Don David Gold México

TABLE 1: Sustainability Disclosure Topics & Accounting Metrics (SASB)
2021 YEAR RESULTS FOR DON DAVID GOLD MINE, OAXACA, MX.

Sustainability Accounting Standards Board (SASB) Metal and Mining Protocol

December 2021 Extractives & Minerals Processing Sector; Metals & Mining Sustainability Accounting Standard; INDUSTRY STANDARD - VERSION 2021-12

TOPIC	METRIC	REPORT	SASB CODE
Green Gas Emissions	Gross global Scope 1 emissions, percentage covered under emissions- limiting regulations	29,173.75 tons CO_2e were produced in the full year of operation in 2021. The largest GHGs emission is from the public grid (CFE), which supplies 93.6% power to the Don David Gold Mexico mine: 19,260.61 tCO_2e, while the rest of GHGs emissions corresponds to direct sources: Fuel consumption from mobile sources: 6,958.72 tCO_2e, consumption of fuels from stationary sources: 3,121.40 tCO_2e, other: 146.38 tCO2e	EM-MM-110a.1
	Description of long-term and short-term strategy to manage Scope 1 emissions, emission reduction targets, analysis of performance against those targets	With the change over to the federal electricity grid from using diesel power generators, the tons of CO_2e produced were reduced by 34% from 2019 (44,357.48 tCO_2e). Other CO2-emission reduction efforts include upgrading current fleet vehicles to newer vehicles with high-efficiency engines and evaluating consuption surges.	EM-MM-110a.2
Air Quality	Air emissions of the following pollutants: (1) CO, (2) Nox (excluding N2O), (3) SOx, (4) particulate matter (PM10), (5) mercury (Hg), (6) lead (Pb), (7) volatile organic compounds (VOCs)	(1) CO_2: 29,173.75 tons; CH_4: 23.94 tons CO_2e; N2O: 143.79 tons CO2e (2) NOx : 571 mg/m³ (including N2O in accordance with NOM 043 SEMARNAT 1993) (3) Total Suspended Particles: 94 µg/m³ (4) PM_{10}: 21.2 µg/m^3 $PM_{2.5}$: 21.7 µg/m^3 (5) Mercury: 0.0016 mg/m³ (6) Lead: 0.33 µg/m^3 (7) VOCs emissions 2021: Not determinated in 2021	EM-MM-120a.1
Energy Management	1) Total energy consumed, 2) percentage grid electricity, 3) percentage renewable	Direct electricity consumed energy is derived from: the public grid (CFE) and on-site diesel generators. Solar panels provide electrical energy to the temporary hazardous waste warehouse. Total energy consumed: 48,625,867 kWh Percentage grid electricity: 93.6% Percentage self-sufficiency: 6.4%	EM-MM-130a.1
Water Management	1) Total fresh water withdrawn, 2) Total fresh water consumed, and the percentage of each in regions with High or Extremely High Baseline Water Stress	Total fresh water withdrawn: 1,104,368.77 m^3 Total fresh water consumed: 224,877.1 m^3 According to the Water Risk Atlas 0% of both the fresh water withdrawn and total fresh water consumed are from a region with High or Extremely High Baseline Water Stress.	EM-MM-140a.1
	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	In 2021, there were no minor non-compliance reports nor were there any Notices of Violation.	EM-MM-140a.2
Waste & Hazardous Materials Management	Total weight of non-mineral waste generated	1,118.68 tonnes of hazardous and non-hazardous waste were generated	EM-MM-150a.4
	Total weight of tailings produced	435,954 tonnes of tailings were generated	EM-MM-150a.5
	Total weight of waste rock generated	194,616.2 tonnes of waste rock were generated	EM-MM-150a.6
	Total weight of hazardous waste generated	594.32 tonnes of hazardous waste were generated	EM-MM-150a.7
	Total weight of hazardous waste recycled	A total of 49.9 tonnes of hazardous waste were recycled (49.84 tonnes corresponding to waste oil)	EM-MM-150a.8
	Number of sigificant incidents associated with hazardous materials and waste management	There were no significant incidents related to the management of hazardous materials and waste.	EM-MM-150a.9
	Description of waste and hazardous matrials management policies and procedures for active and inactive operations	There is a hazardous waste management plan authorized by SEMARNAT (NOM-052-SEMARNAT-2005) that ensures that hazardous waste is properly managed from generation to final disposal. For the management of hazardous waste, we have authorized waste disposal companies that focus on recycling, treatment, or final disposal, depending on the type of hazardous waste.	EM-MM-150a.10

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Biodiversity Impacts	Description of environmental management policies and practices for active sites	The Company complies with the environmental regulations of SEMARNAT, CONAGUA, SENER, ASEA and PROFEPA. In addition, the update of the corresponding regularization is kept constant. Environmental management includes annual sampling of tailings, waste rock, hazardous waste, monitoring of biodiversity, particles and noise, as well as quarterly sampling of treatment water discharges, surface water and groundwater. Prior to new disturbances, the Company performs the necessary flora and fauna studies within the area to be disturbed. The environmental management system is currently being strengthened with measurements being coordinated in the area of influence outside the operation.	EM-MM-160a.1
	Percentage of mine sites where acid rock drainage is: 1) predicted to occur, 2) actively mitigated, and 3) under treatment or remediation	The Company performs annual sampling of waste rock at Don David Gold Mexico. In 2021, the sample results confirmed hazardous and acid drainage generators. Sample results are used to update the closure plan for site conditioning.	EM-MM-160a.2
	Percentage of 1) proven and 2) probable reserves in or near sites with protected conservation status or endangered species habitat	There are no sites within or surrounding DDGM operations that are designated as protected or contain endanged species habitat.	EM-MM-160a.3
Security, Human Rights & Rights of Indigenous Peoples	Percentage of 1) proven and 2) probable reserves in or near areas of conflict	There are no sites within or surrounding the Don David Gold MIne that are designated as areas of conflict.	EM-MM-210a.1
	Percentage of 1) proven and 2) probable reserves in or near indigenous land	100% of Don David Gold´s proven & probable reserves are located in areas designated as indigenous land.	EM-MM-210a.2
	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	Don David Gold Mexico has a land use and access contract that was consulted and negotiated with the communities within the areas of its operations. In addition, there are processes in place to keep the corresponding permits and authorizations in order. The Company has a positive presence in the communities where it operates and has developed a community relationship strategy to address issues of health, education, culture and benchmarking. Spreading the benefits of the mining operations with its stakeholders in the region is a core value of the company. The company is updating and disseminating its policies related to Human and Indigenous Rights, these will be integrated into all areas and processes of the organization and made available to key stakeholders.	EM-MM-210a.3
Community Relations	Discussion of process to manage risks and opportunities associated with community rights and interests	A community relations department has been established within the community in order to attend to the below needs: -Understand complaints and grievances -Gather requests to support key stakeholders -Meet with stakeholders to identify investment opportunities for the communities -Provide social services for heatlh, environment and education -Measure the impact the Company has on host communities	EM-MM-210b.1
	Number and duration of non-technical delays	The Company voluntarily suspended operations for a week during August 2021 as a consequence of a spike in COVID cases.	EM-MM-210b.2
Labor Relations	Percentage of active workforce covered under collective bargaining agreements, broken down by US and foreign employees	The workforce is unionized with 58% of workers covered by collective agreements.	EM-MM-310a.1
	Number and duration of strikes and lockouts	In 2021, there were no events of strikes and lockouts.	EM-MM-310a.2
Workforce Health & Safety	1) MSHA all incident rate, 2) fatality rate, 3) near miss frequency rate (NMFR) and 4) average hours of health, safety and emergency response training for a) full-time employees, and b) contract employees	1) MSHA all incident rate =19.04 2) Fatality rate = 0.0 3) NMFR = 17.45 4a) hours average training for full-time employees = 230.3 4b) Hours average training for contactors= 24	EM-MM-320a.1
Business Ethics & Transparency	Description of the management system for prevention of corruption and bribery throughout the value chain	Key DDGM personnel receive training on corruption and bribery annually.	EM-MM-510a.1
	Production in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Not applicable. All operations assocated with DDGM occur within the State of Oaxaca, Mexico. Mexico ranked 124th (with 180th being lowest score) in the Corruption Perception Index in 2021. Mexico received a score of 31 (with 1 being the lowest and 88 being the best score) on the Transparency International Index in 2021 (Transparency International).	EM-MM-510a.2

TOPIC	METRIC	REPORT		SASB CODE
Tailings Storage Facilities Management	Tailings storage facility inventory table:			EM-MM-540a.1
	(1) facility name	**Tailings Storage Facility, Phase I-II**	**Tailings Storage Facility, Phase III**	
	(2) location	San José de Gracia, Mexico	San José de Gracia, Mexico	
	(3) ownership status	Gold Resourse Corporation 100% owner & operator	Gold Resourse Corporation 100% owner & operator	
	(4) operational status	Inactive, preparing for closure	Active, in operation.	
	(5) construction method	Downstream	Downstream	
	(6) maximum permitted storage capacity	1.36 million m3	2.43 million m3	
	(7) current amount of tailings stored	Approximately 1.24 million m3	Approximately 2.08 million m3	
	(8) consequence classification	Extreme due to the inherent high-hazard potential of a rockfill dam. Potential economic and environmental consequences of failure.	Extreme due to the inherent high-hazard potential of a rockfill dam. Potential economic and environmental consequences of failure. Additionally, the underground mine portal is located within 2km downstream of the dam.	
	(9) date of most recent independent technical review	- Dam Safety Inspection in 2019 by Tierra Group International S.A.C. - Dam Break Analysis in 2021 by Global Resource Engineering	- Dam Safety Inspection in 2019 by Tierra Group International S.A.C. - Dam Break Analysis in 2021 by Global Resource Engineering	
	(10) material findings	No	No	
	(11) mitigation measures	N/A	N/A	
	(12) site-specific EPRP	General Mine EPRP addresses Tialings Storage Facilities.		
	Summary of tailings management systems and governance structure used to monitor and maintain the stability of tailings storage facilities	Key DDGM personnel are responsible for ensuring proper procedures are followed to ensure stability of the tailings storage facilities. Key activities include but are not limited to: *Montioring to ensure there are significant incidents at TSF. *Performing TSF risk assessments. *Complying with Permits/licenses/regulatory, according to NOM-141-SEMARNAT-2003. *Maintianinf TSF instruction manual. *Monitoring TSF management plan. *Produce annual TSF Construction Compliance Reports. *TSF annual structural/geotechnical audits *TSF Inspection Reports: Weekly/Monthly/after a natural event: earthquake or torrential rain		EM-MM-540a.2
	Approach to development of Emergency Preparedness and Response Plans (EPRPs) for tailings storage facilities	To minimize the risk of catastrophic events. Operation aligns with available guidelines, but not limited to: The Canadian Mining Association (MAC), a guide to managing tailings facilities. Guidelines from the Australian National Committee on Large Dams (ANCOLD).		EM-MM-540a.3

TABLE 1: Activity

METRIC	REPORT		SASB CODE
Production of 1) metal ores and 2) finished metal products	**26,438** gold ounces; **1,200,291** silver ounces; **1,506** copper tonnes; **7,544** lead tonnes; and **17,329** zinc tonnes.		EM-MM-000.A
Total number of employees, percentage contractors	Average end of year number of employees and contractors was 880 of which 248 were staff employees, 341 unionized and 291 contractors. The percentage of contractors was 33%.		EM-MM-000.B