



Modern Slavery Statement

Capricorn Copper Holdings Pty Ltd (ABN 60 608 241 121)

1. About this statement

This statement has been prepared by Capricorn Copper Holdings Pty Ltd Limited (ACN **608 241 121**) (**Company or Capricorn**) and its controlled entity (**Capricorn Group**) for the purposes of the *Modern Slavery Act 2018* (Cth) for the financial year ending 31 December 2020.

2. About Capricorn

2.1 Who Capricorn is

The Capricorn Group is owned by specialist resources private equity group EMR Capital.

The Capricorn Group comprises:

- Capricorn Copper Holdings Pty Ltd; and
- Capricorn Copper Pty Ltd,

with Capricorn Copper Pty Ltd being the operating entity.

The Company's company secretary is also the company secretary for each of the controlled entity.

Subsequent to the reporting period, the Capricorn Group is proposed to be acquired by a new company - 29Metals Limited. 29Metals Limited is conducting an initial public offering of shares under a prospectus dated 21 June 2021 and has applied to be listed on the Australian Securities Exchange. 29Metals Limited has an expected listing date of 2 July 2021 and is expected to complete the acquisition of the Capricorn Group on or about 5 July 2021.

2.2 Capricorn's operations

Capricorn operates the Capricorn Copper underground mine which produces copper concentrates. The mine is located approximately 120km north of Mt Isa in Queensland. Capricorn also has an office located in Brisbane, Queensland.

All of the Group's mine production is processed at its wholly owned onsite processing facilities with concentrate produced sold to a global trading house and the local smelter.

As at 31 December 2020, the Group has 55 direct employees.



3. Capricorn's supply chains

3.1 Overview

The Group's supply chains comprise procurement of goods and equipment used in its operations including IT equipment, personal protective equipment and clothing, fuel, processing consumables (grinding media and reagents), vehicles, machinery (including parts) and construction materials.

The Group's supply chain also includes services provided by contractors such as underground mining, processing, maintenance, haulage, drilling, camp cleaning and catering, labour hire, power, road and rail transport, ocean freight and engineering.

3.2 Risks of modern slavery practices in Capricorn's supply chains

Capricorn's mining operation is located in Australia.

The goods and services provided to Capricorn for use in its operations are predominantly provided by Australian companies who are subject to Australian laws. Over 98% of Capricorn's procurement expenditure is paid to Australian suppliers. Notwithstanding, Capricorn is aware that some of our suppliers may source products from overseas.

4. Capricorn's approach

4.1 Addressing modern slavery risks

Capricorn took initial high-level steps during the reporting period to work towards assessing modern slavery risks in its supply chains.

Capricorn is in the process of updating its standard terms and conditions to require the Group's suppliers and contractors to take appropriate steps to investigate and address the risk of modern slavery within their own operations and supply chains. In addition, the proposed update to the standard terms and conditions will require the Group's direct contractors to ensure that all contracts entered with sub-contractors contain similar requirements.

Capricorn's proposed terms and conditions will provide Capricorn the right to conduct an audit of each relevant supplier and contractor to investigate compliance with the modern slavery provisions contained in those standard terms and conditions.

Further, Capricorn's key contractors are contractually required to comply with Capricorn's policies and procedures and all applicable Australian laws.



4.2 Assessment of modern slavery risks

Capricorn's Board has responsibility for reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct, and legal compliance. The Board assesses all risks in its risk management framework to ensure that it deals with contemporary and emerging risks such as modern slavery risks.

The Board fulfils its responsibility by, amongst other things:

- i) receiving and reviewing monthly board reports from management which include reporting in the areas of health and safety, environmental, human resources, operations, project development, finance and exploration; and
- ii) conducting monthly meetings with management that includes discussion on emerging risks, including supply chain risks.

The Board has delegated day-to-day management of risk to Capricorn's Chief Executive Officer who is responsible for identifying, assessing, monitoring and managing risks with the assistance of senior management, including modern slavery risks.

4.3 Planned Activities in 2021

Capricorn is committed to further enhancing its risk management processes to identify and address the risks of modern slavery in the Group's operations and supply chains. This will include:

- **Contract amendment:** updating standard terms and conditions to incorporate modern slavery requirements.
- **Annual risk review:** Monitoring global risk ratings with regards to changes in key imports and jurisdictional risks with regards to modern slavery risks on an annual basis.
- **Supplier on-boarding and engagement:** assessment of modern slavery risks as part of on-boarding suppliers of high risk or high value goods and services and periodically engaging with those suppliers to determine if modern slavery risk mitigation measures have been actioned.

This Statement was approved by the Board of Capricorn on 30 June 2021.

Peter Albert
Chief Executive Officer
Capricorn Copper Holdings Pty Ltd



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