

ESG | 2022 Report



COLLECTIVE
— MINING —

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01

Introduction



a About this Report

This report describes Collective Mining’s performance and impacts regarding the environment, the communities and its corporate governance for the fiscal year 2022. It focuses on the most important matters of the Company’s exploration activities, and how they reflect positively and negatively in the area of influence. With this report, the Company expects to provide its stakeholders with a consistent and transparent set of data to allow them to make informed decisions.

This is the Company’s second Environmental, Social and Governance Report, however, it may include historical data from other fiscal years. Its first edition was published on September 9th, 2022 (related to the 2021 fiscal year). All financial figures are presented in U.S. dollars, unless the report indicates otherwise.

The report was prepared based on the guidelines of the International Standard of Global Reporting Initiative (GRI). The GRI index is included at the end of this report. For additional information concerning the corporate, legal, financial, and operative results, consult the Company’s annual reports and financial statements, available at www.collectivemining.com.



For further information about this document, please address info@collectivemining.com

b Letter from our President and CEO

To all our Stakeholders,

This past year was a monumental year for Collective Mining with the announcement of multiple discoveries including the discovery of our Apollo porphyry system at our Guayabales Project. Apollo is a high-quality deposit as it is an outcropping bulk tonnage and high-grade copper-silver-gold porphyry system. Since its discovery in June 2022, we have drilled over 26,000 metres of core. While part of our success is related to the exciting discovery, an equally important factor is the effort of the Company's team on the ground, which has been able to successfully engage with the communities and government institutions in our area of influence to jointly advance in exploring the territory. There is no better moment for a discovery such as Apollo as energy transition becomes a key focal point in Colombia for years to come. The Guayabales Project will surely play a fundamental role in Colombia's intentions to shift towards cleaner energies.

It is common in early-stage companies, such as ours, that investments in ESG follow a geological discovery. However, Collective Mining chose to invert that approach, and we are proud that our early ESG initiatives lead to open arms by community members in supporting our initial prospecting and exploration programs. Our grassroots discoveries have complemented our ESG initiatives, giving us a clear outlook of our presence in the region for years to come. This is the "Collective Way". During 2022, Collective was humbled by being formally recognized by Marmato's local government as a company that contributes to local development with its corporate social responsibility efforts. In fact, this recognition served to motivate the Company to continue to strive in creating an environment where all stakeholders mutually benefit.

The welcoming culture of the people in the Caldas Department has also significantly contributed towards our 2022 achievements. Caldas is a mining friendly region that offers an excellent environment for exploration and the future development of the mining industry. Moreover, the municipalities of Marmato, Supía and Pácora reflect a well-rounded economy in which mining activities complement agricultural and other commercial dynamics.

Our health and safety culture has improved and despite the fact we began the year with a high Total Recordable Injury Frequency Rate (TRIFR), we managed to end the year with a significantly lower TRIFR. Nonetheless, we recognize that there's still work to be done and we will continue promoting health and safety as a core value of the Corporation.

Thanks to the guidance of our Board of Directors and the insights from our team on the ground we have been able to achieve such excellent results and are confident that we will continue to improve and deliver in the future.

Respectfully,
Omar Ossma

Omar Ossma
President and CEO

02

About
US



COLLECTIVE
MINING

02

a About CNL

Founded by the team that developed and sold Continental Gold Inc. to Zijin Mining for approximately \$2 billion in enterprise value, Collective Mining is a copper, silver, and gold exploration company with projects in Caldas, Colombia. The Company has options to acquire 100% interests in two projects, Guayabales and San Antonio. The Company's flagship project, Guayabales, is anchored by the Apollo target, which hosts the large-scale, bulk-tonnage and high-grade copper-silver-gold porphyry system. The Company is listed on the TSXV under the trading symbol "CNL" and on the OTCQX under the trading symbol "CNLMF".

Our area of operation is within a well-known and well-developed mining camp, with over 500 years of mining history and hosting more than 10 fully permitted mining operations. During 2022, 81 employees and 97 contractors worked jointly to achieve the Company's goals. The Company's flagship discovery is the Apollo porphyry system within the Guayabales Project. The Company has generated several new targets and made other significant discoveries including Olympus, Donut, and Trap within the Guayabales Project, as well as Pound within the San Antonio Project. To date, Collective Mining does not have any projects in the development or production stage.

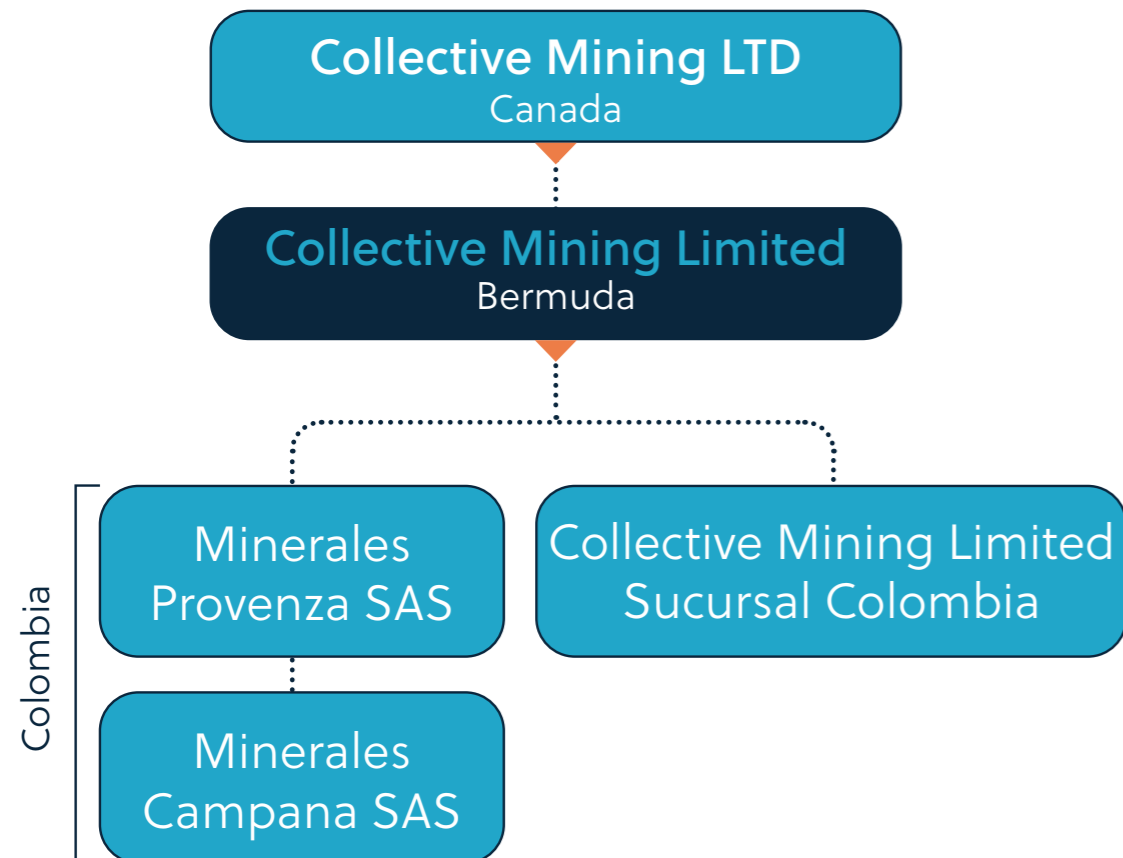
As the world embarks on energy transition, Collective Mining's exploration activities have become increasingly relevant. A significant geological discovery, such as Apollo, will help drive the future energy transition thanks to its potential in strategic minerals, such as copper and silver. Colombia is aiming to be at the forefront of this movement and Collective Mining expects to be a key contributor of minerals towards reaching this goal.

Since its inception, Collective Mining has developed an exploration model based on respect, inclusion, participation and collaboration while generating benefits for all of its interest groups. The Company's objective of providing value to its stakeholders is based on the development of the concept of "Collective Mining", which focuses on conducting exploration activities based on open dialogue and cooperation with its stakeholders while identifying and timely managing impacts. We believe that this methodology contributes to the economic and social development of the territory, while identifying alternatives to involve our stakeholders in the benefits of our activities.



a About CNL

Our Company's structure:



Our Values:



Health and Safety:

We aim to achieve a health and safety culture that protects our workers, contractors and surrounding communities. No goal or achievement should come before people's health and safety.



Respect:

We are guests in our areas of operation, and we behave as such. We take into consideration our stakeholders' culture and customs in our day-to-day interactions.



Responsibility:

Our activities generate impacts. We identify, manage and commit to minimizing our impacts and more importantly, we compensate for them.



Transparency:

We disclose our intentions prior to our actions. Open and frank communication with our stakeholders is a cornerstone belief.



Diversity and Inclusion:

Our cultures are diverse, and our company reflects our culture. Everybody belongs, irrespective of our differences.



b Corporate Governance

We strive for a high standard of corporate governance to permanently monitor goals and commitments. Corporate Governance should not only involve directors and management, but also employees, contractors and communities. The Company has adopted multiple policies and standards which are constantly socialized amongst our directors, employees and contractors. In addition, the Company has implemented a grievance mechanism that allows stakeholders to interact more efficiently with the Company. Under the ethics and integrity premise, our team manages business risks, serves our stakeholders and creates long-term value.

Board of Directors and Composition

Our Board of Directors is diverse in professional backgrounds, cultures and gender which we believe improves the Company's ability to set corporate strategies, understand risks and promote sound diversity policies. The Board assumes responsibility for the stewardship of the Company and supervises management of the business and affairs of the Company. The Board is periodically briefed by management on exploration activities and sustainability efforts.

The Board carries out its responsibilities with the support of two committees:



Audit Committee: In charge of monitoring financial, ethics and anti-corruption matters, while guaranteeing the integrity and reliability of the Company's financial information.



Corporate Governance, Nominating and Compensation Committee: In charge of overseeing key matters related to corporate governance, leadership, integrity and transparency culture, and organizational management.

The Board of Directors is comprised of five members, individually elected each year by a simple majority of votes. It has a Chairman who presides over the meetings, as well as a Lead Director who will provide independent leadership in all circumstances in which the Chairman of the Board is not considered independent under applicable laws. According to the Board of Directors Mandate, (i) A majority of the directors shall be "independent" within applicable law; (ii) The directors will be elected at the annual general meeting of the shareholders of the Company and shall serve no longer than the close of the next annual general meeting of shareholders, however, they may be re-elected; (iii) Nominees for membership on the Board will be recommended to the Board by the Corporate Governance, Nominating and Compensation Committee; and (iv) A quorum of directors may fill vacancies in existing or new director positions to the extent permitted by applicable law and the by-laws of the Company.



Ari Sussman
Executive Chairman of the Board of Directors

- Former CEO and Founder of Continental Gold.
- Extensive experience in financing high-quality mineral assets, having raised more than one billion dollars for various companies in the sector.



Ken Thomas
Lead Director (Independent)

- Internationally recognized mine builder and process engineer.
- Former director of Cardinal Resources.
- Former lead director of Continental Gold, ex Kinross and Barrick Gold.



María Constanza García Botero
Director (Independent)

- Current General Coordinator of Metrolinea 1.
- Extensive experience in the Colombian public and private sectors.
- Former President of the Colombian National Mining Agency (ANM).
- Former official at Deloitte and Semana magazine.



Paul Murphy
Director (Independent)

- Current Chairman of Alamos Gold, former director of Continental Gold and CFO for Guyana Goldfields.
- Former National Mining Leader for PWC.



Ashwath Mehra
Director (Independent)

- Current CEO of the Astor Group, a private investment company.
- Former CEO and founder of GT Gold.

Management

Management's role is to implement the Company's corporate strategy. All of Collective Mining's team members are highly trained and knowledgeable in the Company's business as well as its sustainability approach. The President and CEO's main role is to align team efforts towards the mandates of its Board of Directors and provide leadership thus ensuring consistency in the company's corporate strategy.



Omar Ossma
CEO and President

Former Legal Vice President of Continental Gold and recognized expert in the Colombian mining industry.



Paul Begin
Chief Financial Officer

Former CFO of Continental Gold and instrumental in raising \$500 million in debt financings.



Carlos Ríos
Exploration Vice-President

Former Exploration Manager at Touchstone Gold in Colombia and former Exploration Manager at Zijin Mining-Continental Gold.



Rodolfo Higuera
Sustainability Vice-President

Former Social Management Superintendent at Zijin Mining - Continental Gold.



María Juliana Ospina
External Affairs and Communications Vice-President

Former Director of the Steel Industry Chamber of the National Business Association of Colombia (ANDI) with an extensive background in both government relations and marketing.



David Reading, MSc
Economic Geology
Special Advisor

Former Special Advisor to Continental Gold, former CEO of European Goldfields (sold to Eldorado) and former Director of Exploration for Randgold.



Richard Tosdal, PhD
Special Advisor

Regarded as one of the world's preeminent porphyry geologists. He is a Research Scientist for the US Geological Survey and Director of the Mineral Deposits Research Unit at the University of British Columbia.



Company's Standards of Conduct

Corporate Code of Conduct and Ethics:

This Policy embodies the commitment of the Company to conduct its business in accordance with all applicable laws, rules and regulations and high ethical standards. It focuses on promoting integrity, transparency, and responsibility in all our Company's operations. It addresses matters such as mutual respect, diversity, environmental protection, labor security, management of conflicts of interest and compliance with applicable laws and regulations.

Anti-Bribery and Anti-Corruption Policy:

This Policy provides guidelines to ensure that the Company and its directors, officers, employees, agents, contractors and consultants conduct business in an honest and ethical manner, and in compliance with all laws, rules and regulatory requirements applicable to the Company including without limitation the Criminal Code (Canada) and Corruption of Foreign Public Officials Act (Canada).

Anti-Hedging Policy:

This Policy prohibits company personnel from directly or indirectly engaging in hedging against future declines in the market value of any equity-based securities of the Company.

Corporate Disclosure and Insider Trading Policy:

This Policy reinforces the company's commitment to comply with continuous disclosure obligations under applicable Canadian securities law and ensures strict compliance by all insiders regarding material information, confidentiality and restrictions on insider trading.

Diversity Policy:

This policy reinforces the Company's commitment to comply with continuous disclosure obligations under applicable Canadian securities law and ensures strict compliance by all insiders regarding material information, confidentiality and restrictions on insider trading.

Executive Compensation Clawback Policy:

This policy applies in the event of a material restatement of the company's financial results deriving from material non-compliance with financial reporting requirements or the misstatement of public disclosure due to willful misconduct by an executive. Under this policy, the Company reserves the right to require recovery of incentive compensation that would not otherwise have been paid if the correct Company performance data had been used to determine the amount payable.

Health, Safety and Security Policy:

This Policy reflects the Company's commitment to protecting the health, safety and security of its employees, contractors, consultants and visitors as well as its intention to deliver on measurable objectives and targets that will drive the continuous improvements necessary to pursue the goal of "Zero Incidents" in our workplace.

Majority Voting Policy:

This policy sets out the procedure under which the Board of Directors' members will behave if any of them do not receive a majority of votes in favor of election.

Sustainability Policy:

This policy sets out the Company's beliefs and approach towards environmentally and socially responsible standards and practices seeking to minimize impacts from its activities to ensure projects create value which in turn is shared with the Company's stakeholders.

Management of Information Technology

Geological information is one of the main assets for the Company and its investors. Consequently, technology is our main ally to safeguard this information's integrity and confidentiality. We manage our information based on three fundamental pillars: **confidentiality, integrity, and availability**. Furthermore, we continuously train our employees to raise awareness of the importance and confidentiality of information.

C Risk Identification and Management

In our exploration phase, we continue to focus on the timely identification of risks and the improvement of an organizational culture towards risk identification, handling and mitigation. Our risk management starts with each areas' day-to-day analysis, which contributes to risk identification for further evaluation by management. The Board of Directors is periodically briefed on the evolution of risks.

We manage our risks under an approach of timely:

- identification and preventive management of impacts, and
- responsible environmental and social management within the operation.

During 2022, the Company continued to monitor risks which were identified for past fiscal years, highlighting the following:

Country risk

Even though Colombia has significantly improved the social, political, economic, legal and fiscal regimes over the past few decades, there is still risk due to the potential for social and political instability.

Increase in surface rights and land costs

During 2022, Collective Mining has increased its efforts towards acquiring surface rights and other rights of way, noting that there are high economic expectations from landowners which may increase the Company's challenges and costs of purchasing surface rights from third parties.

Informal and artisanal mining

Collective Mining interacts hand in hand with artisanal miners in the region and its mining properties are in an area that has a long history of artisanal mining. A portion of the Company's property includes artisanal

groups that are mining informally on a small-scale basis. During 2022, the Company strengthened its commitment to assist them in formalizing, however, there is no assurance that this process will be successful or that they will not oppose the Company's exploration activities or potential future development. In addition, there is a risk that the number of informal miners could increase in the future in the areas of the projects and that accidents occur in these informal operations.

Difficulties to maintain license to operate

Maintaining a positive relationship with the communities in which the Company operates is critical to continuing successful exploration and development. Local stakeholders and other groups may oppose the Company's current and future exploration, development, and operational activities through legal or administrative proceedings, protests, roadblocks, or other forms of public expression against the Company's activities. Opposition by such groups may have a negative impact on the Company's reputation and its ability to operate.

Financing risk

The exploration and acquisition of mining projects depend on the Company's ability to obtain financing. The perception that security conditions in Colombia have not improved or the decline in the capital markets for the extractive industry could hinder the Company's ability to access capital in a timely or cost-effective manner.

Criminal mining activities

Caldas is a peaceful jurisdiction, with no historical presence of criminal mining organization. Although the Company is not aware of any circumstances or facts that may attract criminal mining into the area, the presence of criminal mining organizations fueling traditional mining activities is always a risk in any mining activity.



The timely identification of risks allows for a sound mitigation strategy, which includes:

- ▶ Informative and transparent consultation and agreement processes that facilitate the necessary land management for exploration operations.
- ▶ Implementation of a formal stakeholder management plan (information, consultation, and participation).
- ▶ Community projects' development and construction through alliances that contribute to the territory's development.
- ▶ Joint projects with local artisanal miners focused on industrial safety, responsible environmental management, legality and productivity.
- ▶ Alignment of the Company's ESG programs with the Governments' development plans.
- ▶ Implementation of protocols for data protection and filtering.
- ▶ Promotion of an active presence of mining and environmental authorities in the area.



d Sustainability Model

Our Sustainability Model is based on the concept of “Collective Mining”, which is a participative model which starts with the development of a drilling plan that **(i) invites stakeholders to share ideas, concerns and to define a mutually agreeable courses of action; (ii) defines and timely manages impacts; (iii) contributes to the territory’s environmental, economic, and social development, and (iv) identifies alternatives to involve stakeholders in the benefits of our activities during the different stages of our operations.**

As an early-stage exploration company with no production on the near-term horizon, the sustainability model is subject to change as the business evolves. As a result of 2022’s drilling success, the Company reviewed its materiality process, impacts assessment and Sustainability Model to incorporate the new challenges considered fundamental to retain a model of “Collective Mining”. After the conclusion of this process, **our new Sustainability Model can be described as follows:**



Timely management of **social and environmental impacts**

Promoting health, safety and the welfare of our interest groups

Forging alliances for development and creating **allies in the territory**

Promoting gender **diversity and inclusion**

Being innovative with respect to energy efficiency to **help fight climate change**

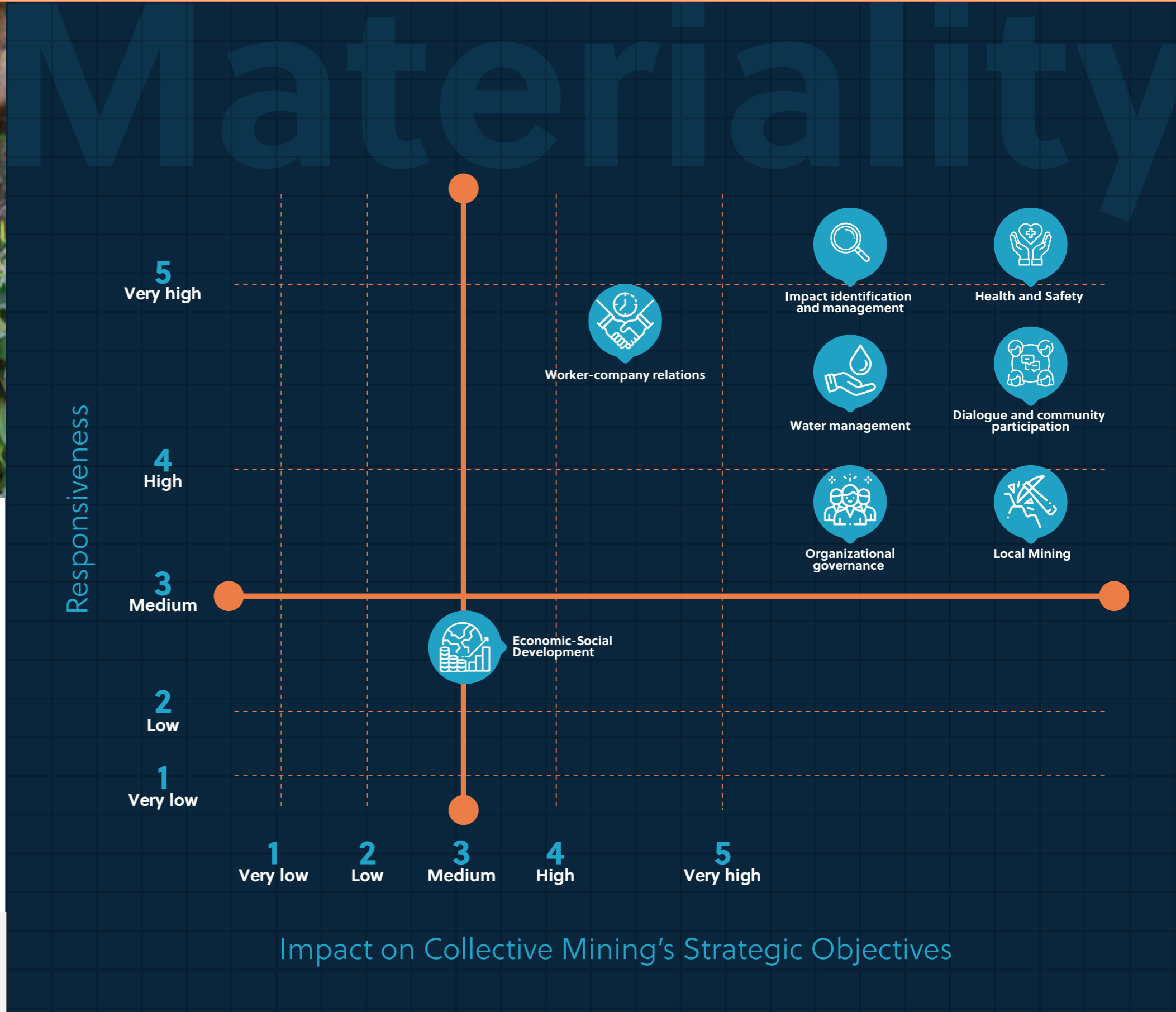


e Materiality

Our first consultation exercise on materiality issues to stakeholders took place at the beginning of 2021, which framed our actions also well into 2022. Collective Mining expects to revisit this issue during 2023.

List of material topics
(according to the year 2021 exercise):

For our materiality assessment process please refer to our 2021 ESG Report issued on September 9th, 2022.



Impact on Collective Mining's Strategic Objectives



f Our Interest Groups

During our materiality assessment process, we identified the following interest groups:



- National authorities
- Regional authorities
- Local authorities
- Communities
- Local miners
- Ethnic communities
- Local providers
- Employees
- Local media
- Shareholders

Transparency and respect are fundamental pillars for healthy relationships, which is why we keep information, participation, and consultation channels open with these interest groups.



During 2022, we held the following interactions with our interest groups:

- ▶ Informative meetings with communities and local and regional authorities where we shared information related to our operation.
- ▶ Consultation and oversight roundtables with local miners, institutional authorities, and community action boards.
- ▶ Environmental monitoring, along with the community, on the Company's performance and the water dynamics in the territory.
- ▶ Implementation of the Company's grievance mechanism.
- ▶ Creation of social media channels to disclose information to the communities and our employees.

Note:

To learn more details about our interest groups' engagement process, you can visit the section named "Community: Building Relationships Based on Trust" on page 21.

03

Our Projects



COLLECTIVE
— MINING —

03

Exploring Key Minerals for the Future

Colombia's approach towards energy has been shifting in favor of cleaner fuels raising the importance of exploration for transition metals. Copper and silver are rapidly becoming important commodities and Colombia has the potential to be a major producer, thus the Apollo porphyry system, being a high-grade copper-silver-gold porphyry-related breccia, will be relevant for this purpose. Exploration efforts in 2022 were mainly focused on the Company's flagship Guayabales project where the Company focused on the Apollo discovery.



a Guayabales Project

The Guayabales Project is in a well-established mining camp with 10 fully permitted and operating mines located within a three-kilometer radius. The project also has excellent infrastructure with abundant labor in proximity. Additionally, Guayabales is contiguous to the Aris Mining’s multi-million-ounce Marmato project which was awarded its official mine plan (PTO) by the national government of Colombia in November 2022 to build a modern mine.

In 2022, the Company initiated its Phase I drilling program and ended the year with 22,907 meters drilled on schedule and on budget of which **14,975 metres (30 holes) were drilled at the Apollo target.**

Discovery #1: Apollo Discovery

Bulk tonnage and high-grade copper-silver-gold porphyry-related breccia system. The discovery hole was announced in June 22, 2022. Preliminary metallurgical work was performed and covered all major styles of mineralization drilled to date and yielded excellent recovery rates for gold of up to **97%**

Discovery #2: Olympus

Broad drilling intercepts of gold and silver with minor associated base metal credits. The grassroots discovery was announced on March 15th, 2022.

Discovery #3: Trap

North to northwest trending, structurally controlled corridor with evidence of overprinting porphyry B veins and late-stage carbonate base metals veins. The grassroots discovery was announced on September 27th, 2022.



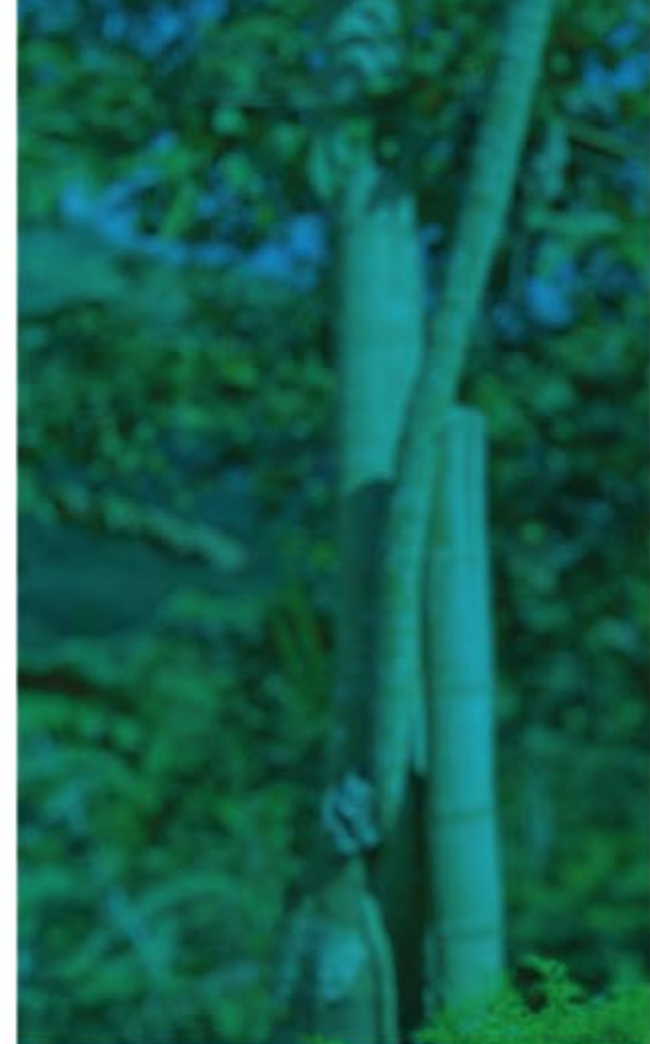
b San Antonio Project

Located four kilometres east of the Company's Guayabales project and to the east of the Pan-American highway. Aggressive exploration in 2020 and 2021 resulted in three porphyry and porphyry-related targets being generated. These targets are named Pound, Dollar and COP.

Similar to Guayabales, San Antonio is ideally situated in the proximities of a well established mining camp with 10 fully permitted mines operating within several kilometres of the project. The Company is planning follow up drilling once reconnaissance work has been completed.



04



Community

Building Relationships Based on Trust



COLLECTIVE
— MINING —

04

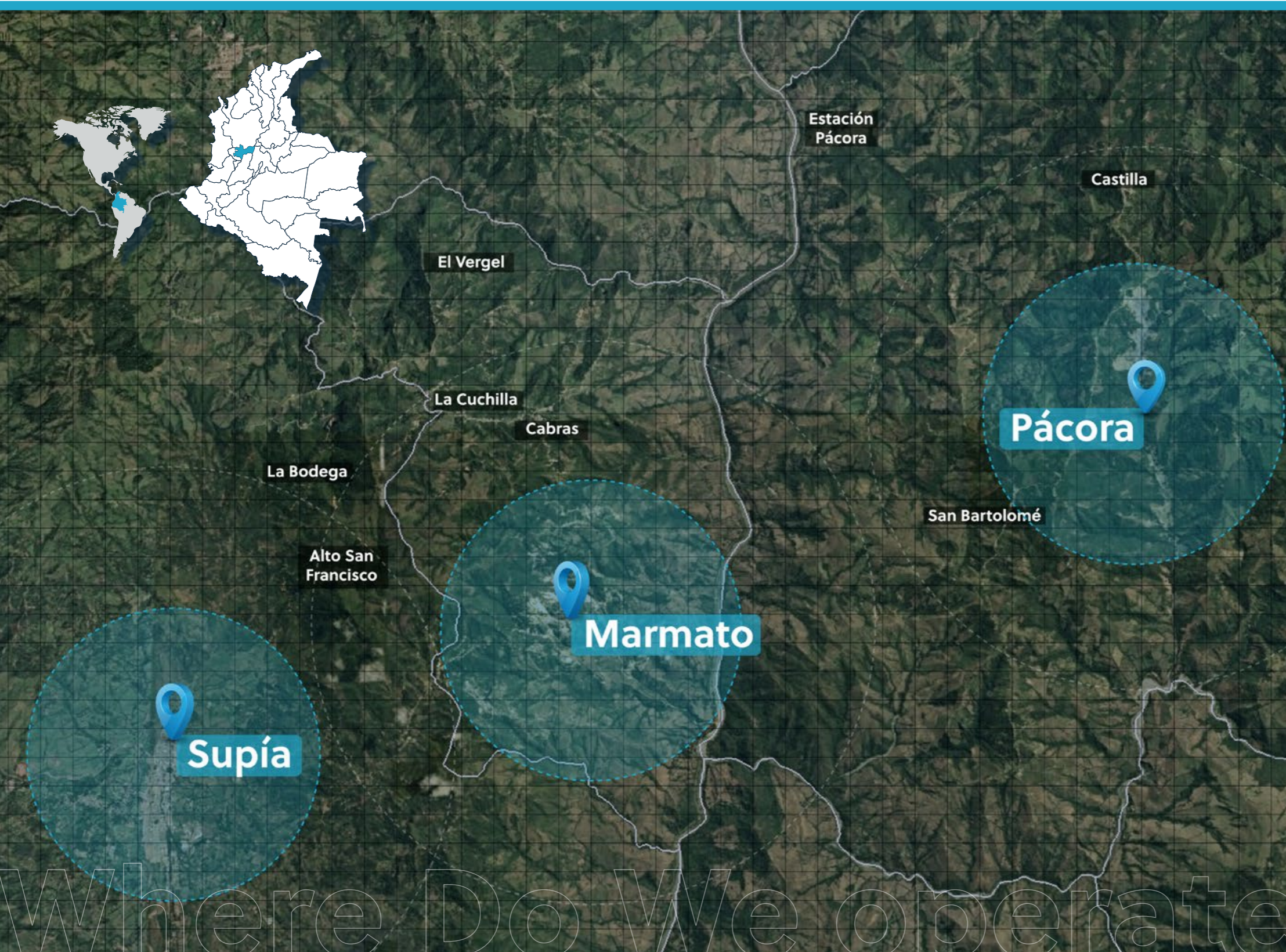
Community:

Building Relationships Based on Trust

During 2022, we continued to work under a Collective Mining model, strengthening our relationship with the local communities and always promoting dialogue and active participation. Our sustainability model earned the Company recognition from the Marmato's mayor's office when it was granted an official and public recognition for its support and contributions to the social and economic development of Marmato. This humbling accolade motivates the Company to continue the path set since its incorporation.



a Where Do We Operate



Supía

Founded in 1540, it is also located on the eastern side of the Western Andes mountains at 1,183 metres above sea level and just west of Marmato. Temperatures in the municipality are around 28° Celsius. It has a population of approximately 24,072 people. The Company's operations are mainly in the villages of La Bodega and Alto San Francisco.

Marmato

Founded in 1540, Marmato is also located on the eastern side of the Western Andes mountains and at 2,200 metres above sea level. It is located between the municipality of Supía and the Cauca River. Temperatures in the municipality range between 23° - 25° Celsius. It has a population of approximately 8,175 people. The Company's operations are mainly in the villages of Cabras, Vergel and La Cuchilla.

Pácora






Founded in 1817, it is located on the western side of the Central Andes mountains at 1,819 metres above sea level. It is located east of Marmato, separated by the Cauca River. Temperatures in the municipality are around 18° Celsius. It has a population of approximately 14,448 people. The Company's operations are mainly in the villages of San Bartolomé and Castilla districts, Estación Pácora and Cerro Grande villages.

Where Do We operate



b Environmental and Social Impacts

During 2022, the Company continued to focus on the impacts identified during 2021 and their related preventative measures as the operation did not undergo significant changes. An open and participative dialogue continued to be promoted and the new grievance mechanism was implemented to monitor the existence of possible new challenges and risks.

Impact	
	Impact on water resources (sources or streams) due to drilling activities
	Impact on communities and/or infrastructure (roads, properties, houses, etc.)
	Impacts on water quality in community aqueducts
	Expectation of economic and social development due to the presence of Collective Mining in the area.
	Non-compliance and/or bad practices of contractors in the area

Management Measure	
	<ul style="list-style-type: none"> • Environmental due diligence prior to the entrance of drilling areas. • Inventory of water sources (source, streams, protection areas and others) • Management of water concessions and dumping permits. • Flow monitoring, physiochemical and multiparameter analysis. • Participatory monitoring with community contribution in water sources associated to community aqueducts.
	<ul style="list-style-type: none"> • Socialization scenarios and agreement for the use of communal roads. • Management of easement for rights of way and use of private property. • Recovery of areas intervened by exploration activities • Implementation of the grievance mechanisms.
	<ul style="list-style-type: none"> • Maintain the data base of the community aqueducts (condition, infrastructure, and users). • Participatory monitoring of water sources. • Infrastructure improvement plan of rural aqueducts.
	<ul style="list-style-type: none"> • Prioritization in the hiring process of local labor, goods and services in the area. • Coordination of social development projects with the participation of local institutions and communities. • Creation of alliances with local, regional and national institutions.
	<ul style="list-style-type: none"> • Follow-up with contractors and provide training for the implementation of good practice, and compliance of their commitments with the community. • Implementation of the grievance mechanisms.

C Instances of Dialogue and Participation

Dialogue is the foundation of our Sustainability Model. The socialization process of our objectives to the communities, local and regional authorities and allies is key to moving our operation forward in a transparent, respectful, and trusting manner.

During 2022, Collective Mining held the following participation meetings and received the following requests and feedback:

32 

socialization meetings in the areas of operation of the Project.

25 

working group sessions with artisanal miners within the areas of operation which were also attended by the national regional and local authorities.

59 

participatory monitoring sessions with community leaders to 18 locally supplied water sources.

29 

complaints managed through the community grievance mechanism.

109 

requests received for support of community activities.



As part of our partnerships, we prioritized territorial development through alliances in the territory that promote joint development.

Main allies:



Government:

- Governor's office of Caldas
- Local mayors' offices
- National Government, through the Ministry of Energy and Mines
- Corpocaldas (Environmental Authority)



Education:

- University of Caldas
- Sena



Agriculture:

- Caldas Coffee Growers Committee



Trade Organizations:

- Cotelco Caldas
- ANDI Caldas
- Caldas Development Corporation
- ACM - Colombian Mining Association

d Land Management

Collective Mining has developed an efficient and responsible land management process which is consistent with the best management practices and respect for the rights of the communities.

During 2022, management of easements focused on making agreements for long term drilling and water supply systems. Permits to enter properties were used for short term geological activities such as soil sampling.

Easement Contracts:

68 21 for drilling
47 for water supply

699
Property Entry Permits

e Economic and Social Strengthening

During 2022 we succeeded in a series of alliances that enabled us to add to the improvement of infrastructure, local services, productive development and community education.

1 Initiatives for the Improvement of Local Infrastructure

Hojas Anchas Aqueduct Improvement (Project progress 60%)

Total Investment: 

USD \$290,687

CNL: USD \$93,997

Allies: USD \$196,689

(Mayor's Office of Supía, Governor's office of Caldas and Coffee Growers Committee of Caldas)

Construction of 109 Metres of Paved Roads

Total Investment: 

USD \$29,374

CNL: USD \$23,499

Allies: USD \$5,875

(Marmato Mayor's Office and Coffee Growers Committee of Caldas)

Achievements:

Improved the road conditions and road safety in the communities of Guayabales and Buena Vista.

Improvement of Communal Booths

Total Investment: 

USD \$14,100

CNL: USD \$10,575

Allies: USD \$3,525

(Marmato Mayor's Office and local communities)

Achievements:

Improving meeting spaces for citizen participation in the communities of La Loma and La Cuchilla.



These actions represent a total investment of **USD \$334,161**, where Collective Mining contributed **38%** of these resources and the remaining **62%** were contributed by allies in conjunction with regional and local institutions.

2 Initiatives for Social Development

Coffee Extension Project

Total Investment: 
USD \$33,028

[CNL: USD \$14,100
Allies: USD \$18,928]

(Coffee Growers Committee of Caldas)

Achievement: Provided incentives for the replacement of 212,238 coffee plants for 430 farmers in the area to improve productivity.

MIELLA Project

Total Investment: 
USD \$22,324

[CNL: USD \$14,100
Allies: USD \$8,225]

Achievements: Strengthening of local beekeeping projects for brand building and improving productivity.

Strengthening Community Action Boards

Total Investment: 
USD \$10,528

Achievements: Provide training scenarios for the communities, focused on territorial planning and leadership. In total, **64 community action board training sessions** were held from the municipalities of Supía and Marmato.

Promoting Women Entrepreneurs

Total Investment: 
USD \$13,865

[CNL: USD \$5,640
Allies: USD \$8,225]

Achievements: Implementation of the "Sello Rosa" (Pink Seal) program of the Government of Caldas for the strengthening of 2 productive businesses that benefited 40 entrepreneurial women .



These actions represent a total investment of **USD \$79,744**, where Collective Mining contributes **55%** of these resources and the remaining **45%** were contributed by regional and local institutions.

3 Corporate Volunteering – "Territorio Colectivo" (Collective Territory)

Our employees have promoted their own sustainability initiative to return benefits to the communities

Total Investment of 
USD \$8,554

60%
of employee participation in activities focused on education, conservation, and infrastructure.

200
people benefited from these activities.

5
communities in Marmato and Supía benefited from these activities.



f Local Mining Support

2022 Achievements:

Development of Dialogue Sessions

With the support of Alianza por la Minería Responsable - ARM (Alliance for Responsible Mining), a baseline and characterization of the mining activity in the La Llorona area was performed, socialized and validated by local miners.

Results:

89 • 43 active UPMs
• 8 intermittent UPMs
• 38 inactive UPMs

Mining Production Units (UPM)

An agreement was reached with 33 UPM, mainly focused on:

- Work area for formalization.
- Formalization mechanism: subcontract.
- Definition of the duration of the agreement: 8 years.
- A draft copy of the legal agreement.



Working Sessions

Results:

11 dialogue sessions with the presence of the Ministry of Mines and Energy, the National Mining Agency, the Governor's Office of Caldas, Corpocaldas (environmental authority), the Mayor's Office of Marmato and the municipal ombudsman.

14 working sessions with the group of miners subject to formalization, and generation of agreements for joint work.

We recognize local miners as fundamental stakeholders in the territory. Our main objective is to identify opportunities for the continuity of their operations and achieve shared benefits.

Safety Culture

We have assisted local miners with improving the technical conditions of their mines and we supported their training on issues related to emergency response.

Results:

13 local miners, of different UPMs trained in first aid.

1 Local headquarter for security and emergency care in the La Llorona area.

34 UPMs Received technical support in maintenance, ventilation and other issues. In addition, we provided supplies to help improve the conditions of the mines.

17 Topographic surveys to assess potential risks in the activities.

0 Accidents for the period from April 2022 to December 2022, in the mines of the formalization process.

Articulation with entities, institutions and cooperators

Results:

- Memorandum of understanding with the Governor's office of Caldas for future dialogue sessions.
- An agreement was reached with Sena Caldas to support the business structure and organizational processes of the UPMs in formalization.
- Site visits to other successful formalization processes within the country including a visit to the Gramalote project, located in San Roque, Antioquia.
- Dialogue sessions with local miners aimed at strengthening family values, especially in health and safety issues.
- Participation of local miners in reforestation days in the area of interest.





05

Environmental Management:

For Climate Change and the Environment



COLLECTIVE
— MINING —

05

Environmental Management: For Climate Change and the Environment

We are aware that our mining exploration activities require rigorous environmental management to ensure the biotic, abiotic and socioeconomic aspects of the areas to be explored are protected.

Our team work to manage the possible impacts caused by our operation. An open dialogue with the communities is paramount since we are not only managing those generated by our exploration activities, but also the perceived impacts of our operations and the expectations of the communities.

Environmental Compliance:

The actions in our operations are planned and executed to be in compliance with current legislation on environmental issues and based on this, we declare that, as of the date of the present report, we are in full compliance.

a Management of Environmental Impacts

Water Resource

In our operation, we continuously work to make efficient use of water and mitigate possible risks to local communities and the environment.

During 2022, we implemented activities for the conservation, protection, and efficient use of water resources. In addition, we have created a water information system which monitors various local conditions and provides follow-up mechanisms that allow us to keep apprised of current conditions. Local communities have been key participants in this process, since they not only accompany the Company during monitoring, but also provide information in real time.

This information system provides the Company with important information including:

- ▶ First, second and third order water tributaries.
- ▶ The current state of the tributaries (permanent or intermittent).
- ▶ Water uses.
- ▶ Discharges made by third parties to water sources.
- ▶ Flow measurement.
- ▶ Physicochemical conditions of the monitored sources.

70

Control and Sampling Points

To identify the conditions of the water resources in the area where we operate, in which periodic monitoring of flow and basic multi-parameters (flow, temperature, dissolved oxygen, conductivity and pH) are carried out. Additionally, control points and complete physicochemical analysis are established through a certified laboratory.

1

Hydrological study of the Apollo area was carried out with the aim of having a water balance that allows us to follow up and monitor.

Management of Water Discharges

None of our exploration activities result in the discharge of water into water sources.

Our drilling process is designed so that the water can be recirculated and used again including the drill core cutting process where our system is designed to treat and settle the generated sludge. The sludge or water resulting from this process is collected by an external company, certified for this purpose, for the proper management of this material.

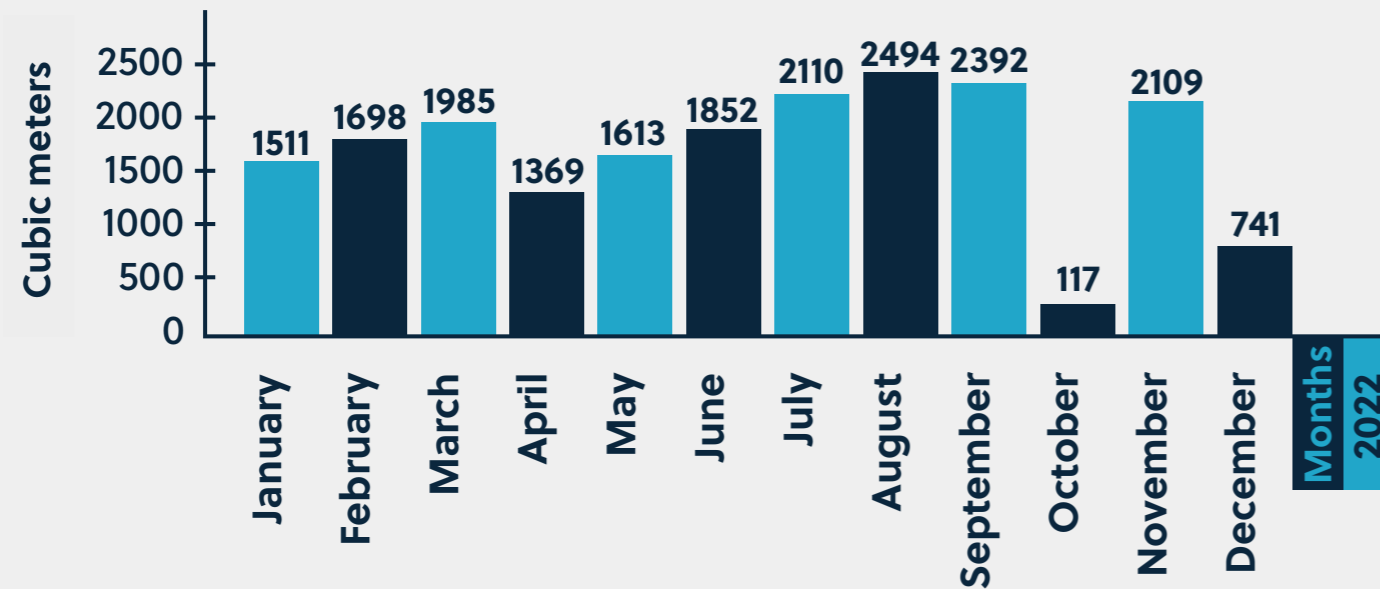




Water Consumption in Operation

During 2022, industrial water consumption was **19,992** cubic meters for the execution of exploration activities.

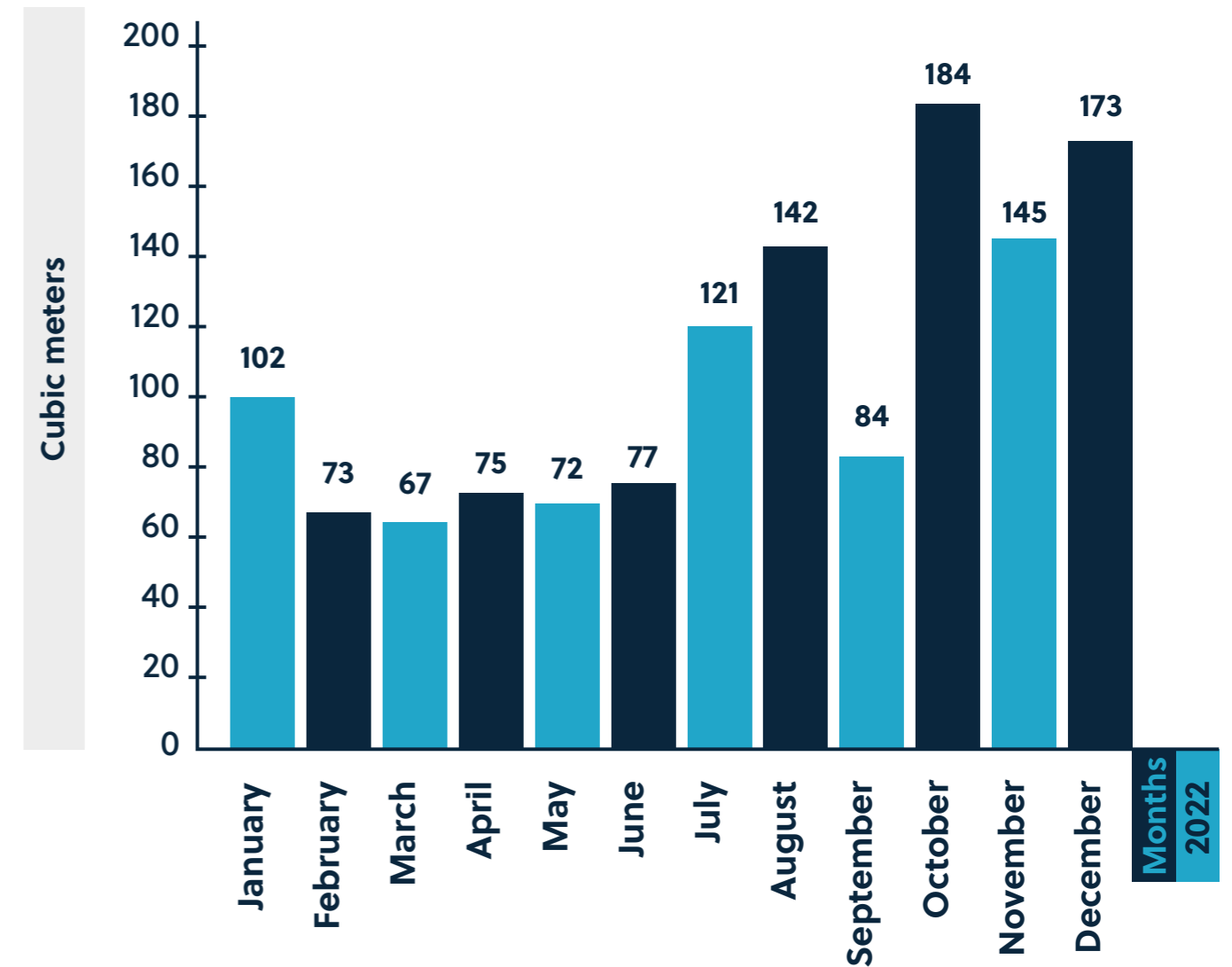
Water Consumption in Operation



The water source for our operations comes from the purchase of water and the water concession of the Agua Clara stream, granted by the Regional Autonomous Corporation of Caldas (Corpocaldas).

For this same period, at our facilities, domestic water consumption was **1,315** cubic meters

Domestic Water Consumption



The source for domestic use comes from the municipal aqueduct of the municipality of Supía.



Noise

Noise is a factor associated with the operation of the drilling platforms. In order to mitigate this impact and not affect the daily life of local communities, we carried out the following activities:

- Monitoring:** without the operation of drilling rigs and with the operation of drilling rigs.
- The measurements are made at 50, 100 and 150 meters from the generating source, which allows generating noise dispersion models.
- With the measurements and controls in place, the Company is in compliance with the current environmental regulations for noise management.

7 complaints were addressed and attended

Noise Management Tools

- Sound Dampers
- Preventive maintenance
- Mufflers in exhausts

These measures have allowed us to make progress and minimize and manage the noise impact. The remaining activities carried out by Collective Mining for exploration do not generate noise impact.





Solid Waste

Collective Mining has an integral solid waste management plan and also an alliance with local enterprises for recycling and waste management, operated by the Asociación Marmateña de Mujeres Emprendedoras (ASOCIAMME) a womens association in the region. Ordinary waste is managed by Empresa Metropolitana de Aseo S.A. E.S.P. EMAS, in charge of the collection, transportation, and disposal of ordinary municipal waste.

Amount Of Solid Waste Generated In 2022 (Kg)						
Tipology		First trimester	Second trimester	Third trimester	Forth trimester	Total
Biodegradables	Raw food scraps	225,1	464,15	920,38	226,85	1836,48
	Processed food leftovers	94,25	0	156,8	233,25	484,3
	Used wood	16,36	0	0	14,3	30,66
Subtotal		335,71	464,15	1077,18	474,4	2351,44
Specials	Tires	0	0	0	0	0
	Electronic devices	0	0	0	0	0
Subtotal		0	0	0	0	0
Recyclables	Cardboard, plastic and office paper	0	0	0	216	216
Subtotal		0	0	0	216	216
Dangerous	Used oils (gl)	0	0	0	0	0
	Used batteries	0	0	0	0	0
Subtotal		0	0	0	0	0
Ordinary	Ordinary or inert	247,18	323,88	765,05	412,9	1749,01

- During 2022, 216 kg of usable waste were managed including: low-density polyethylene (LDPE), cardboard, PET, glass, junk, file paper and polyboard.
- We donated 10 kg of plastic lids to Corpoinfantil, an administrative unit of the Colombian Red Cross in Caldas, which generates resources to support the Manizales Children's Hospital.



Environmental Permits



At the end of 2022, Collective Mining held the following environmental permits from Corpocaldas:

Permit	Resolution	Flow granted
Agua Clara stream surface water concession	Resolution No 2022-0122 - January 19th 2022	6 L/sec
Groundwater concession	Resolution No 2022-1054 - June 29th 2022	0.005 L/ sec
Quebrada Campana surface water concession	Resolution 2021-1154 – July 19th 2021	1,8 L/ sec
Rio Cauca surface water concession	Resolution 2021-1154 - July 19th 2021	2,0 L/ sec
Quebrada Papayal surface water concession	Resolution 2021-1154 - July 19th 2021	2,0 l/sec

The Company's operations do not require additional environmental permits.



Studies and Voluntary Initiatives:



Study of water supply: Apollo and Olympus area



Geotechnical study: Olympus area



Environmental management system: voluntary initiative based on the ISO 14001/2015 standard



Inventory of Greenhouse Gas (GHG) emissions: for the year 2022

b Conservation and Biodiversity

The protection of biodiversity is one of our main commitments. To date, no negative impacts on the biodiversity of the area have been identified, and to prevent them from occurring in the future, we have taken the following actions:



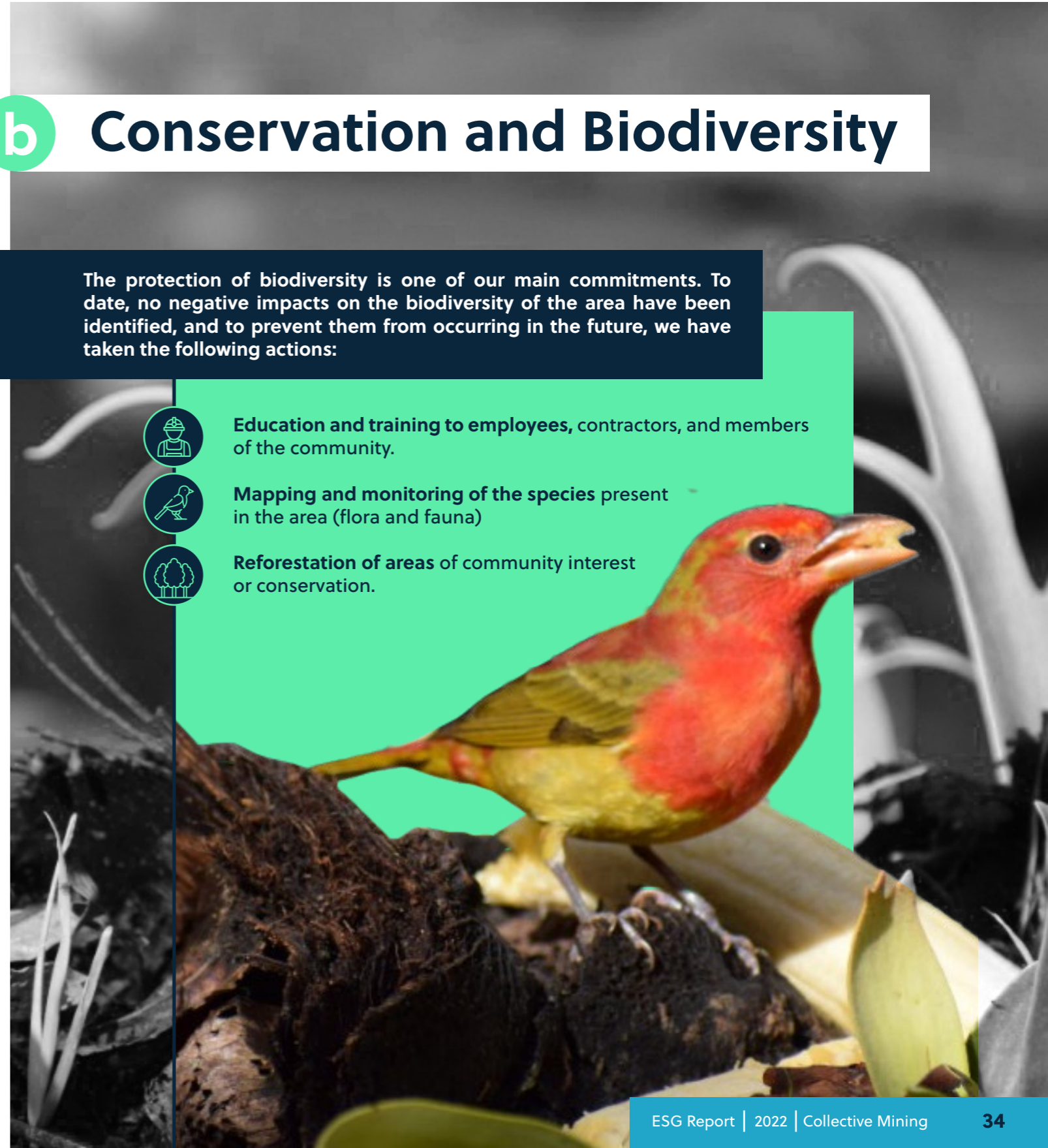
Education and training to employees, contractors, and members of the community.



Mapping and monitoring of the species present in the area (flora and fauna)



Reforestation of areas of community interest or conservation.





Wildlife Identification

During 2022, we continued to add species to our wildlife inventory identifying **17 new species**:



Barranquero,
Momotus aequatorialis

Common name	Scientific name
Fox	Pigcyon Thous
Red-headed vulture	Cathartes aura
Runner crab	Grapsus
Bejuquillo	Leptophis ahaetulla
Glass wings butterfly	Greta oto
Blue dragonfly	Homeoura chelifera
Green Iguana	Iguana iguana
Common armadillo	Dasyus novemcinctus
Rain frog	Pristimantis palmeri
Andean burrower	Momotus aequatorialis
Andean squirrel	Sciurus pucheranii
Olive woodpecker	Colaptes rubiginosus
Aguapanela tarantula	Aguapanela arvi
Musurana	Clelia clelia
Coral	Micrurus Mipartitus
Wasp kills tarantula	Pepsis sumptuosa
Freshwater crab	Pseudothelphusidae



Carpintero Bellotero,
Melanerpes formicivorus

Rana Platanera,
Bona xerophylla

WILKINSON



Reforestation

1.900
Trees Planted

During 2022, with the support of the community and the local aqueduct boards, we helped with the reforestation of 5 hectares, planting 1,900 seedlings with the aim of protecting the areas close to the water sources that supply the village aqueducts.



8 planting activities were carried out in the municipalities of Marmato, Supía and Pácora, in more than 7 villages.



More than 16 native species of the area were planted including Chumbimbo (*Sapindus saponaria*), Quebrabarrigo (*Trichanthera gigantea*), Drago (*Croton magdalenensis*), Manizales Myrtle (*Lafoesia speciosa*), Highland Cedro (*Cedrela montana*), Guadua (*Guadua angustifolia*), Giant Caperwood (*Senna viarum*), among others.



These crops contribute to expand the vegetation coverage of 7 basins (Guacayamal, Tres Esquinas, Casa Blanca, La Llorona, Chaurquia, Quebrada Grande and San Francisco and Cerro Viringo).

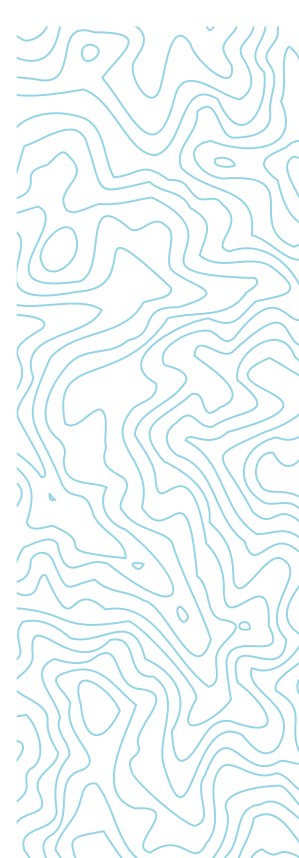


Environmental Education

All of our employees and contractors received training on topics such as wildlife management, water and waste management, climate change and energy efficiency.

4 Education Activities

208 Participants



C Climate Change

Carbon Footprint Measurement

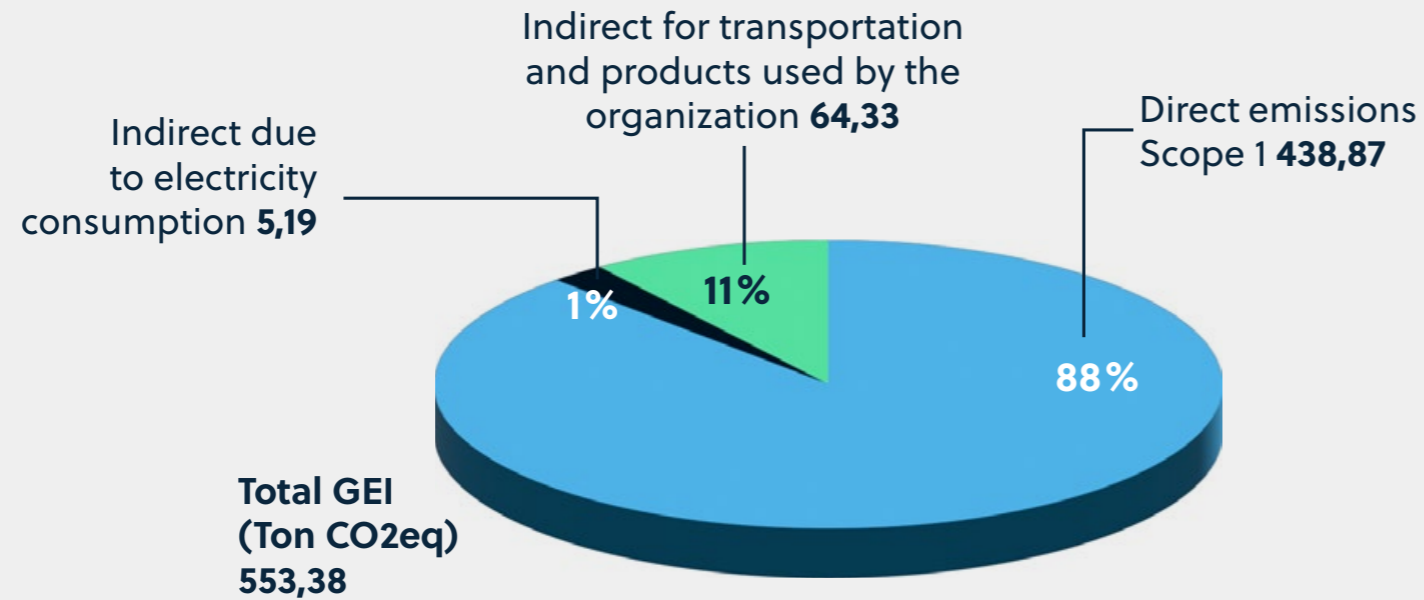
During 2022, as a first measure, we voluntarily carried out our first Carbon Footprint measurement with a specialized third party which helped us understand our level of greenhouse gas emissions. This measurement of greenhouse gas (GHG) emissions considered scopes 1, 2 and 3 (direct, indirect from purchased electricity generation, steam, heating and cooling and indirect emissions that are not owned or controlled by the company respectively) for the 2022 period (January 1 to December 31).

Results

Source Type	Total, emissions (Ton CO ₂ eq)	% Representativeness
Direct emissions Scope 1	438,87	88%
Indirect due to electricity consumption	5,19	1%
Indirect for transportation and products used by the organization	64,33	11%
Total GEI (Ton CO₂eq)	553,38	100%



Total Emissions GEI 2022 Collective Mining



- ▶ A estimated total of 561.58 TCO2eq (tons of equivalent carbon dioxide) were generated by the Company as a result of the operation in 2022.
- ▶ For the same year, as a result of our reforestation activities, the absorption of approximately 8.19 TCO2eq was achieved resulting in a net estimated emission of 553.38 TCO2eq.
- ▶ Estimated TCO2eq emissions were 0.024 TCO2eq per meter drilled for 2022.

The Company will use this initial measurement as a baseline and begin to define a strategy to reduce its carbon footprint under the following approach: maintain emission levels per meter drilled for the next few years and achieve a reduction of at least 20% by 2030 by implementing conservation projects in our area of influence in conjunction with the communities. As a short-term measure, the Company plans to purchase carbon credits to compensate for its greenhouse gas emissions.



Energy Consumption

During 2022, the consumption of electrical energy in our administrative and office activities was as follows:

Office	Energy consumption
La Julia Office	25,635.6 MJ
Villa Chilli	2,873.6 MJ
Logging Facilities	84,524.4 MJ
San Fernando	11,372 MJ



This energy came from the country's interconnected electrical system, which mostly (70%) comes from renewable resources (hydro).

06

Our People

A diverse, Inclusive, and Safe Company



COLLECTIVE
MINING

a Our People

The accomplishments we have attained so far would not have been possible without the efforts and commitment of our employees and contractors, who are vital to ensuring the progress of our operations in a safe and responsible manner. At Collective Mining, we advocate for equal opportunities, inclusion, and diversity, and we strive to attract the finest talent.

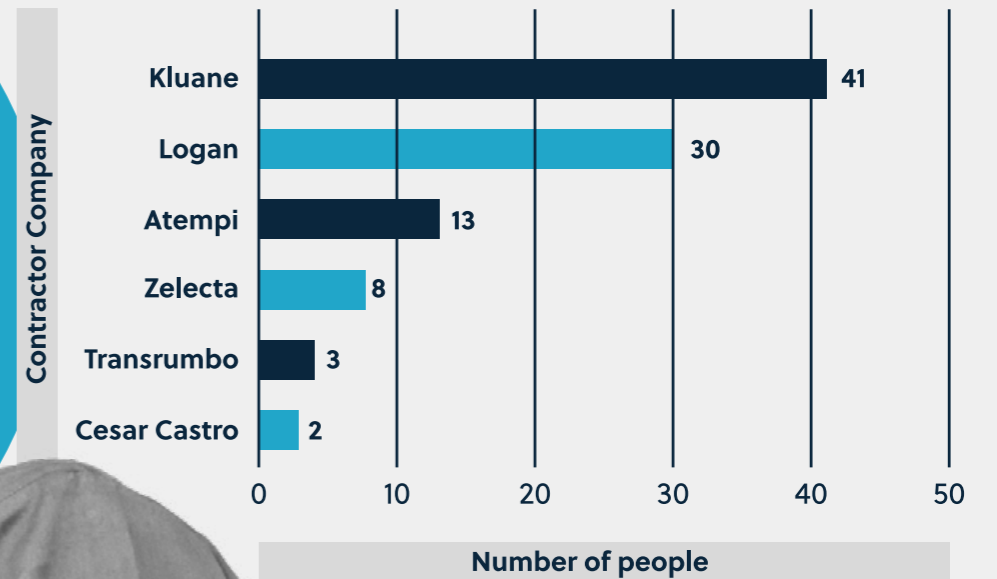
During 2022, our team on the ground was comprised of by **178 employees and contractors.**

General labor indicators	2022
Direct employees	63
Indirect employees (GSH)	16
Employees with an apprenticeship contract (or another type)	2
Contractors	97

Contractors

Contractors are a critical part of our operation. **79% of our contractors** provides services associated with drilling, while the remaining supports the operation with security, transportation, and general services.

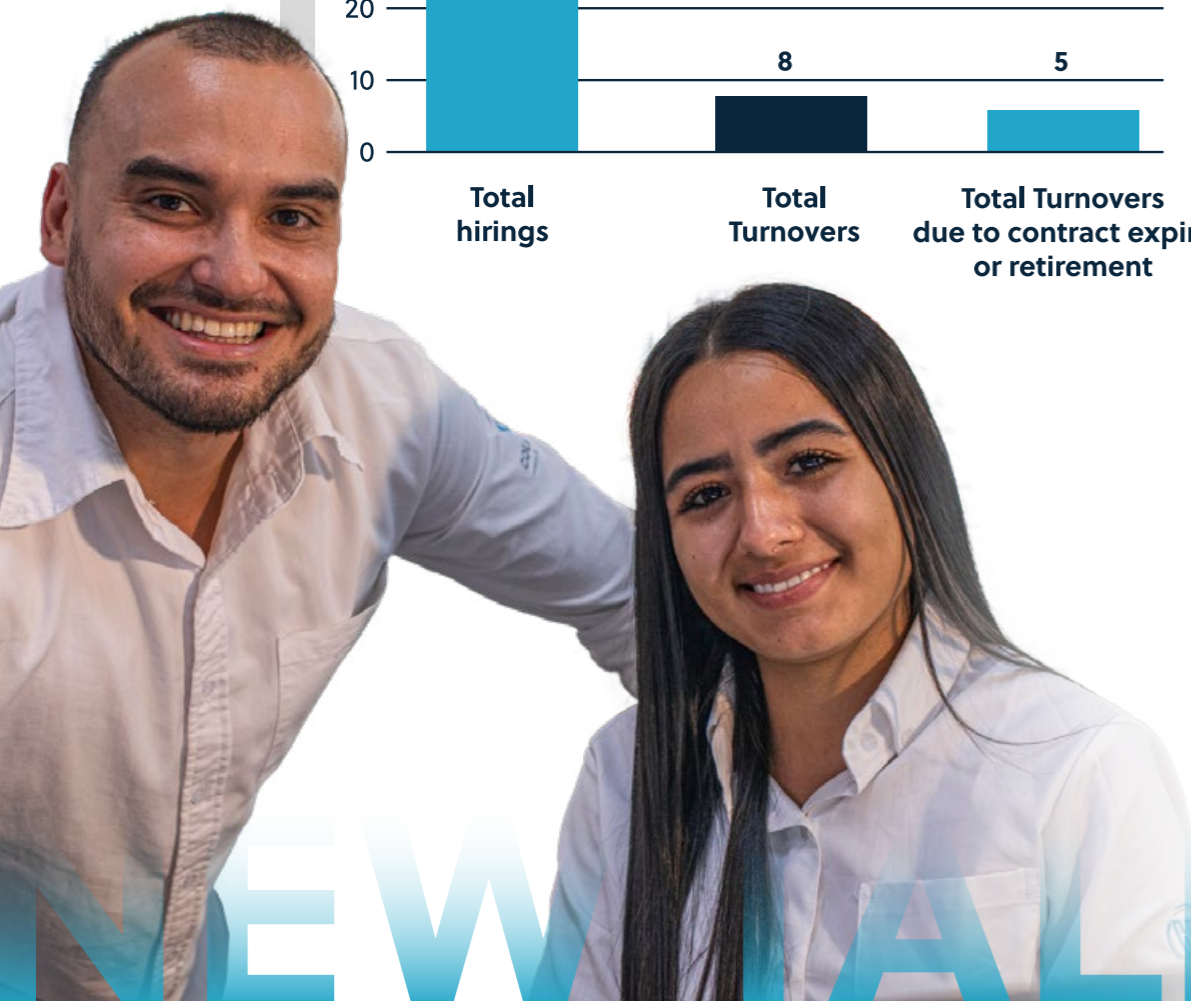
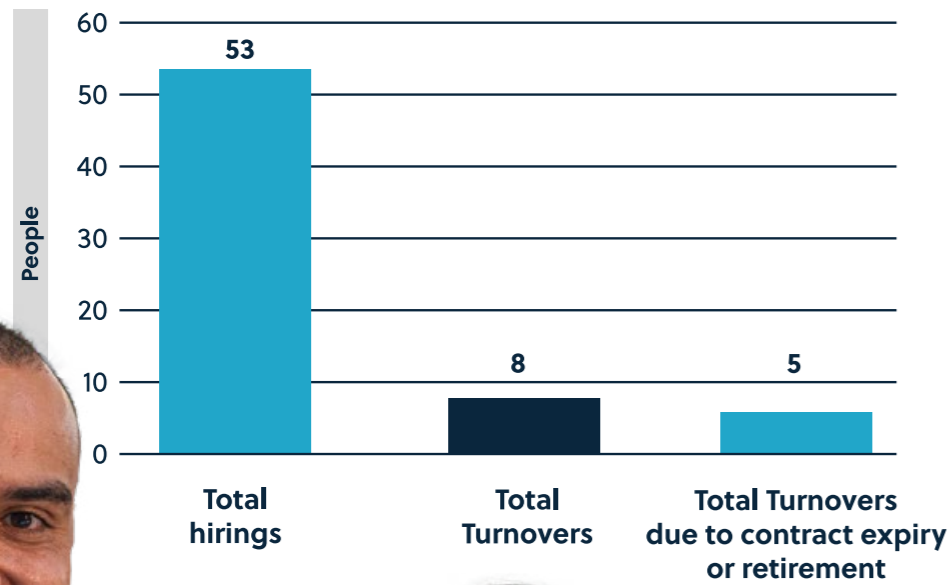
Contractors by company



b Engaging New Talent

In 2022, our employee numbers grew to support a larger operation.

Hiring and staff turnover 2022



New Hirings	Quantity
Total new hires	53
Total new direct hires	34
Total new indirect hires (GSH)	19
Women	15
Men	38
Between 18 and 28 years old	33
Over 29 years old	20
Hired in Supía	37
Hired in Marmato	2
Hired in Pácora	0
Contracts from other municipalities of Caldas	11
Contracts from other places in Colombia	3



Staff Turnover

Employee Turnover	Quantity
Employees terminated by mutual agreement	2
Deceased employees	0
Employees terminated due to contract expiration or retirement	5
Employees terminated by voluntary resignation	4
Laid off employees	2



C Diversity and Inclusion

Diversity and inclusion are important pillars for Collective Mining. We strive to build a team that respects gender diversity, geographic origins, generational groups and ethnic groups.



More Women in the Mining Sector

28%

Female Hiring

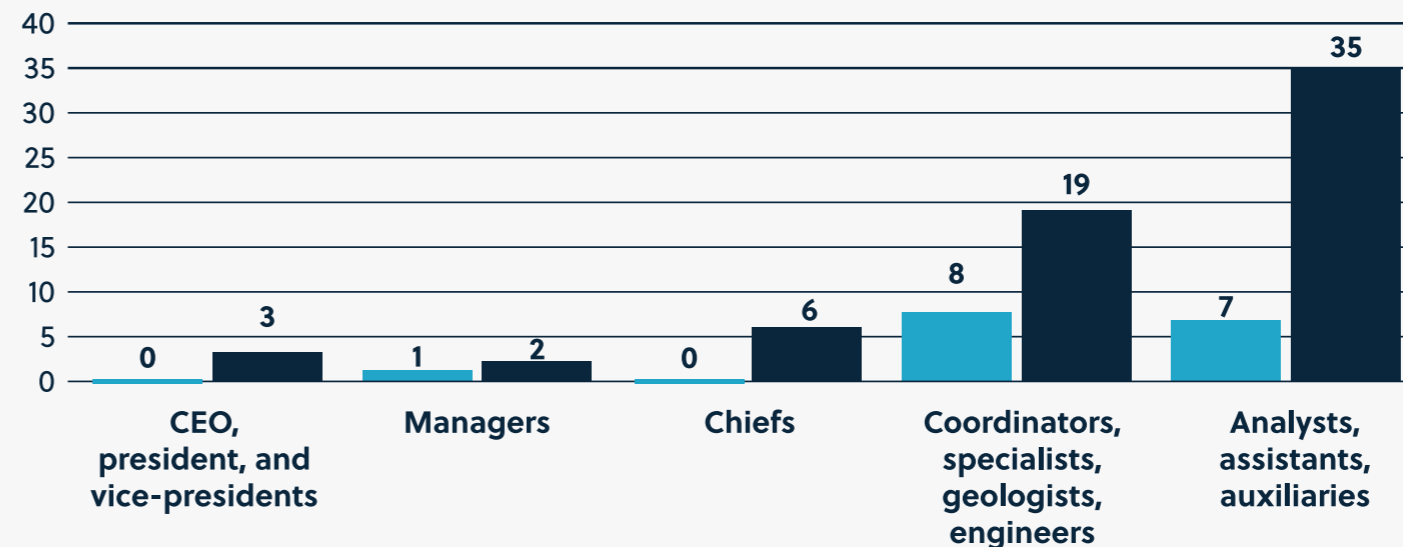
Our employment indicators reflect a female hiring rate of 28% (direct and indirect hiring), above the average for the mining industry in Colombia, which, according to the Departamento Administrativo Nacional de Estadística – DANE (National Statistics Administrative Department), employs an average of 17% women (2022). At Collective Mining, our goal is to increase women’s participation at all levels throughout the Company so that more women break stereotypes and continue their growing participation in the mining sector. In addition, Collective Mining has effectively eliminated the gender salary gap.

Gender	Direct	Indirect
Women	19	4
Men	46	12
Total	65	16

Women
Men



Men and women by employment category





More Opportunities For New Talent

41%

Young People

Young people represent the future and their inclusion in the labor market strengthens the economy, fosters innovation and increases productivity. We promote the generation of opportunities for young people with no work experience. By 2022, 41% of our direct and indirect employees were young (between 18 and 28 years old) and many of them are working in their first job experience.

In addition, we currently have 1 intern in the exploration area, as part of the academic agreement signed with the University of Caldas.



We Believe in Local Talent

We are aware that the generation of local employment allows us to create opportunities in the territory, reduce inequalities and have a positive impact on the lives of the communities that host us.

Our local team, in addition to being 100% Colombian, is mainly from the region. At the end of 2022, 80% of our direct and indirect employees were from the department of Caldas, and 60% were from our area of influence in the municipalities of Marmato and Supía.

Place of residence	Employees (direct and indirect) 2022
Supía	47
Marmato	2
Other municipalities of Caldas	16
Other municipalities in the country	16



The arrival of contractor companies in the region also represents a positive impact as it generates local hiring opportunities. In 2022, 39% of contractor personnel were from our area of influence.

Diversity and inclusion are important when it comes to achieving our objective of consolidating creating an inclusive Company. **At the end of 2022, 23% of our employees, direct and indirect, were part of indigenous and Afro communities.**

d Health and Safety

The safety and well-being of all our employees and contractors, including their physical and mental health, is our priority. In 2022, we made progress in structuring and putting into operation the safety procedures and standards for our operation in Colombia including strengthening the Emergency Brigade groups, the health and safety committee, and we implemented an action plan aimed at promoting the health and safety of our team. Even though we started out the year with a high Total Recordable Injury Frequency Rate (TRIFR), we managed to end the 2022 year with a much lower

TRIFR indicator rate of 0.96



Injury Report

Our safety culture is focused on the prevention of accidents, injuries and occupational diseases, reaffirming our commitment to the integral care of all our personnel, and contractors.

Results

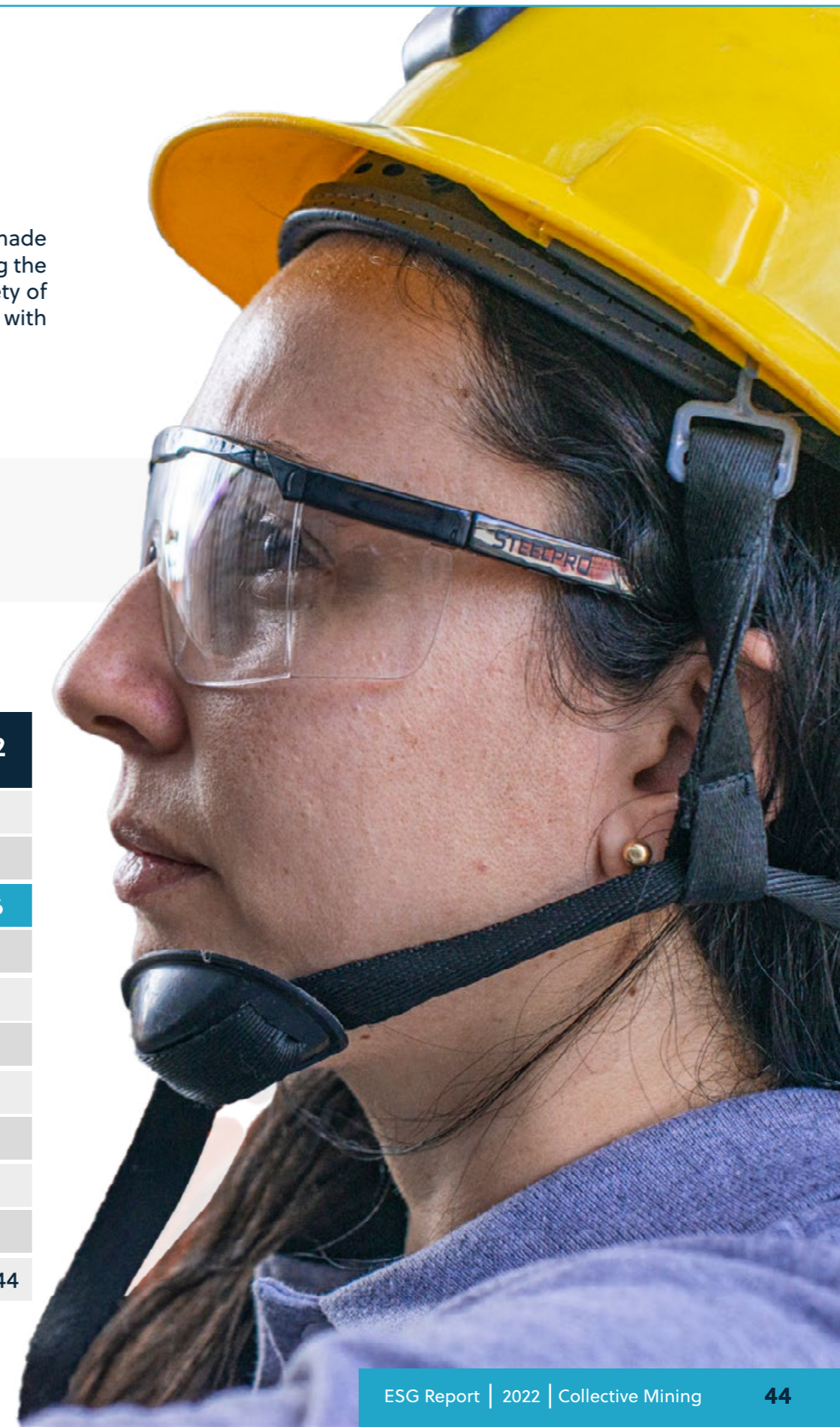
With a total of 415,244 work hours accumulated from January 2022 to December 31st, 2022, we reported zero events, associated with lost time LTI.

Our TRIFR indicator significantly decreased; going from 5.3 to 0.96 by the end of the year.

The number of reportable accident cases decreased in 2022, with only one case classified with Restricted Work Case - RWC.

The number of days of disability due to medical illness increased to 95 days due to 3 workers having surgical procedures that prevented them from returning to work.

Injuries, occupational diseases, lost days, absenteeism, and fatalities	Unit	2021	2022
Total reportable accidents	Events	8	1
Total non-disabling accidents (not reportable)	Events	12	3
Total Recordable Injury Frequency Rate	Number	5.3	0.96
Days of absence due to accidents	Days	27	0
Total occupational diseases	Events	0	0
Days of absence due to work-related illnesses	Days	0	0
Number of days of disability due to medical illness	Days	27	95
Number of disabilities due to common diseases	Events	14	0
Accident rate	Rate	6.4	0
Fatality	Events	0	0
Person hours worked (employees + contractors)	Hours	374,460	415,244

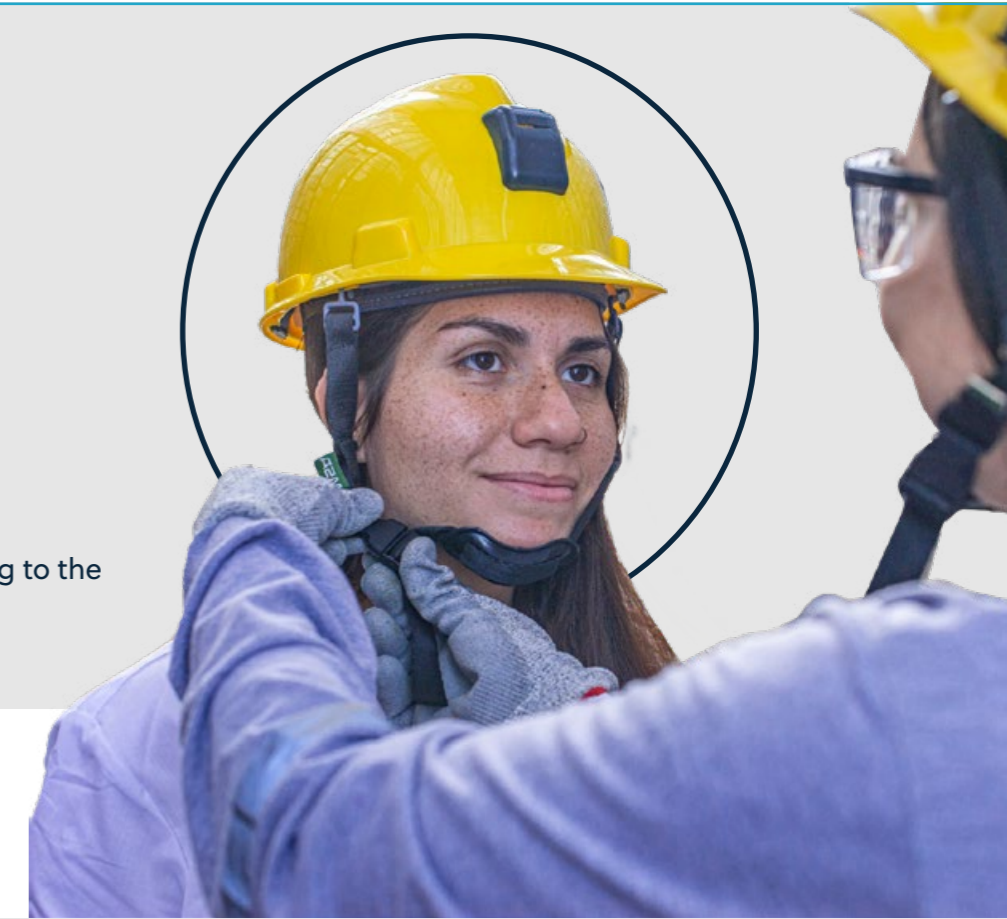




Occupational Health and Safety System

Our safety culture is focused on the prevention of accidents, injuries, and the appearance of occupational diseases, reaffirming our commitment to the integral care of all our personnel.

- **85%** compliance with our health and safety management.
- An internal audit of our management system was carried out, resulting in minor findings to be corrected.
- **95%** work plan executed.
- Procedures and processes are developed according to the activities to be carried out.



Actions aimed at health and safety

Health and Safety Policy

This policy brings together all the duties and responsibilities that our employees and contractors have, and its objective is to ensure a safe work environment for all our personnel.



The policy was shared with 100% of employees and contractors.



It is presently on the Intranet (internal communication channel) and on each work front.



Periodically, the Health Safety and Environmental - Team reinforces its content on all work fronts.

Safety, a collective effort

In addition to the leadership of our HSE team, our Occupational Health and Safety (OHS) System is supported by:



Emergency Brigade: made up of 17 employees, its objective is to directly support the Emergency Care Plan. Four training sessions were held in 2022.



Occupational Health and Safety Committee (COPASST): made up of 8 employees, its objective is to promote and monitor OHS standards. In 2022, they carried out 4 prevention campaigns that sought out employee suggestions on OHS issues.



Safety Culture Leaders: at Collective Mining, everyone contributes to the safety culture, from the presidency level to the coordinator level. Periodic messages are delivered to the employees focused on accident prevention

Promotion of healthy lifestyles



Promotion of Physical Exercise: During 2022, we implemented the Wellness Wednesday strategy. On Wednesdays of each week, after the workday, an activity focused on exercise and physical conditioning is carried out.



Stress reduction: Through the Active Breaks program, we encourage short breaks during the working day with the aim of reducing the risks associated with ergonomics and achieving a healthy work environment.



Medical exams: In 2022, we executed periodic exams to 98% of all employees. No work-related pathologies were detected.



Health and Safety Training



Certified external training

Defensive driving course	11	Number of employees
Confined spaces	7	
Mining rescue course	4	
Safe work at heights	16	
Mining rescue promoter course	49	

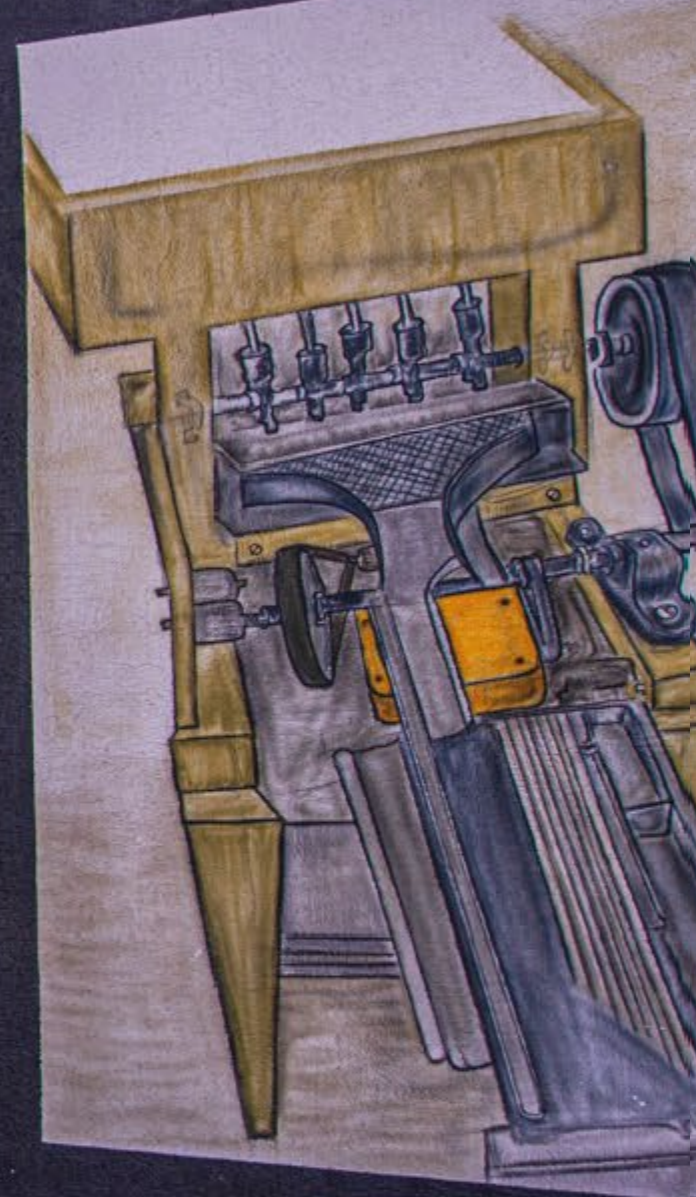


CML internship training

Use of personal protection elements	70	Number of employees
Hazard identification training	30	
Food handling course	6	
Use cutting machine	7	
Prevention of injuries at work	25	
Fall prevention at the same levelwork	30	

07

Economic Performance



COLLECTIVE
— MINING —

07

Economic Performance:

We finance our operations by issuing shares of Collective Mining to investors who, in return, pay for such shares, also known as capital stock. Investors become shareholders through their investment and the resources are used to finance all of the Company's expenses, including, but not limited to, exploration costs, salaries and other day-to-day expenses.

Collective Mining's shares are listed on the TSX Venture exchange in Canada, and as of July 18th, 2022, on the OTCQX in the United States.

In October, the Company closed a \$10.7 million refinancing transaction, comprised of 4,783,400 units at \$2.25 per unit, including one-half of a \$3.25 common stock purchase warrant, exercisable through April 25th, 2024.

Capital structure	
Common shares outstanding	60.2M
Stock options	3.7M
Fully paid shares outstanding	66.1M
Cash Dec 31st, 2022	USD\$8.5M



Generamos valor en cada una de las acciones que realizamos

a Economic Value Distributed

For the year and period ended December 31st	2022			2021
	San Antonio	Guayabales	Total	Total
Drilling services	-	3,709,223	3,709,223	1,670,642
Assaying	1,993	1,577,369	1,579,362	404,594
Salaries and benefits	-	1,409,523	1,409,523	878,477
Field costs, surveys and other	70,946	1,211,361	1,282,307	831,741
Option payments and fees	121,645	1,123,632	1,245,277	1,641,578
Transportation and meals	38,640	628,138	666,778	382,080
Consulting and professional fees	19,659	429,003	448,662	587,410
Community expenses	291	390,770	391,061	193,728
Depreciation and amortization	-	203,473	203,473	108,452
Geophysics	138,872	37,026	175,898	245,398
Security	-	171,530	171,530	70,692
	392,046	10,891,048	11,283,094	7,014,792

b Impact

The vast majority of the expenses and investments we make remain in Colombia, such as the purchase of goods and services and the hiring of personnel.

In addition, we comply with the payment of taxes, stipulated for companies in the mining sector. In 2022 we paid a total of **USD \$1,154,308** in taxes, represented as follows:

Sales tax for purchases and contracts:

USD \$735,041

Withholdings on salaries of employees, contractors, private companies, and other tax withholding payers:

USD \$351,302

Tax on financial transactions:

USD \$50,087

Direct taxes paid to the central government and municipalities on obtained income:

USD \$17,878

The direct social investments we made within the framework of our sustainability strategy amounted to **USD \$925,958**.



C Supply Chain

As part of our Collective Mining model, we prioritize the purchase of goods and services from local suppliers, seeking to leave a positive socioeconomic footprint in the region. When this is not possible, the Company will expand its range to the departmental and/or national levels. Only in exceptional cases do we acquire goods or services abroad.

In 2022, the purchase of goods and services from local suppliers represented an investment of

USD \$1,926,333

Kind of purchase / concept	Total \$US Paid
Option agreements with concession owners	390,225
Easements for drill pads and accesses	316,280
Investment in social management	277,586
Drilling water consumption	262,746
Transportation services	124,218
Infrastructure & land Lease	100,949
Goods Purchases	92,404
Restaurants	75,302
Underground chambers (mines) adequacy	62,950
Civil works and infrastructure	41,154
Hotels	39,113
Fuels and lubricants	30,021
Miscellaneous services for logistics	22,863
Consulting and professional services	21,275
Public utilities	10,495
Others worth less than US\$ 10,000 in total	58,753
Total resources spent in local labor or vendors	\$ 1,926,333

We have mandatory clauses that prohibit child and forced labor, and we promote clear standards of ethics, transparency, and anti-corruption policies in the purchase of materials, equipment, and services.

In 2022, our contractor Atempí, who provides security services to the Company, was evaluated on Human Rights issues, and 14 people from its team were trained in this regard.



08

Indicators

Integrated Index of Indicators

Conventions:

- **Reported: R:** These aspects are contained and reported within the organization's ESG report.
- **Not Reported: NR:** Due to the current status of the project, which is in the exploration phase, the information collection process for this indicator is currently under development and will be reported in future compliance reports.
- **Not applicable: NA:** In accordance with the status of the project and the management of the Company, this indicator is not applicable at this time.
- **Non-material: NM:** Not identified as a material aspect for this report.
- **Confidential: CF:** No information is provided in the report because it involves confidential matters or trade secrets belonging to the organization.

Indicator		Page	Status
Profile of the Organization			
102-1	Organization names	6-7	R
102-2	Activities, brands, products and services	17-19	R
102-3	Location of headquarters	22	R
102-4	Location of operations	22	R
102-5	Ownership and legal form	6-7	R
102-6	Markets served	6-7	R
102-7	Organization size	7	R
102-8	Information about employees and other workers	40-43	R
102-9	Supply chain	51	R
102-10	Significant changes in the organization and its supply chain		NA
102-11	Precautionary principle or approach		NR - NM
102-12	External initiatives		NA
102-13	Membership - associations		NR- M
Strategy			
102-14	Statement from Senior Executives Responsible for Decision Making	4	R
102-15	Main impacts, risks and opportunities	12	R
Ethics and Integrity			
102-16	Values, principles, standards and norms of conduct	7, 11	R
102-17	Mechanisms for advice and ethical concerns	11	

Indicator		Page	Status
Governance			
102-18	Governance structure	9 -10	R
102-19	Delegation of authority		NR
102-20	Executive-level responsibility for economic, environmental and social issues		NR
102-21	Consultation with interest groups on economic, environmental and social issues	14	R
102-22	Composition of the highest governance body and its committees	9	R
102-23	President of the highest governing body	9	R
102-24	Nomination and selection of the highest governance body	8-9	R
102-25	Conflicts of interest		NR
102-26	Role of the highest governance body in selecting purposes, values and strategy	11	R
102-27	Collective knowledge of the highest governance body		NR
102-28	Evaluation of performance of the highest governance body		NR
102-29	Identification and management of economic, environmental and social impacts	23	R
102-30	Effectiveness of risk management processes		NR
102-31	Evaluation of economic, environmental and social issues	23	R
102-32	Role of the highest governance body in preparing sustainability reports	3	R
102-33	Communication of critical concerns		NR - NM
102-34	Nature and total number of critical concerns		NR - NM
102-35	Remuneration policies		CF
102-36	Process for determining remuneration		CF
102-37	Involvement of stakeholders in remuneration		NR - NM
102-38	Annual Total Compensation Ratio		CF
102-39	Ratio of the percentage increase of the total annual compensation		CF
Participation of Stakeholders			
102-40	List of interest groups	15	R
102-41	Collective bargaining agreements		NA
102-42	Identification and selection of interest groups	15	R
102-43	Approach to the participation of interest groups	13-14	R
102-44	Key issues and concerns raised	14	R

Indicator		Page	Status
Practices for the Preparation of Reports			
102-45	Entities included in the consolidated financial statements		NA
102-46	Definition of the content of the reports and the boundaries of the topic	3	R
102-47	List of material topics	14	R
102-48	Restatement of information		NA
102-49	Reporting Changes	3	NA
102-50	Reporting period	3	R
102-51	Date of last report	3	R
102-52	Reporting cycle	3	R
102-53	Contact point for questions about the report	3	R
102-54	Declaration of preparation of the report in accordance with the GRI standards	3	R
102-55	GRI content index	53-60	R
102-56	External verification		NA
Management Approach			
103-1	Explanation of the material topic and its boundary	14	R
103-2	Management approach and its components	8	R
103-3	Evaluation of the management approach		NR
Economic Performance			
201-1	Direct economic value generated and distributed	49-50	R
201-2	Financial implications and other risks and opportunities arising from climate change		NR
201-3	Defined benefit plan obligations and other retirement plans		NM
201-4	Financial assistance received from the government		NA
Market Presence			
202-1	Ratio of the standard entry-level wage by gender compared to the local minimum wage		CF
202-2	Proportion of senior executives hired from the local community		R
203-1	Investments in infrastructures and services supported	50	R
203-2	Significant indirect economic impacts	50	R

Indicator		Page	Status
Procurement Practices			
204-1	Proportion of spending on local suppliers		NM
Anti-Corruption			
205-1	Operations assessed for risks related to corruption		NR - NM
205-2	Communication and training on anti-corruption policies and procedures		NR - NM
205-2	Confirmed cases of corruption and measures taken		NA
Unfair Competition			
206-1	Legal actions related to unfair competition, monopolistic practices and against free competition		NA
Materials			
301-1	Materials used, by weight or volume: Renewable materials		R
301-2	Percentage of recycled inputs used		
301-3	Reused products and packaging materials		NA
Energy			
302-1	Energy consumption within the organization	31, 38	R
302-2	Energy consumption outside the organization		NR - NM
302-3	Energy intensity		NR - NM
302-4	Reduction of energy consumption		NR - NM
302-5	Reduction of energy requirements for products and services		NR - NM
Water and Effluents			
303-1	Interaction with water as a shared resource	30-31	R
303-2	Management of impact related to water discharges	34	R
303-3	Water extraction	34	R
303-4	Water pouring	30	R
303-5	Water consumption	31	R

Indicator		Page	Status
Biodiversity			
304-1	Owned, leased or managed operations centers located within or adjacent to protected areas or areas of high value for biodiversity outside protected areas	34-35	R
304-2	Significant impact of activities, products and services on biodiversity	34-35	R
304-3	Habitats protected or restored	36	R
304-4	Total species that appear on the IUCN Red List and on national conservation lists whose habitats are in areas affected by operations and by level of extinction risk	35	R
Emissions			
305-1	Direct GHG emissions (scope 1)	37-38	R
305-2	Indirect GHG emissions when generating energy (scope 2)	37-38	R
305-3	Other indirect GHG emissions (scope 3)	37-38	R
305-4	GHG emissions intensity		NA
305-5	Reduction of GHG emissions		NA
305-6	Emissions of substances that deplete the ozone layer (ODS)		NA
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX) and other significant air emissions		NA
Effluents and Waste			
306-1	Discharge of water according to its quality and destination	30	R
306-2	Waste by type and disposal method	33	R
306-3	Significant spills	30	R
306-4	Hazardous waste transportation	33	R
306-5	Bodies of water affected by water discharges and/or runoff		NA
Environmental Compliance			
307-1	Non-compliance with environmental legislation and regulations	29	R
Environmental Assessment of Suppliers and Contractors			
308-1	New suppliers that have passed the evaluation and selection filters according to environmental criteria		
308-2	Negative environmental impacts in the supply chain and measures taken		

Indicator		Page	Status
Employment			
401-1	New employee hires and staff turnover	41	R
401-2	Benefits for full-time employees that are not given to temporary or part-time employees		NR - NM
401-3	Parental leave		NR
402-1	Minimum notice periods on operational changes		NA
Health and Safety at Work			
403-1	Occupational health and safety management system	44-45	R
403-2	Hazard identification, risk assessment and incident investigation	44	R
403-3	Occupational health services	45-46	R
403-4	Worker participation, consultation and communication on health and safety at work	45	R
403-5	Training of workers on health and safety at work	46	R
403-6	Promotion of the health of workers	46	R
403-7	Prevention and mitigation of impacts on the health and safety of workers directly linked to business relationships	45-46	R
403-8	Coverage of the occupational health and safety management system	45	R
403-9	Work accident injuries	44	R
403-10	Occupational ailments and diseases	44	R
Training and Education			
404-1	Average hours of training per year, per employee		NM
404-2	Programs to upskill employees and transition assistance programs		NM
404-3	Percentage of employees receiving regular performance and career development reviews		NM
Diversity and Equal Opportunities			
405-1	Diversity in governing bodies and employees	42-43	R
405-2	Ratio of basic salary and remuneration of women compared to men		CF
406-1	Cases of discrimination and corrective actions taken		NA
Freedom of Association and Collective Bargaining			
407-1	Operations and suppliers whose right to freedom of association and collective bargaining could be at risk		NA

Indicator		Page	Status
Child Labour			
408-1	Operations and suppliers with significant risk of incidents of child labour		NA
Forced or Compulsory Labour			
409-1	Operations and suppliers with significant risk of incidents of forced or compulsory labour		NA
Safety Practices			
410-1	Security personnel trained in human rights policies or procedures		NR - NM
Human Rights Assessment			
411-1	Cases of violations of the rights of indigenous peoples		NA
412-1	Operations subject to human rights reviews or impact assessments		NR - NM
412-2	Employee training on human rights policies or procedures		NR - NM
412-3	Significant investment agreements and contracts with human rights clauses or those subject to human rights screening		NR - NM
Local Communities			
413-1	Operations with local community engagement, impact assessments and development programs	25-27	R
413-2	Operations with significant negative impacts (actual or potential) on local communities	23	R
Social Evaluation of Suppliers			
414-1	New suppliers that have passed selection filters according to social criteria		NR - NM
414-2	Negative social impacts in the supply chain and actions taken		NR - NM
Public Politics			
415-1	Contribution to political parties and/or representatives		NA
Health and Safety of Customers			
416-1	Assessment of the health and safety impacts of product or service categories		NA
416-2	Cases of non-compliance related to the health and safety impacts of the category of products and services		NA

Indicator		Page	Status
Marketing and Labeling			
417-1	Requirements for information and labeling of products and services		NA
417-2	Cases of non-compliance related to the information and labeling of products and services		NA
417-3	Cases of non-compliance related to marketing communications		NA
Customer Privacy			
418-1	Substantiated claims regarding breaches of customer privacy and loss of customer data		NA
Socioeconomic Compliance			
419-1	Failure to comply with laws and regulations in the social and economic fields		R

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