

BOROO



**ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE**

JUL 2022 TO JUN 2023

Boroo Pte Ltd is committed to providing essential metals to our customers and the market in a sustainable and responsible manner. We are deeply passionate about caring for our people, the communities around us, and the environment. We aim to ubiquitously meet or exceed the expectations of our stakeholders in ensuring our practices are environmentally sustainable, socially conscious and responsibly governed.



OUR VISION

We are dedicated to Boroo Pte Ltd becoming the foremost mid-tier metals producer in the world, with a robust reputation for high quality production with innovative achievements in our ESG performance.

OUR MISSION

To uphold respected standards for governance, safety, employment conditions, the environment, and social responsibility as we cultivate our success in international metal mining to the benefit of our stakeholders.

OUR VALUES



**Attaining
Zero harm**



**Empowering
employees**



**Achieving
sustainability**



**Encouraging
collaboration**



**Deliver
results**



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ABOUT BOROO

Boroo Pte Ltd is a private international gold mining company, based in Singapore. In October 2018, our first production asset was acquired – Boroo Gold Mine (BGM) located in Mongolia. In 2021, we commenced production in a second Mongolian location, Ulaanbulag Gold Mine, 21 kilometres (kms) southeast to BGM. In June 2021, we acquired our Lagunas Norte Gold Mine located in Northern Peru.

Started in 2003, BGM is a conventional open pit mine in the Selenge Province, north-central Mongolia, approximately 110 kms from the capital city Ulaanbaatar. As a steppe-forest zone, the site has a semi-arid climate receiving approximately 250 millimetres (mm) precipitation annually, with an average elevation above sea level of 1.2 kms. The site is located 20-30 kms from rural settlements of the Bayangol and Mandal districts, where land is largely used for short-term herding. Ore is extracted from existing and extended open pit hard rock deposits and placer deposits within the concession area of the mine site, then processed by the BGM mill via a carbon-in-leach process. To date BGM has produced 1.6 million ounces (Moz) of gold with an average of 2 grams per tonne (g/t).

The BGM operation is complimented by the proximal Ulaanbulag mine site, where further ore is mined and then transported via haul route to BGM for processing, increasing the efficiency of both sites.

Lagunas Norte Mine has been in production since 2005, operating as a traditional open-pit truck-and-shovel heap leach site. Located in a rural area 140 kms east of the coastal city of Trujillo, Quiruvilca District, Santiago de Chuco Province, La Libertad region, the site is elevated between 3,700 to 4,200 metres above sea level. The area is a net precipitation zone with an average of 1,500 mm of annual rainfall. Under prior ownership the mine produced over 10 Moz of gold over 16 years; under Boroo's ownership, another 4 Moz of gold is anticipated.



GOLD AND ESG

Gold is a major global industry. Gold is a valuable and sought-after metal with a plethora of uses, such as in investment, as a jewellery material, as reserve assets and as technological components. In recent years, stakeholders within the industry such as customers, suppliers and investors place increasing value on responsibly produced and sourced gold. The World Gold Council released the Responsible Gold Mining Principles (RGMPs) in 2019 to articulate requisite standards of responsible gold mining, which has given rise to environmental, social and governance (ESG) reporting guidelines such as the Risk Readiness Assessment (RRA), the Sustainability Accounting Standards Boards (SASB).

In Boroo's 2023 ESG report, we aim to provide an account of the processes, systems and outcomes that we have implemented to reflect our value for ESG standards and our commitment to responsible gold mining

Our Reporting Year Dashboard

(Jul 2022 to Jun 2023)

Workplace Health & Safety	<p>2 </p> <p>Fatalities</p>	<p>4,016 </p> <p>Total workforce (including contracted employees)</p>	<p>0.12 </p> <p>LTIFR per 200,000 hrs</p> <p>1.23 </p> <p>TRIFR per 200,000 hrs</p>
	<p>179.4_{koz} </p> <p>Gold produced</p>	<p>USD\$316.6m </p> <p>Sales revenue¹</p>	<p>US\$91.1m </p> <p>Statutory profit</p>
Economic Performance	<p>0 </p> <p>Regulatory infringements</p>	<p>100% </p> <p>Sites with certified EMS</p>	<p>0.52t/oz </p> <p>CO₂e intensity of production</p>
Environment	<p>191 </p> <p>Grievances logged</p>	<p>USD\$7.9m </p> <p>Community investment²</p>	<p>USD\$32.5m </p> <p>Benefits to governments³</p>
Community	<p>0 </p> <p>Breaches of code of conduct</p>	<p>10.4% </p> <p>Percentage of women temporary and permanent employees in the workforce⁴</p>	<p>USD\$31.8m </p> <p>Employee benefits⁵</p>
Workplace			

¹ Corrected 2022 metric: USD\$258.0m.

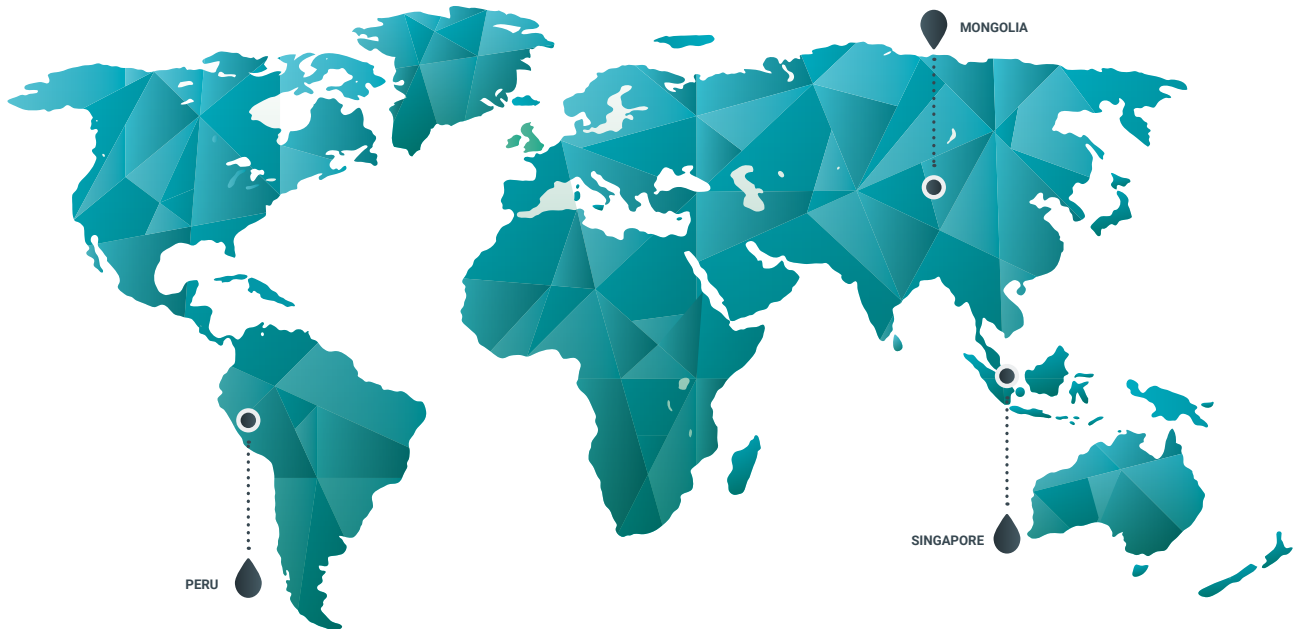
² Corrected 2022 metric: USD\$6.5m.

³ Corrected 2022 metric: USD\$43.5m.

⁴ Corrected 2022 metric: 9.5%.

⁵ Corrected 2022 metric: USD\$26.2m.

WHERE BOROO



Lagunas Norte Mine, Peru

Mine type: Open pit

Process Type: Heap Leach

Production (Jul 2021- Jun 2022):
115,661 oz

Permanent Employees: 478

Contract Employees: 3,007

Lease area: 445.8 km²

Average elevation: 4,100m ASL

Average annual rainfall: 1,450mm

The Lagunas Norte Mine is sometimes referred to by stakeholders as LN or Minera Boroo Misquichilca (MBM), and this terminology is occasionally used in this report.

Boroo Mine, Mongolia

Mine type: Open pit

Process Type: Mill & Heap Leach

Production (Jul 2021- Jun 2022)
34,131 oz

Permanent Employees: 232

Contract Employees: 31

Lease area: 36.0 km²

Average elevation: 1,200m ASL

Average annual rainfall: 250mm

The Boroo Mine is sometimes referred to by stakeholders as Boroo Gold Mine (BGM), and this terminology is occasionally used in this report.

Ulaanbulag Mine, Mongolia

Mine type: Open pit

Process Type: nil (process at BGM)

Production (Jul 2021- Jun 2022)
29,602 oz

Permanent Employees: 253

Contract Employees: 15

Lease area: 12.0 km²

Average elevation: 1,000m ASL

Average annual rainfall: 250mm

The Ulaanbulag Mine is sometimes referred to in this report by its acronym UB.

CEO REPORT

Dulguun Erdenebaatar
Chief Executive Officer & President



“ Boroo was able to successfully commission the CMOP project and ramp up its production. This has been an important milestone in our company development, and it was achieved through dedicated collaboration within the Boroo team and among its business partners. The CMOP project allows us to realize our ambitions of building a metals and mining company of global standing. ”

While mining is often perceived to be largely about resources and the extraction of minerals, it is first and foremost about people. It is about the people who work together as a team on a site looking after each other, the inhabitants around us and the environment in which we operate. It is about the communities that host us and the relationships and partnerships we forge with each other. It is about our business partners and suppliers, on whom we rely on to meet our needs and to conform to the standards of responsible business we set for ourselves. Finally, it is about the governments of host countries and their regulators, who represent communities and set local standards, laws and cultures that we must meet and respect, as well as with whom we liaise continuously to ensure that we understand and comply with expectations.

Between July 2022 and June 2023, the period of this report, we have lost two of our work colleagues in two separate tragic circumstances. Our deepest and most sincere condolences are offered to the family, friends and co-workers of our colleagues. In both cases, work was stopped in these areas for extended periods while we investigated the incidents, reflected on the environment, practices and culture that allowed these tragedies to occur, improved our work practices and amplified our efforts to reduce the risks of the recurrence of such incidents.

Our philosophy remains the same; operation without safety is unacceptable. We are committed to safety first as we pursue our operation and project execution goals.

>> CEO REPORT



Boroo was able to successfully commission the CMOP project and ramp up its production. This has been an important milestone in our company development, and it was achieved through dedicated collaboration within the Boroo team and among its business partners. The CMOP project allows us to realize our ambitions of building a metals and mining company of global standing.

We continued to diligently manage our environmental and social risks, improving our governance and oversight as we methodically build our business systems and ESG capability both at a corporate level and within each operating site. This year the ESG report shows some of our trends over time, reflecting our progressively successful efforts to meet global standards of ESG management.

Our progress in the year ending June 2023 was an important stepping-stone in delivering our company's ambitious growth plan. We recognize and manage our ESG risks, understanding that standards continue to change all around the world. We acknowledge the challenges to the mining industry's reputation and are committed to being recognised for our authentic commitment to good practice.

Boroo wishes to be known for its fresh and innovative approach to mining, our relationship with employees and communities, and our management of environmental risk. Not only do we seek to be recognized for our good mining practices, but also as a trusted and credible partner to all our stakeholders. To earn and retain this trust and credibility, we must continue to demonstrate our commitment to ESG and achieve tangible improvements to our ESG performance.

As we look forward, we remain focused on continually improving our governance and management of both financial and non-financial risks. This involves decisive and long-term actions to manage all ESG aspects; actions that I hope our stakeholders will experience in improved environmental and social outcomes whilst Boroo grows its presence in the mining sector.

None of these outcomes will be possible without the focus and dedication of our workforce, and the relationships we foster with the communities that host us. Last year our open and transparent relationships with employees and communities consolidated the foundations of trust that I believe will take us into a successful future of prosperous and responsible mining.

Dulguun Erdenebaatar
Chief Executive Officer & President

OUR LEADERSHIP TEAM



**DULGUUN
ERDENEBAATAR**
Chief Executive Officer & President

Dulguun was appointed Chief Executive Officer & President of Boroo in October 2018, following completion of the acquisition of Centerra Gold Inc's (TSE: CG) Mongolian business units, Boroo Gold LLC and Centerra Gold Mongolia LLC.

Over the past 10 years Dulguun has specialized in mining sector mergers and acquisitions and the mining and commodity financial consultancy businesses. He holds an M.S. in Mega Project Management from Saïd Business School, Oxford University, in the UK.

ALFRED HAYES
Chief Operating Officer

Alfred Hayes joined Boroo Pte. Ltd as Chief Operating Officer in January 2024.

He is a mining expert with more than three decades of experience from working at gold mining sites across Queensland, New South Wales, and predominantly Western Australia. His career includes managerial roles at Newcrest Mining, Harmony Gold, BHP Billiton, Barto Gold Mining, Wiluna Mining Corporation, Aurelia Metals, Norton Gold Fields, and other notable companies, showcasing his comprehensive knowledge of gold mining and processing operations.

He holds B.S. in Chemical Engineering from Universidad del Norte of Chile, refreshing course in Chemical Engineering at the University of New South Wales in Australia, courses in Workplace Trainer and Workplace Assessor at the School of Business of Curtin University in Australia.

PHILIP TAN
Chief Financial Officer

Philip brings about a wealth of extensive financial strategic and operational experience from diverse industries including maritime transport and shipbuilding, as well as electronic and chemical manufacturing. Philip is a Chartered Accountant with more than 29 years of professional experience in financial management, treasury, funding, tax, M&A and IPOs. He has also successfully led companies through various stages of incremental corporate development, from public listing on the SGX to privatisation by private equity fund through a General Offer.

Philip graduated with a Bachelor of Accountancy (Hons) degree from the Nanyang Technological University, Singapore.

**KHURELBAATAR
GANBAT**
Executive VP, Investor Relations

Khurelbaatar was appointed Executive VP of Investor Relations of Boroo Pte. Ltd in February 2021 following the acquisition of Barrick Gold Corporation's Peruvian business unit Lagunas Norte gold mine. He was part of the negotiation team of Boroo with Barrick Gold Corporation.

Prior to joining Boroo, he held senior positions in international financial institutions, specializing in M&A and capital markets. He holds a B.A in Business Administration from University of Central Arkansas and an MBA from Hult International Business School.

>> OUR LEADERSHIP TEAM

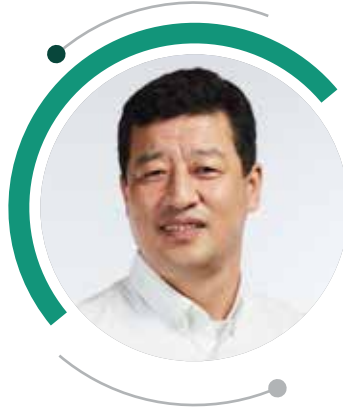


ALTAN-ОЧИР ЕРДЕНЕЧУЛУУН
Executive VP, Business Development

Altan-Ochir was appointed Executive VP of Business Development of Boroo Pte. Ltd in October 2018, following completion of the acquisition of Centerra Gold Inc's (TSE: CG) Mongolian business units, Boroo Gold LLC and Centerra Gold Mongolia LLC. He was part of the Boroo's negotiation team with Centerra Gold Inc. and most recently with Barrick Gold Corporation for Boroo's purchase of the Lagunas Norte property located in Peru.

Prior to joining Boroo, he worked in consulting, specializing in mining sector M&A.

He graduated from University of Finance and Economics of Mongolia and the London School of Business and Finance in the UK.



BILEGTUVSHIN DORJ
Senior Vice President, Exploration and Growth

Bilegtuvshin joined Boroo Pte. Ltd as a Senior VP of Exploration and Growth in October 2019.

He has been working in our subsidiary Boroo Gold since 2003 as a geologist and has more than 20 years' experience in the mining industry, including with Centerra Gold Inc (TSE: CG) and several gold companies in Mongolia.

He holds a Bachelor and Master degrees in Geology from the Mongolian Science and Technology University.



JAIME ZÚÑIGA IDE
General Manager - Lagunas Norte Mine

Jaime Zúñiga was appointed General Manager in Minera Boroo Misquichilca, following completion of the acquisition of Lagunas Norte mine from Barrick Gold. He is a mining professional with 23 years' experience gained at Barrick Gold, Codelco and Hatch, in Chile, Perú, Dominican Republic, Brazil and USA, with extensive experience in operations and in engineering.

He holds B.S in Chemical Engineering from Federico Santa María Technical University of Chile, an MBA from the Adolfo Ibáñez University of Chile and from Tsinghua University School of Economics and Management of China; and a Management Development Program at the University of Miami Herbert Business School in the USA.

OUR ESG APPROACH



Boroo's success and sustainable operation is thanks to our stakeholders, such as our investors, customers, communities, workforce, governments and non-government organisations. With their support, we are able to source, extract, process and produce quality and reputable products to our markets.

Akin to our stakeholders, we strongly value the wellbeing of our environment and society. In recognition of the immense support we receive from our stakeholders, we are dedicated to demonstrating our commitment to our shared values and meeting their expectations for our performance in important aspects of our operation, such as ESG. We are diligent in preventing where possible or appropriately responding to all environmental and social impacts that come with the nature of our business. Earning a high reputation for the governance of our company's environmental, social and ethical endeavours is a primary commitment for which our stakeholders ensure our accountability.

As the world changes, available information is updated and our stakeholders' priorities shift, Boroo's efforts in the ESG space must be similarly adaptable. Climate change, water scarcity and socio-economic challenges which impact our operations, people and communities are ever-changing, at times becoming increasingly prevalent. We are continually working to identify and address challenges as they arise, and fulfil our environmental and social obligations as a reputable mining company.

Our leadership team and structure are critical to the successful sustainability of our company. We have integrated our ESG approach into our organisational structure to ensure stability of our ESG performance.

As a metal mining company, ESG risks are present in our site management, engineering, mineral processing, finance, business development and corporate strategy. We trust our general managers, leadership team, line staff and risk officers to identify, monitor and manage ESG risks. Boroo has created and implemented comprehensive policies, procedures and standards, to competently and ubiquitously govern our management of ESG risks. We are constantly reviewing and refining to ensure we are up to date with best practice and our stakeholders' expectations.

Our policies and standards are not static or uniform across our sites; they are adapt to the specific needs of each site, prioritizing the relevant environmental and social values. We take great care to ensure that our practices are in harmony with the distinctive character of each site, prioritizing the preservation of its unique environmental and social aspects.

>> OUR ESG APPROACH

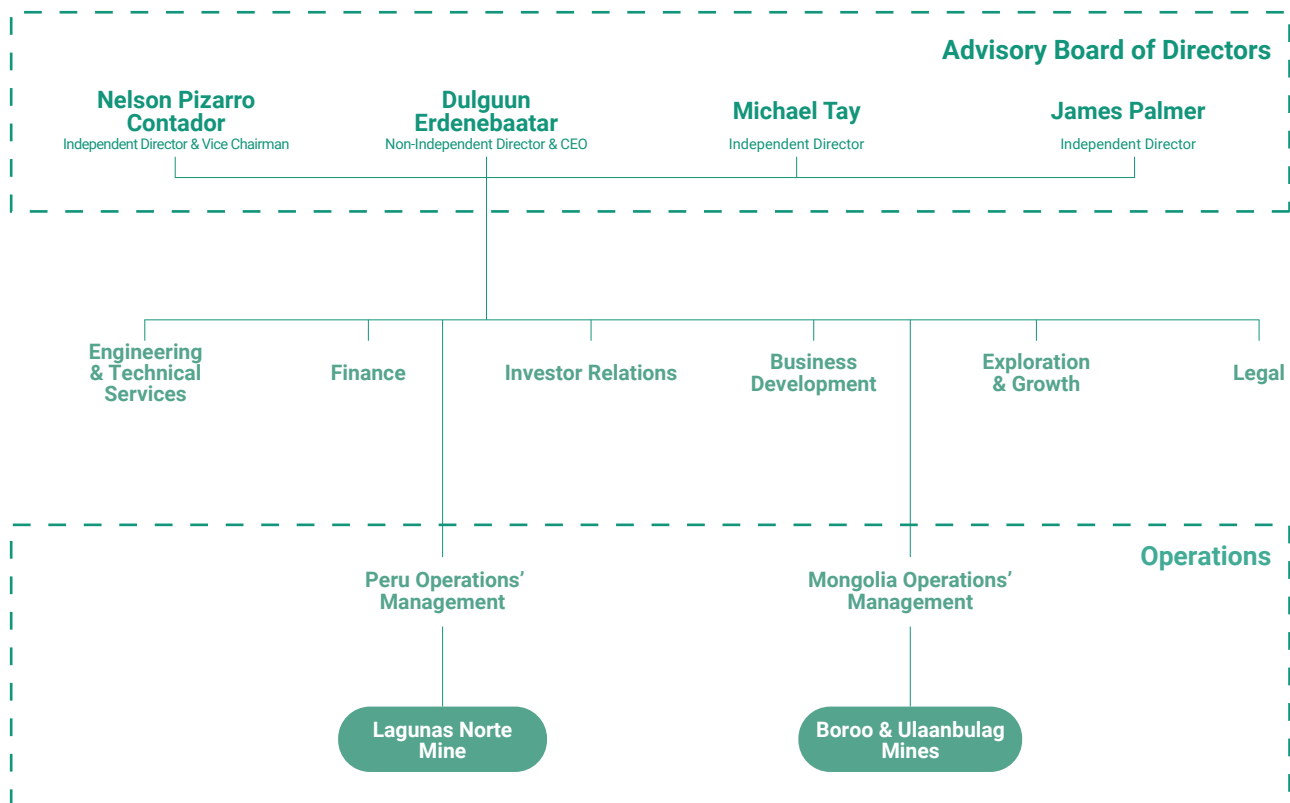
Each year, we actively fortify our policies and standards to align with the evolving global landscape of ESG practices. As we continue to expand and solidify our position as an international company, we remain flexible, ready to introduce new policies, operating procedures and standards that resonate with our evolving needs. This adaptability ensures that our framework is always in sync with the dynamic landscape of international corporate and ESG practices.

The effectiveness of our adherence to these policies and standards undergoes regular scrutiny through both internal and external audits. These audits serve as a valuable source of insight, enabling us to pinpoint areas that require enhancement and disseminate effective practices to other sites.

Furthermore, we diligently monitor our performance, scrutinizing its impact on both environmental and social facets. We maintain an ongoing focus on certain outcomes, while others undergo more frequent assessments, such as on a monthly or quarterly basis. We uphold our commitment to transparency by publicly sharing our performance data. Similar to the previous year, we have amassed a comprehensive twelve-month dataset encompassing various ESG parameters. This pattern will continue annually as we systematically gauge performance and communicate trends in our annual Environmental, Social, and Governance report.

As we gain a more profound understanding of our performance dynamics, we will embark on setting specific targets and reporting on our progress in achieving them.

Boroo Organizational Structure



OUR UN SDG ALIGNMENT

The United Nations Sustainable Development Goals (SDGs) is a broadly respected framework aimed at addressing global challenges hindering global peace and prosperity, with an intention of fostering a sustainable future by 2030. These 17 interconnected goals encompass a wide range of objectives, including eradicating poverty, promoting equality, inciting innovation and responsible practices, and climate action. Industries and businesses play a pivotal role in achieving these goals, serving as key drivers of growth and innovation in the sustainable development sphere.

Businesses can contribute significantly to progressing adherence with the SDGs by aligning their operations with the principles of sustainability. This involves adopting environmentally sustainable practices, promoting social responsibility, and fostering inclusive business models. Moreover, industries and organisations can leverage their resources, expertise, and influence to drive positive change across supply chains and communities.

Collaborative efforts between governments, non-governmental organizations, and the private sector are crucial to realizing the SDGs, with businesses serving as catalysts for transformative and sustainable development.

As a major benefactor to the environment, communities, and economies, the mining industry has an important role to play in addressing the SDGs and aligning its practices with global sustainability initiatives. Boroo aims to contribute to a more sustainable and equitable future by actively working on integrating the SDGs into our business strategies - not only aligning our company with global priorities, but also enhancing our company's long-term sustainability and competitiveness within the mining industry.

Below, we have highlighted initiatives in this reporting year that reflect Boroo's integration of the SDGs, including in our main operational territories of Mongolia and Peru.



>> OUR UN SDG ALIGNMENT

3 GOOD HEALTH AND WELL-BEING

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- Peru - Vaccination Campaign, page 40 | La Capilla Exploration: Environment and Health, page 50

**12** RESPONSIBLE CONSUMPTION AND PRODUCTION

- Mongolia - Biodiversity Offset Program for Boroo Mine, page 83
- Mongolia - Tailings Storage Management, page 74

**4** QUALITY EDUCATION

- Mongolia - Internship from the University of Science and Technology, page 31
- Peru - La Capilla Exploration: Education and Capacity Building, page 51 | Capacity Building: Welding and Thermofusion, page 53 | Presentation to Mining Engineering Students from the National University of Trujillo, page 54

**13** CLIMATE ACTION

- Mongolia - Billion Tree National Movement, page 80-81

**6** CLEAN WATER AND SANITATION

- Mongolia - World Water Day, page 66

**15** LIFE ON LAND

- Mongolia - Beekeeping Project, page 84
- Mongolia - Fertilizer Producing Project, page 71

**9** INDUSTRY, INNOVATION AND INFRASTRUCTURE

- Mongolia - Biodiversity Offset Program for Boroo Mine, page 82
- Peru - MERCOSUR Ranking, page 15

**16** PEACE, JUSTICE AND STRONG INSTITUTIONS

- Mongolia - Artisanal Miners, page 41

**10** REDUCED INEQUALITIES

- Mongolia - Human Rights Training Curriculum, page 56
- Peru - Employee Satisfaction Survey, page 25 | Leadership Training, page 27

**17** PARTNERSHIPS FOR THE GOALS

- Peru - Alto Chicama Social Fund, page 52

**11** SUSTAINABLE CITIES AND COMMUNITIES

- Mongolia - Kherkh Area Rehabilitation and Reforestation, page 60
- Peru - Our Company Podcast: Boroocast, page 30



OUR STAKEHOLDERS

The diversity amongst Boroo’s stakeholders aligns with the nature of our industry, countries of operation, and the communities where we have a presence. Connections with our stakeholders are greatly valuable to us, and consequently we are dedicated to actively engaging with them to understand their viewpoints and expectations.

Our approach to engagement is based on fostering open and inclusive relationships, emphasizing active listening, effective communication, and fostering respectful discussions.

We utilize a variety of methods for engagement, encompassing both planned and spontaneous interactions. Though it is our aim to proactively initiate engagement, we are also attentive to incidents that require responses ad-hoc. Our processes vary in formality, ranging from formal to semi-formal and informal. We adapt our engagement approach to align with our stakeholders’ preferences and the formats that best facilitate a productive dialogue.



>> OUR STAKEHOLDERS

Stakeholder Group	ESG Aspects of Interest	Methods of Engagement
Employees	<ul style="list-style-type: none"> • Health, safety and wellbeing • Employee rights • Benefits and wages • Inclusion and diversity • Training and capacity building • Careers and professional development • Organisational strategy • Site and company performance 	Employee forums and briefings, emails, newsletters, site meetings, toolbox meetings, town hall meetings, performance reviews, interviews
Contractors and Suppliers	<ul style="list-style-type: none"> • Health, safety and wellbeing • Operational performance • Contracts and opportunities • Responsible business practices • Alignment with Boroo ESG standards 	Contractor briefings, contracts, emails, site meetings, toolbox meetings, town hall meetings, interviews
Local communities	<ul style="list-style-type: none"> • Local employment opportunities • Opportunities to furnish goods and services • Community investment and benefits • Environmental and social impacts • Community health and safety • Pollution prevention • Water 	Community Relations team interviews and visits, community meetings, community leader meetings, grievance mechanisms, sponsorships, local media, social media, community newsletters, interviews
Government and regulators	<ul style="list-style-type: none"> • Compliance with regulations • Permits • Local employment • Local content in supply chain • Taxes and royalties • Infrastructure contribution • Pollution prevention • Tailings (BGM only) and waste • Water 	Meetings, briefings, interviews
Non-governmental organizations	<ul style="list-style-type: none"> • Community investment and benefits • Environmental stewardship • Human Rights performance • Equity in sharing benefits • Climate change • Tailings • Water 	Annual ESG reporting, meetings, site visits
Customers	<ul style="list-style-type: none"> • Operating performance • Reserves and resources • Compliance with government regulations • Quality assurance • Product stewardship 	Meetings, reports, site visits, interviews
Shareholders and investors	<ul style="list-style-type: none"> • Financial and operating performance • Reserves and resources • ESG performance • Climate change • Pollution prevention • Reputation • Compliance with government regulations • Corporate governance 	Annual reports, production and exploration reports, emails, website, briefings, market announcements, Annual General Meetings, industry conferences, social media, interviews

In addition to the above methods, we also rely on our public reports, such as our Annual Reports and this ESG report, to help engage with all our stakeholders.

>> OUR STAKEHOLDERS

MERCO RANKING

The reputation of organizations is an asset that is greatly important and valuable in the business world, both in reflecting the hard work put into building a responsible company, and in presenting a positive image to stakeholders. In Latin America, the primary ranking of corporate reputation is the Corporate Reputation Business Monitor (MERCOS) ranking, which has been released each year since 2000, providing an independent and audited evaluation of the reputation of large companies in different industries based on a multi-stakeholder methodology.

During this reporting year, we are proud to announce that our Peruvian operation at Lagunas Norte has been ranked in three major categories:

1. Since 2022, one of the top 15 mining companies with the best reputation in the domestic market.
2. In June 2023, MERCOS's 'Talento' ranking recognized us as among the top 12 mining companies that best attract and retain talent in the country.
3. In February 2023, the sector ranking of the top 16 mining companies in ESG responsibility.

mercoCOMPANIES

Edition	Ranking	Position	
2023	Sectors	14	MINERA BORO MISQUICHILCA MINER
2022	Sectors	15	MINERA BORO MISQUICHILCA MINER

mercoTALENT

Edition	Ranking	Position	
2023	General	113	MINERA BORO MISQUICHILCA
2023	Sectors	12	MINERA BORO MISQUICHILCA MINER
2022	Sectors	14	MINERA BORO MISQUICHILCA MINER

mercoRESPONSIBILITY ESG

Edition	Ranking	Position	
2023	Sectors	16	MINERA BORO MISQUICHILCA MINER

This highlights us as among the main employers in the mining sector, which is a significant achievement given the short time since the company arrived in the country with the purchase of Lagunas Norte mine. These rankings reflect MBM's positive reputation in Peru and the country's main stakeholders' acceptance our operations, as well as our achievements in ESG spheres.

A large sample of over 25,000 respondents determines MERCOS's rankings, including experts in the financial sector, consumer associations, members of non-governmental organizations, unions, employees of private companies, university students, economic journalists, professors specializing in different sectors, social media managers, public officials, and the general population.

We were greatly pleased and enthused to receive the rankings, as it reflects that our strategy and effort to generate long-term value which we have put into practice since June 2021, has been recognized widely by prominent stakeholders. Our commitment is to maintain or improve our corporate reputation, as an employer brand and a responsible company, through transparent and respectful communication with all our stakeholders.

OUR MATERIAL ASPECTS

We attentively consider the concerns expressed by our stakeholders, making every effort to evaluate and address them competently. We regularly reassess the most notable stakeholder concerns, along with the ESG aspects that are most effectual on our operations and our organization.

Though we recognise and work to address each raised concern, we also triage to ensure issues which bear the most heavily on our stakeholders are efficiently and effectively determined, evaluated and responded to.

We refer to Material Aspects as concerns which also have a bearing on our longstanding relationships with our stakeholders, operations or company values.

Safety, Health and Wellbeing	Collaborating with our Local Communities
<p>This encompasses the systems, procedures, organizational culture, and performance evaluations within the domains of physical safety, health and sanitation, concerns related to COVID-19 and other illnesses, fatigue, physical, chemical and biological hazards, and mental health. This aspect is important as our employees and contractors are engaged in demanding industrial settings and are therefore regularly exposed to diverse risks.</p> <p>The safety, health, and the welfare of the communities in which we operate is also included in this aspect.</p>	<p>At the core of our social responsibility is our capacity to listen to and comprehend the expectations and apprehensions of the communities surrounding our operations, as well as our ability to respond adeptly and collaborate with the local people on a variety of matters.</p> <p>By collaborating with our local communities, we can ensure that initiatives are devised and informed by community experience and insight.</p>
Regulatory Compliance	Pollution Control
<p>Our operations are conducted internationally. Our main mine sites in Peru and Mongolia are subject to distinct policy and regulatory standards. Our governance procedures must recognize the varying frameworks and obligations, and ensure that our activities align with the relevant regulatory mandates of the relevant laws and regulations.</p> <p>Compliance with regulatory standards signifies the foundation for establishing trust with the governments and communities in the areas where we operate. Although we may aspire to surpass compliance in numerous aspects, it is non-negotiable that we consistently achieving full compliance.</p>	<p>Our sites span extensive areas of land, encompassing not only the surface landscape but also the watersheds below and the airsheds above. It's crucial that we limit our impact on these ecosystems, including land, water, air, and noise pollution. We aim to, at a minimum, do so in line with the boundaries set by regulations; ideally, we seek to align our pollution control with the expectations of our stakeholders.</p> <p>It is critical that our environmental management systems are constantly functioning effectively, as they serve as the cornerstone for overseeing all pollution-related aspects.</p>

>> OUR MATERIAL ASPECTS



Water Management	Climate Change
<p>Water is a valuable and jointly held natural asset, holding significance not only for us but for numerous stakeholders, including our communities and governing bodies. Our approach to water management encompasses the sources of water provision and the shared dependence on these sources by our operations and stakeholders. It also considers the potential water-related impacts stemming from our activities, as detailed in our Pollution Control section.</p> <p>Consequently, our responsible care for this natural resource, our efforts to minimize our consumption of freshwater, and our commitment to water preservations is a Material Aspect.</p>	<p>We acknowledge the pressing need for swift global action to mitigate the effects of climate change. The ramifications of climate change raise significant concerns for all parties involved, including our stakeholders and our organization. It is imperative that we maintain ongoing oversight and reduction of our energy consumption and carbon emissions to actively play our part in climate change responsibility.</p> <p>We are cognisant that climate change is already in progress, with certain impacts already present or unavoidable. A fundamental part of this Material Aspect involves aiding our local communities in adapting to and strengthening their resilience in the face of these changes (see, for example, Water Management section).</p>
Tailings and Mine Waste Management	Community Development
<p>Gold mining operations often produce two substantial side effects: mining waste, which includes overburden and interburden rock, and process waste, such as tailings generated during specific extraction methods. The quantities of both can be considerable over the lifespan of a mine.</p> <p>Effectively managing the physical and chemical aspects of this waste presents a critical concern for the mining sector. In addition to the complexities of waste management, the mining industry has more recently come to acknowledge the potential hazards some tailings facilities may pose to the environment, property, and human safety. This is a Material Aspect as failures in managing mining waste can result in severe, enduring consequences.</p>	<p>We have the potential to insight long-term positive outcomes for the communities within our operational areas. Facilitating valuable initiatives within these local communities is a vital element in fostering shared futures and strengthening our standing to continue operations.</p> <p>With our presence in these communities spanning years and even decades, we are in a unique position drive socio-economic growth within these localities. Our stakeholders hold the expectation that we will judiciously guide this growth, with the aim of creating enduring benefits for the communities even after our operations conclude. We actively seek opportunities to establish such constructive, long-lasting legacies, working in partnership with our host communities (see Collaborating with our Local Communities).</p>

OUR RISK MANAGEMENT



WE HAVE CONTINUED OUR USE OF A COMPREHENSIVE ESG (ENVIRONMENTAL, SOCIAL, AND GOVERNANCE) RISK MANAGEMENT PROCEDURE, WHICH WE BEGAN DEVELOPING IN 2022. OUR FOUNDATIONAL FRAMEWORK FOR THIS ENDEAVOUR WAS THE ISO 31000 RISK MANAGEMENT GUIDELINE.

With the acquisition of each of our assets, notably the Lagunas Norte Mine, we inherited pre-established risk management systems from previous owners. This caused variations in risk management processes across our operations.

In 2021, we acknowledged the importance of transitioning to a uniform ESG risk management approach across all sites, to ensure consistency and confidence in our procedures, as well as transparency amongst our internal management. Throughout 2022, we began incorporating stakeholder perspectives on environmental and social risks, with an understanding that different stakeholders, such as our communities, employees, governments, and NGOs, may possess distinct viewpoints and sensitivities. Insights from our stakeholders have been crucial in shaping a shared respect and comprehension of our ESG risk management.

In 2023, we commenced implementing the 2022 plan. This included a comprehensive and robust risk management system, consolidating risks across our operational sites, where all identifiable safety risks and control plans are recorded.

In the preceding section, we outlined Material Aspects that we and our stakeholders recognize as most vital to our operations. Currently, we manage environmental risks using ISO 14001-accredited Environmental Management Systems and safety risks through processes aligned with ISO 45001 Occupational Health and Safety Management Systems. These international standards have proved effective throughout their use.

Nonetheless, we are committed to continually improving our processes. In 2022, we commenced the identification of our critical safety risks and controls. Critical safety risks encompass operational risks that may pose harm to our employees or contractors, which are then managed through a range of controls including critical controls – significant actions to control risks.

We plan to extend this approach to the environmental and social domains. The identification of critical controls will empower our sites to concentrate on risk mitigation actions with the greatest impact. This progressive shift in focus will enable us to allocate resources more effectively, reducing organizational efforts on less effective management controls and enhancing our efficiency in achieving improved ESG performance.

Our risk register process will subsequently incorporate evaluations of critical controls. This enhancement will provide senior management and the Board with enhanced visibility into the successful implementation of our critical controls. In turn, it is anticipated to bolster senior management's capacity to pinpoint areas where Boroo's resources can be optimally directed for cost-effective ESG risk management.

The development of our critical risk and critical control program is a multi-year endeavour, involving the infusion of increased technical expertise into our risk management process.

OUR ECONOMIC AND ESG TRENDS

Gold remained, in relative terms, a globally stable commodity during the financial year despite substantial geopolitical turbulence and general market volatility. While quarter-to-quarter demands varied within historical ranges, demand continued to increase over consecutive years from 2020 to 2022 and experienced some reduction in the first quarters of 2023. Supply grew through 2022, although it remained below the record high of 2018.

For the third year in a row, supply chain logistics continued to weigh on costs and mining schedules. At the same time, and despite the steady phasing out of coal mining globally, the mining sector's prospects grew as the sector responded to signals of demand growth in minerals required for the decarbonisation of a broad range of sectors. This resulted in increasing competitiveness for mining and processing talent. Increasing pressure came to bear on the long term retention of labour forces for effective and efficient mining.

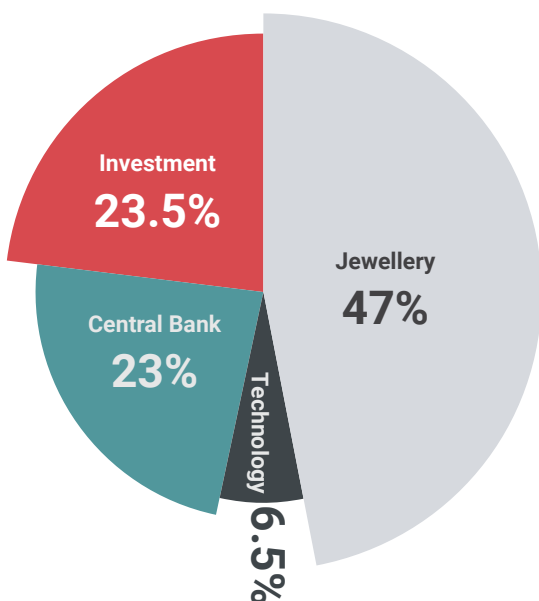
Upward pressure continued to be exerted on labour cost factors, emphasising the value of other non-financial factors, such as safety, leadership and

workforce culture, fair and attractive working conditions and contribution to society and the environment on a company's ability to attract and retain people.

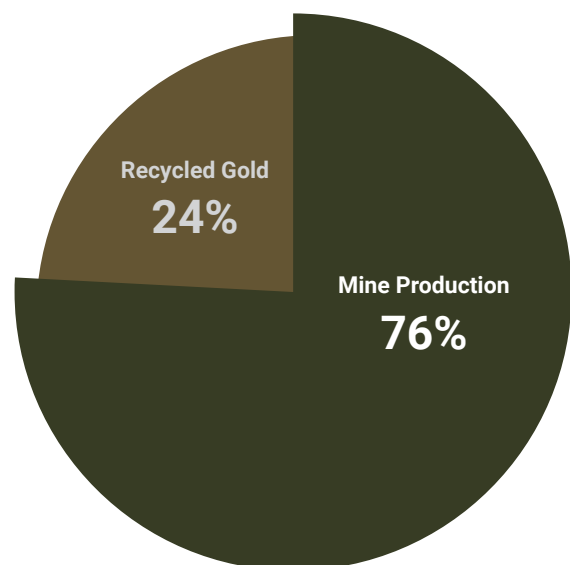
In Peru, the economic climate continued to falter through 2022 and 2023, and mining activity has credited with slowing the economic decline in the country. Mongolia experienced a growth economy as its mining sector expanded and private consumption recovered from its post-pandemic dip.

In 2022 and 2023, the global focus on ESG continued to increase across many sectors. Gold was no exception, with investors and many buyers continuing to scrutinise the responsible sourcing of the gold that enters markets. In addition, the positive contribution of gold mining in host countries and communities remains of considerable interest to external stakeholders. Strong ESG risk management and performance continued to be linked to long term investment attractiveness in mining. Focuses increased on mine-by-mine ESG credentials at the same time as greater emphasis was placed on corporate and site-based ESG leadership in mining companies.

DURING 2022, GOLD WAS USED GLOBALLY AS FOLLOWS:



THE MAJORITY SOURCES OF GOLD CONTINUED TO BE NEW SUPPLY FROM MINES.



OUR LEGAL COMPLIANCE

Boroo's mine sites operates in two distinct countries, Mongolia and Peru. Each location comes with its own set of laws, legal frameworks, and regulatory expectations. Ensuring compliance with all applicable legal obligations across these jurisdictions is vital for our ongoing operations and our operations' social approval. Legal compliance also encompasses ethical practices, including strict adherence to our Code of Conduct and Anti-Corruption obligations.

The applicable laws and regulations continuously evolve to align with increasing community expectations. To stay fully informed about our responsibilities at all our operations, we diligently monitor and track legal obligations at each site, via dedicated departments.

At Lagunas Norte, the responsibility for monitoring legal requirements and ensuring compliance is systematically shared between the legal group and each functional area. The legal department monitors Boroo's obligations relating to the mining industry under Peru's laws, regulatory frameworks, social and environmental aspects, and mining operations (including safety). This department also utilises a comprehensive system for tracking all commitments. The legal department informs the relevant functional area of any alteration to regulatory requirements or impending legal expectations. When any change occurs to our mining, environmental, or social operations is identified, we promptly generate alerts - which then become the responsibility of each functional area to ensure compliance. The legal department then meticulously assesses the responses of the functional areas to verify adherence to the alert.

	Peru	Mongolia
Compliance Shortfalls	0	26
Fines	1	1
Statutory Inspections	5	4

OUR BUSINESS INTEGRITY

Boroo prohibits bribery, corruption and anti-competitive behaviour in our operations and governance.

Our Code of Conduct includes mandates around Fair Dealing. In Fair Dealing, we prohibit bribes, kickbacks and any other form of improper payment. This includes any direct or indirect improper payments to any representative of a government, labor union, business partner in order to obtain a contract, any other commercial benefit or government action.

It also includes the acceptance by anyone in the organisation of any bribe, kickback or improper payment from anyone. Gifts or favors of more than a nominal value are prohibited from our business partners, and marking and entertainment expenditures are limited to those that are necessary, prudent, job-related and consistent with our policies. Our Anti-Bribery and Anti-Corruption Policy provides protocols and approvals relating to interactions with or support for a government official or agency. It also defines and prohibits any kind of facilitation payment or kickbacks.

Our Anti-Fraud Policy commits to complying with applicable anti-fraud laws and regulations in all jurisdictions where we do business. We define fraud as any intentional, reckless or negligent act that

someone performs in order to improperly or unfairly obtain a benefit. This commitment is supported by procedures, training and internal reporting structures as well as practical financial processes and controls. Our employees, third parties and other stakeholders are also supported in reporting concerns regarding fraud, conflicts and corruption. This includes an anonymous Hotline. The integrity of our business is also supported by mandates requiring the avoidance of conflicts of interest and the disclosure of any actual or potential conflicts of interest.

Our Code of Conduct also commits to providing all employees with a workplace that respects their basic human rights. This includes the right to work in an environment that is free from discrimination and harassment, including sexual harassment. Disciplinary measures including, in appropriate circumstances, dismissal or removal from office apply to infractions of our expectations of a respectful workplace. Our Global Harassment and Violence Standard includes prohibitions of reprisal against employees who report an incident of or workplace harassment or violence.



OUR PEOPLE



OUR WORKPLACE CULTURE

Our organizational culture is built on our core values, which unite our workforce. Our ethos is underpinned by a commitment to achieving zero harm. In this, we strive to reflect the values and interests of our present and future stakeholders to support our company's sustainability and our shared future.

At Boroo, supporting our people to feel empowered in their individuality and strengths ensures an engaged and committed workforce, which we believe is central to achieving a successful company. We are proud that our people share a deep appreciation for one another and regard for both individual and collective well-being.

Our collective goal is to cultivate a workplace environment that nurtures professional growth

and career advancement. We actively promote and recognize collaborative behaviors and actions, encouraging diversity of thoughts and perspectives amongst our people.

We have established ESG policies, including our human rights policy, global harassment and violence standards, and occupational health and safety policy, which align with and reinforce our approach to workplace culture and employee rights.

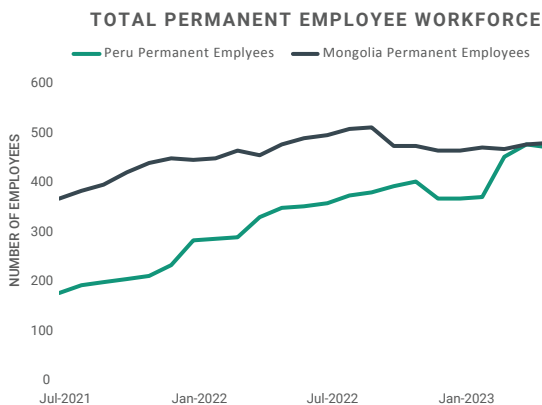
We are committed to our employees maintaining a sustainable work-life balance. Including shiftwork, our employees average a monthly working time of 170 hours. Any overtime hours are strictly voluntary and compensated accordingly.



OUR WORKPLACE CULTURE

TOTAL PERMANENT EMPLOYEE WORKFORCE

Our workforce has been increasing at an average rate of 65% annually during the previous two reporting periods (15% for Mongolia and 114% Peru respectively). As a result of increased production and the successful delivery of our services, particularly at our Lagunas Norte site as our newest operation, we have been able to increase our workforce to support the increasing workload. We appreciate each new Boroo employee and are appreciative that our company’s success has positioned us to create new jobs. Recently at our Mongolian operations, we have largely maintained the quantity of our workforce, displaying the stability we have formed in the internal structures of our long-standing sites.

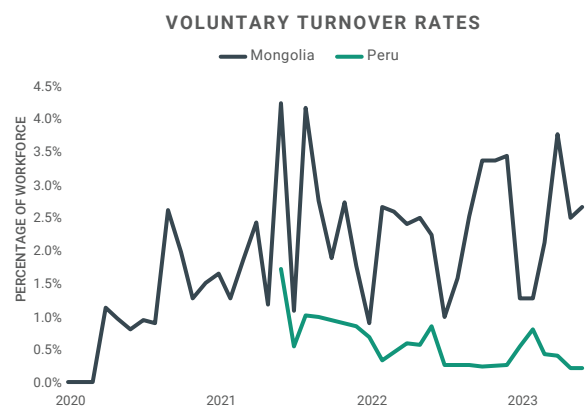


VOLUNTARY TURNOVER RATES

Voluntary turnover occurs across all companies. However, trends in voluntary turnover allows us to monitor our workplace culture and employee satisfaction, providing the opportunity to promote successes and address concerns. Depending on the climate and seasonal conditions of Mongolia, the mining industry activities intensify in warm seasons and slowdown in cold seasons. Accordingly, although Boroo Gold LLC operates year-around, due to the tendency of other mining companies as well as our company to intensify operations in warmer seasons and operate with skilled and larger workforce in a shorter period, the employee turnover rate tends to increase in the middle of the year.

Our Peru operation has shown a gradual decrease in voluntary turnover, which is an encouraging reflection of stability in our Peruvian workforce, and remains significantly below global mining standards. Contrastingly, Mongolia has displayed a marked increase in the past years, which we have assessed as related to our employment of seasonal manual labour workers only in the warmer months.

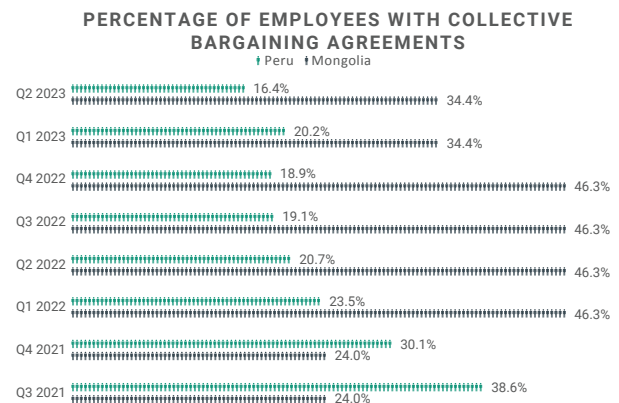
Recently, we have identified increased instability in our Mongolian manual labourers. Our Mongolian operation has manual workers who are directly contracted by the company, while at our Peruvian operation these workers are subcontracted, so the same trend in turnover is not observed. Both global and Mongolia-specific research shows increasing rates of workforce turnover in recent years, positing a relationship with the COVID pandemic.



PERCENTAGE OF EMPLOYEES WITH COLLECTIVE BARGAINING AGREEMENTS

Across all Boroo operations, we support our employees’ freedom of association and right to collective bargaining. Collective bargaining agreements are a voluntary mechanism in our workforce. The is variability in uptake of agreements across our sites, with data showing decreases in our Peru operation, and oscillating trends in our Mongolian operation. Decreasing collective bargaining agreements in Peru and recently Mongolia is indicative of the fair and competitive terms we offer to our workforce from the outset.

As with our last reporting period, in the 2023 reporting period we did not experience any industrial disputes or strikes at any of our sites.



>> OUR WORKPLACE CULTURE

PERUVIAN EMPLOYEE SATISFACTION SURVEY

In June 2021, Boroo bought the Lagunas Norte mine site. After more than 10 years the employees saw a change from Canadian to Asian owners, which could bring uncertainty and confusion; however, from the first day, Boroo's Executive Team had a face-to-face approach with the workers. Boroo's representatives met with all employees and explained the new company, the challenges they had ahead, and above all that they had the team to achieve everything. Since then, Boroo's management have settled in well and become a closely knit team with the mine employees.

After a few months, conversations with the employees provided Boroo's management with a positive impression of their assimilation to the new culture and experiencing through the transition in ownership. In December 2021, Boroo decided to conduct a labor survey to measure how workers felt at all levels and confirm their assessment. The initiative was proposed by the Human Resources Department, and was then supported by the other departments and directors of the company.

In January and February 2022, the project commenced with the construction and testing of the virtual survey tool, under the guidance of a consultant with expertise in labor surveys. The objective was to measure the work environment and engagement of all MBM employees. Two qualitative questions were included to capture more detailed feedback on the recommendation of the consultant. The survey was conducted virtually over 21 days and, to ensure transparency and a feeling of safety in the participants, results were anonymously recorded on the consulting firm's platform.

In August 2022, the results were obtained, showing 90% in satisfaction with work environment and 95% in engagement, with an employee Net Promoter Score (eNPS) of 75%. The dimension with the highest rating was 'relationship with the team' at 95, and the lowest result was 'work dynamics' at 87%.

Through this experience, we learnt that any initiative that affects our employees must first be accepted by the leaders of each area; without their support, the massive participation of workers would not

have been possible. We were able to implement the feedback received from the survey to make positive changes to our work culture. For example, with the lowest dimension as 'work dynamics' changes were made in teams that have resulted in greater acceptance by our workers, and we have reintroduced company sports initiatives that had previously been suspended during COVID-19.

Nurturing and strengthening the work environment is a daily task, where the participation of leaders is key. Open communication and supporting our employees will continue to be a primary priority to Boroo management, ensuring we are always aware of our evolution as a company.



DEVELOPING LEADERS

Mining operations are comprised of a plethora of skilled and specialized components, necessitating competent leadership to ensure successful coordination and implementation of our company's vision.

We invest in the development of management and leadership capacity building throughout our organization, operationalized by a transparent set of expectations and a corresponding performance tracking system. This approach cultivates the skills required to advance in our business strategy and provide our people with the opportunity for career progression and longevity with Boroo.

We believe that building a strong team of personnel with leadership capabilities is essential to fulfilling Boroo's overall company mission. Accordingly, our Human Resources Department are dedicated to attracting talented recruits and continually exploring our current team to identify opportunities to support advancing their knowledge, abilities, and qualifications. Our team follows a process in implementing training programs of identification, development, tracking outcomes and assessment of efficacy to inform future initiatives.

At Boroo, the process of developing leaders commences from the start of employment, with induction procedures that provide familiarization with the workplace, health and safety procedures, and an introduction to our company's ESG policies. Induction training for all employees is repeated annually, serving as fundamental knowledge for working within our operations.

Employees have ongoing opportunities for career advancement via skills development and training, both technical and managerial, throughout their

employment with Boroo. Training related to management and leadership focuses on key skills such as communication, delegation, team building, coaching, and employee performance evaluation.

In this reporting period, we have offered educational programs for specific professions to encourage role development. In Lagunas Norte, we have commenced utilizing a platform where employees can directly apply for their chosen specialised training program, to encourage autonomy in their role and strengthen their professional identity. In Mongolia, we have offered additional educational programs for specific professions, to encourage role development and improve professionals skills, as well as leadership programs to employees in managerial positions. Across our entire operation, we offer various incentives to our most diligent employees to recognize their hard work.

Training programs are periodically and systematically delivered with the aim of enhancing the current job performance and productivity, with a view of preparing employees for future responsibilities. This structured approach is highly beneficial to the company's productivity, efficiency, and competitiveness in ensuring that all employees have opportunities for both professional and personal development.

It is important that we continue a strong approach to leadership training, so that our employees trust in their futures with Boroo and are invested in our business growth. We believe that establishing a career progression framework that spans from entry-level positions to the highest executive roles allows us to draw in and keep the most exceptional talent. This approach is effective in facilitating our vision of operating sustainably into the future.



>> DEVELOPING LEADERS

LEADERSHIP TRAINING



Boroo Gold LLC organised a comprehensive 2 day training aiming to increase leadership and management skills, improve participation of each unit in the company's strategic planning, and to support labor safety. A total of 51 mid-level senior employees were chosen to participate in the training, due to their positioning in the general organization of their subordinate sections, and role in providing direct instructions and on-the-job training to employees. The training program was formulated in line with the below framework.

The successfulness of the training program was determined via an assessment of knowledge, clarity, interest and usefulness of the training among participants. The results of the assessment were excellent, recording an average of 95 percent. The average rating of the trainers was 96 percent, with a the 2-4 percent difference between trainers, attributable to:

- Trainer experience level
- Clarity and expression
- Reasonable information
- Ability to implement recommendations

All comments received in the training evaluation were positive, and each training indicator was rated at a sufficiently high level. The content and information provided by the training was reported as effective and necessary amongst our mid-level executives.

The following reflections were derived from the training experience:

- The first day of training was presented by external professional organizations, which were highly useful in providing guidance to senior officials in developing their professional identity. The training was observed to restore the participants' passion for their roles.

- The second day of training conducted by internal trainers found that participants had a high interest in engaging in discussion, expressing any concerns with their roles, and collaborating on solutions together.
- Following the training, employees recorded and studied the training notes developed by the Human Resources Department, with further feedback and assessment to be measured after a period of time. This process encourages employees to document their learning and consider how they can apply new skills to their work.

From the feedback of the employees, it was reported that they will transfer most of the knowledge they gained from the Management Leadership Training to their work and to the colleagues they lead. As mid-level senior management employees, the participants were eager to take the lead in conveying their learnings to their employees and colleagues. However, it did appear that the content of the internal safety, environment, and human resources trainings was due to be refreshed. Overall, the training yielded highly positive outcomes. Prior to this training, there had appeared to be a lack of leadership development opportunities among middle managers in the company. From the assessment results, employees felt that this training satisfied this need. Also, the conversations engaged in during the training and information provided by the trainer showed that participating employees are now more aware of the importance of Boroo's leadership team understanding the company's policies and how to implement them. Following the training, we have received many requests from the employees for this training to be refreshed regularly. We hope to continue to engage in an active feedback and assessment process with participating employees, and use the learnings to develop and improve the next training.

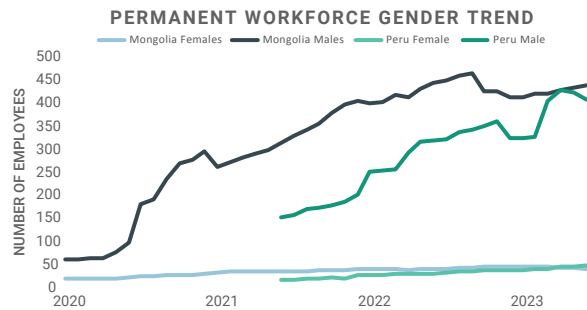
OUR INCLUSION AND DIVERSITY

Boroo’s workforce tracks slightly behind the global average for gender representation, with 12 percent comprised of women in 2023. This percentage has slightly increased from preceding years, with our 2022 reporting period recording 11 percent. The compensation difference between male and female employees is the least at the management level and the highest at the non-management level. This high value is related to the ratio between number of male and female employees.

We acknowledge the ubiquitous gender imbalance within the mining sector and our organization, we are committed to fostering improvement in this area.

PERMANENT WORKFORCE GENDER TREND

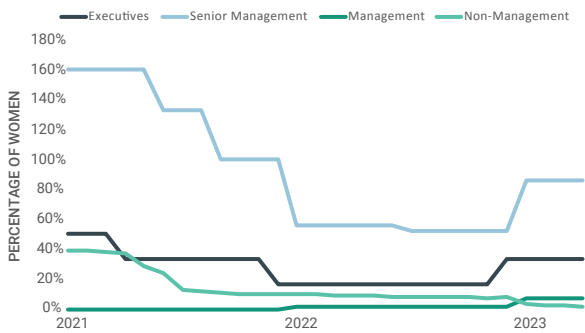
Gender imbalances are ubiquitous across mining sector, and our company experiences the same disparity. Though we have observed a small yet progressive increase in the number of females in our workforce over the past few years, it is clear that we have further work in this space. We intend to continue encouraging female employment in our mining operations through initiatives and awareness to bolster this positive trend in years to come.



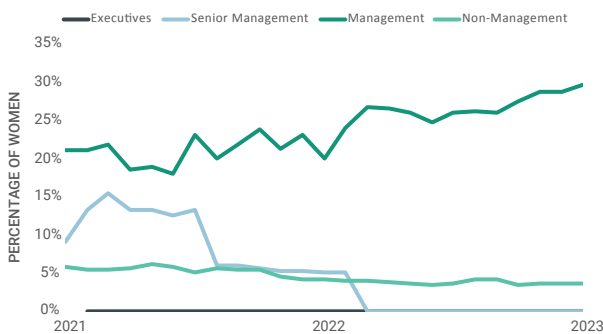
>> OUR INCLUSION AND DIVERSITY

Through analysing trends in female representation across seniority bands, we are able to better understand dynamics that contribute to imbalances and identify areas that require improvement. In our Mongolian operations, we have a higher level of women overall and specifically in senior management and executive roles, due to the operations' higher quantity of administrative management roles, which are more likely to attract female applicants. Thus, we can see that it is most important to direct our efforts in increase female representation toward management and non-management roles for our Mongolian operation. Conversely, our Peru operation requires the most attention at the executive and senior management levels. With this understanding, we aim to direct our initiatives encouraging female representation, such as advertising and internal support programs, toward these specific target groups in the coming years.

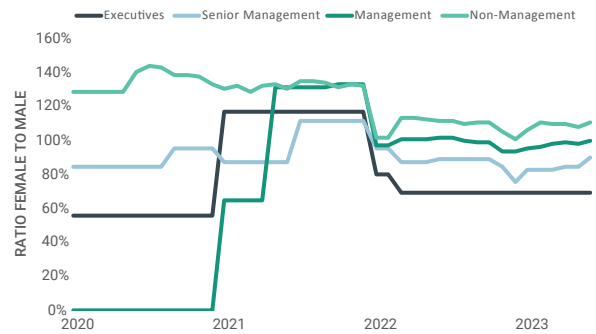
MONGOLIA WOMEN BY SENIORITY BAND



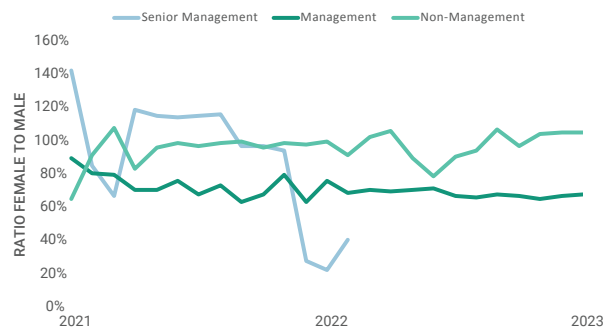
PERU WOMEN BY SENIORITY BAND



MONGOLIA AVERAGE SALARY GENDER RATION BY SENIORITY BAND



PERU AVERAGE SALARY GENDER RATION BY SENIORITY BAND



We are strongly committed to ensuring our organisation reflects gender equality in remuneration. While some variation is expected in seniority bands as there are various roles within bands subject to differing compensation, similarity between genders across bands is a good indication of pay parity. Monitoring the ratio between genders is a critical protective measure that we employ to ensure gender pay equality. During this reporting period, salary ratios are largely within an expected range and are a positive indication of our pay parity, with consideration for the reduced representation of women across higher level roles at our Mongolian site.

>> OUR INCLUSION AND DIVERSITY

OUR COMPANY PODCAST: BOROOCAST

With positive feedback and building of a community of listeners, our podcast 'Boroocast' has been renewed for a second season.



The podcast, published on the audio streaming platform Spotify, is aimed at both internal audiences, such as company employees and suppliers who provide services at Lagunas Norte mine, as well as external audiences, such as all people and students interested in learning more about the mining sector and best practice. Our content emphasizes delivering clear and understandable information, as well as dynamic and transversal messages that reinforce our corporate values, Boroo's structure, vision and initiatives, and the standards and objectives of operations at the Lagunas Norte mining unit.

Boroocast was born in April 2022, as an initiative of the Corporate Affairs area at Minera Boroo Misquichilca. The podcast was created with an aim of innovating communication channels, with consideration for the progression in communication technologies, the improvement in internet service quality in the Lagunas Norte mine area, and evolution in preferences for the consumption of information. The podcast enables us to provide information to employees and stakeholders in Peru about the development of current activities, measures

to ensure safety and occupational health, and sustainability and social responsibility initiatives, while also strengthening the organizational culture of Boroo.

One feature of Boroocast that we prioritize for its ability to bring authenticity and credibility across different audiences, is that in each episode we interview volunteers from different areas of the Boroo Lagunas Norte mine. Our interviewees share from their personal experience messages and testimonies that contribute to reaffirming Boroo's commitment to safety and promoting safe working environments for all people. We discuss important aspects of the company, such as environmental responsibility and organizational culture, with our interviewees proving themselves true ambassadors of the Boroo brand, contributing to our company's positive reputation among stakeholders and our employees.

After the second quarter of 2023, Boroocast has 14 broadcasted programs and more than 580 reproductions in total. These metrics allow our team to measure the success of each broadcasted program and implement learnings for the following editions, while also motivating our podcast team to continue creating increasingly engaging, dynamic and easily accessible content for all listeners.

In the second season, we are making the content even more dynamic with the use of new podcast resources, and sequences such as the 'Boroo mention' which will provide brief highlights of our most impressive recent achievements across the company. We hope this new season will reinforce the sense of pride, belonging, culture of recognition and motivation in our company's employees.

>> OUR INCLUSION AND DIVERSITY

INTERNSHIP FROM THE UNIVERSITY OF SCIENCE AND TECHNOLOGY

In November 2021, Boroo Gold LLC signed a memorandum of cooperation with the School of Geology and Mining affiliated to the University of Science and Technology, one of the largest schools that prepares the most experts in the field of mining in Mongolia. Under this agreement, undergraduate students were selected for open positions, while 2nd and 3rd year students were supported to become qualified professionals through internships.

In 2023, the administration for the School of Geology and Mining at the University of Science and Technology and Boroo Gold organised a 1-day internship for 93 second and third year students. The students were provided safety instruction training and introductory rehabilitation training from Boroo’s Environment Department, in addition to training from the Mining Department on Boroo’s mine

sites and operations. The internship also provided students the opportunity to engage with the daily operations of the project site, including learnings on security, environment, safety, and field work, as well as visiting the open pit mining operation and onsite environmental restoration initiatives.

The internship activities were tailored to provide the students with theoretical knowledge of mining operations, and the accompanying professors expressed the effectiveness of providing information related to safety, the environment, and activities through practical activities. After the internship was completed, the number of requests for further internships and jobs from University of Science and Technology students increased from the previous year, which demonstrated the successfulness of this initiative.



OUR EMPLOYEE WELLBEING

Boroo believes that our workforce is our most valuable asset, and as such we are unfailingly committed to the wellbeing of our people. As part of the mining industry, safety has always been the cornerstone of our strategy for protecting the welfare of our people (see Safety & Health). However we recognize that our duty to the well-being of our workforce transcends safety considerations alone.

Operating in the mining industry exposes our workforce to a spectrum of occupational health hazards, encompassing not only physical dangers but also health-related issues like fatigue and mental health issues. Our employees frequently encounter workplace exposure risks from factors such as dust, chemicals, noise, and vibrations.

During this past year, Boroo has diligently continued to implement programs aimed at monitoring, protecting and bolstering the health of our personnel at our operations. Our rigorous risk assessment procedures are meticulously designed to identify and evaluate occupational health hazards. Health protection remains a fundamental aspect of our

employment agreements, with robust systems to minimize individual risk and provide personal health monitoring. With Boroo, all employees, contractors, and visitors are cared for diligently, and we provide resources to ensure their health and safety risks through comprehensive information, education, instruction, and supervision.

In accordance with Mongolia's Occupational Health and Safety (OH&S) regulations, our Mongolian operation conducts routine medical assessments for permanent employees and preventive examinations for new team members. We allocate annual budgets for these examinations, as well as for maintaining our onsite healthcare facility and medical staff. Our regular conduction of preventative medical checkups allows us to be proactive in caring for our employees' health, as well as accessing to health data from the commencement of and throughout employment, so that we can better understand health outcomes.



>> OUR EMPLOYEE WELLBEING

Meanwhile, our Peru operation employs a systematic health program, with our Lagunas Norte mine site equipped with nationally accredited medical centers appointed with medical professionals and ambulances. The healthcare program is characterized by a process of prevention, identification, evaluation, control, and monitoring of workplace health hazards and exposures, the frequency of which is determined either by regulatory provisions or through risk assessment. Our employee program spans global health concerns, including fatigue, mental health, ergonomics, healthy lifestyles, occupational health, substance abuse, hearing, respiratory health, and disease prevention.

During this reporting year, we made two comprehensive reports to public authorities relating to the two unfortunate fatalities that occurred as part of our regulatory obligation to report occupational health incidents. Our health data monitoring also identified no concerning trends in areas such as respiratory health, blood toxicity, eyesight, or hearing.

In light of the COVID-19 pandemic, organizations worldwide experienced increased burden on mental stress in their workforce. This highlighted the value of a holistic approach to the wellbeing of our people and stressed the importance of workplace processes safeguarding mental health. With the wide range of factors influencing mental health, such as biological, occupational (i.e. fatigue), domestic and family, economic and physiological, it is critical that organizations ensure sufficient supports are available.

Boroo recognizes that we still have room for improvement when it comes to improving employment conditions and support for our workforce. In the future, we hope to implement systematic programs for mental health stresses, expand our efforts beyond physical safety and health. Nonetheless, we aim to ensure that our workforce enjoys a healthy work-life balance, and that our employment conditions are grounded in our value of creating a fair and rewarding environment in which to work.



OUR SAFETY AND HEALTH



OUR OCCUPATIONAL HEALTH AND SAFETY

Our Occupational Health and Safety (OHS) vision is for every person to return home safe and healthy every day. Our OHS Policy is predicated on this vision, forming the cornerstone of all our safety procedures and practices.

Safety is a core value at Boroo and is integral to all our operations. Safety relevant to all of our employees, including management, supervisors, engineers, technicians and miners. While the policies, standards, programs, and goals we create are important, our safety vision cannot be realized without the support of our employees. That's why we have set a goal of zero accidents, aiming to become a team without work lost time injury. Every employee of the company is committed to strictly adhere to the safety rules in their activities and is working hard with the goal of zero harm lost time injury and accidents.

Our Executive team and Board are pivotal in overseeing the effective implementation of our OHS Policy. Boroo's leadership ensure our risk management practices align with the highest possible standard under our OHS Policy by staying informed of present health and safety risks at our locations, and allocating requisite resources to facilitate the effective execution of consequential risk management processes.

Our operations are aligned with safety processes that meet the expectations outlined in ISO 45001: 2018, Occupational Health and Safety Management Systems standard. Each of our operations in Mongolia (Boroo Mine and Ulaanbulag Mine) have obtained ISO 45001 certification through external auditing bodies. Our operation in Peru (Lagunas Norte Mine) complies with national regulatory requirements with a robust risk-based OHS program and undergoes regular audits to ensure compliance, aligned with the structure of ISO 45001.

While ISO 45001: 2018 sets the accepted standard for health and safety management systems in the mining industry, we are dedicated to reflecting the highest occupational health and safety risks management possible.

Fatalities

Despite our ongoing efforts to maintain safe workplaces at all our sites, we had two fatalities during the reporting period.

On September 26th 2022 during the morning shift a trainee operator at Boroo Mongolia's processing plant was involved in a fatal accident at that facility. While cleaning the head end of the ore conveying area CV-01 on the fourth floor, he became entangled in the conveyor belt. He fell from the fourth floor to the first floor, sustaining fatal injuries.

A full investigation was carried out, which identified a number of root causes. A key aspect identified was the need to improve the type and frequency of work-related safety training, which could have addressed many of the awareness and behavioral contributors to this tragic incident. These included the act of accessing mechanical equipment without first stopping its energy, which is one of the operation's existing Golden Rules. Another root cause related to the consistency of shift-change protocols, which could have addressed some of the underlying conditions that exacerbated workplace hazards.

Counselling was provided to fellow employees who required support. Immediate action was taken to upgrade training protocols, including the new practice of regular re-training to maintain proficiency, and the improvement of operator shift handover procedures. Safety surveillance cameras were also introduced around the higher risk areas to add further protection in the area.

The family of the deceased employee received compensation regulated by the Labor Law of Mongolia.

On June 8th 2023 during the night shift at the Lagunas Norte mining unit, the contracting company VyP was dismantling Pump No 120 in Area 1 of the CMOP construction area at the floor level. The subcontracting crane firm ETAC was employed in lifting the pump from its position. The pump swung towards a Mill foreman of the VyP company, impacting him fatally.

A full investigation was carried out using the Taproot methodology. Among the root causes identified were inadequate supervision, as a result of which the known safety procedures were not complied with. The procedures, which required specific assessments and calculations of load dynamics and the establishment of safety zones in accordance with these calculations, were not followed. A further factor was a substandard condition where the crane hook was not perpendicular to the boom.

>> OUR OCCUPATIONAL HEALTH & SAFETY

Following the investigation Lagunas Norte accelerated the process of integrating the construction project’s health and safety management system into the Lagunas Norte system. Supervision requirements were reinforced, and a monitoring system was implemented to verify compliance with lifting plans for all assembly and disassembly operations. All personnel were re-instructed in critical risk activities, including implementation of the critical risk manual and implementation of a cross-audit plan of critical activities.

Boroo management confirmed that the contracting company activated all insurances for compensation to the contractor’s family in accordance with local regulations.

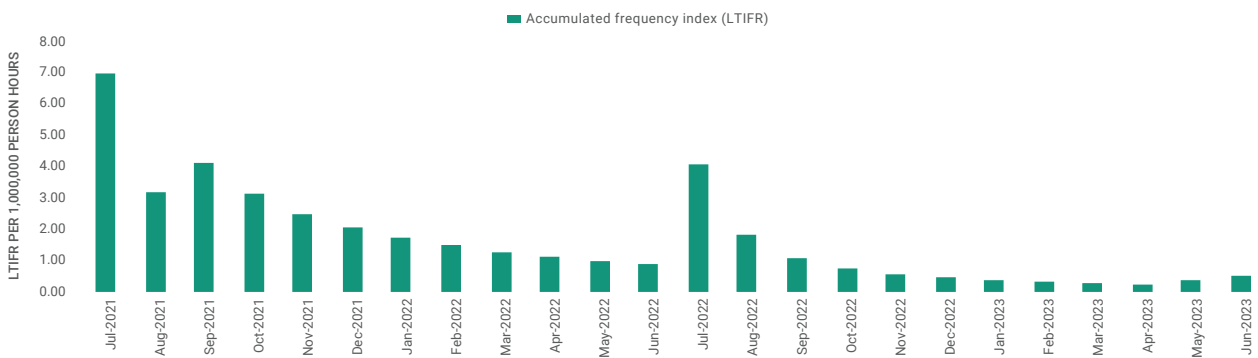
Cumulative Lost Time Injury Frequency Rate (LTIFR)

Boroo lost time injury (LTI) is an injury sustained on the job by an employee that results in the loss of productive work time. An injury is considered an LTI only when the injured worker:

- Is unable to perform regular job duties
- Takes time off for recovery
- Is assigned modified work duties while recovering
- A lost time injury is also known as a lost time incident or lost time case.

Our cumulative LTIFR is shown for our Lagunas Norte operation since July 2021. For the two full years of safety statistics, we have consistently improved our performance despite starting each financial year with lost time injuries, ending the FY 2023 year with LTIFR rates below 0.5 per 1,000,000 person-hours.

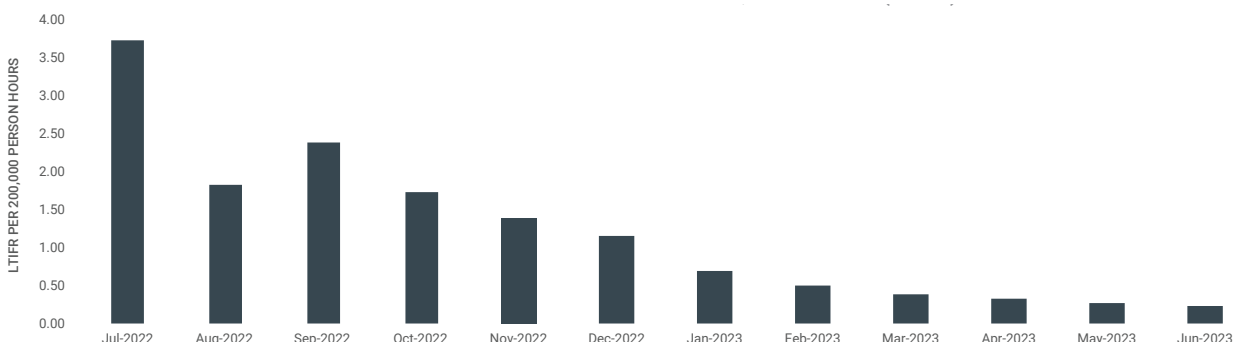
PERU LOST TIME INJURY FREQUENCY RATE (LTIFR)



At our Mongolian sites, the safety information is aggregated over both operations. Our first full year of safety statistics commenced in July 2022. At our Mongolian sites we also commenced the year with

lost time injuries, after which our safety performance progressively improved, ending the FY 2023 year with LTIFR rates below 0.25 per 200,000 person-hours (or 1.25 per 1,000,000 person-hours).

MONGOLIA LOST TIME INJURY FREQUENCY RATE (LTIFR)



>> OUR OCCUPATIONAL HEALTH & SAFETY



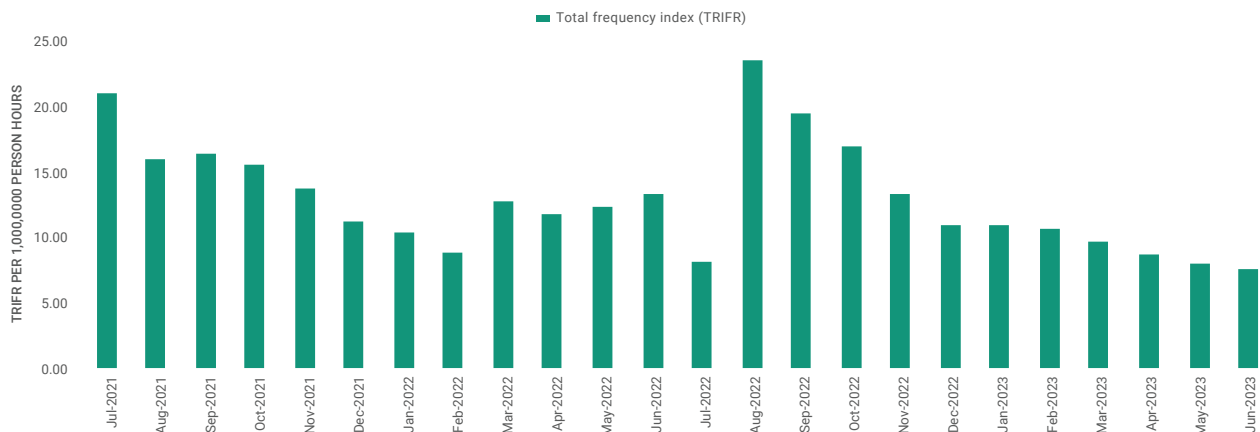
Cumulative Total Recordable Injury Frequency Rate (TRIFR)

Our Total Recordable Injury Frequency Rate (TRIFR) is an indicative measure of our performance in providing each employee with the necessary training, skills, and knowledge to perform their duties safely. Our current measures include orientation procedures, and a combination of classroom and practical training for the main and contracted employees and guests. We focus on monitoring and managing critical risks, including the most critical risks that could result in safe of life or work disability. To protect and safe lives and control critical risks:

- Focus on high risk and risks.
- Identify critical risks in each job/job role and develop control measures.
- Continuous improvement based on the safety framework.

Our Cumulative TRIFR is shown for our Lagunas Norte operation since July 2021. While our FY 2022 year saw a number of recordable injuries through the year, our FY 2023 performance was systematically improved. Over the two full years of safety statistics, our performance was pleasingly better in the last year despite the early injuries recorded at the start of the period. However, it still remained high at over 7 per 1,000,000 person hours and indicates we have more work to do in avoiding work-related incidents.

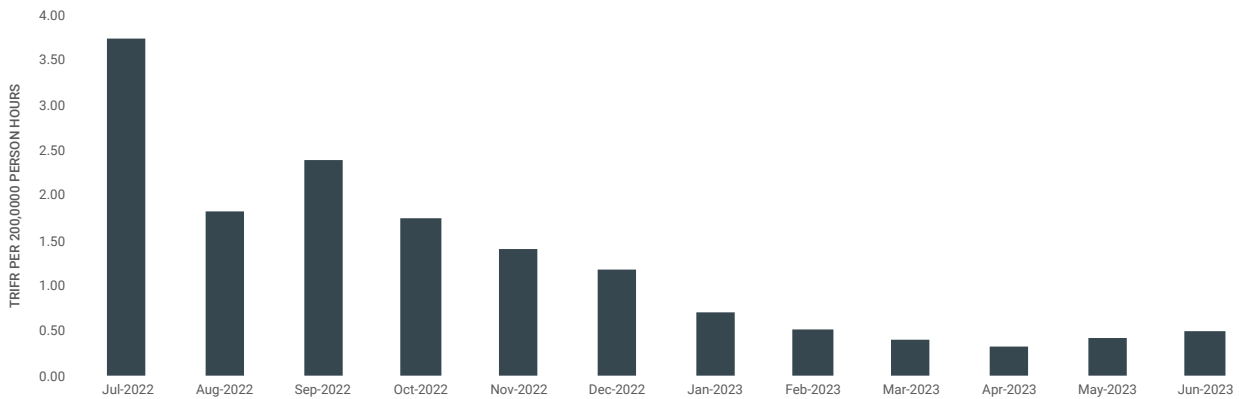
PERU TOTAL RECORDABLE INCIDENT FREQUENCY RATE (TRIFR)



>> OUR OCCUPATIONAL HEALTH & SAFETY

At our Mongolian sites we commenced the year with lost time injuries, after which our safety performance progressively improved until some incidents late in the year reversed that trend. We ended FY 2023 year with LTIFR rates below 0.5 per 200,000 person-hours (or 2.5 per 1,000,000 person-hours).

MONGOLIA TOTAL RECORDABLE INCIDENT FREQUENCY RATE (TRIFR)

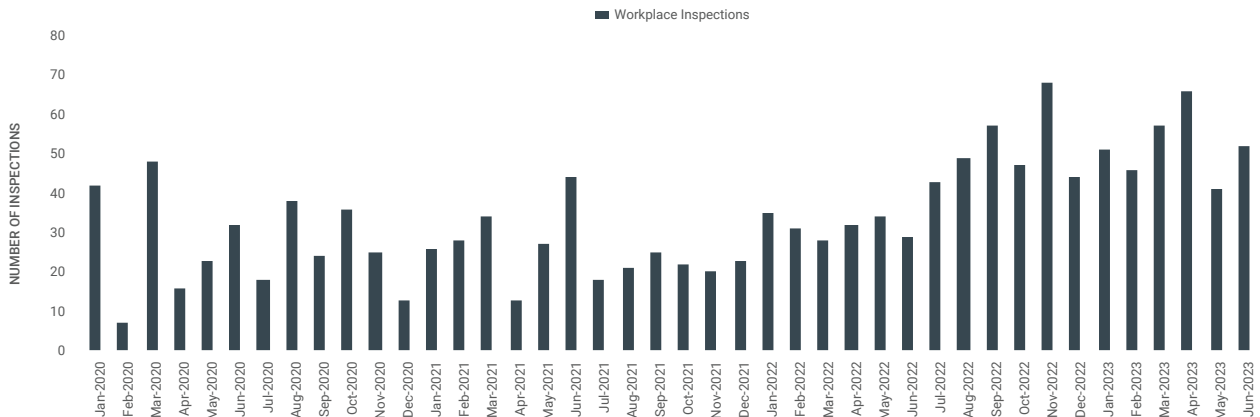


Workplace hazard inspections

At our Mongolian site during this reporting period, we have implemented measures to reduce identifiable hazards, including:

- Making the area where maintenance and mining activities are active zone where unauthorized movement is completely restricted.
- Ensuring protective equipment with aligns with tested and approved standards, and has certificates to attest to same.
- Performing workplace risk assessment, register critical risks and hazards, to reward employees who have taken active initiatives to improve the occupational safety and health conditions of the mining and have achieved certain results.
- Employees of Boroo Gold LLC and subcontractors undergo internal safety training according to the approved program schedule at least twice a year.

MONGOLIA WORKPLACE INSPECTIONS



At our Mongolian sites, we began over three years ago instituting workplace inspections to proactively identify hazards, with a view to recording and remediating them. Our diligence and performance in assessing hazards improved markedly in FY 2023 as senior management increased a campaign of safety vigilance on site. The number of inspections increased in FY 2023 as we amplified our efforts to identify unsafe conditions.

Our hazard remediation process at our Mongolian operations includes:

- Performing workplace risk assessment
- Registering serious risks and hazards
- Rewarding employees who have taken active initiative to improve the occupational safety and health conditions.

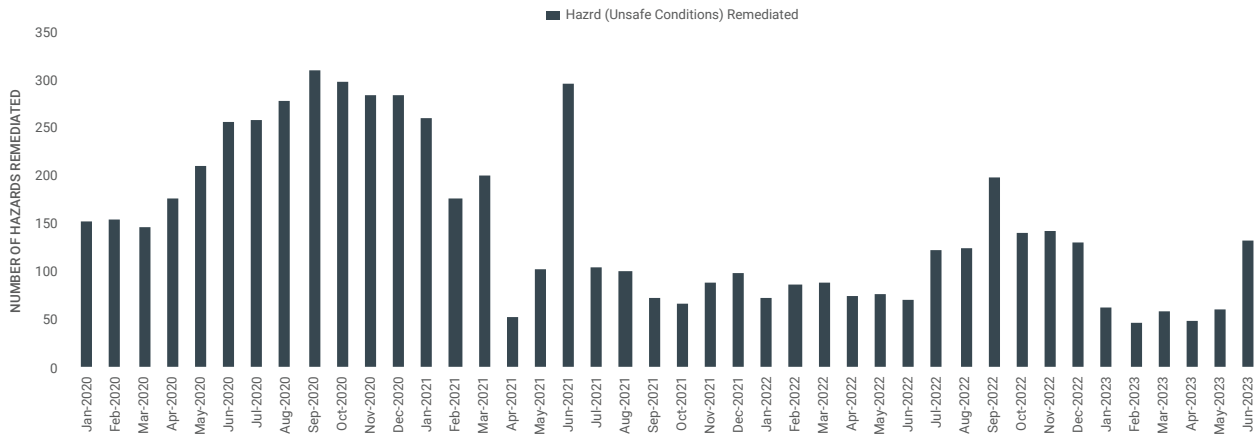
>> OUR OCCUPATIONAL HEALTH & SAFETY

We identify potential hazards in the workplace, assess the risks they pose to employees, and continuously monitor workplace risks by preventing and monitoring zero harm.

The workplace hazard inspections identified a large number of unsafe conditions in the early years of this program, resulting in substantial numbers of unsafe

conditions being remediated in FY 2021. As we maintained our vigilance, the number of new unsafe conditions discovered reduced in FY 2022 and FY 2023. Nevertheless, new unsafe conditions continue to be discovered and remediated each month as our operation continues to change in response to different mining conditions and production rates. We remain committed to this program of proactive vigilance at our Mongolian sites.

MONGOLIA WORKPLACE HAZARDS REMEDIATED

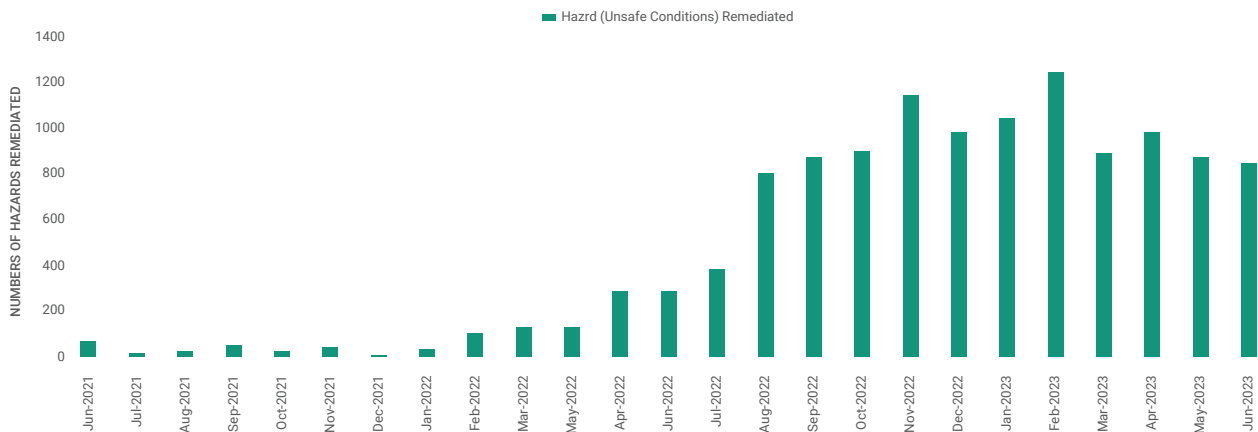


At our Peruvian operation, MBM commenced the 'Zero Damage Card' safety program in January 2022 to highlight unsafe acts and conditions, and improve the overall safety of our operations. This card is used to report and highlight unsafe acts, conditions and observations. Each worker is required to use this card to report unsafe acts and conditions. Additionally, daily duty inspections and occupational health and safety committee inspections are carried out. These processes assist in preventing serious accidents in routine and non-routine activities at our Lagunas Norte mine, and raise awareness among workers of

contractor companies and MBM employees.

With the introduction of this new program, we have been able to identify and address an increased number of hazards at our Peruvian operation. Though this has led to a significant increase in hazards remediated, it also means that Boroo has been able to remediate hazards that may have previously gone unidentified. Our focus now is to plan and implement ongoing processes to reduce hazards altogether.

PERU WORKPLACE HAZARDS REMEDIATED



>> OUR OCCUPATIONAL HEALTH & SAFETY

VACCINATION CAMPAIGN

At Boroo, we believe that preventive vaccinations are essential to safeguarding public health; vaccines against COVID-19, tetanus, diphtheria, and influenza offer vital protection. They reduce the spread of disease, prevent serious complications, and save lives. By immunizing the population, we create barriers against viral and bacterial threats, strengthening collective resilience. Broad-ranging research supports that vaccination not only protects people individually, but also contributes to herd immunity, curbing transmission in the community.

The Occupational Health and Safety Law in Peru requires mining companies to implement preventive programs for to exposure to physical, chemical, ergonomic and biological agents, among others. However, vaccination not only complies with Boroo's legal requirements, but also demonstrates our commitment to social responsibility and caring for our mining workforce. Implementation of programs to protect our employee's health contributes to a safe and healthy work environment, though we always ensure we respect workers' rights and integrity.

For the 2023 vaccination campaign in our Lagunas Norte mine site, we coordinated with representatives of the Ministry of Health of the Leoncio Prado Hospital in Huamachuco, who under the national vaccination program provided health personnel as well as the Covid-19 booster vaccines (4th Dose and Bivalent), DT vaccine, and the influenza vaccine.

Two vaccination dates were scheduled on 3 and 17 May 2023. Prior to implementation, a dissemination campaign was carried out with informative banners, both physical and digital, voluntarily inviting the labor force of Lagunas Norte to participate.

Our campaign was completed with a total of 261 vaccines administered, comprised of 49 COVID-19 4th dose booster vaccines, 48 COVID-19 Bivalent booster vaccines, 33 DT vaccines and 131 Influenza vaccines. Our statistics on the prevalence of endemic and/or pandemic diseases in our labor force after the 2023 vaccination campaign have not shown any significant increases, suggesting that the campaign's focus on preventative health was successful.

A preventive vaccination campaign for our mining workers offers valuable lessons. It highlights that for Boroo, investment in health is fruitful in the long-term sustainability of the mining operation. Protecting employee health not only reduces absenteeism due to illness, but also improves morale, productivity, and sustainability. In addition, this initiative promotes corporate social responsibility, showing a genuine commitment to the community and social environment. We remember that workers' health is a valuable asset, and by taking care of them, we ensure a safer future, and a more stable and profitable mining production.



ARTISANAL MINERS

Artisanal mining typically refers to small scale mining, often using hand tools and some simple machinery. These activities, which may use unsophisticated mining and mineral extraction methods, can sometimes pose dangers to the artisanal miners and the surrounding environment. Like any mining activity, artisanal mining is subject to laws and regulations. Where artisanal mining occurs outside of applicable laws and regulations, it is generally considered illegal artisanal mining. Some illegal artisanal mining occurs around the Boroo Gold LLC project operations.

Deep shafts and tunnels dug by illegal artisanal miners near the Boroo 4 site were inspected in cooperation with the Emergency Management Department of Mandal soum and Police for Ecology of Bayangol.

Inside the mesh fence of the Boroo Gold LLC project site some illegal artisanal miners dug holes for manual gold mining. The unauthorized activity commenced during the COVID-19 pandemic quarantine period, when the company had lower supervisory activity. After COVID-19, some illegal artisanal mining activities continued. These activities appeared to occur at night and/or by stealth, and Boroo Gold LLC had concerns regarding the safety aspects of such operations.

In order to prevent the above actions continuing, Boroo consulted the following emergency officials: security manager Mr Ch. Erdenebulgan, representatives from the mining department, rescue team under the safety department of the Boroo Gold LLC, Chief of Mandal Sum emergency department Mr. Enkhbayar, head of the 19th fire station, and representative from the ecological police department of Bayangol sum Mr. Munkhtulga. The officials visited the site to determine if there were people still operating inside the workings. External stakeholders were also invited to the site to familiarise themselves with the situation.

Following inspection of the site, it was determined that there was no clear way of confirming if artisanal miners were still inside the workings. Consequently, options such as sealing off these workings were considered inappropriate, and emergency officials determined that it was too risky for investigative personnel to enter the workings. An assessment of the workings by mining rescue professionals was planned for the near future, and thereafter the appropriate course of action will be discussed with regulators and stakeholders.



OUR COMMUNITY HEALTH & SAFETY

Boroo recognizes that our operations may have various impacts on surrounding communities, and as such we are committed to minimizing any adverse effects and bolstering our positive contributions as far as possible. Through contributing to the health and safety of our communities, we act in the best interests of our stakeholders and strengthen our relationship to these communities, ensuring we maintain the social license necessary for our operations.

Our mining sites are situated in remote areas with sparse populations immediately adjacent to active operations. In Mongolia, no settlements exist within the fenced concession area, with the nearest communities located at a distance of 20-35 kilometers from active mining operations. These communities primarily engage in seasonal herding within the concession during the summer months. Lagunas Norte, similarly, operates in sparsely populated surroundings, with fourteen communities identified through the Environmental and Social Impact Assessment (ESIA) process. The nearest community is approximately 500 meters from the perimeter fence, while most are situated more than two kilometers away. The potential residual negative impacts on public health, encompassing factors like water and air quality, may vary and have been evaluated through ESIA studies. Our community support strategies encompass initiatives to enhance

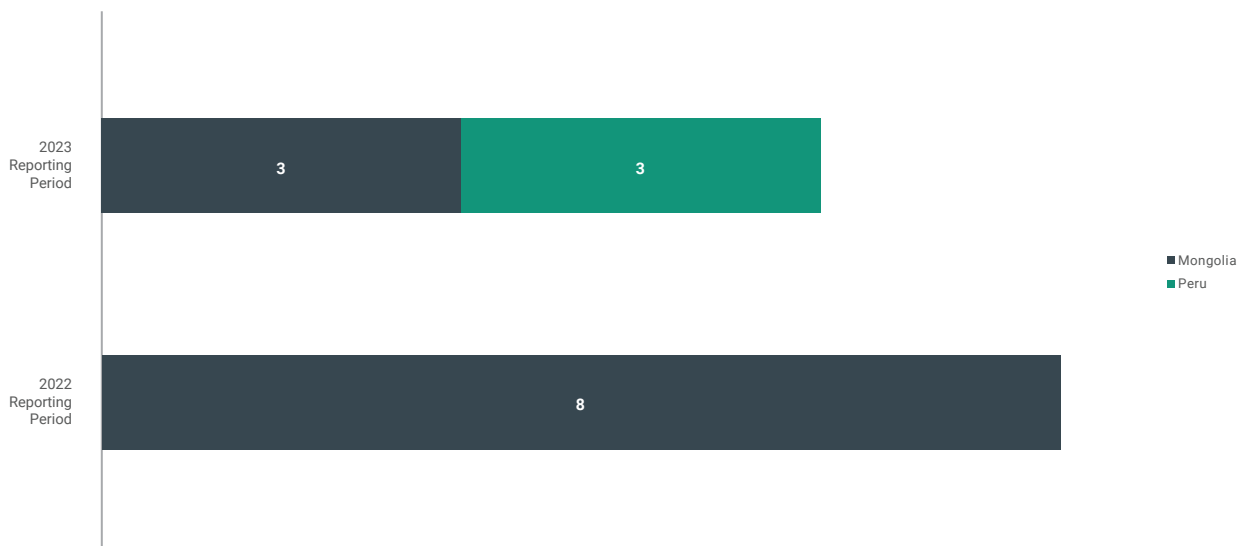
employment opportunities, provide healthcare, access to clean water, and improved nutrition.

Effectively addressing risks in such settings commences with robust stakeholder engagement. At each of our sites, community relations strategies are built upon Stakeholder Engagement Plans (SEPs) originating from foundational ESIA studies.

Grievances form an essential component of our stakeholder concern monitoring. We utilize the grievance mechanism to offer our communities a responsive, accessible, and effective avenue for expressing and resolving their concerns. We are committed to ensuring that our communities perceive this mechanism as a genuine means to voice and address their issues. Our primary focus is on the timely resolution and closure of all grievances.

In the current reporting period across the entire group, a total of 6 grievances related to community safety and health were processed. These grievances reflect 3 percent of all total grievances recorded, indicative of the social approval we have garnered across operations, as well as having reduced 25 percent from the previous reporting period. As these grievances were raised, we were diligent in ensuring they were closely monitored and addressed in a timely manner.

COMMUNITY HEALTH & SAFETY GRIEVANCES



>> OUR COMMUNITY HEALTH & SAFETY

OXYGEN FACTORY



In line with our commitment to social responsibility, Boroo Gold LLC has supported and implemented projects aimed at supporting local sustainable development and improving people's livelihoods. Recently, in November 2022, we have completed a project where we funded and formally opened a fully automatic oxygen factory which produces medical grade oxygen.

In accordance with Section 42.1 of the Mineral Law of Mongolia, Boroo Gold holds a cooperation agreement with the Mandal soum of Selenge to invest 210 million MNT annually, contributing towards supporting community development, health and safety. In 2021, we provided 371.7 million MNT in investment and donations to Mandal soum, 160 million MNT more than the amount specified in the agreement. Of this, 300 million MNT financed this project to build an oxygen plant in the General Hospital of Mandal soum. This project continued for over a year due to the difficulties that arose during the COVID-19 pandemic, such as supply chain disruption and border closures.

During the COVID-19 outbreak, the rapid spread and increase of infection among the population caused strain on oxygen supply in hospitals throughout

Mongolia. Since 2018, the primary hospital in this area had been using just 10 portable oxygen cylinders related to the treatment of patients. However, from June 3 to October 20, 2021, 774 cylinders of oxygen were used. Mandal soum governors determined that a local oxygen plant was needed to increase the much-needed oxygen treatment, which Boroo Gold has supported financially in line with our cooperation agreement with the soum.

The oxygen plant has resulted in numerous positive outcomes for the health and safety of the community surrounding our operation, including:

- Improved treatment results
- Supply of up to 98% pure oxygen for medical purposes
- Decreased probability of patient complications and death
- Significant reduction in risks caused by unsafe transportation
- Mandal soum becoming the first rural community hospital with an oxygen plant

This plant has and will continue to make a valuable contribution to protecting the health of people of Mandal and neighboring soums.

OUR SOCIAL PERFORMANCE



OUR COMMUNITY IMPACTS & GRIEVANCES

Boroo recognizes that in addition to mining, it must earn 'social license to operate' from the communities neighboring its operations. We respect the values and lifestyle of the people who are affected by our exploration, construction, operations and closure activities. We seek continuous improvement in our cooperation and communication with communities.

Hence, we recognize that communities and other stakeholders need an agreed process to raise, discuss and process complaints and grievances on relevant company activities that affect their lives. A key mechanism we use to this end is encouraging open communication of grievances from our communities. Our grievance mechanisms function as proactive means of early engagement with communities to listen to, address, and alleviate their concerns.

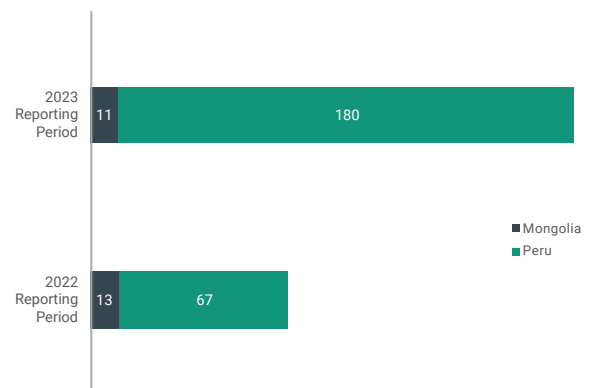
The Boroo Community Complaints and Grievance Management and Resolution Procedure regulates the receipt, registration, resolution and monitoring of complaints/grievances from communities and other stakeholders of our operations, transparently and systematically. The Procedure is a non-judicial mechanism for addressing stakeholder concerns before they escalate and to promote mutual confidence and trust with our local stakeholders. Its' objectives are to proactively address community grievances, preventing escalation to legal actions against the company and to serve as an early alert signal to project management of significant or recurring issues that might signal a systemic problem, and facilitate a resolution. Boroo will always work closely with the complainant(s) to resolve the grievance quickly and with minimum delay so that there is minimal impact to livelihood.

We receive both feedback and grievances through our grievance mechanisms, which is a positive sign that communities are aware of these mechanisms and feel empowered to collaborate with us on supporting a positive relationship and addressing issues of concern.

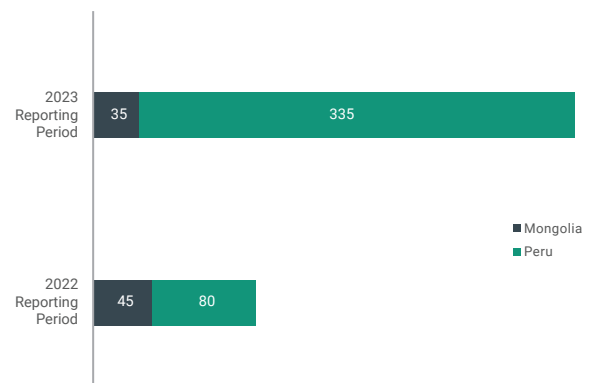
We assess our successfulness in the area via evaluating types of issues raised, the speed of our response, and the time taken to resolve them. In line with plans outlined in the previous report, this year we have implemented a grievance tracking process

that monitors our response and resolution times, which allows us to ensure our performance aligns with our goals.

GRIEVANCE RATE BY REPORTING PERIOD



FEEDBACK RATE BY REPORTING PERIOD



Our grievance management system at our Mongolian sites was implemented in 2018, and has been integrated into the Stakeholder Engagement Plan (SEP). During the current reporting period, a total of 11 grievances and 35 points of feedback were received specifically related to the Mongolian operations, which is in line with the previous reporting period.

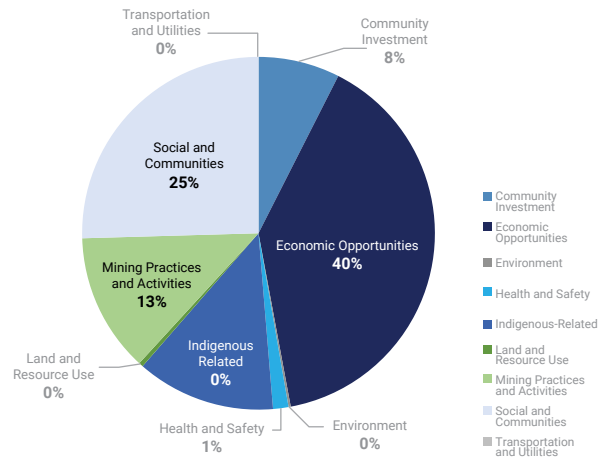
In contrast, the Lagunas Norte grievance mechanism has a longer history, predating Boroo's involvement in the operation. As such, local communities are well-acquainted with the mechanism and are comfortable in engaging. In the current reporting period, a total of 180 grievances were received, and 335 points of

>> OUR COMMUNITY IMPACTS & GRIEVANCES

feedback, which has increased significantly from the previous reporting period. This increase likely relates to the increase in our Peruvian operation, which has augmented during the past year. While grievances have more than doubled, feedback has more than quadrupled, which indicates that our operation is garnered more collaboration and positive responses than constructive criticism.

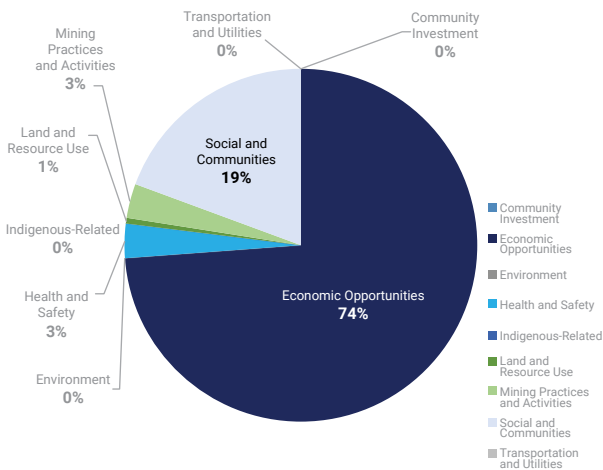
Population distribution provides further context on the increased feedback and grievances we receive at our Peruvian operation. While the aggregate population across the three adjacent soums around the Boroo and Ulaanbulag sites is approximately 39,000, at the Lagunas Norte site, there are fourteen rural communities with a combined population of around 15,000 people. However, the communities around the Lagunas Norte site are, on the whole, more concentrated and closer to the site, resulting in increased engagement with our grievance mechanisms.

COMMUNITY FEEDBACK RATE BY TOPIC ACROSS ALL SITES



Observing trends in the grievances received enables us to direct our attention to the most pressing concerns. The majority of both grievances and feedback reported were related to economic opportunities, which relates to our financial contributions to the surrounding communities.

COMMUNITY GRIEVANCE RATE BY TOPIC ACROSS ALL SITES



We also observed an increased proportion of grievances related to social and community issues, though this was matched with a high proportion of feedback in this area also. We attribute this rise to the improved effectiveness of our grievance mechanisms and a heightened awareness in the Lagunas Norte communities regarding community development matters.

The larger proportion of feedback related to mining practices and activities, in contrast to grievances, supports an assessment that there is a larger proportion of the surrounding communities who approve of our operations.

OUR COMMUNITY ENGAGEMENT

Contributing to our operations' positive community impact includes our establishment of cooperation agreements with local authorities at the Boroo and Ulaanbulag sites. Our social engagement plan (SEP) ensures that the preferences the communities articulate are priorities for our initiatives. All facets of community relations are consolidated under a single SEP, which guides a schedule of regular meetings with local communities, authorities, and civil society groups to further encourage collaboration and alignment.

Our Lagunas Norte site employs a stakeholder mapping process that is updated annually. This

process informs the SEP-driven engagement initiatives with the community and our broader stakeholder groups. The community relations team at Lagunas Norte also maintains a risk register recording identified community-related risks and our strategies for managing them. These risks primarily relate to stakeholder expectations regarding community investments, employment opportunities, and service contracts. Additionally, Lagunas Norte supports an external relations group that engages with a wide array of stakeholders and encourages dialogues that provide the team with further insights into how to support a positive community impact.



OUR COMMUNITY DEVELOPMENT

To realize our vision of Boroo being regarded as a leading responsible mining company, we are committed to doing our part for the communities around our operations.

As Boroo's business strategy features acquiring preexisting mining operations with significant residual value, we often inherit community initiatives from the mines' prior ownership. We ensure that not only are projects of value to community relations and development are continued, but bolstered wherever possible and complimented by new initiatives which align with the relevant communities' needs. In recent years, this has often included impacts from the COVID-19 pandemic.

We ensure that our operations' presence has a positive impact on these communities, including by benefitting the local economy, increasing employment opportunities, and implementing growth programs for individuals, infrastructure and the community as a whole.

Our Mongolian sites are in the combined vicinity of approximately 40,000 people across three main soums of two aimags. Boroo and Bayangol and Mandal soums, Selenge aimag have had a good long-term relationship ever since the company was established. Since 2021, the company has established positive relationships with Bornuur soum, Tuv aimag.

Boroo pursues policies aimed at improving the well-being and development of the economy, environment and society. In this, we primarily focus our community development efforts toward cooperation agreements, collaboratively developed with the communities' leadership.

Since 2018, pursuant to Paragraph 42.1 of Article 42 of the Minerals Law of Mongolia, the company and three soums have made cooperation agreements to ensure the following:

- The relationship associated with this Agreement shall be regulated by the Constitution of Mongolia, the Minerals Law, the Law on Administrative and Territorial Units of Mongolia and their Governance, the Law on Investment and other applicable laws, regulations, and international treaties.
- The purpose of this Agreement is to provide support for the operations of Boroo Gold LLC, deepen cooperation between the parties for the promotion of the socio-economic development of local communities, and determine the rights, obligations, and responsibilities of the parties in detail.
- For this agreement, the parties shall act in the spirit of the rule of law, equality, justice, mutual respect, transparency, and voluntary performance of duties.

Each soum has its own cooperation committee and the head of the committee is appointed from the local communities. Each committee is comprised of nine (9) members and is responsible for selecting and supervising funded projects and programs that support infrastructural development, basic social services, and the development of local small and medium enterprises. The committee consists of five (5) local community representatives and four (4) representatives from the license holder. The governor appoints and discharges local community representatives in the committee. Each project is voted on by members and the project that gets over 51% of votes will be implemented.

Within this reporting period, Boroo has invested approximately USD\$258,000 Mongolia towards the wellbeing and development of Mongolian communities. This investment has been primarily directed toward the capacity-building of herder and farming families, healthcare initiatives and training programs, with a view of supporting the financial stability, wellbeing and biodiversity of the community.

Relevant to our Peru operation is a history of tension between mining companies and the local communities, whereby underwhelmed communities have acted against mining operations, including blocking site access. With our understanding of previous relations, Boroo has developed a devoted strategy, our Stakeholder Engagement Plan (SEP), to prevent similar tensions and support close collaboration with the communities and bespoke investments.

>> OUR COMMUNITY DEVELOPMENT

Our Lagunas Norte Mine is in the close vicinity of 15,000 residents spanning 14 rural communities. With continued collaboration between Boroo and the local government and community members, investment opportunities are identified in line with consideration for community expectation risk assessments. Utilizing the annual Social Management Plan, funds totaling USD \$7,676,000 are allocated to investment programs. Additionally, we make financial contributions to a Social Fund under the Mine Concession Transfer Agreement (2002), executed by a governing board comprising mayors of six municipalities, one representative from the Ministry of Mines, and two members from Lagunas Norte. To this date, Boroo has contributed over USD\$4.6M, with USD\$2.5M contributed during this reporting period.

To further increase the impact of our contributions for local communities, Boroo attempts to engage local businesses wherever possible. Our Lagunas Norte mine site utilizes businesses within the Environmental and Social Impact Assessment's (ESIA) Area of Direct Influence who are classified as local suppliers to provide goods and services, including catering, hospitality, transportation, security and waste disposal. For example, during our procurement stage we have a process whereby local service and material providers are prioritized, which at our Mongolian operations extends to the service contracts for transportation and lodging. We also seek to identify and implement opportunities to train local workers to be able to provide the services we are seeking, and organize site warehouse tours to identify goods that are able to be sourced locally.



>> OUR COMMUNITY DEVELOPMENT

LA CAPILLA EXPLORATION: ENVIRONMENT AND HEALTH

This year, MBM's La Capilla exploration project has been promoting numerous social support activities and in coordination with relevant stakeholders. The project is important to reflecting our company's value for social responsibility and strong community relations, while also cultivating positive and respectful relationships with our corporate neighbors

Medical Campaign

Under our La Capilla project, a comprehensive medical campaign was carried out in line with our commitment to the Coñachugo village. Boroo coordinated with local authorities and village leaders, who communicated with the villagers to determine a date for the campaign. With the support of Clínica Sausacocho, a medical provider recognized by the Peruvian Ministry of Health and Government, we established a care process across different specialties to appropriately treat each patient according to their needs.

The medical campaign was executed on 20 July 2023, consisting of:

- Reception of patients and triage, including collection of data such as vital signs and brief evaluation of growth and development disorders in the case of children;
- General medical consultation and treatments according to medical indications;
- Dentistry, oral education, fluoridation and assisted cleanings. Toothbrushes and toothpastes were given to each patient;
- Obstetrics, consultation and information for women of childbearing age, and pap smears;
- Pharmacy supplies, delivery of basic medicines, and vitamins were provided to patients according to the medical assessment and treatment recommendations of the doctors.

The campaign benefited approximately 60 people, 48% of which were children and 52% adults. The people of the village were very happy and expressed their gratitude for the campaign, which was carried out without incident and a highly positive initiative.

Environmental Impact Participatory Workshops

As part of the mechanisms for citizen participation in the Environmental Impact Statement of the exploration project, a participatory workshop was held in the village of Inchaca on 20 June 2023. The workshop was attended by authorities and leaders from the villages of Inchaca, Jaulabamba, Quesquenda, Icchal, and Coñachugo, as well as representatives from Misquichilca Boroo Mine, the Regional Energy, Mines and Hydrocarbons Management of La Libertad, and the Yaku consulting company. All written and verbal consultations were answered in three rounds and the answers provided were signed, which gives viability to the next exploration processes in this area.



>> OUR COMMUNITY DEVELOPMENT

LA CAPILLA EXPLORATION: EDUCATION AND CAPACITY BUILDING

Textile Capacity Building

Programs for weaving and embroidery in Inchaca; Alpaca wool handicrafts in Icchal; and dressmaking in Chuyugual and Corral Grande were successfully completed. The Boroo community relations team coordinated with local authorities and village leaders to organise the training schedule, registration of participants and engage the training company, CEFOP. The village authorities provided facilities for the training to make use of the communal premises of the village.

The Inchaca training lasted two months and was delivered to 70 female participants, the Icchal training lasted one month and was delivered to 50 female participants, and the Chuyugual and Corral Grande training lasted three months and was delivered to 54 female participants. These programs helped participants achieve competence in the technique of crochet knitting and embroidery on fabric, working with Alpaca fiber, or sewing and tailoring garments respectively. Participants also learnt how to appropriately market the products they can now create.

Each training program included both theoretical and practical components, and requisite materials were provided to each participant. The training was delivered to women, often with various family obligations, making it difficult to establish a workable schedule for all participants. Consequently, multiple training groups were run, achieving from 70-93% participation rates. At the end of the training, certificates were issued to the participants who completed the training satisfactorily.

Exploration Area School Supply Scheme

School packages were delivered to the benefit of more than 2,500 students from educational institutes in our neighboring villages of Chuyugual Basin, Perejil Basin, the influence areas of Boroo's La Capilla and El Alto exploration projects. The school campaign is aimed at the rural area of influence as part of our social responsibility, and our commitments derived from the second amendment of the Lagunas Norte environmental impact study. The objective is to improve school education conditions at the preschool, elementary, and high school levels.

The school campaign was carried out in April 2023. Backpacks with basic school supplies, tailored to each school level were provided. For the rural areas, we coordinated with local authorities and presidents of the parents' association of each educational institution, in order to receive the lists of students and define a date to deliver the school packages. The deliveries were made to each educational institution of the villages and provided to each student, in the presence of local authorities, some parents and the corresponding teaching staff. To ensure support is provided to all children, we utilised a validated directory in which we have identified the children in the school stage, coordinate three different dates in Trujillo, Huamachuco, and Quiruvilca, and delivered school packages to each parent responsible for a child not attending school.

>> OUR COMMUNITY DEVELOPMENT

ALTO CHICAMA SOCIAL FUND

Every six months, Our Lagunas Norte mine contributes contractual royalties to the Peruvian State, to help finance projects for improving the quality of life of the people living in the Andean area near Boroo's mine site. These royalties are transferred in full to the Association of Civil Fondo Social Alto Chicama, a private non-profit organization that administers and invests these funds. MBM has contributed over 37.3 million soles (10.2 million USD) since assuming ownership of Lagunas Norte in June 2021.

Three provincial mayors and three district mayors from a wide area of influence participate in the Alto Chicama social fund, in addition to a representative of the Ministry of Mines and two representatives of Boroo. The fund is not only a model of social responsibility and investment, but also an important space for dialogue and consensus between MBM and the local authorities who represent the population.

'Since 2009, we have been promoting the development of the provinces of Santiago de Chuco, Sánchez Carrión and Otuzco, as well as the districts of Quiruvilca, Sanagorán and Usquil. In addition, I must highlight that we are the only social fund in the La Libertad region that for fourteen years has financed more than 440 works and social projects for the benefit of more than 200,000 residents.'

- Víctor Luján Chero, president of the Alto Chicama Social Fund during his swearing-in for the period 2023 – 2024.

In the first two years since the Boroo's ownership of Lagunas Norte mine, Alto Chicama Social Fund has supported a total of 41 projects and 21 technical files. One initiative has been the

financing of a hydraulic excavator for the district of Sanagorán, which will be used to move rocks and earth, facilitating the cleaning and maintenance of communication routes for the district. With the majority of the district's roads being comprised of dirt track or affirmed soil, the hydraulic excavator will be greatly beneficial to transportation and travel in the area. With the prioritization and management by the Quiruvilca district's mayor, another notable project was the financing of two agricultural tractors with implements for plowing land. This machinery is available to local farmers, resulting in a significant improvement in their production capacity, benefitting their family's financial stability and the community's economy.

Another notable achievement of the social fund has been the strengthening of agricultural production by improving the collection and distribution of irrigation water in the province of Santiago de Chuco. The Alto Chicama Social Fund financed the purchase of pipes and geomembranes to improve 5 irrigation canals located in 8 districts of the province. Similarly in the Sanchez Carrión province, the development of its agricultural activity is a priority. With the support of the social fund, they were able to finance the installation of a 22.9 kilovolt medium voltage system for the operation of an Andean grain plant. Currently, the plant is being managed by the Markahuamachuco Ecological Agrarian Cooperative, which benefits more than 500 producers from the hamlets.

These projects, alongside financial investment from the Alto Chicama social fund, leverage the resources of the Peruvian State at an average of just over eighty soles for each sol invested in the social fund. MBM's contribution to this important fund helps to improve the stability, resources and trajectory of the community and the region.

>> OUR COMMUNITY DEVELOPMENT

CAPACITY BUILDING: WELDING AND THERMOFUSION

As part of MBM's 'Training for Life' program, trainings were implemented in Thermofusion and welding 3G-4G with 46 participants, as well as in employability with 87 participants from the villages of Chuyugual, Perejil, Moche and Caballo Moro Basins. In coordination with local authorities and leaders in each area, the start dates and registration for participants were advertised.

Thermofusion, geo-synthetics and 3G-4G welding training, were held in the city of Trujillo and each lasted approximately one month. The thermofusion and geosynthetics training developed participants' skills in geomembranes implementation and HDPE pipes with efficiency, quality, and safety, as well as the correct use of equipment. Training in 3G-4G welding provided participants with the skills to organize and execute operations in welding processes, the ability to correctly install and operate welding equipment, quality control of welded joints, as well as the application of welding standards and codes.

At the end of the training, participants qualified for certification in thermofusion and geosynthetics, and as approved welders in 3G and 4G.

Employability training was conducted in the city of Huamachuco in sessions over one month, across four training groups. The training allowed participants to develop skills related to their labor competencies, in order to improve their employability and facilitate their access to the labor market. Participants learnt how to perfect their Curriculum Vitae (CV), how to face job interviews, and increased their competency in the use of ICT (Information and Communication Technologies).

At the completion of each course, the training companies in charge (TECUSUP and the Chamber of Commerce of La Libertad) issued certificates for those participants who successfully complete the course.



>> OUR COMMUNITY DEVELOPMENT

PRESENTATION TO MINING ENGINEERING STUDENTS FROM THE NATIONAL UNIVERSITY OF TRUJILLO

The National University of Trujillo (UNT) is one of the most prestigious higher education providers in the country and one of the oldest in the entire Latin American region. It is one of the most sought-after institutes by young people from the north of the country, with a focus on innovation and scientific research across different specialties. To provide better access to specialized education in the Andes of La Libertad, the decentralized headquarters of this national university was established twenty-three years ago in the province of Sanchez Carrion, Huamachuco, less than fifty kilometers from the Lagunas Norte mine. UNT is the only university which facilitates access to a campus in the mountains; for access to another institutions, students must travel to the city of Trujillo, the regional capital located more than 180 kilometers away.

Young people are studying different professional careers in Huamachuco, including nursing, administration, environmental engineering, forestry engineering and mining engineering, without having to leave their homes and travel to the city of Trujillo. With UNT, they have the opportunity to study in a public university and have access to quality education, with teachers who travel from other cities to teach them various subjects. The UNT Haumachuco campus has been especially valuable to young people from low-income families who are unable to study far from home, and has also generated more possibilities for development with UNT's professionals and research assisting with projects in the local community.

Consequently, MBM gratefully accepted the UNT Mining Engineering faculty's invitation for Boroo Mine representatives to provide a presentation to

students. Boroo's input was sought to complement their academic education with experiences from the private sector, within the good practice framework of transparency and knowledge sharing promoted by the Peruvian General Mining Law.

Boroo representatives were able to share with the mining engineering students of UNT aspects of our organizational culture, company and mining innovations. We explained that although the mine site had maintained continuous production since the beginning of its operations in 2005, it had been put into care and maintenance in 2019 by its previous owners. Thus, we presented our strategic vision to extend the life of and continue generating value at the Lagunas Norte mine, contributing to the training of young university students who were able to apply their theoretical knowledge with real-world examples. We explained the experience of developing a responsible and sustainable mining model as proposed by Boroo for its Lagunas Norte asset, under a mindset of realizing value for a better future.

Juan Carlos Zaplana, Superintendent of Corporate Affairs of Minera Boroo Misquichilca, participated virtually as a speaker for over 20 students interested in learning about the characteristics of our mining operation and the development plans of Lagunas Norte mine in the region and country. After the presentation, the students expressed their gratitude for the presentation and learnings on mining management. In participating in events such as the presentation at UNT, MBM is upholding our corporate value of social responsibility, and our commitment to communication and transparency with stakeholders and the community.

CHILD LABOR, FORCED LABOR & HUMAN RIGHTS

Boroo has a zero-tolerance policy for human rights abuses, child labor and forced labor. We have ensured that robust employee grievance mechanisms are in place across each of our operations which provide an equitable system for hearing and arbitrating concerns.

Boroo Gold LLC has been effectively distributing human rights policy to employees and contractors, to avoid the effects and causes of human rights violations in the workplace. Multiple initiatives reflecting our values and respect for human rights have been successfully completed, including:

1. In cooperation with the National Human Rights Commission of Mongolia, training was organized for all members of the executive and senior management team on the understanding human rights.

2. The company’s Human Rights Policy for the 1st quarter was delivered to all employees at the safety meeting held, with further training each meeting in the following two weeks.
3. Information about the Human Rights Policy has been delivered through our internal network and posted on information boards in each department.

First, the National Human Rights Commission of Mongolia and Boroo Gold LLC collaborated in developing a training on understanding human rights, which was delivered in the last quarter of 2022 to 35 of Boroo’s executive officers.

Boroo’s policies and procedures were presented to all employees during the first quarter of 2023, which included our Human Rights Policy being explained to the first 280 employees.



>> CHILD LABOR, FORCED LABOR & HUMAN RIGHTS

HUMAN RIGHTS TRAINING CURRICULUM

The trainings provided all Boroo Gold LLC's employees with an understanding of our:

- Anti-corruption and bribery policy
- Anti-Fraud Policy
- Policy Against Harassment and Violence
- Human rights policy
- Policy on Combating Money Laundering and Financial Terrorism
- Standards for Responsible Use of Social Media
- Occupational health and safety policy
- Environmental policy

Finally, to ensure our Human Rights Policy is fully understood and available ongoing to all Boroo employees, further resources have been made available, including via:

- Information boards located at the site
- Information board of Ulaanbaatar office
- Internal information network
- The company's official social network

Boroo's Human Rights Policy information, as presented to our executives, employees and found in resources distributed throughout the company, include recognition of rights including:

- Right to live;
- Inviolability and liberty

- Fair acquisition and ownership of real estate
- Provide fair and decent conditions in society and workplace
- Protection of children's rights
- Fairness in the legal system
- Communicate with others within the law and with peace
- Enjoying cultural, ethnic and religious rights
- Be confident and express your opinion freely
- Privacy and family rights
- Other rights set forth in applicable policies and procedures

By organizing human rights awareness activities for employees, co-workers, and contractors throughout each level of Boroo Gold LLC, we are cultivating a workplace environment which treats everyone equally and respectfully. We organised and successfully implemented these initiatives to ensure all employees are aware of and support the attitude of accepting, understanding, and respecting differences, without any tolerance for discrimination based on race, age, gender, religion, political opinion, ethnicity, social status, or sexual orientation.



OUR ENVIRONMENT



TOTAL ENVIRONMENTAL INCIDENTS

Mining sites have the potential to impact landscapes, natural resources, and ecosystems. We are fully committed to adhering to the respective regulatory frameworks at each of our mine sites at both national and local levels. During this reporting period, there were no instances of non-compliance with environmental regulations recorded at any of our sites.

We hold ourselves to a higher standard for environmental stewardship than what is mandated by national laws via our Environmental Policy, which provides for management practices to prevent pollution and mitigate environmental impacts. Further, it emphasizes our commitment to transparently engage with both internal and external stakeholders, discussing the risks our operations may pose and our performance in managing them.

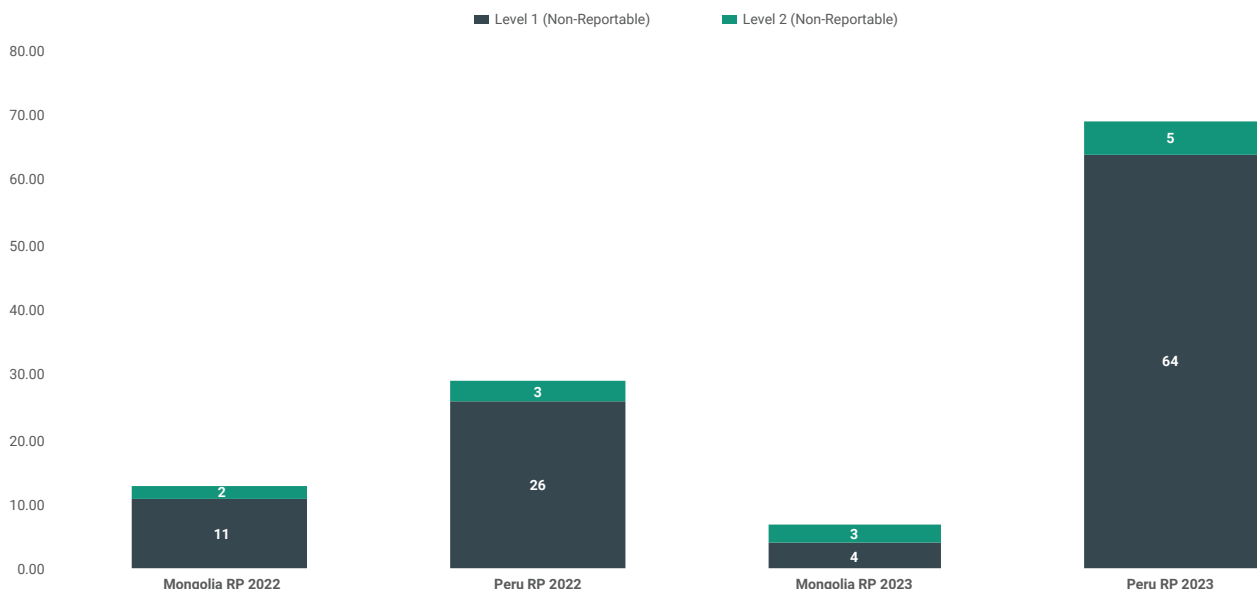
We have completed comprehensive and legally compliant Environmental and Social Impact Assessments (ESIAs) for each of our Mongolian sites, inclusive of multi-year Environmental Management Plans (EMPs) that outline the assessment of impacts, mitigation measures, and monitoring protocols. By legal requirement, each ESIA must receive approval from both government authorities and community representatives before any activities can commence.

We monitor environmental incidents across each of our operations so that we can address any increased levels of risk as they are identified. Level 1 risks relate to incidents which result in loss of primary containment, but where permit or regulated limits are not exceeded. Level 2 risks relate to minor, transient exceedances of permit conditions, where no administrative penalty or order is likely. In this reporting period, we have recorded no risks required to be reported to the relevant government, which are classified as Level 3 risks or above.

Most importantly, we have been able to keep Level 2 risks to a minimum in this and the previous reporting period, and the small increase in Level 2 incidents at our Peruvian operation is likely indicative of our operation increasing in scale. However, we have observed a significant increase in Level 1 incidents at our Peru operation compared with the previous reporting period.

At Lagunas Norte, impact assessment and mitigation procedures are overseen by the environmental licensing agency (SENACE), in accordance with Peruvian law. Approved ESIA studies has and continue to guide the development of the site's EMP and associated pollution control measures. Though Peruvian regulations do not require community approval for an ESIA, the community must be

TOTAL REPORTABLE INCIDENTS



>> TOTAL ENVIRONMENTAL INCIDENTS

informed and participate during the ESIA preparation process. Throughout the reporting year, various ESIA or equivalent instruments were in progress for sustaining projects, such as the Carboniferous Material Optimization Project (CMOP) and the Lagunas Norte life-of-mine extension projects.

All our sites maintain environmental management systems (EMS) that are externally and independently certified, aligning with ISO 14001:2015 - Environmental Management Systems (EMS). These site-specific EMS scopes are comprehensive, addressing potential impacts on ground and surface water, soils, air quality, biological resources, and socio-economic factors. We maintain a register of significant environmental risks, which are managed through comprehensive processes involving risk identification, quantification, and active risk controls that are continually monitored and reported. These risk registers are updated whenever new activities or processes are introduced to an operation, as per a well-defined management of change procedure. At a minimum, the registers undergo an annual review process. In the most recent reporting period, the company approved a corporate risk management procedure and risk registration procedure, with the initial implementation occurring at the Boroo site.

The ESIA processes conducted within the licensed area of Boroo's operations in Mongolia did not reveal any significant impacts on biodiversity or

species requiring special management concern. All encountered species were classified as 'least concern' according to IUCN guidelines. There were no identified habitats of importance to listed species or formal protected areas in the vicinity of the mine. Nevertheless, we maintain an ongoing cooperative agreement with the National Federation Pastureland Users Group (NFPUG) to implement biodiversity offset measures pertaining to pastureland management.

The ESIA studies conducted for the Lagunas Norte project also did not identify any species necessitating special management concern, and no protected areas were identified. However, the wetlands within the licensed area were classified as habitats of concern. Our environmental management plan at Lagunas Norte includes specific measures for protecting and monitoring these wetlands and encompasses ongoing monitoring of the overall ecosystem health at the site.

During this reporting period, we also completed multiple audits of our environmental risk: three audits across our Mongolian operations, and one audit of our Peru operation. Completing these internal audits periodically ensures that our operations continue to be effective in mitigating environmental risk, and that our processes are up to date with the most effective and sustainable environmental practices available to us.



>> OUR ENVIRONMENTAL RISK MANAGEMENT

KHERKH AREA REHABILITATION AND REFORESTATION

This year, Boroo Gold LLC has continued to carry out afforestation and green gardening works to contribute to reducing land desertification and degradation. In Autumn 2022, Boroo Gold commenced a project to perform clean up and land reclamation works in a 15.6 hectare area named Kholboo Tolgoi, located in the territory of Kherkh in Mandal, Selenge Province. In 2023, this project was continued with contoured fencing, tree planting to act as a wind protection zone, installation of watering system for planted trees, and drilling and establishment of a ground water well.

The area of land in Kherkh was assigned to Boroo Gold according to Order No. A/135 dated 9 May 2022 of the Governor of Mandal Sum, Selenge Province, on the implementation of the 'Billion Trees' national movement. In December 2022, Boroo Gold's Environment Department developed the plan for the afforestation and green gardening of this land. This plan was presented in March 2023 to the Governors of Mandal Sum and Kherkh Bag, the State Environmental Inspector of Mandal soum, and the Head of the Forest Department.

In the 1980's, a domestic sewage transfer plant operated on this land. Accumulation of concrete parts and waste from the buildings' basement, construction and household waste remained on the land, in addition to significant soil erosion and degradation. In September 2022, tests were carried out to determine the soil quality of the field. Digging and cross section inspections were conducted at randomly selected locations, finding that the area was largely sandy. Soil profile, field measurement, and cross section measurement works were carried out at three points across the area, selected depending on the land's surface form and use. According to the sample analysis' results, each of the three points held a sandy mechanical composition, the quality of the soil was weakly alkaline with a very low humus rate, and the soil fertility level was low.

The planning of the area was developed with the aim of reducing land degradation and desertification and strengthening the capacity of climate change adaptation. The following goals were set:

- Support the local community involvement and empower them in the field of environmental protection and rehabilitation.
- Rehabilitation of the environment which is eroded, degraded, damaged and polluted by garbage.
- Create green gardens based on local community participation and initiatives.

The afforestation and green gardening work of the Kherkh 15.6 hectare area of Mandal soum will be carried out from 2023-2027, with the participation of the Governor's Office of Mandal Sum and the local community. The following works are planned to be carried out:

1. Technical reclamation works including grading, leveling, and cleaning.
2. Clean up the areas from garbage / trash.
3. Build a protective fence around the area.
4. Create a water source, via water exploration and/or well drilling.
5. Installation of a tree irrigation system.
6. Create a power source.
7. Soil quality improvement measures.
8. Plant trees in strip to create protective zone.
9. Provide conditions to carry out maintenance and irrigation.
10. Solve security problems.
11. Implementation of afforestation green gardening.

With the infrastructure established at the area, the amount of green garden spaces is projected to be tripled and the number of trees planted and grown in the field to reach 12,000 by 2025. To this date, the area's garbage cleaning, technical rehabilitation, construction of fences, digging of holes to plant trees in the wind protection strip, installation of tree irrigation system, geophysical exploration of underground water, and well drilling works have already been completed.

OUR FRESHWATER MANAGEMENT & CONSERVATION

Sustainable water management is a crucial aspect of mining operations. Mining requires a reliable supply of water, including for process operations, dust suppression, occupational health, and environmental support. Thus, ensuring the supply of reliable water which is affordable and meets quality standards is critical for our operational continuity.

To facilitate sustainable access to water, Boroo employs recycling and process efficiencies. We are consistently supervising and seeking to improve our water management systems to maximize our recycling capacity and minimize our reliance on natural water sources.

We are conscious that water is a shared resource with surrounding communities and environment. Acting responsibly in this area ensures that the ecosystem continues to function, supporting our communities, workforce and other stakeholders within and beyond our watersheds. We are held accountable by our approved water use licenses, which are subject to the condition that there is no jeopardization of water availability which meets the needs of local communities and environmental ecosystems.

We have previously completed environmental and social impact assessments (ESIA) for each of our operations to better understand the shared role of water between our operations and local needs. Baseline data on climate, surface water, and

groundwater was collected to evaluate the actual and potential impacts of our activities.

Our Boroo and Ulaanbulag operations are located in semi-arid zones, where all water is sourced from licensed alluvial wells within the Kharaa-Yeruu river basin. The Boroo mine site operates a closed water circuit, recycling all water without any effluent discharge. Runoff water that has contact with operational areas is treated and rigorously tested to ensure compliance with national water quality standards before its release. Water from the process plant undergoes cyanide destruction before being returned either to the process circuit or the watershed.

We conduct weekly assessments of water levels at piezometers near waste rock, tailings management facilities, heap leach areas, and other industrial facilities. Monthly water quality sampling and analysis are performed at various monitoring points, including effluent water, ground water, and surface water.

All collected data and processes are assessed to ensure their accordance with our Environmental Management Plan (EMP), with annual reports submitted to relevant authorities. This reporting year, we continued to have zero instances of water-related non-compliance across both the Boroo or the Ulaanbulag sites.



>> OUR FRESHWATER MANAGEMENT & CONSERVATION

Boroo Gold Mine

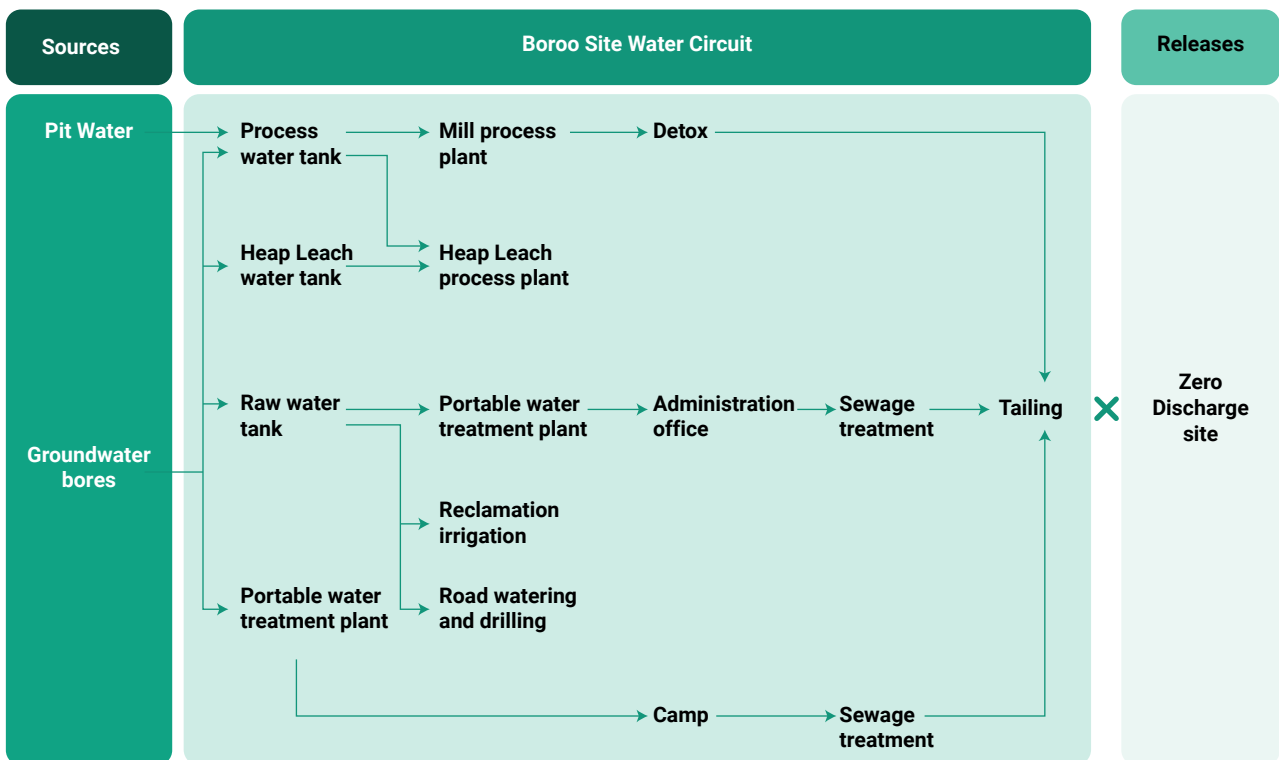
We have commenced implementing our environmental management plan for the Boroo Gold Mine, which was officially approved by national authorities in 2022.

Through this plan, we promote the efficient use of project resources, preserving natural resources wherever possible. We improve waste management through processes of reducing, reusing, and recycling secondary raw materials and byproducts generated by our project activities. We also reuse of wastewater for production processes to locally conserve this valuable natural resource.

The Boroo Gold Water Management Program (WMP) operationalizes the safe and environmentally responsible management of water on our mine sites. This program is designed to ensure that water is handled in compliance with applicable legislation and to fulfill our company’s overarching water management objectives.

Our WMP outlines rigorous compliance criteria applicable to all processes, irrespective of less stringent legislation. The program is wholly aligned with the ISO 14001 standard for environmental management, in addition to various Mongolian laws, environmental standards, and regulatory requirements. Such permits include requirements specified in our Detailed Environmental Impact Assessment, Environmental Management Plan, water use contracts, certificates of water meter calibration, certificates of origin issued by the Mongolian Chamber of Commerce, and new well drilling approvals.

The Ulaanbulag Mine, as a satellite deposit with ore processed at the Boroo Mine, features a standard water system which utilizes pit water and groundwater for dust suppression.



>> OUR FRESHWATER MANAGEMENT & CONSERVATION

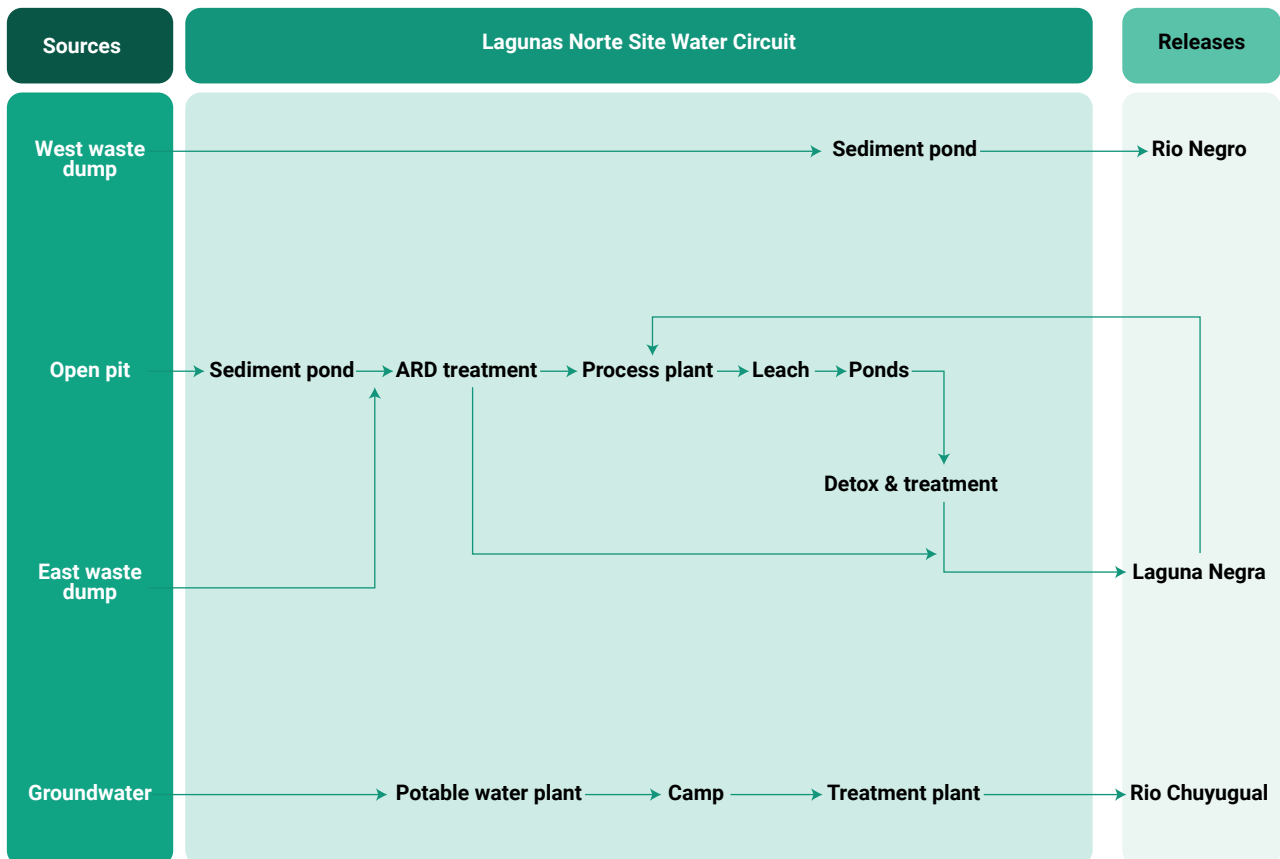
Lagunas Norte mine

Our Lagunas Norte water management system utilizes the high level of rainfall in the area. Water supply reservoirs collect rainwater runoff, which is then directed exclusively for use in operational requirements, curtailing the need for groundwater extraction.

As with our Mongolian operations, surface runoff water is redirected from operational zones, and any water that does have contact with working areas is treated to national standards prior to its release into the watershed. Part of the water in the processing plant is subject to a series of treatments, including cyanide destruction, filtration, reverse osmosis treatment, settlement, and testing, before it is returned to the watershed. Solutions that drain from the heap leach are captured and recycled.

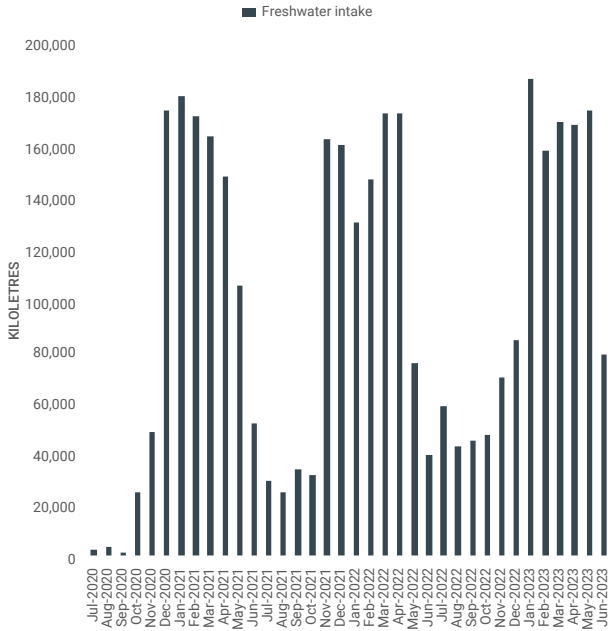
To combat acid rock drainage that occurs in the waste rock material, we direct this drainage to a treatment system that involves sedimentation, neutralization, and final clarification. Further, water quality is continuously monitored and assessed in accordance with legal requirements to ensure compliance with discharge water standards, and the results are reported to national authorities. There were no instances of non-compliance throughout this reporting period.

Our Lagunas Norte adheres to a structured water management process. We are on track to meet the requirements of Peru’s National Water Authority’s ‘Blue Certificate’ initiative, which provides a reputable standard for private sector water consumption and improving our hydraulic footprint.



>> OUR FRESHWATER MANAGEMENT & CONSERVATION

MONGOLIA FRESHWATER INTAKE



In Mongolia, it is estimated that 85 percent of precipitation falls between April and September.¹ During these wet seasons, we are diligent in ensuring fresh water is harvested effectively and stored to our highest ability for use during the dry season, to reduce our reliance on freshwater via our ground water wells and support our water risk management needs.

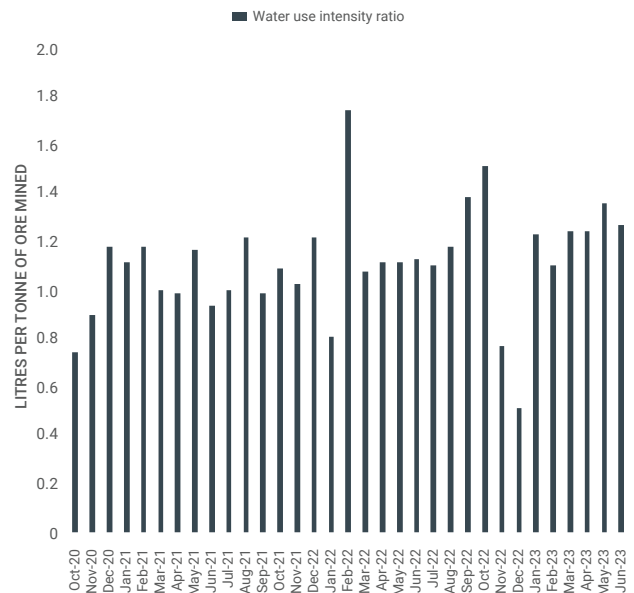
While our freshwater intake has not reduced significantly from previous years, our achievement lies in maintaining a similar level despite operational growth. While it would be anticipated that our water intake would have increased with the heightened demands of our operation, we have managed to maintain a similar level through process efficiencies and maximisation of water reuse and recycling.

¹ University of East Anglia, Climatic Research Unit (2023).

The water processing plant at our Boroo mine site utilises three main sources of water supply: the five ground water wells, open pit water, and circulating water which accumulates in the tailing pond. Freshwater intake indicated in the graph above refers to the total amount of water drawn from our five ground water wells, and excludes the majority of our water consumption which is sustainably sourced. The open pit water and the circulating water accumulated in the tailing pond are used both concurrently and alternately as needed from May to mid-November (during the warmer months). This process has a significant influence on reducing the use of groundwater, as well as protecting the fresh water source and processing gold ore with environmentally friendly technology.

The processing plant is scheduled to work continuously all year around, except for approximately 20 days (500 hours) of scheduled maintenance and service downtime. During the warm season from May to mid-November, the wastewater accumulated from the dewatering section of thickener and water in the tailing pond, as well as the water in the open pit can be reused in the processing plant. The amount of water that can be reused depends on that year's precipitation of rain and circulating water that accumulated in the tailing pond. The maximum water that can be reused is approximately 70-80 percent of the total water consumption that is used from May to mid-November.

MONGOLIA WATER USE INTENSITY RATIO



Our water use intensity ratio reflects the litres of water being used in ore processing, road irrigation and tailings dam construction per ton of ore mined, providing an index for which we can assess how efficiently we are using water, and how effectively our systems are performing. Recording this metric provides us valuable insights that we can utilise to devise strategies for reducing our intensity ratio in future.

>> OUR FRESHWATER MANAGEMENT & CONSERVATION

The processing plant water consumption required to process per ton of ore is on average 1.38 m3 of water, which is same as the water-sludge calculation. From 1.38 m3/tn, 55-60% or 0.76-0.82 m3 of water by ground water wells, 40-45% or 0,56-0,62 m3 of water by tailing pond and open pit are supplied regularly throughout the year. However, during planned and unplanned shutdowns of the plant, water is kept in constant circulation, which reduced the amount of water used per ton of ore.

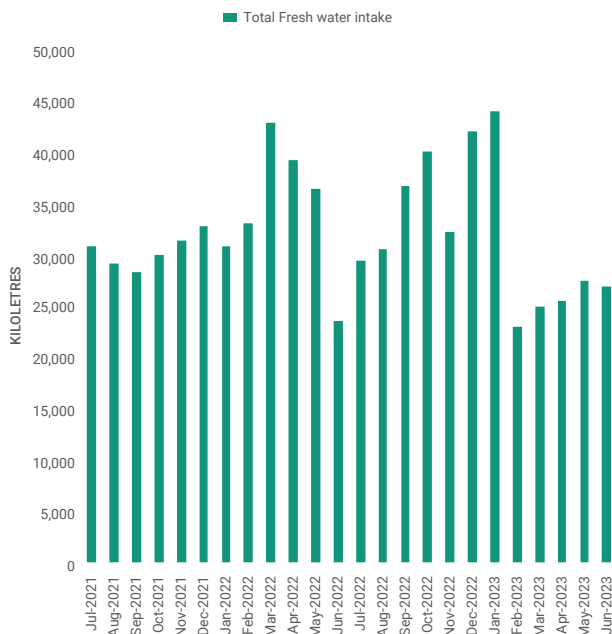
In February 2022, we experienced a lower production rate stemming from mill delays related to the COVID-19 pandemic, resulting in a spike in our water use intensity ratio. We noted an error on the flowmeter reading in the month of December 2022, resulting in an abnormal and incorrect data reading.

Our Lagunas Norte mine is located in the north-western part of Peru, where there is a semi-tropical climate with high rainfall. Our system for the collection of precipitation is effective and robust to ensure we take advantage of the sustainable water supply the Peruvian climate offers our operation. As such, throughout the year our freshwater intake required outside of rainfall remains relatively low and stable compared with our Mongolian operations. Though there is less reliance on harvesting water during the wetter seasons (November to April), we still maintain a prudent level of stores to ensure our readiness for planned or unplanned needs during drier months (mid-year).

Fresh water consumption was optimized in the first half of 2023 because opportunities were identified in the reuse of water from the cleaning well for process activities.

We do not currently have reportable data on water use intensity at our Peruvian operation. Prior to our ownership, this metric was not recorded. Additionally, before August 2023, our Lagunas Norte operation had only produced through Heap Leaching operation, in which the gold production separates into either fresh ore leaching or secondary leaching (re-leaching of the leached areas to get the remaining ounces). Our water use intensity index is calculated from Mill+CIP ore processed tonnes; now that this is in place in our Peruvian Operation (as of August 2023), we hope to report on this in the next reporting period.

PERU FRESHWATER INTAKE



>> OUR FRESHWATER MANAGEMENT



WORLD WATER DAY

On the occasion of World Water Day on March 22, the Environment Department cooperated with the Kharaa-Yeroo River Basin Administration to organise relevant initiatives. Since 2021, on World Water Day Boroo Gold LLC has cooperated with the Kharaa-Yeroo River Basin Administration Department to plan and implement initiatives. These initiatives focus on the prevention of water resource scarcity, improving public awareness on the value of water, exchanging opinions on water quality, safety and problem-solving issues, and ensuring research results are accessible by the public. The theme for World Water Day 2023 was 'Accelerate Change'. Thus, from 22 to 27 March 2023, Boroo Gold organised and sponsored initiatives which included a conference on the theory and practice of 'Acceleration of Changes on Smart and Advanced Technology in Water 2023' in the Darkhan-Uul province, as well as organising the 'Blue Gold' essay writing and video content creation contests among university and high school students. This was done in cooperation with the professional organizations including Darkhan-Water system JSC, Kharaa-Yeroo River Basin Administration Department, Mongolian University of Life Sciences in Darkhan-Uul province, and Nature, Environment and Tourism department of Darkhn-Uul province.

During the first part of the conference, Mrs. Oyungerel G, the Senior Specialist of the Kharaa-Yeroo River Basin Administration Department participated as a guest speaker and gave a speech on the topic of 'Water Resources and Water Use of Darkhan-Uul Province'. In the second part of the conference, student papers were discussed - more than 200 students participated and presented papers and works on the topics of access to clean water, water resources, the value of water, and proper and smart use of water. The students' submissions were also compiled and published as a book available to the public. The judges' team, headed by Dr. (Ph.D) J. Amgalan, the Consultant professor of the School of Technology of Mongolian University of Science and Technology in Dundgobi province, and G. Oyungerel, the Senior Specialist of the Kharaa-Yeroo River Basin Administration Department, selected the best submissions and Boroo Gold LLC granted awards to them with honors and cash prizes.

This annual event is important for improving public awareness on value of clean water, water protection, and proper use of water. This year, we were pleased to support the participation of students and promote and reward their hard work, improving the ecological education of Darkhan-Uul province's children and youth.

OUR WASTE MANAGEMENT

Mining operations necessarily produce various forms of waste, which we categorize as hazardous, industrial or domestic. As a significant factor in our day-to-day operations, it is a priority to Boroo to adopt a responsible and sustainable approach to waste management for the sustainability of our company.

Hazardous waste refers to waste materials generated during the extraction and processing of gold that poses a threat to human health or the environment due to their toxic, reactive, flammable, or corrosive nature. Boroo deals with hazardous waste responsibly by reducing its impact, employing methods such as containment, treatment, and safe disposal to safeguard both the environment and local communities.

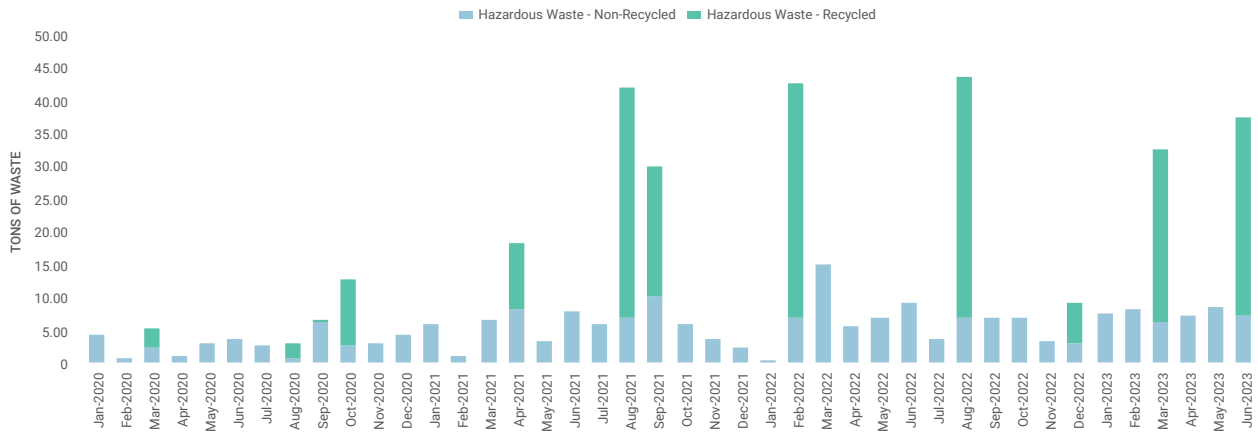
Industrial waste in gold mining refers to a broad range of by-products and residues generated during the various stages of gold extraction, processing, and refining. While not necessarily hazardous like some specific components of mining waste, industrial waste from gold mining can still pose environmental challenges. The management of industrial waste involves considerations such as proper disposal, containment, and efforts to mitigate potential ecological impacts.

Domestic waste relates to household waste or municipal solid waste generated in the daily activities of Boroo employees. Domestic waste through activities such as residential living, food consumption, and general lifestyle practices. We adopt sustainable practices including proper waste disposal systems and promoting reduce, reuse or recycle initiatives.



>> OUR WASTE MANAGEMENT

MONGOLIA HAZARDOUS WASTE GENERATION

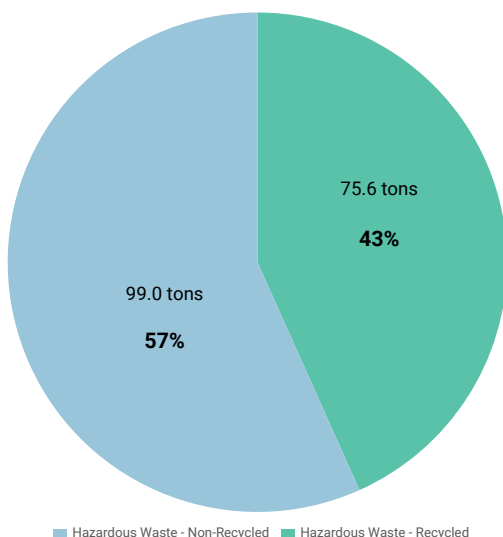


Generation of hazardous waste from our operation in Mongolia typically reaches its highest rate in the second and third quarters of each year. This is related to the seasonal maintenance services of all light and heavy-duty vehicles and equipment, which are used in mining and processing plant operations, and road and other construction works for their winter/summer season change preparation. During the first two quarters of each year, equipment’s motor/hour services, tire inspection and replacements, and other required services were conducted regularly according to the planned schedules and the amount of waste generated from services were stable. In 2021, different trends are observable due to altered processes related to the COVID-19 pandemic. During that time, transferring of the hazardous waste to

our certified contractor organization for recycling and elimination activities were temporarily stopped, causing some accumulation and larger deposits in the following period.

Spikes in our recycling of hazardous waste can be observed in the months of February and August of 2022, and March and June of 2023. During these seasonal maintenance services of vehicles and equipment, the generation of waste oil increased more in comparison to the other months of the years due to fuel and oil filter changing, engine oil changing and other services. Consequently, larger amounts of waste oil accumulated in our 60 ton steel tank prior to transfer to our licensed contractor company for recycling.

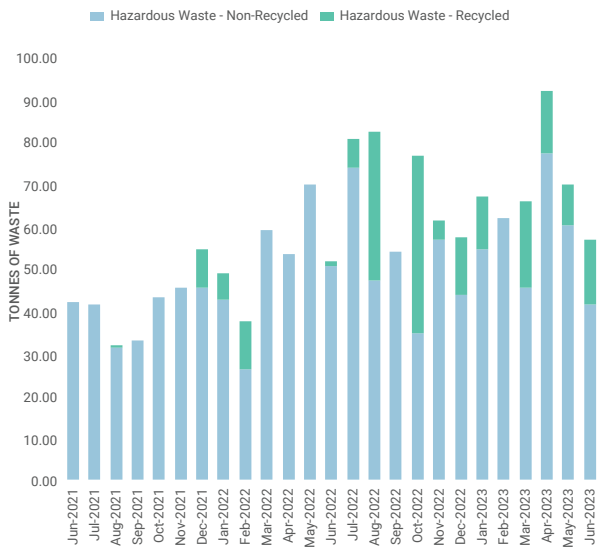
MONGOLIA HAZARDOUS WASTE RECYCLING 2023 RP



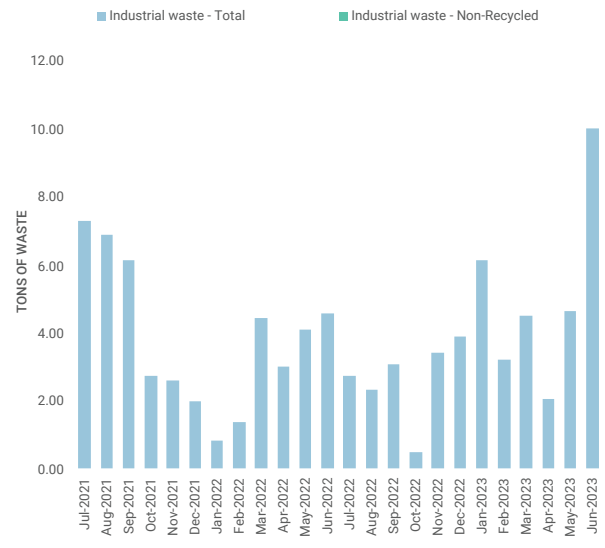
A total of 75.6 tons of hazardous waste was generated from the Boroo and Ulaanbulag mines’ operation during this reporting period. However, we have recycled a larger proportion, 99 tons, as this includes waste generated from previous years (including prior to 2019) which we are still working to recycle. Once used, hazardous waste was transferred to the certified hazardous waste recycling and elimination organizations contracted with Boroo for proper elimination.

>> OUR WASTE MANAGEMENT

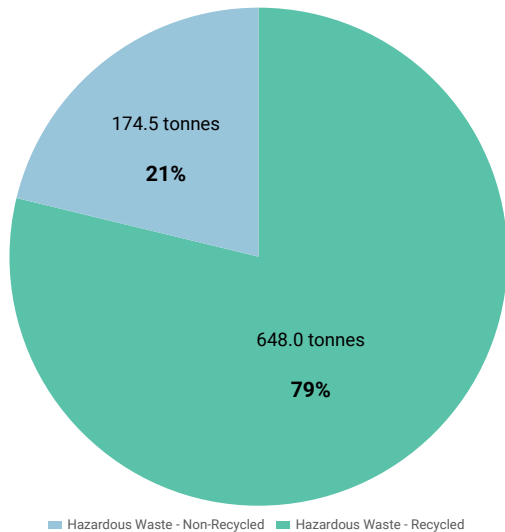
PERU HAZARDOUS WASTE GENERATION



MONGOLIA INDUSTRIAL WASTE



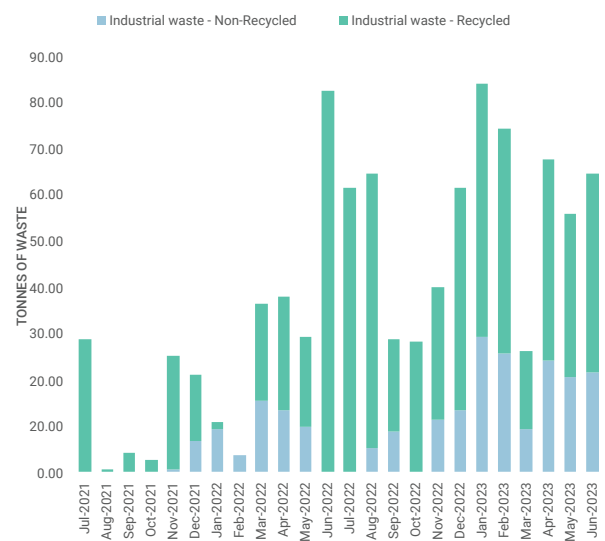
PERU HAZARDOUS WASTE RECYCLING 2023 RP



At our Peruvian operation, we have increased quantities of waste compared with our Mongolian operation due to slightly increased consumption of chemicals due to tests performed on new type of to be treated through our newly constructed plant. However, we have been able to significantly increase the proportion of hazardous waste being recycled, from approximately 5% in the previous reporting period, to 21% in the recent reporting period.

Our total Mongolian industrial waste has increased in recent years, in line with production speeding up, though we have optimized and increased the proportion being recycled. Nonetheless, there is some necessary level of non-recycled waste as recycling is not possible nor safe for some forms of industrial waste.

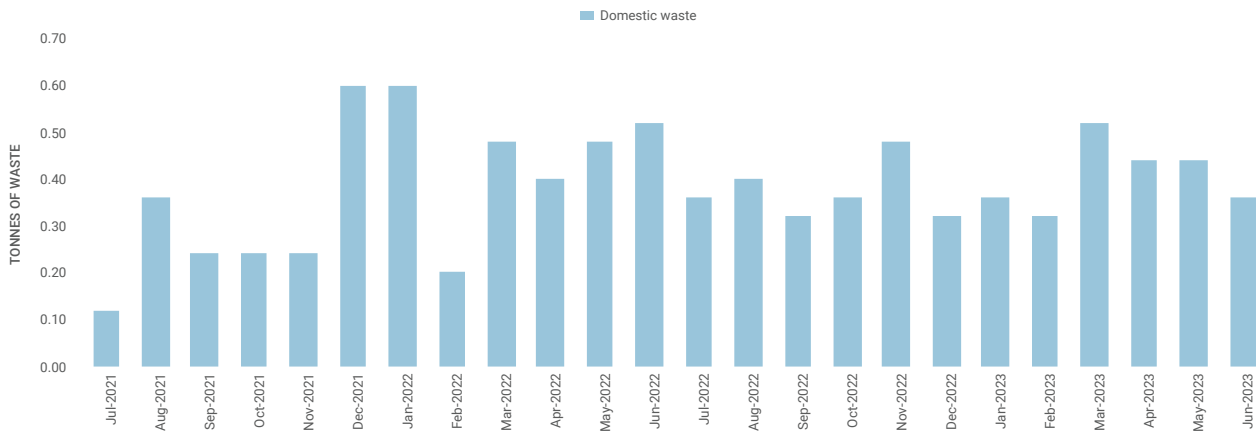
PERU INDUSTRIAL WASTE



Our Peruvian industrial waste has increased from the start of our ownership in line with production speeding up. We have maintained a positive proportion of recycled waste in this area. The proportion being recycled is largely in line with previous years, as while we are committed to recycling materials where possible, this is not possible nor safe for some forms of industrial waste.

>> OUR WASTE MANAGEMENT

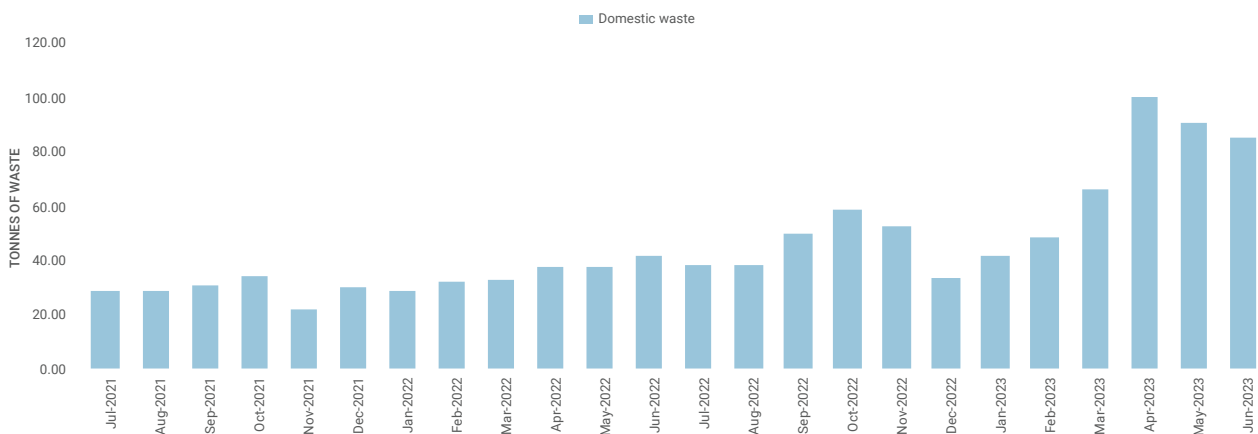
MONGOLIA DOMESTIC WASTE



Our Mongolian domestic waste has increased from the previous reporting period, though with less unpredictability. Our Peruvian domestic waste has seen an increase in this reporting period.

We have identified domestic waste as an area that would benefit from initiatives in the coming years that address reducing the overall quantity of domestic waste among our workforce. At this time, we have been unable to record proportions of recycled, versus non-recycled, domestic waste.

PERU DOMESTIC WASTE



Cyanide Handling

The process of gold recovery at our facilities involves the utilization of cyanide. Presently, all our sites hold certification in accordance with the International Cyanide Management Code (ICMC), a program administered by the International Cyanide Management Institute. This program mandates the implementation of industry-leading practices that govern the secure handling of cyanide, including its safe transport, storage, usage, and disposal.

In line with these guidelines, all employees and contractors involved in the handling, transportation, and disposal of cyanide receive specialized training. Our onsite emergency response teams are well-trained and equipped to ensure the safe and effective management of any incidents involving cyanide. All cyanide used in our operations is procured from companies that also hold certification under the ICMC.

>> OUR WASTE MANAGEMENT

FERTILIZER PRODUCING PROJECT

Boroo Gold LLC has commenced the first cycle of processing fruit and vegetable peels and waste to produce organic compost fertilizer under our 'Fertilizer Producing Project'. Three 1metre³ containers made by our Mill Maintenance Department for converting waste into compost were placed next to the Ulaanbulag tree nursery area.

A large amount of food waste is produced at the general waste collecting area of Boroo mine site, which can cause environmental pollution and disease-causing bacteria. In line with the Billion Tree National Program launched by the Government of Mongolia in 2021, Boroo Gold LLC established the Ulaanbulag tree nursery next to the Ulaanbulag mine site, and have been working to cultivate standard saplings of trees from the nursery. Due to the increased need for fertilizer to use in the tree planting, rehabilitation and afforestation activities of the nursery, Boroo's Environment Department initiated a project to produce compost fertilizer using food waste from the Boroo mine site.

We started preparatory work for this initiative at the Ulaanbulag mine site in April 2023. After the preliminary compost site was finished, in May 2023 our Environment Department staff cooperated with the Ikh Dashir Foods LLC (the site catering company) employees to collect all fruit and vegetable wastes from the kitchen and store them at the first composting station point. As preparation for processing, these wastes were dried and grinded in the shredder. On the 20th of May, the Environment Department and tree nursery's contractor employees were involved in the training of compost fertilizer preparation, processing and extracting methods as instructed by Mr Delgerbayar, the consultant Boroo Gold recruited for the composting project. The site for completing the entire composting process was finished and the compost fertilizer processing activity was started. Material composed of equal parts food waste and sawdust / wood shavings were combined for processing and extraction of compost fertilizer.

The compost material was monitored to ensure the condition, humidity and temperature was maintained at the required levels. Stirring of the material was

done three times per day by a designated stirring hand tool which ensured continuous grinding of the food waste, then adding the sawdust, shavings and grinded wastes onto the processing material in the containers. As a result of these regular activities, the food waste is oxidized and decomposed to form organic fertilizer. With the implementation of this project, approximately 20-30 kilograms of food waste is generated per day is placed into the compost, and 25-30% of the waste is now able to be converted into compost fertilizer.

With the implementation of this project, the food waste generated in the mine site will be completely reused, reducing waste production significantly. Further, the environmentally friendly compost fertilizer produced by the waste will increase soil fertility and improve the conditions for sapling growth in the nursery, with flow on effects in improving the natural regeneration process and reducing greenhouse gases.



OUR TAILINGS MANAGEMENT

Tailings management is a focal point of ESG risk management in the mining sector. Tailings dams are responsible for containing the waste generated during ore processing, which presents intricate operational challenges.

While the dams must effectively store waste material, they must also be robust to significant water influxes originating from both the slurry form of waste being pumped into the dam, and from rainfall. As the tailings dams are constructed using excavated material, they can be susceptible to risks such as structural failure or seepage.

The waste contained in tailings dams can pose chemical threats to environmental and human health. Consequently, strict environmental and safety regulations apply to the exposure of tailings waste outside of the dam.

Failures in tailings dams have been observed worldwide, often resulting in fatalities within

communities and workforces, and causing long-term environmental damage. These disastrous impacts have necessitated increased attention and standards to ensure vulnerabilities in tailings management are mitigated.

Boroo regards tailings management with the highest level of caution to avoid contributing to the negative effects that have previously occurred in other operations. We manage tailings risks in alignment with the most rigorous engineering, social, and environmental standards within the mining industry.

Across our operations, we have only one Tailings Storage Facility (TSF) situated at the Boroo Mine. This facility stores the tailings generated from the combined run-of-mine (ROM) output from both the Boroo Mine and the Ulaanbulag Mine. There are no nearby communities downstream of the tailings dam, and there are no flowing creeks or rivers in the vicinity of this structure.



>> OUR TAILINGS MANAGEMENT

Information	Disclosure
Facility name	Tailings storage facility of Boroo Gold mine
Location	Mandal soum, Selenge province, Mongolia
Ownership Status	Boroo Gold LLC
Operational Status	Active
Construction method	Downstream
Permitted storage capacity	29.68 Mt
Current amount of tailings stored	28.92 Mt stored by Sep 01, 2023
Consequence classification	High, as determined by the Global Industry Standard on Tailings Management (GISTM)
Date of most recent independent technical review	Tailings storage facility inspection are conducted annually. The most recent inspection was conducted on May - August 01, 2022. Document name – Tailings storage facility of Boroo Gold mine inspection report by External/ Independent organization Usny-Erchim LLC.
Material findings from the technical review	<p>Summary of inspection results:</p> <ul style="list-style-type: none"> - Upstream slope condition of the tailings dam is stable. Tailings crest condition is stable. In the northwestern part of the tailings dam, the clay lining has eroded, and vegetation is growing abundantly. The clay lining needs repair. The clay lining around the decant water pump station must be repaired to adhere to the specifications outlined in the 2021 expansion work. - Warning signs have been placed to secure the closure of entrance and exits to the tailings dam. After the 2021 tailings dam expansion, rainwater channels formed on the lower slopes. - The flood channels are functioning properly, however regular inspections are necessary. - Out of the 72 leak monitoring lines 38 are in normal condition, 34 lines were buried under ramps and some were buried under extension. - It is necessary to install displacement-sensing observation prisms on the lower slopes of the D5, D6 and D7 tailings dams, no additional information was received in 2022. It is necessary to carry out regular monitoring and review the information. - Monitoring results of the 13 piezometers of 2016 to 2018 were reviewed. 26 measurements were done in 2017 (twice in month) and no level changes were detected. No new monitoring data has been received from Boroo Gold LLC in 2022. Control measurements must be continued and data of the monitoring must be reviewed for inspection.
Mitigation measures	<p>According to the inspection report of tailings dam made in 2022, all necessary works are done between August and October 2022.</p> <p>Works carried out according to recommendations:</p> <ul style="list-style-type: none"> - All erosions found in the tailings dam were repaired during tailings dam extension. - Vegetation cover has been cleared. - All flood channels surrounding the tailings dam have been repaired. - All drain channels under the toe of tailings dam were reconstructed and extended. - 14 new control points (prizm) were installed on the slopes of the tailings dam, and monitoring work is being carried out once a month. - 10 new piezometer boreholes are constructed, and monitoring work is being carried out regularly.
Site specific Emergency Preparedness and Response Plan	Boroo Emergency Preparedness & Response Plan (EPRP) meets the Mongolian Mining Regulation and Disaster Management law's requirements. In addition complies with the Global Industry Standards on Tailings Management /GISTM/requirements. EPRP consist of the plans, schemes, procedures and the policies for all phases of the lifecycle of the tailing facility which relates to mine life cycle. The Boroo EPRP outlines and defines the roles and responsibilities of the line management and employees, contractors, mine rescue teams and responders, and local authorities and agencies and relevant national institutions in the event of the structural failure, natural disasters and other emergency and disastrous scenarios. Detailed list of notification contact list and the accessible information's are prepared for each area supervision and the emergency preparedness trainings and MOCK exercises are practiced regularly. Each year EPRP and the Crises Management Plans are reviewed and approved by the National Disaster Management Agency of Mongolia. Both internal and international audits cover EPRP plans and the level of practical preparedness annually.

>> OUR TAILINGS MANAGEMENT

TAILINGS STORAGE MANAGEMENT

With the extension of the Boroo Tailings storage facility, five ground water monitoring wells located in the east were officially closed under the supervision of officials from local authority, and the Closing Act. The main cell of the tailings storage facility ('TSF') at Boroo mine site was nearing its maximum capacity. A new tailings dam was planned directly to the east of current TSF, and in 2022, the tailings dam design and construction commenced.

The new tailings dam is approximately 30 metres high, with the base level at 893 metres and the dam's top platform at 923 metres. As part of the new dam's construction work, existing environmental monitoring wells Numbers MW#4, MW#7, MW#8, MW#9, and MW#14 located in the planned dam constructing area were affected. These monitoring wells had been used for monitoring of the ground water quality and level to control potential impact from the current TSF. An official request was submitted to the Water Agency (the Government's implementing organisation), who approved the decommissioning of the monitoring wells. Following the Water Agency's decision, Boroo Gold LLC officially decommissioned these monitoring wells in compliance relevant laws and regulations on July 7, 2022. Officials including the Head and Senior specialist of Kharaa-Yeruu River basin administration department, Boroo Gold LLC's environment department personnel, and a water

specialist from a contractor company Us-Oyu LLC supervised and performed the decommissioning. The pre-decommissioning status of the monitoring wells were presented on scene to the inspection team from the Kharaa-Yeruu River basin administration department.

Final ground water readings were taken and recorded. The wells' protection and settlement pipes and casings above the surface were cut to the required extent and prepared for sealing. Sealing was completed to engineering standards using cement mortar, bentonite, concrete and welded metal. This ensures that the old monitoring wells do not become conduits into the local ground water for future tailings chemicals. After successfully completing the sealing of the monitoring wells, the parties signed and stamped the monitoring wells' decommissioning, ensuring fully compliance with regulations.

By closing these monitoring wells, the construction work of the new dam was able to be continued in the area. A report titled 'Decommissioning work of monitoring wells located next to the Tailings Dam facility of Boroo Gold Mine, Boroo Gold LLC's was prepared, together with details of the monitoring wells' decommissioning works, and submitted to the Water Agency on August 24, 2022.



OUR CLIMATE

Climate change is resulting in observable effects globally, including impacts to our weather patterns and extreme events such as rain, droughts and temperature fluctuations. These consequences reverberate through all sectors of our society. Boroo is committed to the collective targets across nations and industries to limit greenhouse gas emissions and mitigate the most severe impacts of climate change, as presented by the 21st Conference of Parties in Paris, France, held in 2015 (the Paris Accord).

As part of the mining industry, we are conscious that our company has a significant responsibility in our contribution to climate change. We are working our hardest to align our operations with global climate change endeavors and are committed to finding solutions to this end within our industry. We also are focused on improving our resilience and sustainability in the context of the inevitable impacts of climate change, which will alter how we must operate into the future.

Nonetheless, we acknowledge that as a relatively new company in a growth period, our journey towards a sustainable future is just starting. However, we believe that our position as a newer company provides us with strengths in combating climate change, as we are newly motivated and have more flexibility with our operations to support initiatives to improve our impact.

We are conscious that our strategies in this area must account for varying decarbonization policies and efforts adopted by each of our operational locations. In Peru, a considerable part of our strategy considers the decarbonization initiatives of the electricity sector due to its substantial contribution to the Peru site's total greenhouse emissions. In Mongolia, our specific fuel mix is more relevant as we utilize our own energy generation for transportation and electricity. Our climate change strategy encompasses initiatives to effectively manage energy consumption and improve efficiency due to its pivotal role in both operational cost management and emissions.

We believe that with the right planning and commitment to progressive steps in the right direction, we can become innovators of climate friendly practices in the mining sector. Thus, we

have commenced with assessing our greenhouse gas emissions over recent years, with a view for the coming years that we may better identify and assess areas for improvement, and subsequently implement approaches which continue to reduce our emissions.

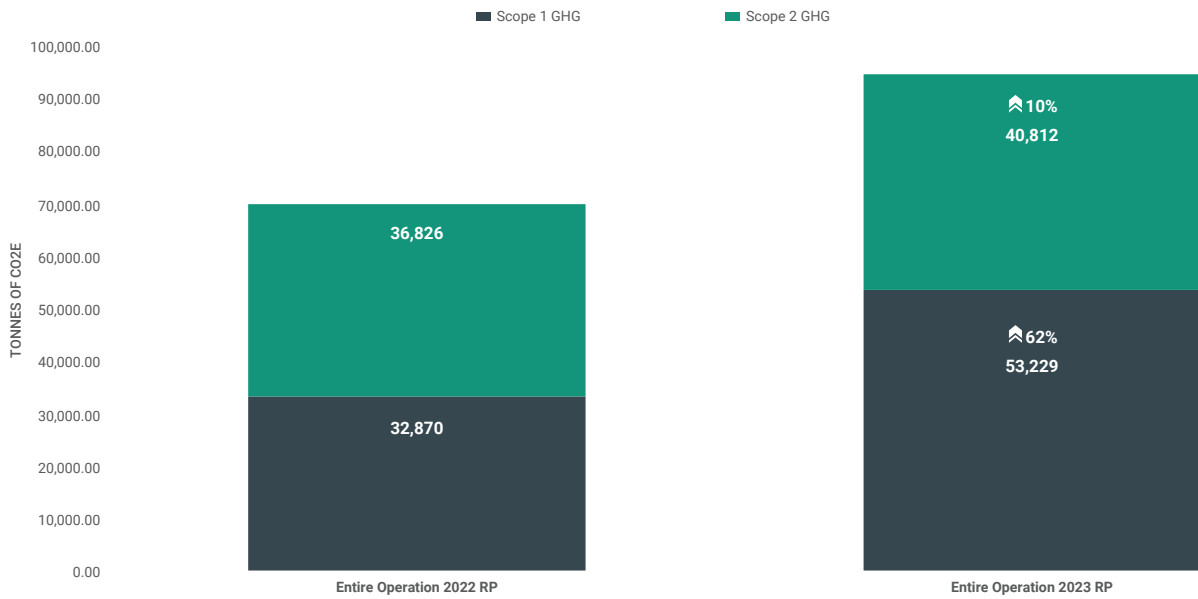
In the present reporting year, our emissions across our entire operation amounted to 94.04 kilotonnes of CO₂ equivalent emissions, translating to an emissions intensity of 0.52 tonnes per ounce of gold. These emissions originate from Scope 1 sources (those under our control, such as fuel combustion for energy and transportation at our sites) and Scope 2 sources (electricity drawn from national grids in Peru and Mongolia, respectively).

As can be seen from the graphic of our entire operation's emissions, we have seen an increase from the previous reporting period, and especially so for Scope 1 emissions. While we are still working toward reducing our total emissions, addressing and working to maintain our emissions in line with production is the first step in the right direction. As can be seen when we account for increasing operations via the quantity of ore mined, the increased emissions are largely in line with the increased production.

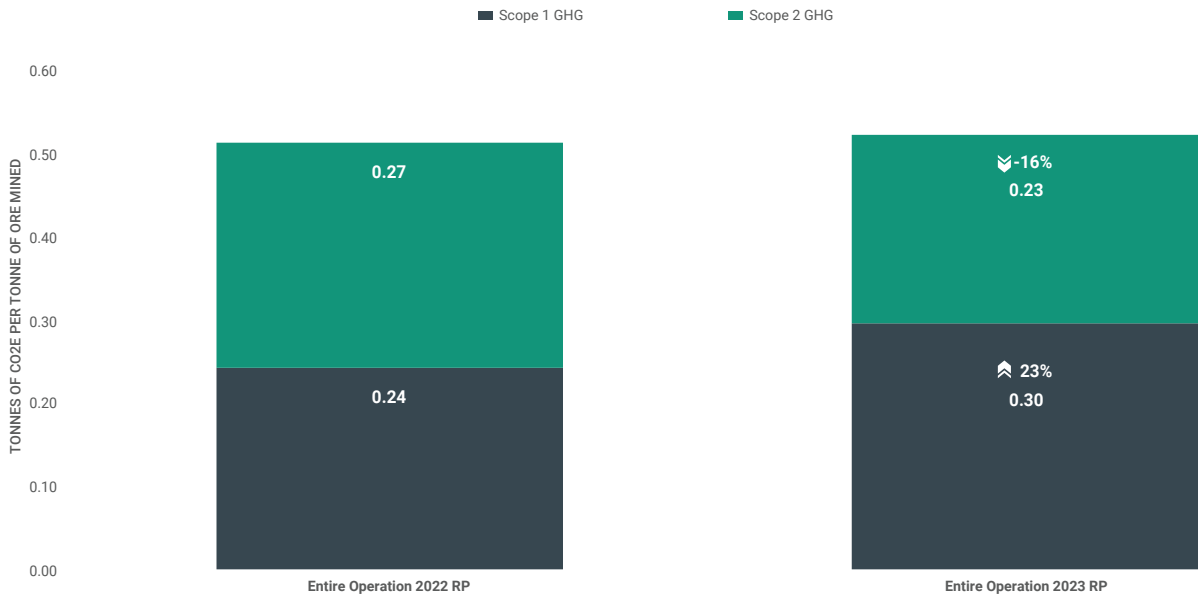


>> OUR CLIMATE

ENTIRE OPERATION GREENHOUSE GAS (GHG) EMISSIONS



ENTIRE OPERATION GREENHOUSE GAS (GHG) EMISSIONS PER TONNE OF ORE MINED



Despite the higher emissions in 2023 being largely attributable to increased production, there remains a smaller, but observable increase in our emissions under our control (Scope 1) when this is accounted for (increased 23% from 2022). Though this is not a positive change, it provides us the opportunity to analyze the cause in the context of a larger

operation, which can then elucidate options for reducing emissions that we may not have identified otherwise. In the coming year, we plan to ascertain aspects of our operations that have resulted in these increased emissions and devise solutions or alternate systems.

POLLUTION & GREENHOUSE GAS EMISSIONS

We are conscious that each of our sites have a shared locale with local populations who rely on the quality of soil, air, and water to sustain their lives and livelihoods. Our aim is that our responsible approach to pollution and emissions reflects the utmost respect for the quality of life for local populations, broader society, and environmental sustainability.

Part of our commitment to reducing our contribution to pollution requires monitoring and assessing our performance in this area. Further, such monitoring is important for regulatory compliance and stakeholder approval of our pollution strategy, and by extension, our environmental management plans (EMP). Each Boroo site meticulously conducts monitoring programs that yield data on environmental quality across all potentially affected mediums, including atmospheric, ground, and surface water quality. Based on this data, we generate quarterly and annual reports, which are submitted to local authorities for review, feedback and approval.

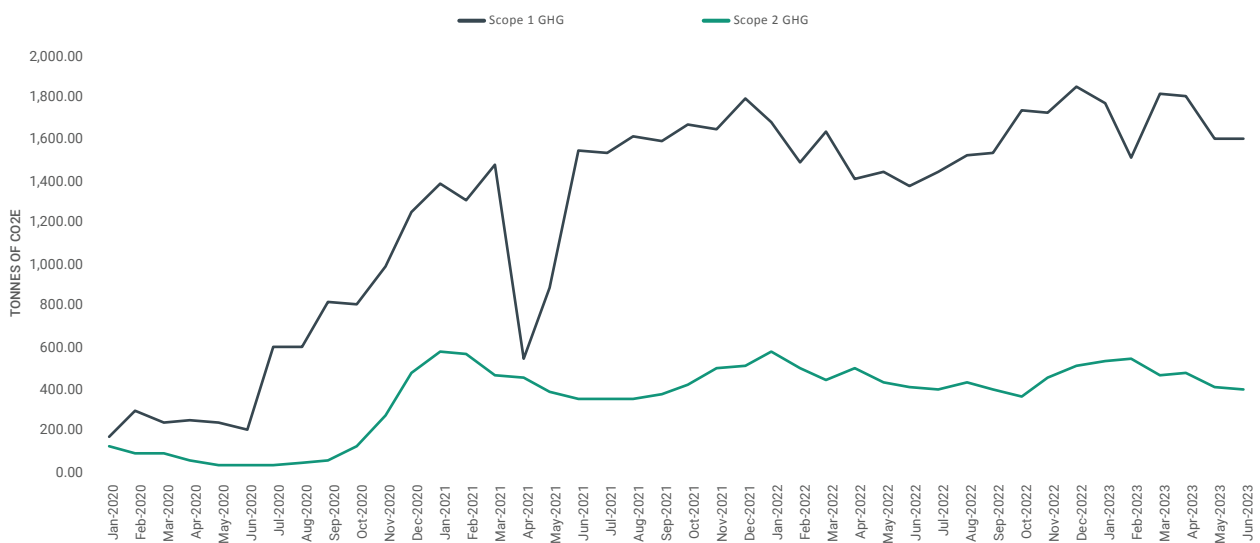
Across our operation, we gather and internally document carbon emissions data according to the Carbon Disclosure Project (CDP) guidelines. To

assist in interpretation of our net emissions, we delineate between Scope 1 and 2 emissions: Scope 1 sources are those under our control, such as fuel combustion for energy and transportation at our sites, while Scope 2 sources relates to electricity drawn from national grids. We are developing a corporate GHG disclosure program in alignment with well-established international reporting standards, to better support transparency and progress in this area.

To reduce our contribution to the negative climate impacts of greenhouse gas emissions, Boroo has commenced implementing fuel and energy consumption saving measures, with plans to continue building on these measures in the coming years. In this reporting period, we commenced trials on utilizing a renewable energy grid in Peru. We have also made improvements in our waste water treatment plant to increase the efficacy of the treatment.

We are considering further strategies to reduce our emissions, introduce fuel and energy consumption saving measures, and utilize natural resources for the cooling and heating of our facilities.

MONGOLIA GREENHOUSE GAS (GHG) EMISSIONS



>> POLLUTION & GREENHOUSE GAS EMISSIONS

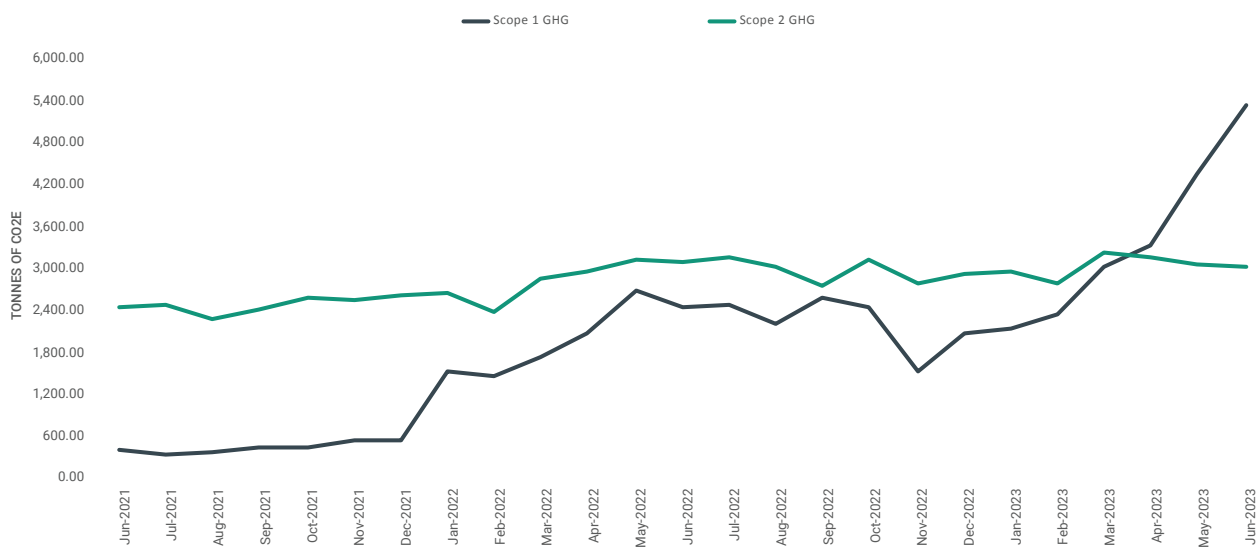
Through the ongoing operation and other development activities across our Mongolian mine sites, total greenhouse gas emissions have been increased since September 2020 and have reached approximately 400 kilotons as of June 2023. Throughout the Boroo's operations, diesel fuel and energy consumption are the main factors contributing to GHG emissions.

Typically, during the cold season months of December, January and February we experience the highest GHG emissions across the year. This is caused by heightened fuel consumption in mobile and other forms of equipment, mill plant processing, and energy consumption for heating purposes. During this time, tailings management facilities and other road construction works temporarily stop and

the number of operating mobile and other equipment decreases. However, for the operating equipment, their fuel consumption bincreases due to the cold weather conditions, aerodynamic air resistance, poor tire grip from road conditions, poor energy production of winter fuel, and increase of electricity consumption for lighting and heating.

Over the past three reporting periods, GHG emission rates were lowest in June, July and August of 2020. During the subsequent years, July, August and September (the warm season months) resulted in the lowest GHG emissions. These reductions are related to the fuel consumption of equipment used in operating activities, TMF and other road construction works.

PERU GREENHOUSE GAS (GHG) EMISSIONS



Approximately 25% of our total emissions come from the national electricity grid, which remains relatively constant throughout the year. While our data indicates that Scope 2 emissions have remained relatively stable in recent years, it is clear we are becoming increasingly reliant on Scope 1 sources. While the spike in our Peruvian operation likely relates to increased production at an unchanging operational set up, there was a significant increase from November 2022. There was an increase in Scope 1 GHG emissions during the previous period due to the start-up tests of new equipment for the implementation of the new CMOP plant, as well as the operation of the fleet and blasting during this time. However, we have also observed a steady

increase in Scope 1 GHG at our Mongolia operation also.

We are aware that the mining industry as a whole has significant work to do in this area. While growth in our production is a positive indication of our company's success, it comes with increased environmental impacts that are typical in our industry. Unfortunately, we do not yet have the solution to reducing GHG emissions and our initiatives thus far have not been sufficient to prevent climbing contributions. This data provides us a renewed motivation to act in the coming year towards devising initiatives that have potential to reduce our impact.

OUR BIODIVERSITY & PROTECTED AREAS

Boroo understands that healthy ecosystems are a cornerstone of our planetary existence, and are essential to the health and wellbeing of all living things, including people. Mining can have large footprints that can cause impacts on local biodiversity. It is our intention to ensure that our footprint causes the least possible negative impact to biodiversity, and to ensure that our operations endeavour to, wherever possible, re-establish or enhance biodiversity outcomes in local areas.

None of our operations are located in World Heritage Sites. We respect legally designated protected areas. We design and operate expansions to our operations or changes to existing operations so that they are compatible with the value for which such areas were designated.

Our operations in Peru and in Mongolia occur in quite different ecosystem settings. Neither setting is in an area of ecological or species concern, but both are subject to local regulations regarding the protection of flora and fauna, as well as aspects of ecosystem stability such as natural water quality, soil conservation and the prevention of pollution.

At both sites, our land clearance activities are governed by controls regarding where and how we operate, so that biodiversity impacts are limited. This includes statutory planning of all mining and mining-related infrastructure (such as haul roads, pipelines and electricity connections) to ensure that they do not create unmanageable adverse impacts to biodiversity.

While we follow a mitigation hierarchy, some aspects of our mining operations result in some land clearing and cannot be avoided. In these areas, we therefore seek to minimise land clearance, constraining our footprint as much as practicable. Where such land clearance is undertaken, we seek to minimise impacts by harvesting valuable topsoil where it exists, and rehabilitating or reclaiming cleared areas when they are no longer operational. An example of this is at our Boroo sites, where alluvial mining has necessitated land clearing, and where we implement continuous rehabilitation of mined areas when disturbed areas are no longer needed for our operations. At our Lagunas Norte site, much of our activity to date has been in areas disturbed by prior owners of the operation, and our land clearing footprint has been minimal.

The mining of some areas may continue for many years, and as a result some active areas cannot be rehabilitated for a long time. In addition to our mitigation hierarchy, we also attempt to work alone and with partners to contribute to replanting and regrowth of government-approved flora species in the areas that we work. These species, and their locations, are selected on the basis of regional biodiversity conservation plans that cover areas substantially larger than our mining footprint and may be part of national re-greening strategies.

This section includes some case studies of initiatives we have been progressing through the reporting period.



>> OUR BIODIVERSITY & PROTECTED AREAS

BILLION TREE NATIONAL MOVEMENT - ULAANBULAG TREE NURSERY

In 2021, Boroo Gold LLC joined the Billion Tree National Movement in Mongolia, initiated by the President, with a commitment to combat climate change and promote conservation by planting, caring for, and protecting three million trees by 2030. In response to a shortage of tree seedlings, Boroo Gold LLC established a 41.7-hectare tree nursery near the Ulaanbulag mine site in Tuv Province in 2022. The nursery focused on meeting afforestation and rehabilitation standards, planting various conifer and deciduous trees. In 2023, the operation expanded with pruning, collection of source material, replanting, and maintaining new growths.

Ensuring the availability of one-year-old branches for aspen and willow trees became a priority due to increased interest in nursery materials. To address this, Boroo Gold LLC implemented cutting and maintenance measures along riverbanks in different provinces, preparing reserves with diverse genetic bases for the nursery material in 2024. Logistics played a crucial role, with 60,000 branch pencils stored in a cellar container at regulated temperatures for moisture retention.

Outdoor nursery beds were cultivated with soil plowing, rotor and weed cutting, and the installation of an irrigation system supplied by a 50-ton water tank. In this 4-hectare area, 60,000 one-year-old poplar and willow branches were planted. Older saplings were winterized with sawdust cover, and potted conifer tree saplings were monitored for healthy moisture balances.

Fertilization with azophos liquid fertilizer and careful monitoring of moisture and temperature regimes were part of the routine for seedlings in the nursery. Greenhouses housed 50,000 two-year-old seedlings of pine and larch trees, with regular maintenance to ensure optimal growth conditions. In the spring of 2023, pine trees were replanted, and spruce trees were planted by seed in the greenhouses. Additionally, a fruit and berry tree garden spanning 9 hectares was established in 2022, with ongoing care, maintenance, and irrigation using standard technology.



>> OUR BIODIVERSITY & PROTECTED AREAS

BILLION TREE NATIONAL MOVEMENT - ULAANBULAG TREE NURSERY

Boroo Gold actively participated in the Mongolian Billion Trees National Movement, committing to plant and protect 3 million trees by 2030 for forestation and reclamation purposes, aiming to combat climate change, desertification, land degradation, and promote ecological balance. In 2022, the company initiated a 30,000-tree planting plan at the Ulaanbulag and Boroo mine sites during both Spring and Autumn. This plan involved all employees, encouraging their participation in landscaping and gardening works to increase green spaces around the mine sites.

The environmental department provided guidance to departments on tree planting area preparations, technology, procedures, and irrigation. Local residents with experience in reclamation and afforestation were temporarily employed to support the project. In 2022, a total of 20,000 trees were planted around the Ulaanbulag mine site, including elm trees in the wind protection strip of the Ulaanbulag tree nursery area, and various trees for biodiversity. Activities like tree irrigation, watering, and seed collection were carried out in collaboration with local employees.

In May 2023, Boroo Gold expanded its tree planting efforts, planting 39,051 trees and shrubs in various projects, including reclamation work in deforested areas, desertification reduction in Mandal Sum, and green garden establishment in Bayangol soum. The company consulted with local authorities to select Saikhany Am at Uguumur Bag of Bornuur soum for reforestation, contracting Jigd Oi LLC to perform afforestation on 10 hectares following industry standards.

Furthermore, Boroo Gold supplied seeds, fertilizers, and tree seedlings for public green gardens in Bayangol soum and guided local citizens in planting 11,000 elm tree saplings. The company contributed to reclamation and lawn projects, providing seeds and guidance for a 4700 m² area in Bayangol sum. Additionally, maintenance and protection efforts were undertaken in mine areas, including planting deciduous and coniferous trees during the spring planting period of 2023, totaling 1,051 trees in Boroo and Ulaanbulag mining areas. Boroo Gold's initiatives demonstrate a comprehensive approach to environmental stewardship and community involvement in line with the Billion Trees National Movement.



>> OUR BIODIVERSITY & PROTECTED AREAS

BIODIVERSITY OFFSET PROGRAM FOR BOROO MINE



Boroo Gold LLC initiated a 10-year Biodiversity Offset project in 2018, focusing on preventing desertification and afforestation in a 45-hectare area in Bortolgoi, Bayangol soum. In 2022, the company successfully executed planned activities, including establishing a berry tree garden in the Bortolgoi project area and implementing additional forage, flying herds, and cattle breed improvement at the Dorgont project.

Addressing the issue of rangeland degradation and desertification caused by livestock oversaturation in Mongolia, Boroo Gold aimed to assist herders without directly managing their livestock. The company piloted a project providing additional forage to herder groups, resulting in a 20% increase in milk production and a 40-60% income boost for participating families. Boroo Gold supported herders in selling surplus products, leading to the project's success, increased cropland areas, and expanded support to more families.

The additional forage initiative demonstrated a significant positive impact on herders' income and

encouraged sustainable livestock management, reducing grazing pressure and allowing natural rangeland recovery. Over 30 herder families now produce green forage, and three groups focus on dairy product production, promoting effective and sustainable livestock productivity.

As part of the Biodiversity Offset Project, Boroo Gold established a windbreak forest along 45.6 hectares in Bortolgoi, addressing desertification and erosion issues. The protected project site featured various deciduous and coniferous trees, decorative trees, and a diverse ecosystem. The area was equipped with facilities like a deep well, water storage tank, drip irrigation system, and infrastructure for successful project implementation.

In 2022, the biodiversity of the restored forest strip increased significantly, with over 50 species identified across 22 classes, compared to 23 species across 9 clans in the 2017 base survey. Additionally, a fruit tree orchard and a floating pond were established, showcasing a 93% survival rate for various fruit tree species and contributing to the restoration and improvement of biological diversity.

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BIODIVERSITY OFFSET PROGRAM FOR BOROO MINE

The success of the restoration project not only created a pilot forest in a previously degraded area but also demonstrated the technological intelligence applicable to national tree planting and reforestation programs. The project's positive impact on ecological recovery, wildlife habitat improvement, and the diversification of plant and animal species underscored its significance. Due to its success, Boroo Gold plans to expand the project area for tree nursery, afforestation, and rehabilitation, contributing to broader environmental conservation efforts.

As part of its broader environmental initiative, Boroo Gold implemented pasture management and improvement across a 7000-hectare area in Dorgont, engaging stakeholders such as local administration officials, the community, herders, and professional/consulting organizations. The consensus was to reduce pastureland use, enabling herders to properly rotate pastures and create conditions for restoration, increased plant species, and ecosystem recovery. This approach aimed to address the growing issue of rangeland degradation and desertification caused by the oversaturation of land with livestock by Mongolian herders seeking to boost their income.

Recognizing the challenge in directly managing herders' livestock due to legal constraints, Boroo Gold shifted its focus towards providing recommendations and supporting a transition from quantity-focused to quality-oriented livestock management. The company organized training

series and demonstrations for herders, emphasizing measures to improve the quality of livestock products. Collaborating with experts from the Mongolian University of Life Sciences, Boroo Gold worked on revitalizing the livestock breeding system, recommending the Edelbai breed for its faster growth rate, ecological sustainability, and economic efficiency. The company provided technological expertise and covered the costs for introducing four Edelbai rams, promoting hybridization to enhance the herd's overall ecological and economic sustainability.

In response to the 2022 livestock census data, which showed an overstocking issue in the Dorgont area, experts recommended a gradual reduction in herd size by 5-7 percent per year over the next decade. This approach, combined with hybridization, promotes proper and sustainable herd management, supporting biodiversity and ecosystem restoration by reducing grazing pressure. Hybridization activities are scheduled for October, with the involvement of 5-7 herder families expressing interest. Due to the sensitivity of introducing a ram to a new habitat, the first F1 hybrid sheep are expected to be born in the spring of 2024, with availability for sale in the fall of the same year. The project demonstrates a comprehensive strategy addressing environmental challenges while promoting sustainable practices in livestock management.

>> OUR BIODIVERSITY & PROTECTED AREAS

BEEKEEPING PROJECT

Boroo Gold LLC launched the 'Flying Herd' beekeeping project in 2019 to support pastureland ecosystems and offer an alternative income source for herders. Located near the Boroo mine reclaimed areas, Bayangol soum saw success in the first two years of the project, training herders and expanding the bee colonies. In 2021, a brand development initiative introduced 'Dorgont Honey: Responsible Mine, Responsible Product,' registered as a responsible product with a QR code providing detailed information. In 2022, herders independently cared for the bees, and despite challenges like increased rainfall affecting honey collection, preparations for winter demonstrated their capacity for independent beekeeping.

In June 2023, nine beehives were placed near the Boroo mine site and later relocated to Dorgont pastureland by herder beekeepers. The beekeeping project focuses on maintaining pastureland stability and supporting biological diversity rather than profit.

The benefits include improved cross-pollination, increased plant species, and high-quality honey production, providing an alternate income source for herders without overpopulating pasturelands. Challenges include the need for frequent check-ups, vaccinations, and maintaining independent beekeeping practices.

Dorgont herders presented their honey at a Boroo Gold event, selling the extra honey and leather products. Beekeeping not only contributes to ecosystem stability but also enhances habitat for rare plants and birds. The project's challenges include workload, infectious disease risks, and climatic dependencies affecting bee production. An intern PhD student assessed income and expenses, providing critical information for developing a business model and improving project management in future years. Overall, the 'Flying Herd' beekeeping project showcases Boroo Gold's commitment to responsible mining and ecological sustainability.



OUR ENERGY MANAGEMENT

This year, we have continued to work towards sustainable energy management strategies for our sites. We are conscious that such strategies must account for differences between our operational sites, such as fuel and electricity mixes, Scope 2 emissions and decarbonization strategies of each country.

We have commenced a multi-year project in this area aiming to strike a balance between the energy-intensive demands of a growing company and energy sources. To kickstart this project, we now have a comprehensive understanding of our present and future emissions profiles, to support our next step in exploring strategic options for reducing our emissions.

In Mongolia, we have initiated our journey by enhancing our energy efficiency within our current operational scope via our Energy Management System. Closely aligned with and certified to ISO 50001:2018, the Energy Management standard, under our system we implement policies and procedures aimed at the efficient utilization of energy. This involves clear and defined roles and

responsibilities, implementing and working towards targets for improving energy management, and progress monitoring and management.

Also at our Mongolia operation, we conduct training programs for our employees and contractors on the system and the ISO 50001 standard. A surveillance audit of the BGM Energy Management System was carried out in 2021, and a recertification audit was successfully carried out in Q4, 2022.

Our operational sites routinely records and reports data on energy consumption from various sources. However, our Lagunas Norte mine site currently lacks an energy efficiency program. New environmental laws in Peru, set to take effect, will necessitate an energy reduction plan, and we are preparing to introduce an Energy Management System in compliance with these requirements.



OUR PERUVIAN OPERATION



>> OUR PERUVIAN OPERATION



YEAR IN REVIEW:

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July 2022	August 2022	September 2022
<p>All permits and certifications of the Twin Otter aircraft was completed.</p> <p>Medical camp campaign in Cofiachugo village, 60 beneficiaries (La Capilla exploration project).</p>	<p>MBM obtained a 90% satisfaction score in our Work Climate Survey and 95% of Engagement.</p> <p>Compliance with the commitments of Coal Agreement in El Sauco and Chuyugual Peasant Community, for the benefit of 1,110 families.</p> <p>Completed weaving and embroidery training in Inchaca for the benefit of 70 women (La Capilla exploration project).</p> <p>SENACE declares approval of the IV Technical Supporting Report.</p> <p>The National Water Authority and the Ministry of Energy and Mines approve a 12-month extension of the deadline for comments on the Comprehensive Water Management Plan Update.</p> <p>Environmental Emergency communicated to Environmental Supervision Authority (OEFA). Small size forest fire was observed and reported outside the premises, affecting around 93 square meters of prairie, allegedly caused by community practices to enrich soil during dry season.</p>	<p>Boroo delegation participates in Perumin, the most predominant mining event in Peru and among the largest in Latin America.</p> <p>MBM website launched, with a focus on local audiences.</p> <p>Fondo Social Alto Chicama finances and donates a dump truck and cistern truck to Sanagorán district, with royalties from Boroo.</p> <p>Livestock, agricultural and forestry diagnosis updated was presented to El Sauco village.</p> <p>Supervision by the National Water Authority (ANA) carried out to verify compliance of water use license. Information requirement was presented on time.</p> <p>Submitted a request to the General Directorate of Mines for the opening of the PAD Phase 7A modification file via a virtual platform.</p> <p>The National Water Authority approves the water reuse authorization for the El Alto exploration project.</p>
October 2022	November 2022	December 2022
<p>MBM was ranked 15th in Merco Companies' mining sector ranking, which measures the companies with the best corporate reputation in Peru.</p> <p>Alto Chicama Social Fund financed and donated an electrical system for Andean grain producers, with royalties from Boroo.</p> <p>Contribution of 400 pieces school furniture in compliance with our commitments in Quiruvilca.</p> <p>The National Water Authority (ANA) developed a Water Quality Monitoring Unit within Lagunas Norte. No deviation from the Lagunas Norte mine water or discharge management was required.</p>	<p>Alto Chicama Social Fund financed and donated hydraulic excavator for Sanagorán district, with royalties from Boroo.</p> <p>Business capacity building Program organized, for the benefit of 40 local enterprise.</p> <p>Contribution of 1,081 sheep for 312 beneficiaries, within our commitment to productive projects in Corral Grande.</p> <p>Environmental Emergency communicated to Environmental Supervision Authority (OEFA). Mid-size forest fire was observed and reported outside the premises, affecting around 0.21 hectares of prairie. Event was allegedly caused by community practices to enrich soil during dry season.</p> <p>Environmental Emergency communicated to Environmental Supervision Authority (OEFA). Mid-size forest fire was observed and reported outside the premises, affecting around 0.36 hectares of prairie. Event was allegedly caused by community practices to enrich soil during dry season.</p>	<p>MBM surpassed 50k followers in the professional social network LinkedIn.</p> <p>Alto Chicama Social Fund financed and donated materials for the micro reservoirs installation in Usquil and Quiruvilca districts.</p> <p>41% participation of local labor between July to December 2022.</p> <p>Ophthalmological campaign organised for ex-owners with 30 beneficiaries.</p> <p>Guided tours were carried out in Lagunas Norte site as part of citizen participation mechanism, with 194 participants from Lagunas Norte influence area.</p> <p>First follow-up ISO 14001:2015 Audit was executed on site. There were no non-conformances.</p>
January 2023	February 2023	March 2023
<p>Business entrepreneurship training was carried out in Corral Grande with 41 beneficiaries, under our commitment to implement productive projects in Corral Grande.</p> <p>Environmental Emergency communicated to Environmental Supervision Authority (OEFA). Transportes Rodrigo Carranza (Boroo contractor), transporting activated coal to Lima suffers a rollover on the public highway. A small spill of charcoal and hydrocarbons occurred. MBM Personnel supervised the cleaning activities.</p>	<p>Second season of the Boroo podcast was launched.</p> <p>Osinergmin's inspection by Geotechnical (official inspection institution for mining in Peru) was carried out. No events were found.</p> <p>Environmental Emergency communicated to Environmental Supervision Authority (OEFA). Mid-size forest fire was observed and reported outside the premises, affecting around 2.91 hectares of prairie inside of mine. Event was allegedly caused by community practices to enrich soil during dry season.</p> <p>SUCAMEC issued 5-year authorizations for the storage of EMR at Silo N°01, N°02 and N°03.</p>	<p>Alto Chicama Social Fund financed and donated agricultural machinery to Quiruvilca district.</p> <p>Osinergmin's inspection of Infrastructure attended the site over three days, resulting in 0 events found.</p> <p>The capacity of the Terrazas Camp was increased by 44% (382 beds per shift), increasing its occupancy and efficiency of the facilities.</p> <p>The 'Yanahuanca' exploration project was developed.</p> <p>Under the 'training for life' program, more than 50 women from the Chuyugual and Corral Grande villages were trained in dressmaking, and 30 farming promoters were trained in villages of Chuyugual Basin (Lagunas Norte) and Icchal village (La Capilla exploration project).</p> <p>SUCAMEC issued the 5-year authorization for the storage of Explosives and Related Materials at Nitrate Storage.</p>

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April 2023	May 2023	June 2023
<p>MBM participated in Conamin, the predominant mining event in the northern region of the country.</p> <p>Two participatory workshops during the Third Modification of Lagunas Norte' Environmental Impact Assessment were successfully developed in Quiruvilca and Chuyugual.</p> <p>School packages were delivered to more than 2,500 students of educational institutions from our neighbouring villages of Chuyugual Basin, Perejil Basin, influence area of La Capilla and El Alto exploration projects, and ex-owners.</p> <p>During assembly meeting with Chuyugual Community Peasant, agreements were reached to contribute towards education, culture, training and local management support for the surrounding seven villages.</p> <p>The Regional Health Management of La Libertad approves the Water Quality Control Plan of the UMLN for a period of 2 years.</p> <p>The Ministry of Energy and Mines approved request for a 12-month extension of activities of the 'La Capilla' exploration project.</p> <p>Execution of the participatory workshop for the admissibility phase of the Third Modification of the UMLN EIS in the rural communities of Quiruvilca and Chuyugual in collaboration with SENACE.</p> <p>SUCAMEC issued 5-year authorizations for the storage of EMR at Powder Magazine N°01, N°02 and N°3.</p>	<p>Launch of MBM's profile on the Instagram social network to reinforce the company's reputation with a young audience in the direct and indirect social influence of the Lagunas Norte mine.</p> <p>Training in tipper, van and light vehicles driving was implemented for the benefit of 69 participants.</p> <p>1,660 bags of fertilizer were donated to El Sauco benefiting 166 families.</p> <p>SUCAMEC authorizes UMLN to acquire and use EMR for a period of 1 year.</p> <p>Supervision by the National Water Authority (ANA) carried out to verify compliance of the domestic effluent authorization in Chuyugual basin. No outstanding findings or observations.</p> <p>Supervision by the National Water Authority (ANA) carried out to verify compliance of the industrial effluent authorization in Perejil basin. No outstanding findings or observations.</p> <p>The National Water Authority pronounces favourably on the reuse of treated domestic wastewater permit from the PTARD "El Sauco" to be used for mine closure purposes.</p>	<p>Presented to mining engineering degree students at the National University of Trujillo, Huamachuco campus.</p> <p>MBM was ranked 12th in the Merco Talento ranking for the mining sector.</p> <p>14th anniversary of Alto Chicama Social Fund.</p> <p>Occupational safety and health management courses were delivered over 5 days by the OHS/ OSH committee representative led by ESAN.</p> <p>Vaccination campaigns were carried out between the first and second quarter against Influenza/ Tetanus/COVID, with 62% vaccinated at the Lagunas Norte mine.</p> <p>Maintenance of the 2023 firefighting system was completed. The accident drills (cyanide spill, people trapped in the CMOP plant, fuel spill) for the second quarter were carried out.</p> <p>The emergency brigade received refresher training in first aid, firefighting, vehicle rescue and rope rescue.</p> <p>Capacity of the former Explorations Camp was increased by 50% (68 beds per shift), increasing occupancy and efficiency of the facilities.</p> <p>In the period from July 2022 to June 2023, 270 hrs were flown and 1416 passengers were transported in the aviation area without any incidents or accidents.</p> <p>Training was completed in Thermofusion and welding 3G-4G, for the benefit of 46 participants., and employability for the benefit of 87 participants from local villages.</p> <p>Training in Alpaca wool handicrafts, 50 participants from Icchal village (La Capilla exploration project).</p> <p>Commitment compliance with the Coal Agreement in El Sauco village, for the benefit of 180 families (1,080 tons of coal).</p> <p>The commitment to contribute with 810 kilograms of raygrass seed to El Sauco was fulfilled, benefiting 162 families.</p> <p>Achieved 25% local labor participation between January and June 2023.</p> <p>The Ministry of Energy and Mines authorized the operation of Stage 7A2 (Sector 1) of Leaching Pad No. 2 and auxiliary facilities of the 'Alto Chicama' beneficiation concession modification project.</p> <p>SENACE submits a report on compliance with the admissibility requirements of the Second Modification of the Environmental Impact Study of the Lagunas Norte Mining Unit.</p>

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Site Performance Indicators: Lagunas Norte Mine

Sustainability Accounting Standards Board (SASB)

SASB Standard	Title	Performance Indicators	2023 Performance	Comment
EM-MM-110a.1	GHG Emissions	Gross Global Scope 1 Emissions	33,417t CO2e	48% of total (scopes 1+2)
EM-MM-140a	Water Management	Total freshwater withdrawn	383k m ³	Surface, underground, pit
		Total freshwater consumed	383k m ³	
		Incidents of non-compliance: water permits	0	
EM-MM-150a.4	Waste Management	Non-mineral waste	491.9 (t)	
EM-MM-150a.7		Hazardous waste	822.5 (t)	
EM-MM-150a.8		Hazardous waste Recycled	174.5 (t)	
EM-MM-160a.1	Biodiversity Impacts	Description of policies and practices	Yes	Site ESMP addresses biodiversity
EM-MM-160a.2		Sites with acid rock drainage	100%	
EM-MM-160a.3		Sites near protected areas or EN species	100%	Listed species, in addition to the wetlands
EM-MM-210a.1	Security, Human Rights	Proven/Probable reserves in conflict areas	0%	
EM-MM-210a.2		Proven/Probable reserves on indigenous lands	0%	
EM-MM-210a.3		Discussion of engagement practices on conflict	Yes	HR policy, site security policies
EM-MM-210b.1	Community Relations	Discussion of process to manage risks	Yes	Site ESMP addresses community relations
EM-MM-210b.2		Number and duration of non-technical delays	42	
EM-MM-310a.1	Labor Relations	Workforce under union agreements		
EM-MM-310a.2		Number and duration of strikes and lockouts	0	

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SASB Standard	Title	Performance Indicators	2023 Performance	Comment
EM-MM-320a.1	Health and Safety	Rates per 200,000 hours; permanent and contract	0.10	Cumulative since Jul 2022 to Jun 2023
		Fatality rates	1	1 fatality during the reporting period
		Average hours of safety training per employee	59.8 hours	
		Average hours of training per contractor	18.29 hours	
EM-MM-510a.1	Ethics & Transparency	Description of management system for prevention of corruption and bribery	Yes	Code of Business Conduct and Ethics
Anti-Fraud Policy				
Anti-Money Laundering Policy				
Anti-Bribery, Anti-Corruption Policy				
Site policies and procedures				
EM-MM-510a.2		Production in countries having 20 lowest rankings in Transparency Int'l index	0	
EM-MM-540a.1	Tailings Management	Inventory Table	NA	No tailings, 100% heap leach as of Jun 2023
EM-MM-540a.2		Summary of management systems		
EM-MM-540a.3		Emergency preparedness		
EM-MM-000-A	Production	Production of finished metal products	115,661 oz Au	
EM-MM-000.B	Workforce	Total number of employees	3,485	As of June 30, 2023
		Percentage who are contractors	86.3%	

OUR MONGOLIAN OPERATION



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YEAR IN REVIEW: MONGOLIA

July 2022	August 2022	September 2022
<p>Safety, Environmental and Energy management system level procedures were reviewed and updated in line with ISO standards.</p> <p>Five ground water monitoring wells located in the east of the Tailings Storage Facility were officially closed under supervision of local authorities.</p> <p>Biodiversity monitoring study was conducted for flora and fauna.</p> <p>Feasibility Study of Ulaanbulag hard rock gold deposit project was approved by Professional council of Minerals Agency, Mongolia. The mine plan for Ulaanbulag was amended.</p> <p>Boroo consulted with a total of 26 herder families who live near the UB project and its ore transportation road on road dust and other issues.</p> <p>About 65 deep shafts and tunnels dug by illegal artisanal miners near Ulaanbulag mine site covering a 2.25-hectare area were filled by cooperating with Mandal soum's Emergency Management Department, Police for Ecology, and other relevant departments, following a complaint by herders who had lost several of their livestock in the shaft.</p> <p>Replaced aged HD equipment's such as 984 excavator's 345 excavators and 980-wheel loader's hydraulic hoses.</p> <p>Implemented responsive actions and obtained required documentation to comply with relevant safety requirements of lifting equipment/facility on site.</p> <p>Emergency response plan was distributed to all department heads.</p>	<p>Safety, Environment and Energy management system internal auditors were appointed (Boroo Gold LLC employees) and involved in the internal auditor training by external consulting and training organisation in line with ISO standards.</p> <p>DEIA of the Ulaanbulag mine commenced being amended according to the updated FS and mine plan.</p> <p>36.65 tons of waste oil was transferred to Monpiti Oil LLC for recycling and shipped offsite.</p> <p>17 citizens from Gonir Bag, Bayangol soum participated in a site tour at the Bortolgoi project site.</p> <p>Implementation of the 2021 Environmental audit's recommendation report was finalized and submitted to the Environment and tourism departments of Selenge and Tuv provinces.</p> <p>200 school children and 95 kindergarten children were provided new school supplies.</p> <p>A grievance was received about the overhead power line from Boroo mine site to Ulaanbulag mine site. Met with a herder of the soum. Three herders' families of Mandal and Bayangol soums moved after negotiation.</p> <p>Quarterly review was conducted on employee role responsibility.</p> <p>ISO standard and Safety and Health refresher training was organized for all relevant Boroo Gold LLC and contractor company employees.</p>	<p>EnSHEMS internal audit was conducted by internal auditors under ISO standards.</p> <p>Boroo Gold LLC participated in the panel discussion for the 'Mongolian mining week 2022' forum. Boroo Gold LLC representatives were panelists and presented on mine rehabilitation and waste best practice.</p> <p>Environmental national audit for Boroo mine site was conducted on site over a week period and relevant work areas were checked by the audit team. According to the audit report, Boroo Gold LLC was compliant with 235 out of 241 (97.5%) environmental related legal requirements.</p> <p>Boroo's Human Resources Department participated in an event in Mandal soum to support citizens in finding employment.</p> <p>Upgraded Ball Mill old GE PLC system to Allen Bradley PLC system.</p> <p>Upgraded Bore water control system.</p> <p>Upgraded SAG Mill trunnion bearing oil pressure monitoring.</p> <p>At the tailings storage facility, the first phase of dam elevation work was commenced.</p> <p>Local community members performed hay making within the mine site and Boroo's Safety department provided safety instruction and supervision.</p> <p>Health and safety management system level procedures were introduced to senior level staff as refresher and awareness.</p>

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October 2022	November 2022	December 2022
<p>Implementation report for the Boroo and Ulaanbulag mine 2022 Environmental management plans (EMP) were submitted to the Environment and Tourism department of Selenge and Tuv provinces respectively.</p> <p>The rehabilitation hand over commission appointed by the Governor of Selenge province inspected Boroo mine and accepted the technical and biological rehabilitation works implemented in 2022. Hand over act was signed by all commission members in October.</p> <p>416 empty/waste drums were given to Mandal soum, Selenge province and Bornuur soum, Tuv province for re-use.</p> <p>Biodiversity study researchers conducted winter field studies.</p> <p>An inspection group assigned by the governor of Selenge province including head of the Geology, Mining inspection division of Selenge Specialized Inspection Agency and other representatives visited and inspected Boroo mine regarding environmental areas.</p> <p>Sent cooperation agreements, established with two soums of Selenge province, to the Boroo Compliance department for safety inspection.</p> <p>Met with total of 49 citizens and herders from three soums of two provinces, who live near the mine sites regarding road dust grievances. Actions were taken to alleviate the concerns.</p> <p>External training for hazardous workplaces was organized.</p> <p>Human rights training was organized in cooperation with the National Human Rights Commission of Mongolia.</p>	<p>Implementation report of Boroo EMP 2022 was successfully evaluated by the commission with score of 96.9%.</p> <p>Boroo Gold LLC EnSHEMS re-certification audit was conducted and according to the audit report, Boroo Gold LLC has conformed to the ISO standard requirements. ISO standard certificates were received in December from the international certification bodies BSC (British) and BQSR (USA).</p> <p>Implementation Report of Ulaanbulag EMP 2022 was successfully evaluated by the commission with score of 99%.</p> <p>A fully automatic oxygen factory which can produce medical grade oxygen, and funded by Boroo Gold LLC, was formally opened. This project was supported within the framework of the cooperation agreement with the soum.</p> <p>At a meeting with Bornuur soum's Cooperation Committee, Boroo agreed to fund four projects with a total funding of 119.5 million MNT, including funding of the construction of a sport hall adjacent to the secondary school of the soum, and purchasing a drone and computer for cadastral purposes within the terms of the cooperation agreement.</p> <p>Organized selection of the best employee of 2022 and made presentations.</p> <p>Mangers received external training on the topic of 'motivational leadership'.</p> <p>The State specialized inspectoral agency of the Selenge province conducted an explosives inspection of the explosives' magazine at the Boroo mine site and checked relevant compliance documentation from Safety department.</p> <p>Deep shafts and tunnels dug by illegal artisanal miners near the Boroo mine site were inspected.</p>	<p>Report on hard rock and alluvial deposits, water use and groundwater monitoring across both Boroo and Ulaanbulag mine were prepared and officially submitted to the government agencies of Water Authority and Kharaa-Yeroo River Basin Administration.</p> <p>66 children of Mandal soum were awarded gifts from Boroo to celebrate the 'Best Children of the Soum'.</p> <p>Organized the selection of the best employee of 2022 and made presentations.</p> <p>Lock and tag out safety procedure was updated and approved. Relevant trainings were conducted for required employees.</p> <p>Disaster risk assessment of all facilities at the mine site were conducted by the certified Disaster risk assessment organisation, and the safety department provided relevant documentation and permissions for their inspection.</p>

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January 2023	February 2023	March 2023
<p>The 2023 EMP for Boroo mine was uploaded onto the website of the Ministry of Nature, Environment and Tourism (MoNET) and it was approved.</p> <p>Reports on the implementation of cooperation agreements with three soums were submitted to the governors and the Citizen's Khural of Mandal, Bayangol and Bornuur soums.</p> <p>Employee trip to Thailand and Bangkok. Completed tasks related to travel research and travel registration, cooperation with traveling company, and creation of payment transfer records.</p> <p>Three employees from our mining, human resources and administration departments received process training from professional organizations.</p> <p>A training matrix for hazardous workplaces was prepared and approved.</p> <p>Due to revised labor laws in Mongolia, improvements were made to the provisions of the probationary and main employee employment contracts.</p> <p>Emergency response plan 2023 was updated and approved. Copies were distributed and placed at required locations including UB office and mine sites.</p>	<p>Training on operational risk assessment, register and monitoring was organized in cooperation with an external consultant and the HR department. All managers and senior staff were involved.</p> <p>Appreciation letters were prepared and submitted to local partners such as organizations, soum and bag governors.</p> <p>To improve waste management, information on classification and collection of wastepaper and cardboard boxes was distributed to employees. Collecting of wastepaper was started for transferring to proper recycling companies.</p> <p>The Detailed Environmental Impact Assessment addendum report of the Ulaanbulag hard rock deposit project was approved and signed by the Ministry of Nature, Environment and Tourism.</p> <p>Handed gifts to 210 elders of three local soums to celebrate the lunar New Year.</p> <p>Prepared a statistical information including demography, social structures, economy, social infrastructure, land use and natural resources, community health, safety and security cultural heritage of Mandal and Bayangol soums of Selenge province, Bornuur soum of Tuv province for drafting technical report NI 43-101.</p> <p>The Human Resources Department organized 'safety meetings' to occur ongoing and on a weekly basis. In this training, a total of 4 procedure introductions were organized on the same topic for 2 weeks in a row according to the mine shift. A total of 133 management and middle level employees participated across the first two sessions.</p> <p>67 management and mid-level employees from the Ulaanbaatar office and mine site participated in 3 sessions of process master training, conducted by a trainer from the Human Resources Department.</p> <p>The Human Resources Department organized a training course on the selection process for executives.</p>	<p>Social responsibility agreement and collaboration related policy drafts by the Governor's office of Tuv Province were reviewed and comments were officially submitted.</p> <p>In connection with the upcoming renewal and amendments to the Minerals Law, the draft of law was reviewed, and comments were submitted to Boroo's legal department.</p> <p>The mine engineering department prepared a report on monitoring and inspection work of the tailings management facilitating in 2022, including environmental inspection and improvement action information.</p> <p>Company Risk register was updated by the Boroo compliance department.</p> <p>Company's EITI Report was submitted.</p> <p>A total of 26.3 tons of waste oil was transferred to Monpiti Oil LLC and transported offsite. Hazardous waste forms and acts were completed and signed by two parties.</p> <p>2023 EMPs for both Boroo and Ulaanbulag mines were approved by the Ministry of Environment and Tourism and QR codes were obtained.</p> <p>The Boroo environment department gave trash bins for waste management to herders who live near our mine sites and the ore transport road between the two sites.</p> <p>Submitted reports of road repair next to the Tree nursery fence, Ulaanbulag mine site and a ford crossing at Boroo River at the requests of Bornuur herders for road use by milk trucks.</p> <p>Completed an EITI report for the Boroo Finance Department on cooperation agreements, statistical information of herders, and their livestock numbers, and on investments of more than 100 million MNT.</p> <p>A liquid waste suction truck was purchased for Tunkhel village, Mandal soum, within the terms of the cooperation agreement with the soum.</p> <p>Inspected and Level 3 serviced the SAG Mill synchronous motor and excitation system by General Electric China.</p> <p>Engaged a local contractor company to inspect the SAG Mill girth gear teeth.</p> <p>Upgraded pre-leach thickener control system from analogue system to PLC, and the Sag Mill PLC system.</p> <p>Performed additional tests and other meetings to support the start of using the time registration system.</p> <p>Provided safety control and supervision during the NaCN shipment from railway station in Ulaanbaatar to Boroo mine site. Shipment was safely and successfully delivered.</p> <p>Safety procedure on working the elevated area was updated and approved. Awareness training was organized for relevant employees.</p>

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April 2023	May 2023	June 2023
<p>Temporary environmental workers converted over 200 empty oil drums into waste bins and prepared for donation to families residing within the affected zone of the Ulaanbulag ore hauling road.</p> <p>Boroo mine site external monitoring for Q2, 2023 was conducted by the Selenge province Environmental Monitoring lab.</p> <p>Engaged a consultant company to develop Ulaanbulag mine's closure management plan.</p> <p>Agreed to fund a project for conducting a building maintenance work for the Bayangol soum sport centre, with a total amount of 243 million MNT.</p> <p>External hazardous workplace training was delivered. 53 employees participated in the crane training and 17 employees participated in the confined environment training.</p> <p>220metres of earth road maintenance work was performed within the catchment area of the mine site.</p> <p>Topsoil stripping work was started at Boroo mine.</p> <p>Our mine rescue team responded to a fire incident which broke out at a farmland near the mine site. Fire was completely extinguished.</p> <p>Boroo's safety department conducted safety training for personnel from the Bayangol sovernment and private sector entities.</p>	<p>Development of Environmental protection plan 2023 of exploration projects were made and approvals were obtained from local governments.</p> <p>Established a green garden and planted trees in a 2-hectare area in Bayangol soum.</p> <p>Environmental policy, goals and objectives for 2023 were reviewed and updated in line with ISO standards.</p> <p>The environmental related sections of the Boroo mine's 43-101 report were developed and submitted to the consultant company for review.</p> <p>Under the Ulaanbulag mine biodiversity offset program 2023, afforestation work was performed by contractor company in a 10-ha area in Saikhanii Am, Bornuur Soum.</p> <p>Under our cooperation agreement, Boroo agreed to fund 11 projects in Bornuur soum for a total of 162 million MNT related to health, the building of three wells and to support the soum's elders' association for organizing some events.</p> <p>Replaced 450 meters of the decant water HDPE return pipe with steel pipe to reduce risk of spillage related to pressure and flange seal failure.</p> <p>General electric programmable logic controller (PLC) of ball mill was replaced with Allen Bradley PLC. SAG mill now has a new backup PLC and its reliable operation is improved.</p> <p>Drill and blasting engineers attended professional certification training.</p> <p>For International Children's Rights Day, a quantitative survey of children up to 16 years of age was conducted among the children of all employees. As a result of the research, a total of 682 children are organised to receive gifts.</p> <p>Recruitment Open Day was organized in Bayangol, Mandal, Bornuur soums to advertise open positions.</p> <p>Road maintenance work was performed near the tailings storage facility to make a sharp turn safer.</p> <p>Organized open door events in Mandal and Bayangol soums of Selenge aimag successfully with the soums' governors on May 30-31st.</p> <p>Safety championship program was developed and approved. Activity report on this championship program was prepared and submitted to Bayangol soum government.</p>	<p>Biodiversity offset program implementing contract for 2023 was concluded with ongoing project implementation.</p> <p>Three color coded waste bins were made and donated to the families residing within the mine site impact areas.</p> <p>Lead acid waste battery temporary storing area was inspected and improvement plan developed.</p> <p>As part of the Beekeeping project, a total of 9 beehives were brought and placed at area next to the explosive's magazine of Boroo mine site.</p> <p>Commenced the experimental stage of the red wiggler worms project, to make fertilizer for use in the tree nursery.</p> <p>External monitoring was conducted at Ulaanbulag site by the environmental monitoring laboratory.</p> <p>The Ulaanbulag tree nursery activity was extended and a further 10 hectares of area was allocated.</p> <p>Submitted amendments to the soum's governors to increase investments and to extend the three years of the cooperation agreements.</p> <p>Agreed to fund road maintenance of the ger districts, 400 children's gifts, and helping vulnerable households.</p> <p>Sponsored and participated in the international conference 'Resources and Technology 2023' held by the German-Mongolian Institute of Resources and Technology.</p> <p>Students from the Geology and Mining school of the University of Science and Technology visited, and an introductory internship took place.</p> <p>Organized successful open-door events in Bornuur soum of Tuv aimag with the soum's governor, in order to improve cooperation and provide information on Boroo's operations to the community.</p>

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Site Performance Indicators: Boroo & Ulaanbulag Mines

Sustainability Accounting Standards Board (SASB)

SASB Standard	Title	Performance Indicators	2023 Performance	Comment
EMM-MM-110a.1	GHG Emissions	Gross Global Scope 1 Emissions	19,812t CO2e	79% of total (scopes 1+2)
EM-MM-140a	Water Management	Total freshwater withdrawn	1,280k m ³	underground sources
		Total freshwater consumed	1,280k m ³	
		Incidents of non-compliance: water permits	0	
EM-MM-150a.4	Waste Management	Non-mineral waste	46.4t	
EM-MM-150a.7		Hazardous waste	75.6t	
EM-MM-150a.8		Hazardous waste recycled	99.0t	Includes waste accumulated from prior reporting period
EM-MM-160a.1	Biodiversity Impacts	Description of policies and practices	Yes	Site ESMP addresses biodiversity
		Sites with acid rock drainage	0	Boroo and Ulaanbulag mines' rocks are not acid-generating and are net neutralizing materials
		Sites near protected areas or EN species	0%	No listed species found during baseline.
EM-MM-210a.1	Security, Human Rights	Proven/Probable reserves in conflict areas	0%	
EM-MM-210a.2		Proven/Probable reserves on indigenous lands	0%	
EM-MM-210a.3		Discussion of engagement practices on conflict	Yes	
EM-MM-210b.1	Community Relations	Discussion of process to manage risks	Yes	Site EMPs addresses biodiversity
		Number and duration of non-technical delays	0	
EM-MM-310a.1	Labor Relations	Workforce under union agreements	34%	
		Number and duration of strikes and lockouts	0	

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SASB Standard	Title	Performance Indicators	2023 Performance	Comment
EM-MM-320a.1	Health and Safety	Rates per 200k hours; permanent and contract	0.49	Total recordable injury frequency rate for this RP
		Fatality rates	1	1 fatality during the reporting period
		Average safety training-employees/contractors	4,803h	Total hours of health, safety and emergency response training for employees and contractors
EM-MM-510a.1	Ethics & Transparency	Description of management system for prevention of corruption and bribery		Code of Business Conduct and Ethics Anti-Fraud Policy Anti-Money Laundering Policy Anti-Bribery, Anti-Corruption Policy Site policies and procedures
EM-MM-510a.2		Production in countries having 20 lowest rankings in Transparency Int'l index	0	
EM-MM-540a.1	Tailings Management	Inventory table/u	Yes	See relevant section of this report
		Summary of management systems	Yes	See relevant section of this report
		Emergency preparedness	Yes	See relevant section of this report
EM-MM-000-A	Production	Production of finished metal products	63,733oz	Gold produced from Boroo & Ulaanbulag mines
EM-MM-000.B	Workforce	Total number of employees	531	As of June 30, 2023
		Percentage who are contractors	8.7%	

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FORWARD LOOKING STATEMENT

Certain information contained or incorporated by reference in this report, including any information relating to our strategy, projects, plans or future financials or operating performance, constitutes “a forward looking statement”. Forward looking statements in this report are all statements other than statements of historical facts, such as plans, projections, expectations, targets, objectives, strategies or goals relating to environment, social, safety and governance performance, and the underlying assumptions and estimated impacts on Boroo’s business. The words “believe”, “expect”, “anticipate”, “target”, “plan”, “objective”, “assume”, “intend”, “project”, “pursue”, “goal”, “continue”, “budget”, “estimate”, “potential”, “may”, “will”, “can”, “could”, “would”, “should”, “future” and similar expressions identify forward looking statements.

Forward-looking statements are necessarily based upon a number of estimates and assumptions, including material estimates and assumptions that are considered reasonable by Boroo as at the date of this report in light of the management’s experience and perceptions of current conditions and expected developments. Boroo cautions readers that forward-looking statements are not guarantees of future performance and actual results may differ materially from those anticipated, expected, projected or assumed in the forward looking statements. Known and unknown factors could cause actual results to differ materially from the expresses in the forward looking statements. Readers are cautioned that forward looking statements are not guarantees of future performance. All of the forward looking statements made in this report are qualified by these cautionary statements.

Although Boroo believes that the assumptions inherent in any forward looking statements made in this report are reasonable at the time of publication, the reader should not place undue reliance on these statements. Boroo disclaims any intentions or obligations to update or revise any forward looking statements whether as a result of new information, future events or otherwise, except to the extent required by applicable laws.

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