



ARTISANAL MINING SOURCE SUPPLY CHAIN



Context and relationship with artisanal miners



- Small-scale gold mining producer
- Processing capacity of 350 TM/D
- MYSAC's business model comprises two key components:
 - the exploitation of mineral from its own mine; and
 - the purchase of mineral from artisanal miners in the process of formalization



Production distribution

	Yanaquihua group		Ore sourced from artisanal miners
	Alpacay	Chalhuane	
Period 2022	30%	30%	40%

Purchase of artisanally-mined ore

Artisanal miners must :

- be registered with the REINFO (MINEM)
- comply with MYSAC'S due diligence evaluation criteria (mineral origin, legal, tax and occupational health, safety and environmental compliance)
- not engage in child labor or forced labor and work towards improving their working and living conditions



Stockpile control management system

MYSAC has created a Due Diligence system that ensures the legal and physical traceability of the ore purchased from artisanal miners through the following steps:

- Regular visits to the artisanal miners' worksites
- Verification of the legal status of artisanal suppliers
- Pickup and transportation of mineral from the artisanal miner
- The artisanal miner's mineral enters UP Alpacay through Eco 3 checkpoint
- After 3 business days, the Chemical Laboratory delivers the analysis of the batch grade



Control management system of artisanally-mined ore

MYSAC's due diligence seeks to ensure the required physical and legal traceability of the mineral, according to the following characteristics:

- Sales frequency
- Sales volume (fines)

Thus, 3 categories of suppliers have been distinguished:

- **Significant:** Suppliers with high and constant sales levels
- **Non-Significant:** Suppliers with low and constant sales levels
- **Occasional:** Suppliers with sporadic sales

Importance of traceability tools

- to comply with Peruvian legal requirements, whereby MYSAC must verify that the artisanal miner delivers mineral from the same point where their labor is located, which are the coordinates registered in the REINFO
- to comply with responsible standards such as the RJC Code of Practices and Chain of Custody
- to closely monitor artisanal miners' formalization efforts
- to reinforce our credibility and transparency as a responsible organisation
- to provide a verifiable record of the origin of our ore

Obstacles to the implementation of a traceability system

- Lack of knowledge or willingness to learn management systems that go beyond the needs of the field and daily routine
- Digital illiteracy, as artisanal miners lack the ease of accessing new sources of knowledge or digital platforms that the mining formalization process imposes on them
- Vulnerability to external parties with different interests



Necessary requirements for an effective traceability system

- MYSAC's stockpile area has more than 40 professionals and workers
- Professionals with diverse backgrounds (engineers, lawyers, accounting/tax area, geologists)
- Proper communication as a team at any given time
- Reliable internet access

The lack of technical, economic, and human resources that afflicts the authorities and the formalization process in Peru has encouraged MYSAC to organize and create a system and procedures that not only follow the guidelines of the regulations but go beyond them.



Importance of the Geoforensic Passport

- **"The Geoforensic Passport: Scientific Traceability of Gold"** has become a crucial tool for mining companies seeking to demonstrate responsibility in their mineral supply chain.
- Our customers can be assured that our due diligence practices for sourcing artisanal mineral demonstrate traceability and non-contamination.
- The MYSAC ingot enters the market with this guarantee.

MINE INFRASTRUCTURE



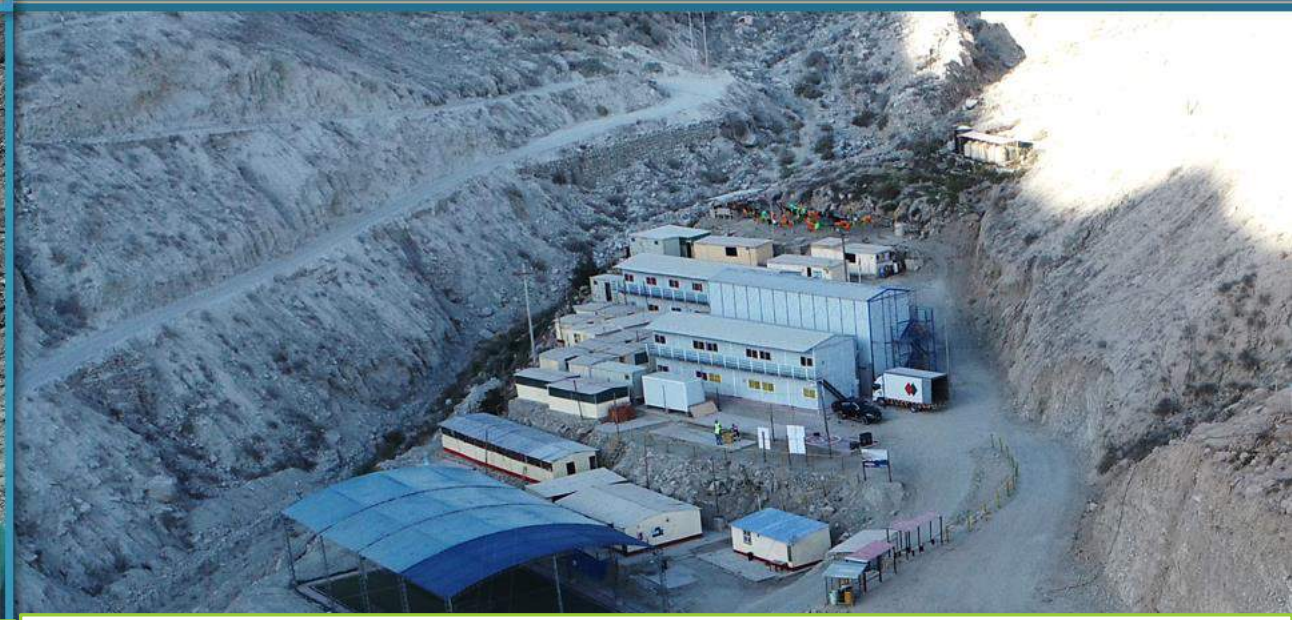
MINE CAMP— CERRO RICO



MINE REFRATORY— ESPERANZA



MINE CAMP ESPERANZA



MINE CAMP CONTRACTORS – ESPERANZA



TAILINGS CLOSURE



FILTERED TAILINGS

Processing and Desorption Plant



Cyanadation Tanks



DESORPTION PLANT



ESG - SOCIAL COMMUNITY RESPONSABILITY



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ALPACAY CHAPPEL



SPORT CENTER QUIROZ-CHARCO