires.

BMR intends on implementing a formal tracking system to monitor and report on metrics related to employee turnover and new hires, by the end of 2023, potentially through an HR module to supplement the Company's ERP system, or through a stand-alone solution.

### Economic contribution

*Code: PR-01-C2 | Type: Full disclosure | Status: Verified*

BMR has not received any financial assistance from government bodies during the reporting period (twelve months ended 31 December 2022).

The detailed financials can be reviewed in BMR's Consolidated Financial Statements for the twelve months ended 31 December 2022.

The Company's economic value generated and distributed (EVG&D) of fiscal year 2022 can be seen below (in CAD):

Revenue:	\$12.7m
Operating cost:	\$20.8m
Employee wages:	\$1.6m (excluding deferred compensation components)
Payments for investing activities:	\$4.9m (including proceeds from sale of non-core assets)

BMR prides itself on working with the communities in the areas we operate in and have invested in community and social initiatives at our projects sites to support these communities. An example of this is the investment made at the Punitaqui copper mining complex in Chile. To support aid and improve the local community, BMR has agreed to fund the construction of a water well for the people of Potrerillos. The well will directly benefit the people of Potrerillos for many years to come. Water sourced from this new well will be solely for members of the community for personal usage, replacing the current situation of water being trucked in to supply their community water reservoir. This new well will not only increase the amount of available water, but also lower the costs by eliminating the trucking of water that is currently taking place.



*Figure 9. Christmas reception hosted by BMR for the community of Potrerillos Alto in 2022.*

In addition to these new endeavours, BMR will continue to support the payment for the services of the individual in charge of the school nursery of the Cordillera de Potrerillos Alto School as it has been doing since September 2022.

BMR is in the process of establishing a community engagement and meeting office at the Punitaqui copper processing plant site to be staffed by individuals at the expense of the Company. The office will allow for all persons in the direct area of influence of our operations to liaise in-person with BMR, at their convenience.



[COMMUNITY AND SOCIAL INITIATIVES AT PUNITAQUI PROJECT](#)  
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Financial investment contribution

*Code: PR-01-C3 | Type: Full disclosure | Status: Verified*

The Company's strategy for its Punitaqui copper mining complex in Chile is focused on bringing the mine back into producing status. The strategy involves incurring significant capital expenditures to accomplish that goal. Up to December 31, 2022 (the end of the Company's 2022 fiscal year), the value of the Company's Exploration & Evaluation assets in Chile (Punitaqui copper mining complex) was approximately C\$20.4 million. The Company expects to continue making significant additional capital expenditures at the Punitaqui copper mining complex, in order to bring the mine back into producing status.

The Company discloses the capital expenditures for all of its mining projects in its Financial Statements, and in the notes to its Financial Statements. Management provides commentary on the Company's capital expenditures strategy and outlook, in the Company's Management Discussion & Analysis. Once the Punitaqui Project is brought back into producing status and is generating positive cash flow, the Company intends to investigate a shareholder returns strategy, potentially including other accretive investments to increase shareholder value, dividends, share buybacks, or other return mechanisms.

[FY 2022 FINANCIAL STATEMENTS](#)

## INNOVATION OF BETTER PRODUCTS AND SERVICES

Total R&D expenses

*Code: PR-02-C1 | Type: Explanation | Status: Verified*

BMR engages in activities related to incremental process innovations at its principal mining asset, being the Punitaqui project in Chile.

BMR does not, however, engage in formal R&D activities. Should the Company engage in such activities in the future, it will report on them in accordance with the applicable accounting standards.

## COMMUNITY AND SOCIAL VITALITY

### Total tax paid

*Code: PR-03-C1 | Type: Full disclosure | Status: Verified*

The Company maintains records of total taxes paid across its operations. In the fiscal year ended December 31, 2022, the Company recorded approximately C\$1.3 million in current taxes.