



2024 Lotus Creek Exploration Inc. Modern Slavery Report

Lotus Creek Exploration Inc. ("**we**", "**our**", "**Lotus Creek**" or the "**Corporation**") has created this report to meet our requirements pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "**Modern Slavery Act**").

Forced labour and child labour (each as defined in the Modern Slavery Act and hereinafter together referred to as "**modern slavery**") are violations of fundamental human rights and are occurring across the globe. As a Canadian junior oil and gas exploration company, we recognize the responsibility we have to ensure our operations and the supply chains that support our operations adhere to the highest ethical standards, which includes no use of modern slavery in our business or supply chains.

The Corporation is subject to the reporting requirements of the Modern Slavery Act. While the government guidance advises that modern slavery reports should focus on a reporting entity's previous financial year, the Corporation only began commercial operations in February 2025¹ and as such, the content of this report is limited.

Steps Taken During 2024

Given that the Corporation only came into existence in August 2024 and only started commercial operations in February 2025, no steps were taken in 2024 to prevent and reduce the risk of use of modern slavery in our business or supply chain.

Structure, Activities and Supply Chains

- **Structure:** Presently, Lotus Creek has 7 directors and 17 employees with 14 staff in the Calgary office and 3 employees located in Lotus Creek's operating areas in Alberta and Saskatchewan. Lotus Creek also has a number of contractors in the Calgary office, and contract operators in the field. On February 11, 2025, the Company's common shares began trading on the TSX Venture Exchange under the symbol LTC.
- **Operations:** Lotus Creek is a Canadian exploration and production company with oil production in Central Alberta and Southeast Saskatchewan and exploration assets in Tucker Lake and Central Alberta. Sales production volumes averaged 1,632 boe per day for the first quarter of 2025.

¹ The Corporation was incorporated on August 21, 2024 as 2640847 Alberta Ltd. On December 18, 2024, the Corporation filed Articles of Amendment to change the name of the Company to Lotus Creek Exploration Inc. The Corporation acquired its operational assets on February 5, 2025 pursuant to a plan of arrangement under the *Business Corporations Act* (Alberta). The Corporation did not carry on any material commercial operations prior to February 5, 2025.

- **Supply chains:** The Corporation did not carry-on any commercial operations in 2024. In 2025, we anticipate that substantially all of our suppliers and service providers will be within Canada.

Additional information regarding the corporate structure and operations of the Corporation can be found in our (i) listing application on TSX Venture Exchange Form 2B dated February 5, 2025, which has been filed on [SEDAR+](#) and (ii) our first quarter 2025 interim financial statements and management's discussion and analysis, which are posted on our [website](#) and filed on [SEDAR+](#).

Policies and Due Diligence

Policies

The Corporation's Code of Business Conduct and Ethics (the "**Code**") requires all of our directors, officers, employees and contractors to have high standards of professional and ethical conduct. In addition, the Code requires compliance with all applicable laws, rules and regulations, which includes legislation relating to modern slavery. The Corporation may in the future consider implementing additional policies designed to mitigate the risks of any actual or perceived modern slavery occurring in relation to our business or supply chains.

Due Diligence

Given that the Corporation was just recently established, the Corporation has not historically undertaken any steps to conduct due diligence relating to mitigating the risks of modern slavery occurring in relation to our business or operations; however, we are not aware of any high-risk exposure to modern slavery associated with the Corporation's supply chain. We may in the future consider implementing additional procedures to ensure we are not unknowingly engaged in business with any entities involved in modern slavery.

Activity and Supply Chain Risks

The Corporation is not aware of any high-risk exposure to modern slavery associated with our business or supply chains.

Remediation Measures

We are not aware of the existence of modern slavery in our business and the supply chains that support our operations. As such, we have not taken any measures to remediate any modern slavery in our business or supply chains nor to remediate loss of income to the most vulnerable families resulting from any of our actions.

Employee Training

The Corporation has not implemented any employee training related to modern slavery.

Assessment of Effectiveness

The Corporation has not yet implemented any policies or processes to assess our effectiveness in ensuring that modern slavery is not used in the Corporation's business or supply chains.

Approval and Attestation of the Report

This report was approved by the Corporation's Board of Directors on May 30, 2025 pursuant to paragraph 11(4)(a) of the Modern Slavery Act and will be filed with the Minister of Public Safety and Emergency Preparedness.

In accordance with the requirements of the Modern Slavery Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in this report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest, on behalf of the Corporation, and with no personal liability, that the information in this report is true, accurate and complete in all material respects for the purposes of the Modern Slavery Act, for the reporting year listed above.

Signature

Kevin Johnson
President and Chief Executive Officer
May 30, 2025

I have the authority to bind the Corporation.