

ARIZONA SONORAN COPPER COMPANY INC.

HEALTH, SAFETY, ENVIRONMENTAL AND COMMUNITY (HSEC) POLICY

Adopted by the Board of Directors on June 21, 2021.

1. PURPOSE

Arizona Sonoran Copper Company Inc. (the “**Company**”) is committed towards fostering, cultivating and preserving a culture of safety, environmental stewardship and community participation. The purpose of this Health, Safety, Environmental and Community Policy (this “**Policy**”) is to communicate the principles that the Company is committed towards in this context.

2. PRINCIPLES

2.1 The Company is committed to the following principles in all its operating activities:

- 2.1.1 Complying with all local, state, federal and international health, safety, environmental, community laws, regulations, permit requirements and standards to which the Company operates in;
- 2.1.2 Employee, contractor, supplier, investor, and visitor reporting immediately and compliance with this Policy;
- 2.1.3 Communicating this Policy to employees and their families, investors, suppliers, contractors, and visitors;
- 2.1.4 Identifying and prioritizing the health, safety, environmental and community aspects of the Company's operations;
- 2.1.5 Promoting a safety culture that encourages people to proactively manage health and safety risks through education, instruction, information and supervision thus preventing illnesses and injuries;
- 2.1.6 Implementing appropriate practices that reduce risks to human health and safety, the environment, and the community, including maintaining plant, equipment and all infrastructure in a safe condition with documented safe work procedures and practices.
- 2.1.7 Eliminating or controlling all serious hazards through a series of controls.
- 2.1.8 Informing, collaborating with, and monitoring any third parties to assure they comply with applicable HSEC laws and regulations as well as this Policy and the Company's established practices.
- 2.1.9 Continually improving the Company's HSEC performance through sound health, safety and environmental, practices that include:

- (a) Risk Management
- (b) Contractor Management
- (c) Management of Change
- (d) Incident Management
- (e) Root Cause Analysis
- (f) Waste Reduction
- (g) Emission Controls
- (h) Water Conservation
- (i) Community Engagement, and
- (j) Other HSEC Controls

- 2.1.10 Endeavoring to utilize and convert property infrastructure upon the completion of mining for other productive uses;
- 2.1.11 Stabilizing and rehabilitating disturbed lands to an appropriate condition that supports the designated post-mining land use;
- 2.1.12 Providing training, authority, and necessary resources to implement the Company's HSEC management system.
- 2.1.13 Empowering employees, suppliers, and contractors to perform health, safety, environmental and community tasks for which they are responsible;
- 2.1.14 Conducting periodic compliance and performance audits to achieve continual improvement.
- 2.1.15 Measuring and documenting the HSEC performance and impact of the Company's operations;
- 2.1.16 Implementing the HSEC management system that clearly defines, and documents specific actions, practices, procedures, and accountabilities needed to comply with and fulfill the Company's commitments.
- 2.1.17 Reporting performance of the HSEC management system to the Sustainability and Technical Committees and the Company's Board of Directors.

3. REVIEW OF POLICY

The Board of Directors will annually review and evaluate the effectiveness of this Policy.