

## Due Diligence Plan & Risk Assessment Procedures

As per our ***Conflict-free Minerals Policy***, we strictly adhere to the OECD guidance on sourcing minerals from conflict-affected and high-risk areas, as well as key international, regional and local supply chain transparency initiatives. We employ a proactive and on-going approach to identify and where possible mitigate risks associated with our supply chain including a Due Diligence Plan and a commitment monitor our operations on an ongoing basis.

### Due Diligence Plan:

1. We purchase all minerals from DRC mining co-operatives and/or their agents. Our corporate policies mandate that we have complete transparency in documentation flow and a deep knowledge of all key people and organizations involved throughout the entire supply chain we participate in.
2. Due diligence activities related to the pre-screening of suppliers includes:
  - face-to-face meetings with owners and senior management;
  - checking the provenance and ownership of the local supplier, their certification status and relevant DRC government licenses and Ministerial Orders;
  - checking the DRC Mining Cadastre for licensing and ownership of the mine site(s);
  - using the International Peace Information Service (IPIS) interactive mapping tool and other resources to evaluate the geo-political landscape at the local and regional mine sites and trading centres; and,
  - performing a baseline study of the upstream supply chain that includes the mine site(s), processing operations, the transportation corridor and all other relevant logistics.
3. In addition to the utilizing recognized traceability systems and the associated mine visits performed by third party auditors, we also retain all documents for a minimum of 5 years relating to any shipment of minerals from the DRC, should any issue arise in the future which requires further investigation.
4. We also have a ***Whistleblower Policy*** along with local mine site representatives, email, phone, and mailing options that can be used in confidence by anyone to inform us about any incidents or concerns that may warrant further investigation.

**Risk Assessment and Mitigation Procedures:**

The term “risk” has many meanings in the commodity trading business. The current draft ISO guideline uses the broad definition of risk as “the effect of uncertainty on objectives”.

Understanding potential risks and implementing appropriate mitigation strategies has been a key focus since the inception of the BELAIR AFRICAN METALS. We pro-actively identify potential risks including the geopolitical environment, all aspects of the transaction flow, financial factors such as commodity prices and other relevant business risks.

With respect to assessing and mitigating risk associated with our suppliers:

1. We use unannounced mine site visits, local partners and relationships with other actors in the industry to obtain information about the people and the mines that we buy from.
2. We cultivate friendships with people that live in and around the mines sites to better understand the local perspective and any associated risks or potential risks.
3. We have 3 levels of infringements and suitable responses for those differing levels. The table below illustrates examples of potential risks and our plan to address these situations.

Example Infringement	Risk Level	Immediate Action	Follow-up Action
Inconsistency identified with tags or logbook.		Discuss with traceability / due diligence partner and ask for verification.	Continue purchase until the situation is resolved.
Unaccounted weights or unfeasible quantities reported from the mine.		Report findings to traceability / due diligence partner (TDDP) and DRC Geology and Mines Department (GMD).	Inform the supplier of our doubts and engage them with TDDP, continue purchases if resolved.
Information is received that the supplier has links to armed groups or conducts human rights abuses.		Immediate report to TDDP and GMD. If no satisfactory answer is given, then immediate disengagement.	Continued total disengagement until the situation is clarified. If proved untrue, then continue purchasing.



BELAIR AFRICAN METALS will immediately and totally disengage with any mine or supplier that is proved to have connections either directly or indirectly with armed groups, or who commits or has connections to anyone who commits human rights abuses.