

SilverCrest Metals Inc.

Modern Slavery Act Disclosure

The following is a report (the "Report") prepared by SilverCrest Metals Inc. ("SilverCrest" or the "Company") pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act"). The Report describes the various measures taken by SilverCrest and its subsidiary Compañía Minera La Lllamarada, S.A. de C.V. ("Lllamarada", and together with SilverCrest, the "Companies") during the Companies' previous financial year ended December 31, 2023 to identify, prevent and reduce the risks that forced labour or child labour is used in their operations or at any step of the production of goods, in Canada or elsewhere, or of goods imported into Canada.

Steps Taken in 2023 To Prevent and Reduce the Risks That Forced Labour or Child Labour

In 2023, the Companies took the following steps to prevent and reduce the risks of forced labour or child labour:

- conducted mapping of their top 50 direct suppliers;
- began to require all of Lllamarada's suppliers to adhere to SilverCrest's Code of Business Conduct and Ethics Policy, Anti-Bribery and Anti-Corruption Policy and Whistleblower Policy; and
- enforcing strict policies against the employment of child or forced labour.

Structure, Activities and Supply Chains

Structure

SilverCrest is a Canadian-based precious metals producer headquartered in Vancouver, BC, with an ongoing initiative to increase its silver-gold assets by expanding current resources and reserves, acquiring, discovering, developing and operating high value precious metal projects in the Americas. The Company's principal focus is operating its Las Chispas silver and gold operation ("Las Chispas") consisting of 28 concessions of an estimated 1,401 hectares. The operation is located approximately 180 km northeast of Hermosillo, Sonora, Mexico. Las Chispas is in a prolific mining area with nearby precious and base metal producers. The Company has a portfolio of three other mineral exploration properties in Sonora, Mexico, comprised of El Picacho, Cruz de Mayo, and Angel de Plata properties.

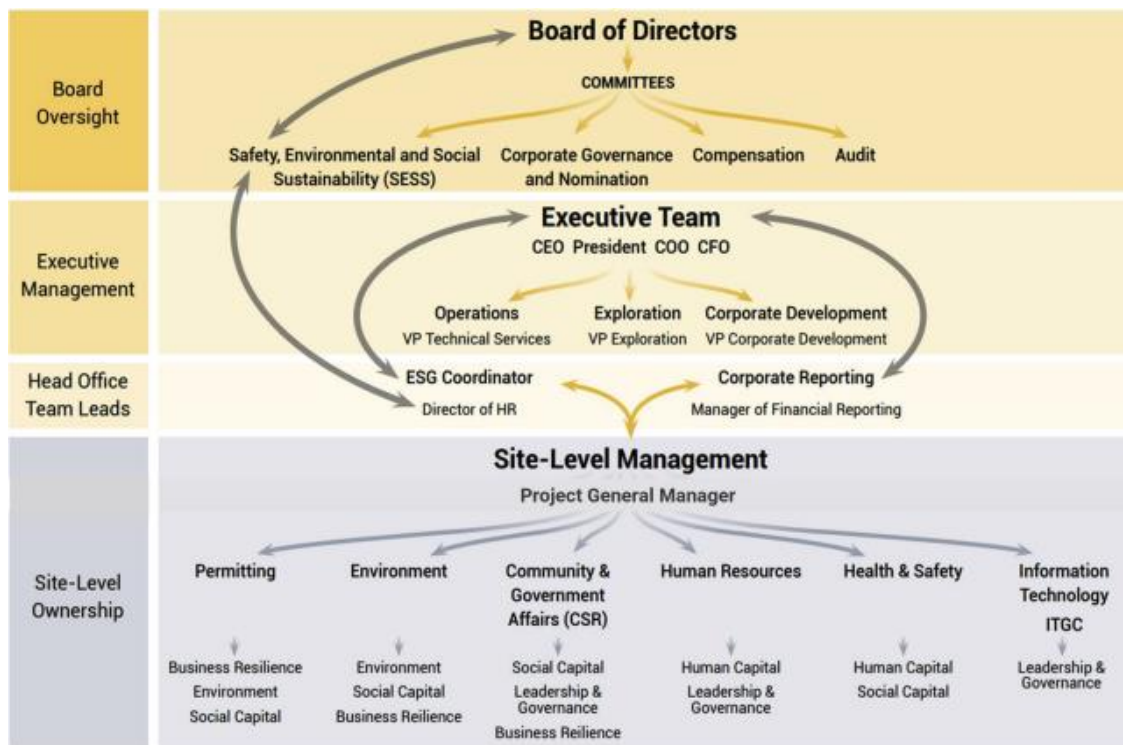
The head office of the Company is located at Suite 501, 570 Granville Street, Vancouver, British Columbia, V6C 3P1. The registered office of the Company is located at 19th Floor, 885 West Georgia Street, Vancouver, British Columbia, V6C 3H4.

SilverCrest has six wholly owned subsidiaries. The Company's principal subsidiary at December 31, 2023 was Lllamarada located in Mexico whose principal project and purpose is ownership and operation of the Las Chispas Operation.

At the end of 2023, SilverCrest and its subsidiaries (the "SilverCrest Group") employed a total of 24 full time personnel based in Canada and 322 unionized and non-unionized employees based in Sonora, Mexico as of December 31, 2023. In addition, SilverCrest and its subsidiaries had an estimated 598 contractors at the Las Chispas operation in Mexico as of December 31, 2023. Of the 322 employees of Lllamarada, 98.8% of personnel at Las Chispas are from Mexico including 27.6% who are local to the Sonora Valley.

The SilverCrest Group's organizational and management structure can be broadly categorised into three groups: the Board of Directors, Executive Management and Site Level Management. There were seven directors, including the Company CEO on the Board of Directors, as of December 31, 2023. There were four board committees: Audit (meeting quarterly), Compensation (meeting bi-annually), Corporate Governance and Nominating (meeting annually), and Safety, Environment and Social Sustainability - SESS (meeting quarterly). At December 31, 2023, the Executive Management of the

Company which included the CEO, COO, CFO, President, VP Exploration, VP Corporate Development, VP Technical Services, and VP Financial Reporting reported directly to the Board of Directors on regular basis throughout the year. The Executive Management team works closely with Site Level Management to manage day to day operations. This internal management structure effective December 31, 2023 can be seen in the organizational chart below.



Activities

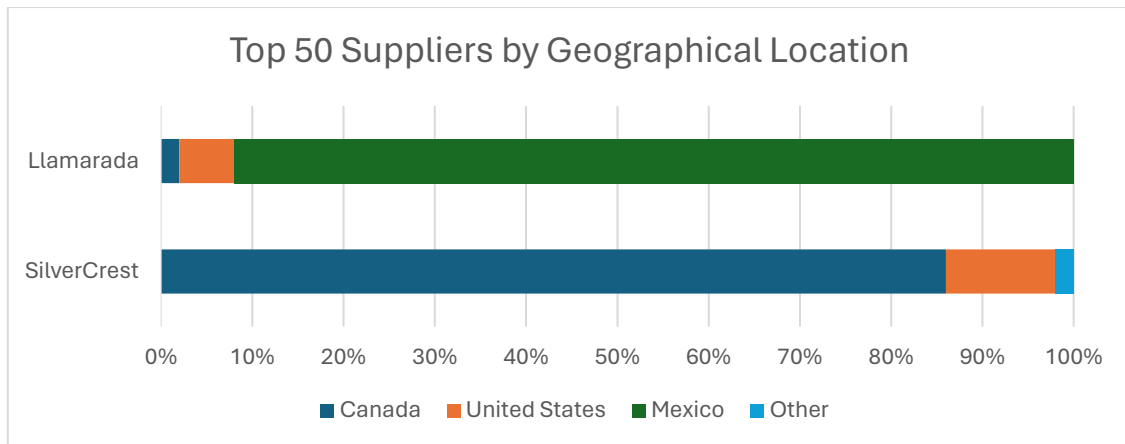
The Companies engage in a range of complex operational activities from exploration and extraction to mine construction and production. Each stage of the mining process requires the use of skilled labour as well as a variety of materials and chemicals which we source from our suppliers. The final product from this process at Las Chispas is doré bars which are made up of variable amounts of gold and silver contents depending on the gold and silver grades of the feed material being processed at any given time. The doré produced requires further refining by third party refiners before being provided to the market as gold bullion and silver bullion.

In 2023, the Companies recovered 59,700 ounces gold and sold approximately 58,200 ounces gold for US\$113.3 million. In addition, the Companies also recovered 5.65 million ounces silver and sold approximately 5.62 million ounces silver for US\$131.9 million. In total, the Companies generated US\$245.1 million in revenue from gold and silver sold in 2023.

In addition to operational activities, the Companies also carry out infrastructure and ESG related projects in the community and surrounding site. This includes the 5-year water stewardship plan started in 2021 that has repaired or built new water infrastructure in local communities such as aqueducts, well pumps and sewer systems. The Companies also constructed a bridge and electricity transmission line to Las Chispas, connecting the mine to Mexico’s infrastructure.

Supply Chains

In preparation for this Report, the Companies compiled information on their top 50 suppliers in 2023 by spend.



For Lllamarada, the top 50 vendors make up 83.5% of the Company’s total costs. Of the 50 top suppliers, 46 are Mexico based, with three suppliers originating from the United States and one originating from Canada.

The main categories of direct suppliers for Lllamarada can be broken down as follows. 20 of the top 50 suppliers by spend provide consumables and materials for use in the mine itself or onsite processing plants. Suppliers that lease machinery and equipment for construction, mining and plant processes as well as the associated services such as drilling and contractors to operate these processes make up 16 of the top 50 suppliers for Lllamarada. This includes our mining contractor, Cominvi, which is our largest supplier by spend at 27.1% of total purchases. The remaining 14 suppliers that make up the Lllamarada's top 50 suppliers by spend provide a range of products and services to Lllamarada such as sample analysis, energy services, financial services, insurance, refining, etc.

For SilverCrest, the top 50 vendors make up 98.8% of the Company’s total costs. Of the 50 top suppliers, 43 originate from Canada, six suppliers originating from the United States and 1 originating from Hong Kong. No physical labour is involved any of SilverCrest’s supplier, which reduces the risk of forced, child labour and slavery. The main categories of direct suppliers for SilverCrest are broken down as follows:

- 63.2% Treasury management, purchase of bullion
- 17.3% for professional consultant or advisory fees, including legal, accounting fees
- 8.5% for office fees
- 5% Loan servicing
- 4.8% for tax remittances and regulatory fees

Policies and Due Diligence Processes

SilverCrest has developed policies that embed responsible business conduct by the Companies on a wide range of issues, including issues specific to the Companies. These policies are publicly available on the Company’s website in both Spanish and English and are reviewed regularly for updates when new risks or opportunities arise. Some of these policies include: [Anti-Bribery and Anti-Corruption Policy](#), [Whistleblower Policy](#), [Code of Business Conduct and Ethics Policy](#), [Community Policy](#), [Diversity Policy](#), [Environmental Policy](#), [Health and Safety Policy](#), [Human Rights Policy](#) and [Supplier Code of Conduct](#). The full list of policies can be viewed at the following [link](#).

SilverCrest’s Code of Business Conduct and Ethics Policy, Supplier Code of Conduct and Human Rights Policy all make reference to the Company’s commitment to reject any use of slavery, forced and child labour in its operations, including those of Lllamarada.

The Supplier Code of Conduct and the Human Rights Policy outline SilverCrest’s commitments against the use of child and forced labour, with the Supplier Code of Conduct explicitly requiring

suppliers to not condone any form of forced or child labour in their business practices. Included in the contract signed with Llamarada's largest supplier in 2021, Cominvi Servicios S.A. de C.V., our mining services provider, is the additional requirement to adhere to the Health and Safety Policy, Environmental Policy and Community Policy.

Starting in May 2023, all supplier contracts signed with Llamarada have required suppliers to adhere to SilverCrest's Code of Business Conduct and Ethics Policy, Anti-Bribery and Anti-Corruption Policy and Whistleblower Policy. SilverCrest's Code of Business Conduct and Ethics Policy explicitly states the Company's commitment to protecting employees from forced labour and guaranteeing that there is no child labour or slavery being employed. The expectation of Llamarada's suppliers is to honour their agreement to our Code of Business Conduct and Ethics Policy and to take the necessary steps into ensuring forced and child labour is not being employed in their operations or supply chain. For SilverCrest, the parent company's employees review and acknowledge the Company's policies annually. To date, SilverCrest has yet to formally require all vendors at the SilverCrest level to acknowledge the company's corporate policies. We get comfort in the fact that our contractors at the parent level are generally professional advisory services companies based in Canada and therefore they must comply with Canadian labour laws.

The Company has not yet developed any due diligence processes targeted at identifying and assessing for the risk of, or the use of, forced or child labour throughout its supply chain.

Forced Labour and Child Labour Risks

The Companies understand that it is highly unlikely that any sector or industry that involves the production of a good will be free of child and forced labour risks, due to the complex and diverse nature of global supply chains. This is especially true for the mining industry where conflict minerals in many areas around the globe use forced or informal labour. However, to manage the direct impact of its own operations, the Companies have enforced strict policies against the employment of child or forced labour.

To this end and as mentioned in the above Structure, Activities and Supply Chains section of this report, the Companies have gone through the process of mapping out its top 50 direct suppliers in 2023 by spend, including a breakdown by country and nature of product or service provided. Whilst we have confidence that there is no risk of child and forced labour risk at Las Chispas, it is possible that risks exist in wider supply chain. 46 out of 50 of Llamarada's top suppliers by spend are located in Mexico. We suspect that these suppliers may carry a higher country risk than our suppliers based in the United States and Canada, due to potentially less stringent regulatory scrutiny. Mexico was ranked 116 of 141 countries surveyed in the incidence of corruption in 2020 according to the WEF, which could mean an increased risk of the use of child and forced labour in general.

It is possible that some suppliers could employ individuals below the age of employment due to such individuals providing falsified documents. These individuals may be submitting falsified documents out of necessity to provide for their family as there may not be many other economic opportunities in the regions that they are from in Mexico. It is also possible that suppliers may be subcontracting work further downstream the supply chain from other companies in Mexico that either lack policies on child or forced labour or overlook the use of such labour. In addition, although suppliers are required to adhere to Silver Crest's policies on child and forced labour, they may not have the same such policies in place and therefore may not require their suppliers to adhere to their policies if they do. In this way, the Companies could be indirectly linked to the use of child or forced labour in its supply chain. The use of child labour would likely be more common especially in remote areas where child labour laws are not enforced as strictly.

The prevalence of the cartels throughout the Mexican business and institutional landscape also poses a potential risk of the use of child and forced labour in the supply chains of almost all companies operating in Mexico, including our own. The cartels are involved in many industries in

Mexico and are known to use forced and child labour. As such, there is a risk of that the use of child and forced labour contributing to the productive activities exists in many supply chains in Mexico potentially including our own and therefore we would be indirectly linked to the use of this labour if it is being used.

Outside of their supply chain, the Companies are currently working with its communities to repair and improve local water infrastructure. The labour employed to do this work are contractors hired by Lllamarada and therefore the same potential counter party risks mentioned above, related to child and forced labour, could also exist here. The community sentiment towards these projects has been very positive and as a result many individuals from the community wanted to help directly with the projects which the Companies have accepted in one instance of the aqueduct installation. SilverCrest provided the materials for the project, however the landowners in the areas proximal to the aqueduct provided the labour. Although the relationship between the Companies and the community is strong, in this situation, we are aware that it is possible that members of the landowner's family or wider community helping with the aqueduct repair may have been under the legal working age.

SilverCrest has a well-established Enterprise Risk Management system, the key risks of which are reported in public filings. The system identifies, tracks and manages existing risks in a systematic manner as well as monitors current affairs for emerging risks. In the future, this risk management system could be expanded to identify, track and manage child and forced labour risks as it pertains to the Companies' supply chain.

Remediation Measures

The Company has a Whistleblower Policy and Grievance Mechanism in place both in English and Spanish that applies to the Companies to allow for members of the community and any other party or stakeholder to report any grievances including incidences of child or forced labour to the Company if it has occurred.

To date, the Companies have not received any community-related grievances, nor any grievances related to incidences of child or forced labour. As a result, no remedy was provided. If instances of child or forced labour were identified, the Companies would anticipate 1) documenting the grievance in Clearview (our Grievance Mechanism Reporting Channel), 2) commencing an investigation by dedicated personnel, 3) reviewing findings and an action plan from investigator and 4) completing such action plan.

With respect to the Companies supply chain, the Company is unaware of any use of forced or child labour by our suppliers or within our supplier's supply chains and therefore the Companies did not take any measures to remediate such incidences of forced or child labour in our supply chain. If instances of child or forced labour were identified, the Companies would anticipate following the same remedy steps as above.

Remediation of Loss of Income

The Companies did not identify, and thus did not take any measures to remediate, instances of child or forced labour in its activities or supply chain in 2023. As such, there have not been any vulnerable families that have experienced loss of income as an unintended consequence of steps taken to eliminate the use of child or forced labour.

Training

During 2023, the Companies did not conduct any training courses for employees that specifically covers modern slavery, forced labour or child labour.

The Companies conduct training on a wide range of topics on a regular basis from health and safety training to environmental training to anti-corruption training. In addition, all Lllamarada employees, at all levels, are required to undergo annual training on Company policies. Included in this training, which

is conducted internally in a presentation format, it is addressed that the Company rejects any kind of slavery, forced labour or child labour to be employed in its operations. After taking the training course, employees must sign off on a statement agreeing to follow the Company's policies. SilverCrest corporate employees, despite not having to undergo yearly training on Company policies, are required to sign off on Company policies on an annual basis. The policies, that both Lllamarada and SilverCrest employees must sign off on, include the Human Rights Policy and the Supplier Code of Conduct, which refers to the rejection of the use of child or forced labour.

Assessing Effectiveness

The Companies have not taken any actions to assess the effectiveness of preventing and reducing risks of child and forced labour in their activities and supply chain.

Approval and Attestation

This Report was approved pursuant to subparagraph 11(4)(a)(ii) of the Act by the Board of SilverCrest, as being the Report for the financial year ended December 31, 2023.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in this Report. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this Report is true, accurate and complete in all material respects, for the purposes of the Act, for the reporting year listed above.

/s/ N. Eric Fier

N. Eric Fier, CEO

I have the authority to bind SilverCrest
Metals Inc. and Compañía Minera La
Lllamarada, S.A. de C.V.

May 30, 2024