



MODERN SLAVERY ACT REPORT - 2023



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Structure and Business

Soma Gold Corp. is a natural resource company with headquarters in Vancouver, British Columbia. It is engaged in the business of acquiring, exploring, developing and operating mining properties in South America. The Company was incorporated on April 13, 2010 under the Business Corporations Act (British Columbia) and trades on the TSX Venture Exchange under the symbol “SOMA” and on the OTCQX Best Market under the symbol “SMAGF”.

Soma Gold Corp. is the ultimate parent of a group of subsidiary companies incorporated in Colombia, the United States of America, Brazil and Belize (“Soma”). Soma’s principal business activity is the the operation of the El Bagre Gold Mining Complex through wholly owned subsidiary Operadora Mineras S.A.S (“Operadora”). The El Bagre operation consists of a gold processing plant and the Cordero underground gold mine which are located in Antioquia, Colombia. Through Colombian subsidiaries Four Points Mining S.A.S and Zara Holdings S.A.S, Soma also owns a past-producing mill (currently on care-and-maintenance) and is exploring an extensive portfolio of exploration properties – all in the same region of Antioquia.

This report covers the operations of all of the Soma group subsidiaries except for Angra Metals Mineracao Ltda., which holds mineral concessions in Brazil. The Brazilian properties are currently under option to a TSX-listed Canadian Company, Ero Copper Corp., and are not being managed by Soma. Our Belizean company is a holding company with no operations.

The Soma Group’s supply chain is thus principally associated with its mining and exploration activities in Colombia as well as a limited amount of corporate-level services supporting head-office activities in Canada and the United States. For a summary of the corporate structure, please see the Appendix.

Risk Assessment

The 2023 Global Slavery Index, published by the Walk Free Foundation, assigns Colombia a moderate risk score of 51 out of 100.

The Report notes that Colombia is one of two countries in the Americas (along with Mexico) that are still disproportionately impacted by the effects of conflict, as recruitment and use in illicit activities continues by illegal armed groups in certain areas of the country.

The Colombian government is actively engaged in efforts to eliminate modern slavery. The U.S. Department of Labor's Bureau of International Labor Affairs ("DoL") reports that in 2022, Colombia made significant advancement in its efforts to eliminate the worst forms of child labor. This included increasing the number of labor inspectors, developing an elite group of inspectors to focus on child labor, and increasing the capacity of labor inspectors to identify children at risk. Furthermore, the Colombian Institute for Family Welfare established a 2023 Action Plan with Ecuadorian authorities to address child labor in illegal mining operations. Lastly, the government increased Venezuelan migrant children's enrollment in the education system by approximately 20 percent compared to the year prior. The DoL report indicates that 76.9% of or working children are in the agricultural sector.

Although challenges remain, the DoL concludes that the Colombian government has made significant advancement and has established policies that are consistent with international standards on child labor.

Soma supports the work being done by the Colombian government and is committed to enhancing its own strategies and controls to mitigate the risks of modern slavery within our business and supply chains.

Our Supply Chain

Soma's supply chain includes the procurement of goods and services to support the entire life cycle of mining – from exploration and development through production to remediation. It also includes various services that support the running of a publicly-listed company in Canada. The goods and services procured include, but are not limited to:

- Explosives and chemicals
- Fuel and electricity
- Mining equipment and maintenance
- Drilling and laboratory services
- Camp support services
- Engineering and geological services
- Legal, accounting and auditing services

In 2023, Soma procured approximately CAD\$42 million of goods and services from 540 direct suppliers. 97% of the goods and services were procured in Colombia, 2% in Canada and 1% from other South American countries.

Our People

Soma employed an average of 580 people in Colombia during 2023. This consisted of:

- 435 people employed directly in mining, milling and maintenance.
- 103 people in ancillary services (including areas such as environment, safety, purchasing, warehouse, projects, security and training).
- 27 people in exploration.
- 15 people in administration.

In addition to our Colombian staff, four people in Canada and four people in the United States were employed in administrative and executive roles.

Our Policies

Soma is committed to the highest standards of legal and ethical business conduct, including the elimination of modern slavery in our businesses and supply lines. We have implemented a number of policies and procedures that are integral to these efforts:

- **Code of Conduct and Ethics** – Our Code of Conduct and Ethics defines the standards of business conduct required of all directors, officers, employees, consultants and contractors of the Company. It establishes our expectation of honest, ethical and non-discriminatory behavior, including the compliance with all applicable laws, rules and regulations.
- **Hiring Policy** – Our hiring policy explicitly prohibits the hiring of minors for any position. Thorough document reviews as well as background and reference checks by human resources ensures that the policy is strictly enforced.
- **Employment Agencies** – Soma regularly uses temporary employment agencies in Colombia to supply a small amount of their workforce. Individuals sourced through employment agencies are subject to the same requirements and due diligence as employees hired directly by the Company.
- **Company Contracts** – Our standard contracts contain clauses that both prohibit the violation of human rights in general and that explicitly forbid the use of child labor.
- **Contractor Human Rights and Child Labor Declaration** – In addition to the clauses embedded in the contracts, Contractors are required to sign a declaration that they are in compliance with appropriate international human rights standards and that they adhere to applicable child labor laws. It also gives the Company the right to verify the information via reports, document reviews or site visits.
- **Whistleblower Hotline** – Soma has a well-publicized whistleblower hotline in Colombia that is managed by an external 3rd party to ensure confidentiality. Both the Company’s internal auditor and Compliance Officer investigate any complaints and results are shared with management and human resources.

Approval Statement

This report was approved by Soma Gold Corp.'s Board of Directors on May 29, 2024.

In accordance with the requirements of the Canadian Modern Slavery Act (the "Act"), and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable due diligence, I attest that the information in the report is true, accurate, and complete in all material respects for the purposes of the Act, for the reporting year ended December 31, 2023.

Pursuant to Section 11(4)(b)(ii) of the Act, this approval is provided on behalf of Soma Gold Corp.

"Geoff Hampson"

Chief Executive Officer and Chairman of the Board of Directors

May 29, 2024

Appendix – Soma Group Company Structure

