

Voluntary Principles on Security and Human Rights Annual Report

2025 Reporting year



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INTRODUCTION

PanAust has been a member of the Voluntary Principles Initiative (VPI) since its admission in 2013. This report describes PanAust's implementation of the Voluntary Principles on Security and Human Rights (the "Voluntary Principles, VPs, VPSHR") during the 2025 reporting year. The structure of the report follows the Voluntary Principles Reporting Guidelines. The report is cross referenced to the Reporting Guidelines headings (i.e., **A1**) where possible to minimise duplication.

About PanAust

PanAust Limited (PanAust, the Company, and the Group) is an Australian-headquartered copper and gold producer in Laos with pre-development and exploration opportunities in Laos, Papua New Guinea, and Chile. PanAust's producing assets are the Phu Kham Copper-Gold Operation (Phu Kham) and the Ban Houayxai Gold-Silver Operation (Ban Houayxai). Both are in the Company's 1,260 square-kilometre Phu Bia Contract Area (the Contract Area) in Laos. The Contract covering this area is the Mineral Exploration and Production Agreement (MEPA) between Phu Bia Mining and the Government of Laos.

PanAust also established a wholly owned entity, Saisana Lao Resources Sole Co Limited (Saisana), to pursue opportunities outside the MEPA contract area, subject to obtaining the necessary licences.

In Papua New Guinea (PNG), PanAust is advancing the Frieda River Project. The Frieda River Project is one of the largest undeveloped copper and gold deposits in the world and offers PanAust strong potential for the establishment of a long-life copper-gold mining operation. The Frieda River Project is currently in the permitting phase with limited on-site activity.

In Chile, the Inca de Oro exploration project is currently under review for future development.

In January 2025 PanAust entered into a management agreement with Santiago Metals Limitada for operational and financial control of the Delirio Copper Operation in Inca de Oro. Santiago Metals Limitada has subsequently changed its name to Atacama Minerales.

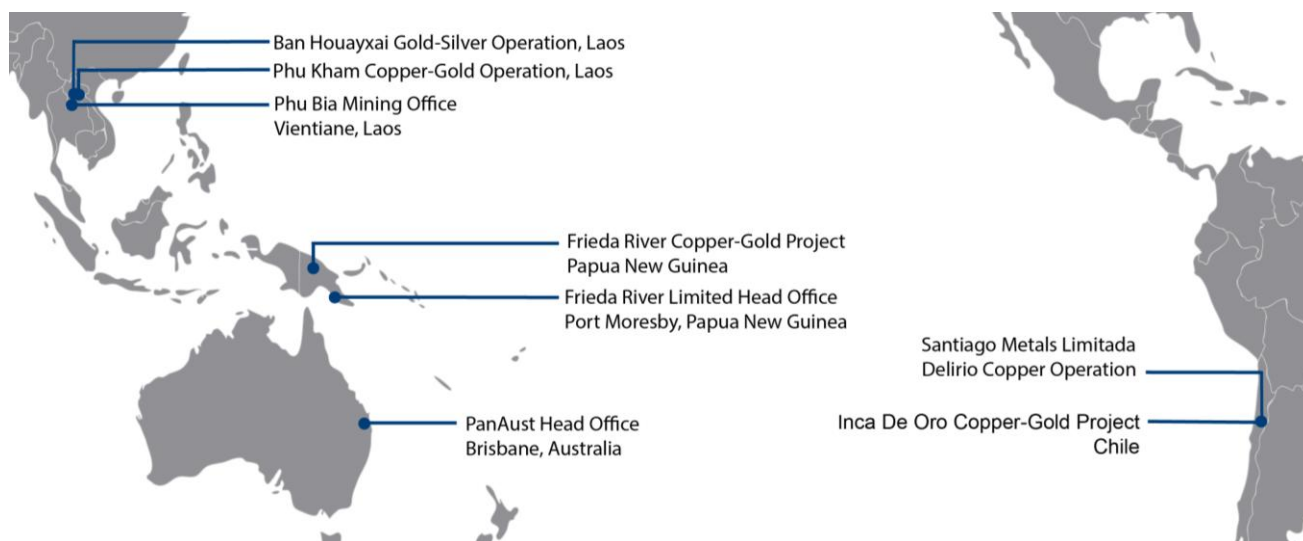
During 2024, PanAust's Board agreed to exit from Myanmar. This decision was made because the Company did not see any short- to medium-term improvement in the country's security situation. Two of the three tenement groupings had previously been terminated in June 2023, and following the decision to exit the country, the final tenement was relinquished in December 2024 and all PanAust entities in country were wound up in January 2025.

PanAust is an Australian incorporated company that is owned by Guangdong Rising H. K. (Holding) Limited which is a wholly owned subsidiary of Guangdong Rising Holdings group co. Ltd (GDRH).

GDRH is a Chinese state-owned company regulated under the State-owned Assets Supervision and Administration Commission, the People's Government of Guangdong Province in China.

PanAust's operations, projects and offices

Figure 1: PanAust's global footprint



Within this report, the level of country detail provided reflects the relative materiality of security and human rights risk to PanAust's business at each location during the 2025 reporting year. Further explanation of country selection and materiality is provided in section **C9**.

A COMMITMENT TO THE VOLUNTARY PRINCIPLES

A1 Public statement of commitment or endorsement of the Voluntary Principles, engagement in the Voluntary Principles Initiative, and transparency.

The Voluntary Principles provide PanAust with a practical framework for managing security in a manner that supports respect for human rights and fundamental freedoms. Implementation of the Voluntary Principles assists PanAust to operate effectively in complex business environments, maintain constructive relationships with host governments, local communities and employees, and reduce the potential for security-related incidents and business disruption.

PanAust's commitment to the Voluntary Principles is publicly stated through its Sustainability Policy, Annual Business Review and Sustainability Report, The PanAust Way (the Company's Code of Conduct), and Human Rights Policy, all of which are publicly available on the PanAust website together with this report.

PanAust's Annual Business Review and Sustainability Report includes a summary of key initiatives undertaken during the reporting year to support implementation of the Voluntary Principles, including relevant security and human rights matters associated with the Company's operations. Summarised and translated versions of relevant reports and policies are also provided to operations for internal and external dissemination in host country languages where appropriate.

Executive commitment to the Voluntary Principles is demonstrated through oversight by the PanAust Group General Counsel, who has overall responsibility for implementation of the Voluntary Principles across the Company's operations.

During 2025, PanAust continued to comply with the VPI Governance Rules. This included participation in VPI Security Managers meetings, Corporate Pillar meetings, and presentation at the Annual Voluntary Principles Plenary in London on PanAust's implementation progress. PanAust also supported establishment activities for the proposed Papua New Guinea in-country working group, including assistance to the VPI Secretariat in identifying a consultant to undertake stakeholder mapping and promoting the Voluntary Principles through the PNG Chamber of Resources and Energy (PNG CORE).

PanAust remains committed to responding, where practicable, to reasonable requests for information from other VPI participants and to supporting collaboration on Voluntary Principles implementation in the countries where it has an active on-the-ground presence.

A2 Examples of promoting awareness of the Voluntary Principles throughout the organisation, including within the value chain

Corporate policies such as the PanAust Sustainability Policy, Governance Policy, Employee Policy and Human Rights Policy are displayed on the Company intranet, and physically in corporate offices and at operations. A Laos specific sustainability report in the host country language is produced for operations each year and provided to host communities and other national stakeholders.

All Services contracts are issued with PanAust's corporate policies including the PanAust Sustainability Policy, The PanAust Way (Code of conduct) and relevant HR policies outlining our human rights requirements. PanAust's commitment to the Voluntary Principles is also communicated to all employees, and contractors as part of mandatory induction training packages for all personnel working on site. Assessment material is then utilised to demonstrate knowledge and understanding of the content of inductions. Regular contractor audits are also carried out by the site teams to ensure ongoing compliance throughout the life of the contract by contracting companies.

The PanAust Way outlines PanAust's commitment to adherence to, and implementation of, the Voluntary Principles and was updated in July 2023. This document, together with associated training materials, provides practical guidance through a question-and-answer format on how to respond when confronted by difficult situations in the workplace and while undertaking business activities more broadly.

During host country government and/or local community engagement in Laos and Papua New Guinea, PanAust has advised its stakeholders of its sustainability commitments including its commitment to the Voluntary Principles on Security and Human Rights.

The Company has designated external affairs teams in place in each country where we have an active presence. These teams liaise with a wide range of host government departments and other stakeholders and work closely with the relevant in-country embassy to Australia.

A3 Examples of promoting and advancing implementation of the Voluntary Principles internationally

PanAust promotes awareness of the Voluntary Principles through corporate presentations, external stakeholder meetings, operational site visits, benchmarking activities and engagement with peers and relevant industry forums.

During 2025, this included participation in the Annual Plenary and associated VPI meetings in London, together with continued engagement with the VPI and the Papua New Guinea Chamber of Resources and Energy (PNG CORE) regarding participation in, and advocacy for, a Papua New Guinea in-country working group. PanAust also supported early establishment activities for the proposed working group through direct discussions with the VPI, review of the stakeholder mapping request for proposal documentation, and advocacy with PNG CORE regarding participation.

As PanAust's international operating base evolves, the Company expects further opportunities to advance implementation of the Voluntary Principles in new jurisdictions. This is particularly relevant in Chile, where PanAust entered into a management agreement in 2025 for operational and financial control of the Delirio Copper Operation, operated by Atacama Minerales.

B POLICIES PROCEDURES AND RELATED MATERIALS

B4 Relevant policies, procedures, and/or guidelines (or any changes thereto from the previous reporting year) to implement the Voluntary Principles.

The highest-level policy commitments relevant to implementation of the Voluntary Principles are described in **A1**. In 2025, PanAust updated its Sustainability Policy and developed a standalone Human Rights Standard to articulate the Company's commitments more clearly, strengthen accountability, and align with stakeholder expectations and industry good practice. The Human Rights Policy includes a specific commitment to endorsing and upholding the Voluntary Principles on Security and Human Rights across PanAust's operations.

These commitments are supported by the PanAust Group Security Standard, which establishes requirements for implementation and compliance monitoring of the Voluntary Principles across the PanAust Group. PanAust also maintains a Group Whistleblower Standard, which establishes processes for employees, contractors and other persons to raise concerns regarding conduct that may be inconsistent with The PanAust Way, other Company requirements, or applicable law. Several other supporting standards and procedures are described further in **B5** to **B8**. At an implementation level, operations are supported by security strategy documents,

security plans, site-level procedures, checklists and training packages that outline VPSHR obligations and Use of Force expectations.

PanAust also has other well-developed standards and procedures related to human resources, environmental management, stakeholder engagement, community relations and it invests strongly in local community development in each country where it has a presence. It is well recognised that deficiencies in these areas are often triggers for heightened tensions and that strong mitigations in these areas support acceptance and broad support by host communities and governments for the Company's operations.

PanAust operations in Laos have a well-integrated loss prevention, security, and social governance structure for the implementation of the Voluntary Principles supported by dedicated in-house teams of Loss Prevention and Sustainability professionals to support and implement operational requirements.

At a corporate level, General Manager inductions include a briefing on VPSHR obligations and requirements. Site professionals are also required to be inducted in VPSHR obligations, and these requirements are a focal point for discussions during corporate site visits and at company workshops. Site leads are updated regularly with relevant information from Corporate Pillar calls and are engaged in review of documents that the Plenary seeks corporate pillar feedback on.

PanAust has an external and internal audit program in place as evidenced further in **C13**. Security and VPSHR requirements are included on a rotating schedule within the scope of both internal and external audits.

A summary of the PanAust's management system, policies, and procedures to specifically address security and human rights related issues are summarised below. Operational teams are also provided access to other tools including the Voluntary Principles' Implementation Guidance Tools (VP-IGT) and to support their activities through the company intranet.

VOLUNTARY PRINCIPLES ON SECURITY AND HUMAN RIGHTS

Framework



- Employee and Contractor General Inductions (PanAust Way , VPSHR commitment & Human rights),
- Proprietary and Private security and Inductions (Human rights, VPSHR, Foot patrol, detainment, investigations etc.)
- Security Code of Conduct ;
- Public Security Inductions (Human rights, VPSHR, Use of Force, Use of Chamber Flags)
- Daily team tool box meetings
- Loss prevention training matrix

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TRAINING AND RESOURCES

- Formal and informal daily meetings with LPA and local authorities and involvement in site security investigations
- Monthly community meetings (Security is an agenda item and Loss Prevention team members are represented)
- Quarterly LPA, Police and Loss Prevention team meetings
- Quarterly site visits by LPA hierarchy
- Annual meetings with the Ministry of Defence
- Employee Engagement Surveys

ENGAGEMENT

07

- Operational Security Risk Registers - Laos Operations
- Voluntary Principles Risk Assessment Template
- Exploration Risk Registers
- Logistics Risk Registers
- other specific security assessments

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RISK ASSESSMENTS

- Loss Prevention team Induction and training records
- LPA induction training records
- In-field competency assessments (LPA, Loss Prevention)
- Meeting minutes related to scheduled community, LPA, and Police forums
- ICAM Investigations; Corporate Incident reporting and tracking database
- Voluntary Principles Annual Report
- Annual Business Review and Sustainability Report

RECORDS AND REPORTING

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- Bi-annual independent security audit reports
- Laos operations external audit against the IFC Performance Standards (includes human rights) or equivalent
- Internal security audits;
- Global Reporting Initiative (GRI) independent assurance - verifies accuracy of security disclosure and related training data annually

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REVIEW

B5 Company procedure to conduct security and human rights risk assessments, and integrate findings

PanAust's Enterprise Risk Management (ERM) Policy and associated procedures continue to be used across the business as the foundation to identify, assess and mitigate material risks. The PanAust consequence table includes security, social and regulatory consequence descriptors to enable identification and analysis of security and human rights related issues and the ability to prioritise these risks consistently across the business. The ERM framework requires each operational department, business unit and corporate to establish a register of material risks and update the risk profile in a team-based assessment on an annual basis. Cross functional representation during risk reviews is promoted, to ensure issues and mitigations are developed with, and understood by multiple internal stakeholders.

Moderation of risks is undertaken by the Group Risk and Sustainability team in conjunction with operational departmental managers and PanAust senior management. High risk issues flagged on departmental registers are escalated into functional area and group level registers. The approach ensures that management and decision makers are actively engaged and take ownership in effectively mitigating material risk issues.

The PanAust Group Security Standard also requires security threat and risk assessments to be carried out for all locations and the risk assessment is to address the key security and human rights risk to people and assets from:

- The physical environment.
- Political, governance economic and social factors.
- The nature of local conflicts.
- Potential for violence.
- Security provisioning and human rights records of company personnel, private and public security forces in relation to human rights abuses.
- Rule of law, including the reliability, fairness, and efficiency of the legal system.
- Requirements for any equipment transfers including safeguards and past incidents.
- Feedback from stakeholders including host and home government representatives, local community, and civil society.

Independent research, external stakeholder feedback, security incident analysis, internal and external audit findings, and the results of socio economic and environmental assessment also inform these reviews. VP's- IGT tools are also used to inform the process.

A specific Voluntary Principles Risk Assessment template has been developed based on the VP-IGT, and each operational site is required to update this assessment regularly, but no less than once every two years. In Laos, the assessment is undertaken by the Loss Prevention team in conjunction with the Community Relations team and other relevant stakeholders. In Papua New Guinea, the assessment is undertaken by the site operations team in conjunction with the Country Manager.

To support the Voluntary Principles Risk Assessment an annual self-assessment survey to review compliance with the Voluntary Principles Initiative general expectations has been developed and loaded into the PanAust online compliance platform. This questionnaire is automatically pushed out to the operational sites in Laos and Papua New Guinea on an annual basis for completion with results reviewed by the Group Risk and Sustainability team and integrated back into the VPI implementation programs at the site level.

The ERM framework is also applied during corporate development activities, and across the full business life cycle of any project including closure. Country, political, security, social and environmental work streams are a standard requirement informing any investment decision and are incorporated into the trade-off studies informing the design of new projects to minimise conflict and ensure favourable social and environmental outcomes that support the business.

B6 Company procedure or mechanism to report security-related incidents with human rights implications by public/private security forces relating to the Company's activities

PanAust provides several mechanisms through which persons can raise concerns about potential security-related incidents that may have human rights implications. As highlighted on its Corporate Governance webpage¹, PanAust maintains a Group Whistleblower Standard and operates whistleblower hotlines in English, Lao and Tok Pisin, in addition to web, email and postal reporting channels. Information received through these mechanisms is assigned to an investigation officer for follow-up and reporting in accordance with the relevant standard.

PanAust also implements a Group Incident Management Procedure, which sets out minimum requirements for internal notification, investigation and reporting of incidents across the PanAust Group. This includes allegations of human rights breaches involving either public or private security personnel associated with PanAust activities, and provides pathways for escalation to the PanAust legal function together with internal review and reporting requirements.

Each operating location is also supported by a local security investigation standard requiring any allegation of a security-related incident with human rights implications to be investigated at site or regional level to support transparency and consistency in the investigation process.

Community grievance procedures specific to the cultural context of each locality are also in place. These procedures provide guidance for managing grievances raised by local community members to ensure matters are addressed promptly, fairly and transparently.

PanAust uses an event management database to track security incidents, grievances, corrective actions and resolution status, and to support analysis and reporting.

¹ Refer to the corporate governance page on the website to review the Whistleblower service - <http://www.panaust.com.au/corporate-governance>

No human rights breaches related to the provision of security services by proprietary, private or public security providers supporting PanAust activities were recorded in 2025.

B7 Company procedure to consider the Voluntary Principles in entering into relations with private security providers

PanAust's contractor engagement processes are a centralised function ensuring requirements in contracts are consistent and standardised. PanAust requires all security contractors to be managed centrally through the dedicated Loss Prevention team at each operation, including the provision of services to support other contractors present at each operation.

In 2025, one private security contract was renewed with the existing provider who has a demonstrated track record of meeting PanAust's requirements. The provider is Laos based, and their contract includes specific language related to the Voluntary Principles, as stated within Annex J of the VP's- IGT. All other private security contractors have current contracts, and all these contracts include specific language related to the Voluntary Principles, as stated within Annex J of the VP's- IGT.

The private security guards servicing PanAust Operations provide only unarmed static security functions, and as such their contracts include the following:

- Notification of PanAust's commitment to the Voluntary Principles including the requirement for private security providers to operate consistently with the VP's.
- A copy of the Voluntary Principles.
- Mandatory participation in Induction programs which include VPSHR and Use of Force training programs.
- Mandatory criminal history checks to be undertaken.
- Minimum age requirements.
- Contract termination clauses for any credible misconduct inconsistent with the Voluntary Principles.

In addition to their own company training program, operationally based Private Security personnel are required to undergo the same training program as PanAust proprietary security personnel which includes modules on human rights, the Voluntary Principles Use of Force and Phu Bia Mining's Security Code of Conduct. Training matrices and associated training records are maintained by the relevant security team which includes dedicated security trainers who can present the training in the host country language.

Private security contractors are regularly audited for performance against their contract the same as all other contractors working for PanAust and annual contract review is also undertaken by the PanAust Procurement and Supply department in conjunction with the PanAust contract owner.

B8 Company procedure or mechanism to investigate and remediate security related incidents with human rights implications by public/private security forces relating to the Company's activities

As stated in response to **B6**, PanAust provides several mechanisms through which persons can raise concerns regarding security-related incidents that may have human rights implications.

Complaints and allegations are investigated in accordance with the procedures described in B6. Where an allegation is substantiated, matters involving PanAust employees or contractors are addressed in accordance with relevant Company disciplinary and management processes. Allegations involving public security forces are referred to the relevant government agency for action in accordance with host nation law, with the status of such investigations monitored through the Company's legal function where appropriate.

Where PanAust's investigations indicate that a credible allegation is likely to have occurred, whether involving proprietary, private or public security, PanAust's approach is to ensure that the matter is managed sensitively and that affected persons are able to access an appropriate remedy pathway. Where required, this includes establishment of a formal grievance event linked to the security incident and management of that grievance in accordance with the relevant Grievance Management Procedure to support fair and transparent access to remedy.

C COUNTRY IMPLEMENTATION

C9 Overview of country operations selected for 2025 reporting

Within this report, the level of country detail provided reflects the relative materiality of security and human rights risk to PanAust's business at each location during the 2025 reporting year. Laos is the principal focus of the report, as Phu Bia Mining is PanAust's largest operating business, is located in a historically higher risk conflict setting, and regularly utilises both public and private security personnel in support of operations. Papua New Guinea is also included as a material jurisdiction due to the Frieda River Project being located in a country with a higher risk security and human rights context and a broader history of human rights challenges, notwithstanding that the project remains in the development and permitting phase and therefore has a smaller on-the-ground operating footprint than Laos. Chile is addressed at a proportionate level only, as PanAust's involvement there is comparatively new, the operating context is not considered a high conflict setting, and the operation remains relatively small. However, as some security arrangements are in place, PanAust considers it appropriate to begin reflecting Chile within its VPSHR reporting and expects to progressively apply the Voluntary Principles framework there as its management involvement and understanding of the local risk profile develops. Unless specifically mentioned, the country implementation section of the report will predominantly focus on the operations in Laos.

Laos

Lao country and security context

PanAust's subsidiary, Phu Bia Mining (PBM) operates the Phu Kham and Ban Houayxai operations located in the Xaisomboun Province. The region was historically the location of insurgent activities, largely due to a legacy of the Indo-China conflicts of the 1960s and early 1970s. Though now stable, the area remains one of the least developed in Laos and the legacies of conflict remain. At times, regional security-related incidents (unrelated to PanAust's Operations) can occur within close proximity to the Company's operations and exploration activities, and periodically these have placed temporary restrictions on operations and the logistic route.

Laos is a single party communist state, presided over by the Lao People's Revolutionary Party. 'Security' is a restricted occupation within Laos and is a function, which, on a commercial basis, can only be carried out by organisations which have been approved by, and are registered with the Ministry of Public Security (MoPS). Regarding proprietary security, by law, an organisation is not permitted to directly employ more than two people in a security function. When greater numbers are required, MoPS registered, and approved personnel must be employed. Proprietary and Private Security personnel are not permitted to bear arms. When an armed presence is required, the function must be carried out by Public Security personnel, i.e., the Lao People's Army (LPA) or Police.

The term Loss Prevention (LP) is used to describe the function and position titles assigned to PBM's proprietary personnel who perform a combined unarmed static security role, as direct employees of the Company. A small contingent of MoPS approved unarmed contracted security guards are also employed across the operations and some satellite logistics facilities.

In 2025 there were 233 Loss Prevention personnel employed by PBM, at its mining operations, supported by 63 private security guards, which has increased due to the change in the organisational structure as now all operational security, including logistics now resides under the Risk Department Loss Prevention team.

The Lao People's Army is required by the Government of Laos to have a presence at the Company's Laos Operations and remote exploration sites within the 1260 square kilometre Phu Bia contract area. In 2025, the LPA presence at PBM Operations totalled 278 LPA personnel supporting the operations and exploration activities. The increase in LPA numbers is primarily to support the expansion of mine development activities and protection of priority MEPA Contract Areas. The LPA's role largely supports regional security external to PanAust's active working areas, however they may also provide a presence alongside selected infrastructure and Company assets due to their criticality and/or vulnerability. LPA personnel provide security escorts, predominately for personnel transportation due to the high volume of interaction with mass haulage trucking companies on public roadways.

The Company works closely with the LPA under strict standards observed through a Memorandum of Understanding (MoU) and a Company provided induction on the Voluntary Principles and Use of Force and how they are applied on PanAust sites. **(C11)**.

Given the locality of Laos operations, strict security protocols are established by the Company to pre-empt, and in response to occasional regional security issues that may arise. A proactive approach is taken to call out these protocols and to minimise remote work activities and personnel movement during such periods, to minimise necessitating a response and/or the potential for conflict to arise. Phu Bia Mining was not required to enact the security protocols in 2025 as there were no significant security events related to our activities during this period.

Figure 2: Ban Houayxai Gold Silver Operation



Figure 3: Phu Kham Copper Gold Operation



During 2025 the Phu Bia Mining operations updated their Security and Human Rights risk assessment using the PanAust VPs Risk Assessment tool. This updated assessment reaffirmed that there has been a reduction in the level of risk of conflict in the region of operations from banditry and legacy insurgent groups from the civil war era. PBM's community and sustainability programs and GoL programs have assisted in providing socio-economic stability in the region.

Site level procedures and training packages addressing Voluntary Principles requirements are maintained by the Loss Prevention team in Laos. The Loss Prevention team sits within the PBM Risk Department which has direct responsibility for the oversight of internal and private security and implementing agreements with public security forces and agencies.

PBM continues to implement an effective complaint and grievance process as an important mitigant to minimising the potential for community issues to escalate into more serious conflict. All incidents and grievances are captured in the Company's incident management database and reported monthly. High potential incidents and grievances of a serious nature are notified through to Corporate Management.

PBM has a highly active Community Relations team as well as a Sustainability Projects group that focuses on delivering an annual Community Development Fund for approved infrastructure and support projects.

Metrics are established to assess performance against resolution of complaints and grievances, and the implementation of investigation outcomes. These are publicly reported in the Business Review and Sustainability Report each year.

Papua New Guinea

In Papua New Guinea, PanAust holds a 100 per cent interest in Frieda River Limited, which is the operator of the Frieda River Project.

The Frieda River Project is one of the largest known undeveloped copper and gold deposits in the world and offers strong potential for the establishment of a long-life operation.

The Frieda River Project remains in the permitting phase and continues to operate with limited on-site activity. Field-based work remains reduced during this phase, although the Company continues to support local communities through education and healthcare-related initiatives.

During 2025, the Project did not maintain a standing private or public security presence, given its remote location in Sandaun and East Sepik Provinces and the practical difficulty of access by state security, policing authorities or other third parties without marine or aviation transport. The site does, however, maintain strict security processes for remote work activities, including work undertaken in local communities.

Figure 4: Frieda River Project base camp in Papua New Guinea



Members of the Royal Papua New Guinea Constabulary (RPNGC) attend the project area periodically in support of investigations and other community-related law and order matters. On occasion, the site also provides

logistical support for requests from local community leaders where a police presence is required for village matters not involving the Company. During 2025, this continued to include police support associated with community engagement activities in the Sepik corridor.

A memorandum of understanding (MoU) has been signed between Frieda River Limited and the RPNGC. The MoU outlines the rights and obligations of Frieda River Limited as the operator and the expectations of the RPNGC to act in accordance with the laws in force of the independent state of Papua New Guinea and to act in a manner that respects human rights, is consistent with the Voluntary Principles on Security and Human Rights, the Universal Declaration of Human Rights, the UN code of conduct for law enforcement officials, and the UN Basic Principles on the Use of Force and Firearms by law Enforcement Officials. An update to the MoU has been discussed with the East Sepik Provincial Police Commander and the Sandaun Province Police Commander who have both agreed to the updates. A copy of the updated MoU has been sent to the Police Commissioner in Port Moresby for review during 2025 however a meeting to finalise the MoU has yet to be secured.

The site has a Police Engagement Procedure in place which outlines the company's expectations in relation to Use of Force and expectations around the presence and transport of weapons. Constables deployed to the project area are required to familiarise themselves with these requirements as part of their deployment induction.

To maintain positive relations with local stakeholders, a grievance mechanism has been established and the site undertakes a range of regular stakeholder engagement programs with host communities including through daily radio communications, a Landowners Forum, and a Joint Provincial Consultative Committee with government representation by Sandaun and East Sepik Provinces.

Chile

Atacama Minerales (previously Santiago Metals Limitada) is located in Chañaral Province in the Atacama Region of northern Chile. Chile is not considered a high-conflict or insurgency-affected operating environment. In this part of Chile, the more material security and human rights considerations for mining operations relate to environmental legacy, stakeholder trust, Indigenous and community engagement, and ensuring that responses to protests, grievances or criminal activity are managed in a manner consistent with human rights. The Chañaral area has a long history of community concern associated with historic mining impacts, particularly legacy tailings disposal linked to the El Salvador mining district. This history means that mining projects in and around Chañaral are likely to be viewed by stakeholders through a lens of environmental performance, transparency and long-term community impact. Engagement with Indigenous and local communities is also an important feature of the operating context, including consideration of culturally significant sites, land access and potential overlap with community land uses.

Atacama Minerales currently utilises a contracted security provider to provide security services to the Delirio, Berta and Carmen operations within agreed operational perimeters. The private security company provides 11 personnel in total, with security coverage maintained on a 24-hour basis through day and night shifts. Their duties include access control using electronic identification systems, patrols of operational areas, monitoring through security cameras, escorting visitors and equipment within site areas, alcohol and drug monitoring, daily incident reporting, training and induction of their personnel, and regular coordination meetings with Atacama Minerales personnel.

Figure 5: Atacama Minerales Delirio Heap Leach and Processing Plant



The use of force is not permitted by site security personnel. Where a security event requires escalation beyond the role of the contracted guards, the Chilean National Police (Carabineros) are required to be contacted. Training of security personnel is the responsibility of the contracted provider in accordance with Chilean legal requirements, with Atacama Minerales responsible for confirming that required training has been completed. The private security company personnel have completed the required OC-10 security course and training in occupational health and risk prevention.

PanAust's involvement in Chile remains comparatively new and VPSHR implementation at Atacama Minerales is still developing. However, given that contracted security arrangements are in place, PanAust considers it appropriate to begin progressively applying the Voluntary Principles framework at this operation, including review of security procedures, contractor management arrangements and relevant training and oversight processes.

C10 Engagements with stakeholders on country implementation

PBM has a well-integrated loss prevention and security governance structure for the implementation of the Voluntary Principles, supported by dedicated in-house teams of Loss Prevention, Sustainability professionals and Government Relations staff to support the Company's operational requirements and to maintain constructive stakeholder relationships.

Regular engagement continues to occur with Laos external stakeholders regarding operational performance, security arrangements and implementation of the Voluntary Principles. The meetings are documented and recorded within the electronic database.

Working with various stakeholder groups, a range of regular scheduled meetings and one-off engagements were conducted during 2025 to support implementation of the Voluntary Principles at the Laos operations, including:

- Proactive engagement by the operational community teams with local communities on a day-to-day basis on local issues, matters of mutual interest, and ongoing community development programs.
- Regular engagement with site-based LPA commanders to discuss immediate security issues, undertake joint inspections of LPA facilities, and clarify roles and responsibilities between Loss Prevention and the LPA.
- Annual wet season preparedness activities, including training of LPA medical personnel to provide emergency care in remote work areas and provision of additional LPA medics in remote locations to support field operations.
- Support for quarterly inspections by senior LPA officers of LPA activities and personnel.
- Daily meetings on site with the private security provider's supervisors. Quarterly meetings with Private Security provider's management team to address resourcing requirements, compliance to Company policies, performance, and contract implementation.
- Ongoing Community Naiban (Leaders) meetings with the Company's Community Affairs Department discussing a range of issues including environmental and social performance, community development priorities, land compensation, incidents and progress on grievances, regional and local security, and safety related issues.
- Regular dialogue with district police to report and engage on security related incidents.
- Weekly informal meetings with LPA personnel assigned to patrol the ADB9 public road.
- District police involved with field observations and monitoring for ASM activities in PBM's Contract Area.
- Quarterly Provincial LPA/police meetings. Agendas include discussing issues which may affect PBM and or local communities and attempt to identify practical solutions for implementation.

- Ongoing meetings and relationship building with GoL Prime Minister and Ministers regarding support for PBM's exploration and mining activities and the updating of PBM's Contract Area.
- Meetings with the Minister of Defence (held at the Ministers discretion) covering proposed activities and contract area requirements, LPA support and co-operation, MoU's, status of regional security in the region, and any concerns or areas of interest in relation to PBM Operations.
- Liaison with Australian Embassy Staff in relation to the Company's performance, business climate and broader security setting across the region.

C11 Voluntary Principles considerations in selection of private security providers and formulation of contractual agreement with private security providers, and arrangement with public security forces

Private security

Private security contractors continue to be contracted at both the Phu Kham Operation, the Ban Houayxai Operation and at some ancillary logistics and port facilities.

In 2025 all private security contracts were verified as being renewed and current. Schedule E of each Laos contract was confirmed to include the requirements of Annex J of the VP's Implementation Guidance Tools. Contracts also include requirements of guards to be at least 25 years of age, (or 21 with additional permissions from PBM) and to produce an original certificate from the Ministry of Justice indicating that they have no criminal convictions and that they have successfully completed an approved Ministry of Public Security training program. Copies of training records and police clearance certificates are required to be provided to the Company to verify compliance with mandatory training and character checks.

Private Security personnel, in addition to PBM proprietary personnel and external security consultants are required to undergo a criminal history check prior to carrying out a security function. There are some limitations to this process in Laos due to the absence of a nationwide database, with checks completed at the provincial level only. These factors are considered in operational risk assessments. Where possible background checks are also conducted to confirm previous employment and suitability to perform a security role.

In addition to their own Company's training program, private security personnel are required to undergo the same induction and training program as PBM Proprietary Security personnel which includes modules on human rights, the Voluntary Principles on Security and Human Rights and Use of Force, in addition to other site security procedures including foot patrol, methods of restraint, person and vehicle search, and crowd control.

Public security

An operational MoU exists between PBM and the LPA which sets out the role of the LPA, including expected standards of behaviour, adherence to the Voluntary Principles and Use of Force expectations, induction

requirements, and the right of removal of personnel from operations where conduct is inconsistent with the MoU.

LPA personnel are rotated off site monthly and are required to undertake a Company-provided induction program each time they are re-deployed. The induction covers safety, snakebite management, Use of Force as it relates to the laws of Laos, key components of the Voluntary Principles, Company values and other behavioural expectations.

PBM maintains a team of competent Lao trainers who deliver training to LPA personnel in the local language and assess competency. Training records are maintained for all personnel, including those from public security agencies, to support verification for audit purposes. Loss Prevention Supervisors also conduct a regular inspection program of LPA facilities and command posts to support compliance with Company requirements. Combined Voluntary Principles and Use of Force training statistics for LPA, Loss Prevention and Private Security personnel during 2025 are set out below.

Table 1: Voluntary Principles and Use of Force – No. of members trained

LPA	Loss Prevention and Private Security	Total
1024	73	1097

C12 Examples of supporting outreach, education, and/or training of (i) relevant personnel, (ii) private security, (iii) public security, and/or (iv) civil society

Due to the political regime in Laos, PanAust’s sphere of influence is restricted to its operations (employees and contractors), local villages (grievance procedure only) and District/Provincial LPA assigned to its work sites. LPA personnel are rotated monthly and receive training in relation to PanAust’s requirements for the Voluntary Principles, basic human rights, and the Use of Force for every rotation, regardless of how many times they have undertaken the program previously. Given the frequency of rotation, knowledge of the Voluntary Principles continues to be reinforced and spread wider than the Company’s operations.

PanAust continues to be the only Voluntary Principles signatory with operations currently in Laos. Within the restrictions placed on it, PBM promotes Voluntary Principles membership with government and community stakeholders as part of the Company’s commitment to implementing best practice in standards, procedures, and implementation of processes as they relate to security and human rights.

PBM applies a standard construction design for LPA accommodation and posts to ensure that they have adequate protection from the elements; including grounding cables for lightning protection, solar panels to ensure the LPA personnel can charge mobile phones and maintain communication with their families and commanders.

Annual preparations for wet season include all LPA accommodation checks and maintenance. PBM has an Adverse Weather Preparation Response Checklist that is used to manage operations and account for all personnel (including contractors and LPA) and ensure they are safe.

Annual refresher medical and emergency training and materials were provided to the LPA Medics assigned to remote areas and additional wet weather PPE was also issued to LPA personnel.

PanAust continues to engage in dialogue and information sharing with security personnel from the Lane Xang Minerals Limited (LXML) Sepon operation, which is 90% owned by Chifeng Jilong Gold Mining Co Ltd and situated in the southern part of Laos. The nature of these engagements includes discussion of practical aspects of good security management and maintaining good working relationships with the LPA and private security providers.

C13 Company procedure to review progress on implementing the Voluntary Principles at local facilities

PanAust maintains a rotating schedule of internal and external audits of operations and projects to assess implementation of relevant security practices, inform updates to risk assessments, and confirm that Voluntary Principles obligations are being progressed.

In 2025, the annual self-assessment survey reviewing compliance with the general expectations of the Voluntary Principles Initiative was completed by both Phu Bia Mining and Frieda River Limited through the PanAust online compliance platform. In addition, quarterly internal audits of security procedures were completed by the PBM Loss Prevention team.

The results of the self-assessment process provide insight into implementation at site level and are used to identify future actions and prioritise areas requiring further attention. During 2025, the self-assessment indicated that implementation of the Voluntary Principles in Laos is relatively mature, reflecting the scale of the operations and the dedicated site-based security and sustainability resources in place. The Frieda River Project was assessed as requiring further work to strengthen implementation as project activities evolve, which is consistent with its current development status, smaller site footprint and limited on-the-ground security presence during permitting.

The Atacama Minerales operation in Chile will be incorporated into the self-assessment program once the Company has completed its initial review of site security arrangements and developed a plan for progressive implementation of the Voluntary Principles at that operation.

D LESSONS AND ISSUES

D14 Lessons and issues from this reporting year, as well as plans or opportunities to advance the Voluntary Principles for the organisation.

During 2025, key lessons and issues for PanAust in relation to implementation of the Voluntary Principles continued to centre on evolving operational footprints, the management of public and private security interfaces, stakeholder trust, and the need to maintain strong cross-functional coordination in more complex operating environments.

In Laos, PBM continued work to extend the life of mine for both BHX and PKM, resulting in increased exploration activities within the Contract Area. Discrepancies between central and provincial government processes for issuing exploration area licences within the PBM Contract Area have contributed to encroachment by third parties on PBM's Contract Area and mining lease rights, together with an increase in ASM activity.

In 2023 PBM established a taskforce to deal with encroachment and ASM activities. The taskforce consists of legal, government relations, community relations, exploration, environment, operations and risk representatives. Addressing issues at the Central and Provincial Government levels are undertaken by key persons within the taskforce to address the issues of encroachment.

A MEPA Surveillance Team was established in 2024 using existing LPA and Loss Prevention personnel who were allocated to provide a physical presence in key exploration areas within the Contract Area to prevent and or monitor ASM and or encroachment activities. Ensuring that Loss Prevention and LPA personnel are trained in the Voluntary Principles is key to ensure no conflict situations arise.

The MEPA Surveillance Team conducts monitoring activities on the ground and where ASM is identified, local and / or district police are the security force responsible for taking appropriate action.

Effective working relationships with public security providers occur when there is good rapport and trust between proprietary security personnel and LPA command leaders. When turnover of personnel in key roles occurs, a concerted effort and increased investment in stakeholder relations is required to maintain good working relationships and build trust over the short term, particularly with the frequency of LPA rotations.

The key implementation challenges in Laos during 2025 continued to include the limits of PanAust's sphere of influence outside its operational areas, the complexity created by third-party encroachment on PBM's Contract Area, and the need to maintain consistent security standards in an environment where LPA personnel rotate frequently. While these rotations create implementation challenges, they also broaden exposure of LPA personnel to the VPSHR principles and associated training requirements. In addition, as operations in Laos transition from two large open pit mines to a combination of open pit and underground mining, together with potential satellite ore feeds, the operational security risk profile is expected to become more complex.

On the Frieda River Project in Papua New Guinea, PanAust was the subject of a complaint lodged with the Australian National Contact Point for Responsible Business Conduct (AusNCP) in December 2021 by Project Sepik and the Jubilee Australia Research Centre on behalf of Sepik River communities. The complaint alleged inconsistency with the OECD Guidelines for Multinational Enterprises in relation to disclosure, human rights and environmental matters. The AusNCP issued a Final Statement in October 2023 and a Follow Up Statement on 22 December 2025. The follow-up process included facilitated discussions between the parties during 2025 and review of the extent to which the recommendations from the 2023 Final Statement had been implemented. The Follow Up Statement recorded that PanAust had implemented four of the five recommendations directed to the enterprise ahead of completion of the follow-up process, with the remaining matter relating to disclosure of the 2018 dam break analysis. PanAust subsequently provided that

analysis to the notifiers and made it publicly available during 2025, following which the Independent Examiner was satisfied that the recommendation had been met. Publication of the Follow Up Statement concluded the AusNCP process.

Priorities for VPSHR implementation across the organisation in 2026 include:

- Reviewing and updating the risk and vulnerability assessments for the Frieda River Project as activities increase.
- Continuing LPA engagement and outreach efforts to build on the cooperative working relationship established in Laos.
- Continuing to strengthen relationships with local communities and, where appropriate, engaging local personnel to support monitoring of assets within their areas of influence.
- Continuing relationship-building and dialogue with the RPNGC and other VPI participants in Papua New Guinea, including through participation in the Papua New Guinea in-country working group as it develops.
- Continuing engagement with the central Government of Laos and relevant ministers to address third-party encroachment issues and support the extended life of mine in Laos.
- Continuing to promote and deliver VPSHR training to LPA and Loss Prevention personnel and support field-based monitoring activities.
- Continuing quarterly face-to-face engagement with LPA and other security force leadership to support PBM in implementing its VPSHR commitments.
- Continuing to work with local security and enforcement agencies in tracking and responding to ASM activity within key areas of PBM's Contract Area.
- Continuing community engagement regarding sustainability and outreach programs.
- Continuing to review security practices at Atacama Minerales in Chile and, where gaps are identified, developing plans to progressively align site arrangements with the Voluntary Principles framework.

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