

Report on Child Labour and Forced Labour in Canadian Supply Chains: Select Sands Corp.

Introduction

Forced labour and child labour are significant human rights concerns that continue to plague supply chains globally. As a responsible corporate entity, Select Sands Corp. ("Select Sands" or the "Company"), a small TSX Venture Exchange listed Canadian holding company and its subsidiary, Select Sands America Corp. (the "Subsidiary"), are committed to upholding ethical standards and preventing forced labour and child labour in their operations and supply chains, whether in Canada or elsewhere. Select Sands mines its raw materials from the Company's sand quarry and further refines its sand products at its production facility all located in Arkansas, USA, where child labour is strictly prohibited. In addition, our human resources, supplier, and customer policies enforce these standards, and we continue to strengthen these policies as our business expands.

Pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act"), this report outlines the steps taken by Select Sands and the Subsidiary to prevent and reduce the risk that forced labour or child labour is used within their operations and supply chains.

Steps Taken in the Previous Financial Year

During the fiscal year ended December 31, 2023, Select Sands and the Subsidiary have continued to prevent and reduce the risk of forced labour and child labour within their production processes and supply chains:

- The Company does not have any employees in Canada. The Company has consulting directors and officers in Canada who are all adults that consult through their privately owned consulting corporations.
- In the USA, the Subsidiary uses a human resources company to ensure all employees are of legal age to work and have valid social security numbers. When the Subsidiary is fully operational, it employs as many as 50 persons and management is easily able to verify that all employees are of legal age to work.

Structure, Activities, and Supply Chains

Select Sands Corp. is a public company listed on the TSX Venture Exchange under the trading symbol "SNS", on the OTCQB under the symbol "SLSDF". Select Sands Corp. is the parent company and sole owner of Select Sands America Corp., incorporated in Delaware, USA with sand quarry and production facilities located in Arkansas, USA and head office in Houston, Texas, USA.

Select Sands sells its sand products to the oil and gas industry and also to industrial customers.

As the Subsidiary mines and refines its own sand, it does not have to rely on external supply chains.

Policies and Due Diligence Processes

The Subsidiary relies on its external human resources company to ensure that all employees are of legal working age within the state of Arkansas, USA.

Assessment of Risks and Risk Management

Given the relatively small number of employees that the Subsidiary employs and the lack of reliance on external supply chains, the Subsidiary does not consider itself to be at risk of using forced labour or child labour in the USA. As the Company does not have any operations in Canada and only uses consultants as directors and officers, the Company has assessed that it is not at risk of using forced labour or child labour in Canada.

Both the Company and Subsidiary will continue to strengthen their risk assessment and mitigation strategies regarding forced labour and child labour, as the complexity and dimension of their operations and supply chains increase, with the growth of the business.

Remediation Measures

As of the date of this report, the Company and Subsidiary have not identified any risks or occurrences of forced labour or child labour within their facilities or supplier networks.

However, in the event that forced labour or child labour is suspected or identified within their supply chains, the Company and Subsidiary will take immediate remediation measures, including:

- **Supplier Engagement:** Working closely with suppliers to address labour violations, provide remediation support, and implement corrective actions to prevent recurrence.
- **Contractual Obligations:** Enforcing contractual obligations and, if necessary, terminating relationships with non-compliant suppliers.

Measures to Remediate Loss of Income

Select Sands and the Subsidiary recognize the importance of supporting vulnerable families affected by measures to eliminate forced labour or child labour. In the event that forced labour or child labour is suspected or identified within their supply chains, Select Sands and the Subsidiary will take immediate action to engage with local communities to understand the socio-economic impacts of their operations and supply chains and develop initiatives to support affected families. Such initiatives may include providing alternative livelihood opportunities and access to education and social services.

Employee Training

Given the current structure of the Company and Subsidiary, and the tight control that exists regarding supplier engagement/approval and purchasing, which is centralized in 4-5 top executives among the Company and Subsidiary, comprehensive training has not been provided to employees on forced labour and child labour. However, should the need arise, especially with the expected growth of the business, and as the complexity and dimension of their operations and supply chains increase, the Company and Subsidiary are prepared to initiate such training activities, including:

- **Awareness Training:** Raising awareness among employees about the risks of forced labour and child labour, their responsibilities in identifying and reporting potential violations, and the Company and Subsidiary's commitment to ethical sourcing practices.

Training Modules: Developing training modules and resources to equip employees with the knowledge and skills necessary to identify, address, and prevent labour violations within the Company and Subsidiary's operations and supply chains.

Assessment of Effectiveness

Select Sands and the Subsidiary are prepared to continuously assess the effectiveness of their efforts to ensure that forced labour and child labour are not used in their business and supply chains, namely through:

- **Monitoring and Evaluation:** Monitoring key performance indicators related to labour standards compliance, conducting internal audits and reviews, and soliciting feedback from stakeholders to evaluate the impact of their initiatives.
- **Continuous Improvement:** Identifying areas for improvement and implementing corrective actions to strengthen their approach to preventing and addressing forced labour and child labour.

Conclusion

In conclusion, Select Sands and the Subsidiary are committed to upholding ethical standards and ensuring that forced labour and child labour are not used at any step of their production processes or supply chains. Through evolving comprehensive policies, due diligence processes, risk assessments, remediation efforts, employee training, and continuous evaluation and improvement, the Company and Subsidiary will continue to strive to set a high standard for ethical sourcing practices and contribute to the eradication of forced labour and child labour globally.



Attestation

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

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for 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 above.

Name: Zigurds Vitols

Title: CEO, Director

Date: May 24, 2024

Signature: ***Zigurds Vitols***

I have the authority to bind **Select Sands Corp.**