

**Longshore Resources Ltd.**

**2023 Report under the *Fighting Against  
Forced Labour and Child Labour in Supply  
Chains Act***

## Introduction

This report has been prepared by Longshore Resources Ltd. (“**Longshore**”) in response to the requirements under Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”) for our financial year ending December 31, 2023 (the “**Reporting Period**”).

The Act requires Longshore to report on our activities in relation to the production and sale of goods in Canada. Longshore is not subject to reporting requirements under supply chain legislation in jurisdictions outside of Canada, and this report is therefore structured to meet the requirements of the Act.

Longshore is firmly committed to the prevention and reduction of risk of forced labour and child labour within our supply chain operations. We aim to not only align with the objectives of the Act to reduce these risks, but also to further our shared goal of delivering secure, safe, and ethical energy to our downstream customers.

Our objective is to implement and maintain effective measures that bolster due diligence within our supply chain processes, ensure compliance with our legal reporting obligations, and significantly reduce the risk of forced and child labour within our supply chains.

## Organizational structure, activities, and supply chain

### Structure

Longshore is a privately held oil and gas exploration and production company. Longshore has approximately 72 employees and our headquarters are located in Calgary, Alberta.

### Activities

Longshore is devoted to the efficient and effective production of Canadian oil and gas through our drilling operations in British Columbia, Alberta and Saskatchewan.

### Supply chain

As an upstream oil and gas company operating in Canada, our supply chain supports operations across British Columbia, Alberta, and Saskatchewan. Our supply chain encompasses a diverse range of suppliers, from equipment manufacturers and service providers to logistics and transportation companies, each playing a critical role in our operational efficiency and success. We engage over 1,000 suppliers specializing in various essential activities, including drilling, completions, facilities construction, and the transportation of natural gas and oil through pipelines. The majority of our suppliers are based in Canada with the exception of several IT service providers.

## Steps to prevent and reduce the risks of forced labour and child labour

In the Reporting Period, Longshore has taken the following steps to prevent and reduce the risks of forced labour or child labour in our operations and supply chain:

- Developing and implementing anti-forced labour and/or -child labour standards, codes of conduct and/or compliance checklists through our Code of Business Conduct and Ethics.
- Developing and implementing grievance mechanisms through our Whistleblower Policy.

Further details on these activities are provided in the following sections of this report.

## Governance, policies and due diligence processes

### Overview

Longshore is working to embed responsible business conduct into our governance structure, policies, and risk management systems.

### Governance

The Board of Directors is responsible for overseeing the company's compliance with Bill S-211 and ensuring the effectiveness of our policies and procedures related to forced and child labor. The Board provides corporate policy approval and oversight, risk management and ethics and compliance. Our Audit Committee oversees financial reporting, internal controls and risk management procedures, monitoring the effectiveness of the risk management framework which will include risks related to forced and child labour. Senior Management is responsible for implementation and day-to-day management of our governance policies and procedures including corporate policy implementation, training and awareness, and monitoring and reporting.

We are committed to transparency and accountability in our governance practices which includes our annual reporting and attestation, stakeholder and supplier engagement as well as our confidential Whistleblower mechanism.

### Policies

In the Reporting Period, Longshore had implemented several policies that address the prevention and mitigation of forced labour and child labour:

- Code of Business Conduct and Ethics: Reflects our commitment to our values of honesty, integrity, respect and community, and outlines the basic principles and policies with which all employees are expected to comply. Our directors, officers, employees, consultants, suppliers and contractors are required to comply with all applicable laws including Federal and Provincial prohibitions on child labour, forced labour, human trafficking and slavery as well as respecting laws pertaining to human rights, labour rights, freedom of association, and working conditions, including hours of work.
- Whistleblower Policy: Provides Longshore employees, contractors, and external stakeholders with a mechanism by which they can raise concerns regarding questionable business practices, without fear of any discrimination, retaliation or harassment, through their supervisors or, if necessary, via a confidential and anonymous process.

### Due diligence processes

In the Reporting Period, Longshore had not yet approved and implemented risk assessment and due diligence processes to evaluate, prevent and mitigate human rights risks in our operations and with our suppliers; however, we feel our current supplier review process including the use of a third-party platform could provide the structure and facility to do so. Longshore utilizes a third-party platform to ensure that we are hiring contractors and suppliers who have a proven history of health, safety and environmental compliance, as well as proper insurance and Workers' Compensation Board (WCB) coverage.

## Forced labour and child labour risk

In the Reporting Period, we did not identify any risks of forced or child labour within our activities and supply chains.

## Remediation measures and remediation of loss of income

To date, Longshore has not received any complaints relating to forced labour or child labour in our operations or supply chain, and as such has not taken any remediation measures or remediation of loss of income to families as a result of forced labour or child labour.

## Employee training

In the Reporting Period, Longshore had not yet developed or implemented training on the risks of forced or child labour.

Longshore is committed to educating our staff on our policies and ethical standards through a structured training program, including new employee intakes and annual refreshers.

## Assessing effectiveness

In the Reporting Period, Longshore had not yet developed an approach to assess its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains.

## Approval and attestation

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 entity or 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.

Dated in the City of Calgary, Alberta, this 31st day of May, 2024.



**Duane Schellenberg**

Chairman of the Board of Directors of Longshore Resources Ltd.

I have the authority to bind Longshore Resources Ltd.