



SOCIAL POLICY

Royal Road's Commitment to Sustainable Development

Royal Road Minerals Limited and its controlled affiliates (the "Company" or "Royal Road") aims for sustainable development¹ outcomes and is committed to the integration of environmental, health, safety and social considerations into its procedures for project development and operation at all stages.

As part of its commitment, Royal Road has therefore developed a Social Policy, an Environment Policy, an Occupational Health and Safety Policy and a Human Resources Policy.

Royal Road Social Policy

Royal Road recognises good management of social considerations as a highest corporate priority and is committed to the establishment of sustainable relationships with its stakeholders, in particular with those communities surrounding its projects. Royal Road seeks relationships which demonstrate mutual respect and understanding, active partnership and long-term commitment.

The Company implements a social management program for its operations which seeks to minimise and mitigate any adverse social impacts generated by its activities, and to enhance beneficial social impacts where possible and in accordance with internationally recognised business best practice. The implementation of this Social Policy and the Company's associated social procedures is a key requirement during all stages of project development.

Compliance

The Company will comply with all applicable legislation relating to social considerations. The Company also adheres to the standards and guidelines of the International Finance Corporation and European Bank for Reconstruction and Development.

Royal Road requires its consultants, contractors, suppliers and subsidiaries to adhere to the principles of this Social Policy as a minimum standard.

Continuous Improvement

The Company will review its Social Policy on a periodic basis and update it as necessary. It will also regularly update or improve its Environmental, Social, Health and Safety Management System by performing periodic, systematic, internal audits. It will use the results as a basis for continuous improvement in social performance through an adaptive management process.

Stakeholder Engagement

Royal Road recognises that good management of relationships is essential to business success and the management of its operations. The Company also recognises that at every stage of a project potential negative effects may occur due to a lack of communication and stakeholder engagement.

The Company realises that it is operating in environments with different cultures, lifestyles and heritage and thus manages stakeholder relationships based on respect, full transparency and open communication. All its operations are required to develop a project specific Stakeholder Engagement Plan (SEP), providing clear policies and procedures for the stakeholder engagement approaches used by the operation. This includes details of the disclosure of environmental and social information and the Company's grievance mechanism.

¹"Development that meets the needs of the present without compromising the ability of future generations to meet their own needs".



Cultural Heritage

The Company will manage cultural heritage in consultation with relevant communities and national cultural heritage specialists. The Company seeks to avoid or minimise any impact to cultural heritage, both tangible and intangible. Where avoidance of negative impacts is not possible, the Company requires its operations to work with competent professionals to assist in the identification and protection of cultural heritage. Royal Road, subject to appropriate consent, promotes the collection, analysis and dissemination of cultural heritage information and knowledge and takes an open and transparent approach.

Human Rights

Royal Road supports the protection of human rights consistent with the United Nations Declaration of Human Rights. The Company expects its operations to reflect the UN Guiding Principles on Business and Human Rights, based upon a due diligence approach to human rights. The Company's security procedures are consistent with this commitment and require endorsement of the Voluntary Principles on Security and Human Rights by all its operations.

Community Development

To maximise the benefit generated by its core business, the Company also seeks to support community-based projects that can make a difference in a sustainable manner without creating dependency.

The Company makes a distinction between voluntary community development measures and mandatory mitigation measures needed to reduce the negative impacts associated with its business activities.

Royal Road will work with regulatory agencies and other stakeholders, including local communities affected by its activities to address occupational health and safety priorities and concerns in a transparent, participatory, open and constructive manner.

As part of its commitment to sustainable development outcomes, Royal Road will provide adequate resources to meet its health and safety obligations throughout the life of its operations, from exploration through to closure. These obligations will reflect the outcomes of an adaptive management process and the appropriate application of the mitigation hierarchy, with an emphasis on prevention and training to control risks.

Compliance

The company will design and manage its activities to comply with all applicable local and state laws and regulations relating to the environment where it operates and will adhere to the requirements of the World Bank Group/International Finance Corporation (IFC) and European Bank for Reconstruction and Development (EBRD). Royal Road requires its consultants, contractors, suppliers and subsidiaries to adopt the principles of this Occupational Health and Safety Policy as a minimum standard. In addition to this minimum requirement, the Company may elect to make voluntary commitments to comply with other, more stringent requirements.

Continuous Improvement

The Company will review its Occupational Health and Safety Policy on a periodic basis and update it as necessary. It will also regularly update or improve its Environmental and Social Management System - including Health and Safety - by performing periodic, systematic, internal occupational health and safety audits. It will use the results as a basis for continuous improvement and sustained health and safety performance through an adaptive management process.



Communication and awareness

The Company will communicate the Policy to its employees, contractors and suppliers to ensure that they are aware of the Company's commitments and their responsibilities. The Company will provide staff training to promote good practice as well as awareness of the policy's requirements. The Company expects all its contractors to take similar action.