

2024 MODERN SLAVERY ACT REPORT

(April 1, 2024 to March 31, 2025)

INTRODUCTION

Heliostar Metals Ltd. (“Heliostar” or “the Company”, “we”, “our”, “us”) is dedicated to respecting and upholding human rights across our operations, including within our workforce, across supply chains, and in the communities where we operate. In line with this commitment, we strongly oppose all forms of modern slavery, such as forced labour, child labour, and human trafficking.

We prepared this report in accordance with the Canadian *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”) for the fiscal period of April 1, 2024, to March 31st, 2025 (“fiscal 2025”). This is the first modern slavery report prepared by Heliostar Metals Ltd under the Act. The report describes the steps taken during the reporting period to prevent and reduce the risk of forced and child labour by our Company and our suppliers.

ABOUT THIS REPORT

This is a joint report made under section 11 of the Act on behalf of Heliostar and the following entities, each a material subsidiary of Heliostar. Note that La Colorada, San Agustin and El Castillo were acquired by Heliostar in November 2024.

Mine/Project/Office	Reporting Entities	Country of Registration
La Colorada	Compañía Minera Pitalla SA de CV	Mexico
San Agustín and El Castillo	Minera Real del Oro, S.A de C.V Minera Sud California SA de CV	Mexico
San Antonio Project	Compañía Minera Pitalla SA de CV	Mexico
Cerro del Gallo Project	San Anton de las Minas SA de CV	Mexico
Ana Paula Project	Minera Aurea SA de CV	Mexico
Corporate Office in Mexico	Minexson SA de CV	Mexico
Cerro del Gallo Project	San Anton del Oro SA de CV	Mexico
Cerro del Gallo Project	Kings San Anton SA de CV	Mexico
Cerro del Gallo Project	Timmins Goldcorp Mexico SA de CV	Mexico
Exploration Projects in Sonora: Oso Negro, Cumaro and La Lola	Heliodor Metals SA de CV	Mexico
Exploration Projects in Sonora: Oso Negro, Cumaro and La Lola	Heliostar Metals SA de CV	Mexico

Most of the Company’s activity is conducted in Mexico, where 99% of our employees are located. While we have exploration projects in the United States, they represent an insignificant share of our operations and less than 1% of our employees are based there. As a result, this report primarily reflects our activities in Mexico. All monetary amounts are reported in U.S. dollars, unless otherwise noted.



ABOUT HELIOSTAR

Heliostar is a Canadian mining company traded on the TSX Venture Exchange under the symbol “HSTR.” With an objective of building a major mining company, we are investing in mining and exploration projects in North and South America. The Heliostar team specializes in recognizing mineral properties with upside exploration potential and unlocking the value of these projects.

The Company holds a portfolio of 100%-owned assets in Mexico, including the producing San Agustin/El Castillo and La Colorada gold mines, our flagship Ana Paula development project, and other promising development projects including Cerro del Gallo and San Antonio. Additional information about our assets, intercorporate relationships, and investments is available on our [website](#).

GOVERNANCE

Heliostar’s highest governance body is the Board of Directors, which is responsible for the overall stewardship of the Company. The Board sets the tone for and oversees the Company’s ethical culture, including respect for human rights.

The Board is made up of five committees:

- [Audit, Finance and Risk Committee](#)
- [Corporate Governance Committee](#)
- [Compensation Committee](#)
- [Health, Safety, Environment and Sustainable Development Committee \(HSESD\)](#)
- [Technical Committee](#)

The topics covered under the Modern Slavery Act are mostly overseen by the HSESD committee.

As outlined in the HSESD Charter and Heliostar’s Sustainable Development Policy, the HSESD Committee is responsible for advising the Board and making recommendations on the Company’s strategy, policies, programs, and performance related to health and safety, as well as environmental and social issues.

Further, the HSESD Committee assists the Board by performing the following functions:

- Monitoring and reviewing health and safety, environmental, and community risks;
- Ensuring the Company complies with applicable legal and regulatory requirements associated with health and safety, environmental, and social matters; and
- Supporting the Company’s commitment to:
 - adopting best practices in mining operations,
 - promoting a healthy and safe work environment, and
 - establishing environmentally sound and socially responsible resource development.

Our VP of Sustainability drives our Company’s sustainability efforts, including those associated with the safeguarding of human rights. We also have staff at our sites responsible for procurement and social issues, who oversee the topics that are relevant to the Modern Slavery Act.

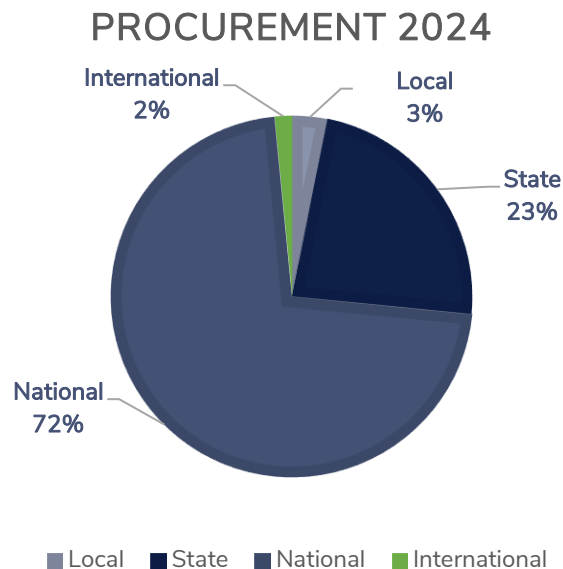
OUR SUPPLY CHAIN

Our suppliers provide a wide range of goods and/or services to help support the needs of our Company, including exploration, development, construction, operations, and reclamation. Our suppliers may also provide services related to transactions involving land purchases or leases, government agencies, utilities, financial institutions, charitable organizations, and any entity or partner of Heliostar.

As Mexico is historically a mining country, we can source most of the goods and services we need from within the country. We track our procurement spending by the following classifications:

- Local: The municipality where the mine or project operates
- State: The state where the mine or project operates
- Country: All spending in Mexico
- International: Any spending outside Mexico

In 2024, our procurement spending was approximately \$90M, of which only 2% was spent on products or services sourced internationally.



POLICIES AND DUE DILIGENCE PROCESSES

Heliostar is committed to conducting business in an ethical, legal, and socially responsible manner, and we expect our suppliers to uphold the same standards. Our Supplier Code of Conduct sets clear expectations for ethical conduct, legal compliance, and respect for human rights across our supply chain.

In addition, all suppliers are expected to follow Company policies and procedures, including the Policy on Human Rights, which highlights the following:

At Heliostar Metals and its subsidiaries, we are committed to identifying, preventing, mitigating, and, where appropriate, remedying any negative impact our operations may have on human rights, ensuring decent working conditions, inclusion, non-discrimination, and the absolute rejection of child labour, forced labour, and any form of violence or harassment. We aim to:

- *Eradicate child labour: We must promote safe adolescence and childhood and ensure compliance with the provisions of International Labour Organization (ILO) Convention 138 regarding child labour, always rejecting all forms of child labour and slavery.*
- *Eradicate all forms of forced labour, slavery, and human trafficking: We must reject forced or coerced labour, slavery (including practices associated with modern slavery), servitude, and human trafficking, and minimize any risk in our operations and global value chain.*

MODERN SLAVERY RISKS IN OUR SUPPLY CHAIN

Risk Assessment

Heliostar has conducted research to evaluate Mexico's exposure to modern slavery, both at the national level and within the mining industry specifically. The [Global Slavery Index](#) has ranked Mexico 13th out of 25 countries in the Americas Region, identifying that the industries most at risk of child or force labour in Mexico are electronics, garments, and textiles. The mining industry is one of the most highly regulated industries in Mexico, and with the risks associated with mining, it is not culturally acceptable to use any form of child labour (as it might be for other industries).

We acknowledge that vulnerable communities—particularly those with limited access to economic opportunities—may face a heightened risk of modern slavery. To help address underlying causes, we actively support alternative economic opportunities through our community and social development initiatives. One of our main efforts in 2025 is to complete the development of a program that supports and strengthens local suppliers. To date, we have enrolled several local suppliers to provide goods such as uniforms and services such as transportation and delivery of water pipes.

Risk Management

We consider the risk of modern slavery within our own workforce to be relatively low, thanks to comprehensive human resources practices, mandatory training, effective grievance mechanisms, and robust risk management systems. Following are our most notable practices:

Hiring

- We have strict hiring rules at all our sites to ensure no one under the age of 18 is employed by Heliostar.
- The union participates in the hiring process to ensure candidates meet all requirements, including proof of age.
- We require our contractors and suppliers to prove they do not hire anyone under the legal working age, which is 18 years old in Mexico.
- We follow the International Labour Organization (ILO) Convention 138, which is intended to regulate child labour by setting a minimum age for entry into work.

- We follow Mexican Federal Labour Law, including rules that protect against modern slavery. For example:
 - Article 75 bans anyone under the age of 18 from working in mines.
 - Article 132 requires employers to have a plan to prevent forced and child labour.
 - Article 15 requires contractors that provide specialized services to be registered with the government under the government register known as REPSE (*Registro de Prestadoras de Servicios Especializados u Obras Especializadas*).

Policies

- Our policies are designed to help us reduce the risk of illegal practices like forced labour and human trafficking in our operations and supply chain. These policies apply to all employees, contractors, and suppliers.
- All supplier contracts include clear commitments to follow strong labour standards and comply with local laws.
- All people entering work at the mine site must leave a copy of their ID. These files must be updated every two months to ensure they are valid and that we employ no underage workers.
- The Safety department ensures that all contractors have provided the Social Security Number (known as IMSS) for all contractors' employees.
- Our Human Rights Policy specifically addresses that there must not be any practices of child or forced labour.

REMEDIATION MEASURES

Heliostar is committed to having open communications with stakeholders, with an aim of promoting transparency and ensuring ethical standards are applied across our operations.

We have established a Grievance Reporting System where employees, contractors, suppliers, and other stakeholders can confidentially and anonymously report any concerns related to misconduct, unethical behavior, or violations of company policies – including issues related to human rights, discrimination, harassment, or modern slavery.

The reporting system is managed by a third party – Integrity Counts. Once a report is filed, it is submitted to the Ethics Committee, which has the responsibility of carrying out an investigation about the report and providing advice on how to address it. The reporter can be anonymous, or they can share their contact information if they wish to actively participate in the investigation.

Our Grievance Reporting System includes a toll-free hotline number and other communication channels:

Phone: + 800-099-0642 or 001-800-514-8714 in Mexico

Website: <https://www.integritycounts.ca/org/HeliostarMetalsLtd>

Email: contacto_heliostarmx@heliostarmetals.com, info@heliostarmetals.com

In the 2025 fiscal year, there were no reports submitted by stakeholders related to modern slavery issues,

TRAINING AND AWARENESS

All Heliostar employees and contractors receive our Code of Conduct when they start working with the Company. They also receive an introduction to the Company's most relevant policies and procedures, which cover ethics and compliance topics. The Grievance Reporting System is also covered in the onboarding process and through consistent communication, we ensure everyone knows this channel is available to use at any point to report unethical behaviour.

ASSESSING EFFECTIVENESS

Heliostar Metals Ltd. is committed to proactively identifying, mitigating, and preventing risks of child and forced labour within our operations and supply chains. We will continue to assess the effectiveness of our actions in addressing such risks and refine our policies, practices and efforts in this area as necessary.

Examples of how we assess the effectiveness of our actions include:

- Conducting ongoing monitoring and due diligence across our business and our supply chain;
- Monitoring our reporting channels (Grievance Reporting System) and closely reviewing any reports raised related to modern slavery; and
- Listening to internal and external stakeholders.

APPROVAL AND ATTESTATION

This report was approved pursuant to subparagraph 11(4)(b)(ii) of the Act by the Board of Directors of Heliostar.

In accordance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, and in particular section 11 thereof, I, in the capacity of CEO, President and Director, attest that I have reviewed the information contained in the report on behalf of the governing body of the entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate, and complete in all material respects for the purposes of the Act, for the reporting year listed within this report.

I have the authority to bind Heliostar Metals Ltd. and the other Reporting Entities.



Charles Funk

CEO, President and Director
May 31, 2025