

2023 SUSTAINABILITY REPORT

TRX GOLD CORPORATION



TRANSPARENCY AND TRUST

TRXGOLD

TRXGOLD.COM

NYSE-A: TRX

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ABOUT TRX GOLD CORPORATION

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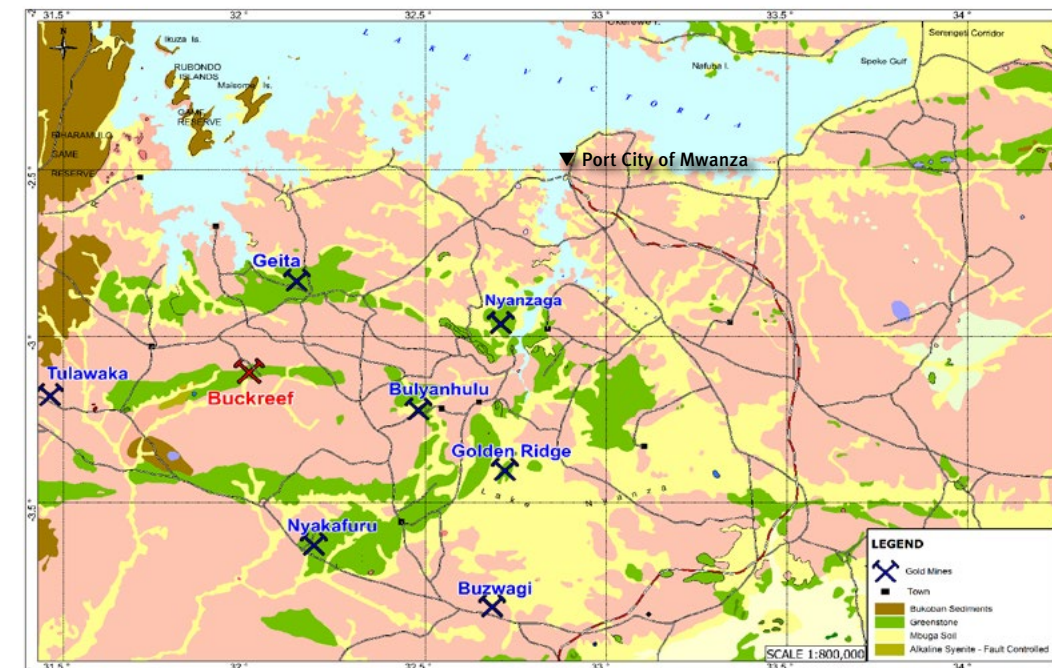
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TRX Gold Corporation is a gold producing junior mining company with an expanding production profile and blue-sky exploration upside at the Company's expansive Buckreef Gold Project. Our business strategy is to leverage positive cash flow from operations to fund value enhancing activities in order to reduce project risk and drive value creation.

TRX Gold has its corporate office located in Oakville, Ontario, Canada, close to North American financial markets and shareholders. TRX Gold Corporation is proud to be working in Tanzania, a country that supports the mining sector and welcomes foreign investment. We have been in Tanzania for close to two decades, and as a result we have forged solid relationships with our partners, suppliers, contractors and local communities.

The Buckreef Gold Project is located in the Geita District of the Geita Region, south of Lake Victoria, approximately 110 km southwest of the City of Mwanza, Tanzania. The area is known for the prolific Victoria Lake Greenstone Belt, along which there are a number of notable, long-life mining operations.



^ Buckreef Gold Project location among peer gold mines within the Lake Victoria Greenstone Belt area



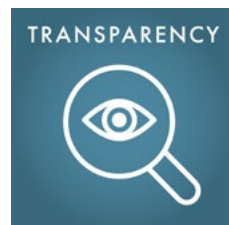
The Company is committed to our principles of sustainability and ethics, and acts in line with our corporate values:



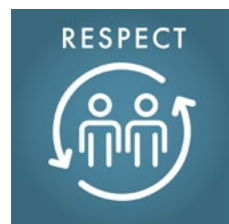
INTEGRITY: We believe that work should be conducted in an honest manner, so that TRX Gold can be a company that all stakeholders trust and are proud to do business with.



TRUST: Trust is all-encompassing and finds itself in even the minutia of our day-to-day activities. Our stakeholders trust us to deliver on our promises, as we trust those that support and assist us to get the job done. Working together with trust, TRX Gold can be a great success.



TRANSPARENCY: Transparency is critical to creating a trustworthy environment. We believe in open and unbiased communication with our stakeholders, knowing that sharing information with one another allows us to carry the Company forward in good and challenging times.



RESPECT: We are committed to respecting all of our stakeholders and to respecting one another in the workplace. This means being inclusive, communicative and open-minded, all of which foster growth and productivity.

This report is TRX Gold's first sustainability report and covers our Buckreef Gold Project in Tanzania. The report outlines our commitments and management approach to sustainability, guided by the highest environmental, social and governance (“ESG”) standards. Our ESG commitments are also evidenced by the relationships and programs that the Company has developed during its nearly two decades of presence in Geita Region, Tanzania. Our approach seeks to ensure robust ESG risk management, environmental stewardship, and social responsibility, as we strive to minimize our footprint and to contribute positively to the communities in which we operate.

The report has been prepared in partial alignment with the 2023 Sustainability Accounting Standards Board (“SASB”) Metals & Mining Industry Standard. It has also been inspired by the Stakeholder Capitalism Metrics (“SCM”) of the World Economic Forum (“WEF”).

In future periods, we will progressively work towards reporting in full alignment with the SASB Standards and will consider referencing elements of other major standards and frameworks, such as the Global Reporting Initiative (“GRI”) Standards, as may be appropriate to our operations.

Our report covers the period of September 1, 2022 to August 31, 2023.

The SASB content index for the report can be found in the [SASB Content Index](#).



Dear Stakeholders,

The last few years have represented quite a unique and challenging environment for TRX Gold, the mining industry, and the world, as rarely have we experienced such a long-holding period of market uncertainty for miners. Yet, through these volatile circumstances, TRX Gold has not only persevered but also demonstrated resilience and growth during this time. We are a values-driven organization with clear goals and determination for creating shareholder value. Our core values of integrity, trust, transparency and respect are fundamental to how we run our business, where we choose to operate, and how we conduct ourselves on a daily basis. We have learned that achieving our purpose requires a strong governance structure and commitment to accountability and transparency.

This is why we are pleased to present to you our inaugural Sustainability Report covering the 2023 fiscal year. We have maintained our presence in Tanzania for close to two decades now and throughout this time, we have successfully demonstrated environmental stewardship, social acceptance and governance (ESG) practices. We want to properly capture our initiatives and share our performance with you, so that all of our stakeholders can appreciate the good work being done by our entire team. TRX Gold's ultimate objective is to create value and support the wellbeing of our people and planet; to contribute to an equitable and inclusive workplace; and to improve the lives of those with whom we interact and employ.

TRX Gold is still young on its journey to ESG disclosure, but our commitment to managing and disclosing our material environmental and social risks is strong and unwavering. We will continue to exercise sound business judgement and common sense to increase our scope to report on a growing number of metrics in the coming years. We hope that you enjoy and appreciate this first iteration and we look forward to taking this new road together.



Stephen Mulleney, *Director and Chief Executive Officer*

- Gold produced: **20,759 oz**
- Gold sold: **20,864 oz**
- Workforce: **100% Tanzanian**
- 110 full-time employees and
249 contract employees
(over 600 in 2024)
- Total Number of employee training
hours: **472,650**
- **US\$9 Million** in economic contributions
- **Zero** water discharges
- **Zero** environmental and community
incidents
- Investment into community initiatives
and social infrastructure: **~US\$200,000**



OUR APPROACH TO SUSTAINABILITY

TRX Gold is dedicated to conducting our business in a responsible manner at all times and to ensuring that all social responsibility and sustainability matters are considered and supported throughout the Company's operations. This means respecting the health and safety of our employees, protecting the environment, respecting the rights of employees and residents of local communities, and contributing to the sustainable development of those communities. Our detailed commitments are captured in the TRX Gold [Environmental, Sustainability, Health and Safety Policy](#).

By conducting the Company's operations in this manner, TRX Gold adds value to its business by attracting and retaining top talent, earning the trust of key stakeholders, effectively managing risk, and ensuring TRX Gold's long-term competitiveness and sustainability. Our approach to upholding this commitment is outlined in the following section.



In November 2022, the Buckreef Gold Project reached one million working hours without a lost-time or recordable injury, showcasing the team's commitment to health and safety. This milestone was achieved in 22 months, supported by company policies and procedures introduced during employee onboarding. Daily Health & Safety meetings involve employees in identifying and reporting potential hazards.

CORPORATE GOVERNANCE

The Company's primary asset is its interest in the Buckreef Gold Project, a joint venture that is 55% owned by one of the Company's subsidiaries (TRX Gold Tanzania Limited) and 45% owned by Tanzania's state-owned State Mining Corporation ("STAMICO").

TRX Gold, through its Board and its executives, recognizes the need to establish, maintain and continually assess corporate governance policies and practices to ensure best practice standards. We also recognize the importance of clear lines of accountability and the delineation of roles and responsibilities of the main governing body.

The functions and responsibilities of the Board of Directors are set out in the [Board of Directors Mandate](#), which includes director duties, strategic planning and direction, risk management, investment, financial performance and control, appointment, retention and remuneration of management staff, sustainability and communications. The Board ensures that the activities of the Company comply with this mandate, from which the Board derives its authority to act, while also complying with all legal and regulatory requirements. The Board of Directors is ultimately responsible for overseeing the implementation of the Company's governance policies, including the TRX Gold [Code of Ethics and Business Conduct](#).

The Company recognizes that independent directors are important in assuring shareholders that the Board is properly fulfilling its role and is diligent in holding senior management accountable for its performance. At the close of the 2023 fiscal year, the TRX Gold Board was made up of 5 members, 3 of whom are independent and one whom represents an ethnic minority group. Board member biographies can be found on the TRX Gold website.

The TRX Gold Board of Directors strongly believes in a socially inclusive and diverse Board. The Company is committed to advancing gender equality and promoting social inclusion. In future periods, Board appointments are expected to actively take diversity into account.

The TRX Gold Board of Directors has two committees: the Audit and Risk Management Committee and the Corporate Governance & Nominating Committee ("CG&N"). The capabilities and perspectives of Board members are important for making strategic and robust decisions. We have recently begun developing a Board Skills Matrix that captures Board governance competencies related to professional experience, tenure, diversity and environmental and social topics. This will highlight the strength and balance within our governing body composition and will allow us to address any gaps in skills or experience.

We will continuously review and update our Board composition and Board Skills Matrix to improve and reflect best practices in the governance of our business and relevant competencies.

Governance at the Buckreef Gold Project

We are fortunate to have partners that are as dedicated as we are to making Buckreef Gold an important gold producer within the Tanzanian landscape. Over the years, we have seen positive impacts stemming from our State partners, including at the project level in terms of exploration and operations. Our partnership has also benefited the

OUR APPROACH TO SUSTAINABILITY

region through positive impacts on local peoples and their communities, livelihoods and healthcare, and through local employment and procurement.

The Buckreef Board of Directors, which includes four members of TRX Gold and three members of STAMICO, all of whom are Tanzanian nationals, has been created to ensure the fair and unbiased management of Buckreef and to maintain a sound working relationship that enables the effective oversight of the project's advancement.

Remuneration Policies

TRX Gold recognizes that pay equity reflects an organization's culture and helps bridge diversity gaps, attract talent, and drive long-term competitiveness. The Company reports the remuneration of Directors and key management personnel in the [Notice of Annual General and Special Meeting and Information Circular](#) which can be found on the TRX Gold website.

All matters of the remuneration of the Company's Directors and employees are overseen and managed by the CG&N Committee, whose members are drawn from the Board of Directors, and whose responsibilities and roles are set out in TRX Gold's [Charter of the Compensation Committee](#).

The CG&N Committee fulfils its corporate governance responsibilities concerning remuneration by reviewing compensation packages of executive Directors, non-executive Directors and other senior executives, including appointments or terminations. It also reviews employee incentive and equity-based plans including employee performance bonus plans, total payments proposed and the Company's stock option plan, as well as senior executive succession planning.

The CG&N Committee meets at least once per year, at the discretion of the Chair or a majority of its members, as circumstances dictate or as may be required by applicable legal or listing requirements.

BUSINESS ETHICS

TRX Gold's anti-corruption commitments and expectations are outlined in our [Anti-Corruption Policy](#), the objective of which is to ensure that the Company, together with its directors, officers, employees, consultants, contractors, and third-party representatives, conduct their business in an honest and ethical manner reflecting the highest standards of integrity and in compliance with the Corruption of Foreign Public

Officials Act (Canada), the US Foreign Corrupt Practices Act of 1977 (FCPA) and all other applicable laws and regulations. The Company operates in Tanzania, which ranks 94 out of 180 countries worldwide on Transparency International's Corruption Perception Index.

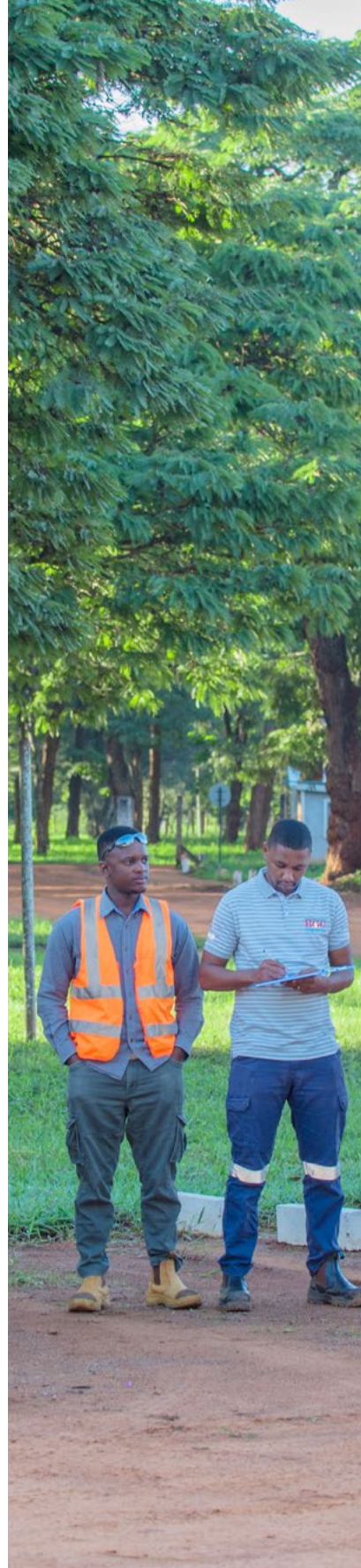
We are committed to maintaining public confidence by ensuring that our policies and procedures improve the broader operating environment and culture to prevent corruption. This commitment is further reinforced by the TRX Gold [Code of Ethics and Business Conduct](#), which guides the behaviour of directors, officers, employees and consultants, and demonstrates the commitment of the Company to ethical practices. The Code underpins our commitment to integrity and fair dealing in its business affairs and to a duty of care to all of our stakeholders. The Code specifically prohibits conflicts of interest.

We place great importance on ethical conduct and recognize that it forms an important part of who we are as individuals and as a Company. The Code sets out the values, commitments, ethical standards and policies of the Company and outlines the standards of conduct, professionalism and the necessary practices expected of our business and people. It also helps our security holders, customers, suppliers and competitors know what to expect from us.

Our dedication to ethical practices and good corporate governance is further demonstrated by the Buckreef Gold Board's implementation of a site-specific Anti-Corruption Policy and Anti-Money Laundering Policy. These key policies help us to mitigate risk and establish responsibility and accountability among management, employees, and all of those with whom we do business.

TRX Gold does not yet formally train staff on anti-corruption, although our staff and contractors do commit by way of formal sign-off to the Company's Code of Ethics and Business Conduct. To promote a culture of anti-corruption within our operations, TRX Gold is considering fit-for-purpose methods to train employees, contractors and business partners on anticorruption in the future.

In fiscal 2023, there were no actual or suspected incidents of corruption or bribery. The TRX Gold Board, management and employees are dedicated to high ethical standards and recognize and support the Company's commitment to compliance with these standards to prevent any form of corruption or bribery.



WHISTLEBLOWING MECHANISMS

The Board of the Company and management of TRX Gold are committed to facilitating a culture of honest and ethical behaviour, corporate compliance, and good corporate governance. TRX Gold encourages the reporting of suspected unethical, illegal, corrupt, fraudulent, or undesirable conduct involving TRX Gold's business.

TRX Gold has adopted detailed [Whistleblower Policy and Procedures](#) to create a supportive environment and encourage people to feel confident to speak up safely and securely, without fear of intimidation, disadvantage, or reprisal, if they become aware of wrong-doing or illegal or improper conduct within the Company.

This mechanism provides a confidential or anonymous reporting process for the Company's employees and others to report concerns regarding accounting, internal accounting controls and auditing matters, as well as serious violations of the Company's policies, fraud and serious misconduct by any third party through a "Whistleblower Hotline", maintained specifically for that purpose. All reports are confidential and are received by the Chair of the Audit Committee who informs the Committee of all complaints and evaluates and takes action as deemed necessary.

When people do not speak up, this undermines the Company's culture of honesty and exposes TRX Gold to risks associated with possible unethical business practices. TRX Gold encourages speaking up about concerns of wrongdoing, and we have various measures in place to ensure no one is discouraged from speaking up or is disadvantaged or victimized for doing so.

To ensure our employees' complete anonymity and confidentiality, TRX Gold has retained the services of an independent third party, Odyssey Trust Company, to monitor this mechanism. When an issue has been logged with Odyssey Trust Company, they contact the Company's designated person within 24 hours.

This service enables anyone to contact Odyssey Trust through any of the methods below:

Whistleblower Contact Points

- Via the Odyssey Trust Company website (login & password details contained within the TRX Gold Whistleblower Policy)
- North American toll-free whistleblower telephone hotline (available in Canada and the United States): 1-877-266-2579

STAKEHOLDER ENGAGEMENT

TRX Gold recognizes the importance of our relationship with all of our stakeholders and the need for us to identify and understand what is important and material to our stakeholders. TRX Gold has a wide variety of stakeholders including those who provide financial support to the Company by investing in our business, as well as our employees, contractors and business partners who are directly engaged in our operations. Local and government agencies and local communities, with whom we must engage to ensure we meet our obligations and commitments, are also important stakeholders.

We regularly meet and engage with local communities that are near our operations, to share information, consult and receive feedback and questions from stakeholders in our area of influence. During these engagements, external stakeholders may raise any concerns they have about the impacts of our operations, including environmental impacts.

TRX Gold's [Disclosure \(Communications\) Policy](#) exists to describe the Company's commitment to transparent and timely communication, wherein the Board aims to ensure that shareholders are informed of all major developments affecting the Company and are encouraged to participate at annual general and special meetings. The Policy also includes our commitment to complying with the legal and regulatory requirements applicable to the disclosure of information about our business, and to ensuring that the trading of the Company's securities takes place in an efficient, competitive and informed market.

TRX Gold acknowledges the importance of addressing any emerging economic, social and environmental issues arising not only from customers and shareholders but also from our other stakeholders. The Company's employees, contractors and business partners are critical to ensuring Company success and regular engagement is key to maintaining positive relationships. We also regularly engage with state government agencies and provide updates on our current and proposed work programs.

The Company understands that it has a large retail investor base and communication channels are different from those required with institutional investors. We offer several different methods for individuals to get in contact with management and/or request information that is vital to their investment strategy. We have established a general enquiries email on our website, an information request form, as well as investor email alerts. Our investor relations team responds to inquiries as required.

OUR PEOPLE

Our people are our most valuable asset and a core driver of our success as a responsible mining company. We strive to create a safe and collaborative work environment through our approach to the management of labour relations, occupational health and safety and training. We aim to provide equal opportunities for all employees and our commitment to them is captured in our [Code of Conduct](#), [Whistleblower Policy](#), [Corporate Social Responsibility Policy](#), [Environmental, Sustainability, Health and Safety Policy](#) and our corporate values.



All employees, following the start of their employment at TRX Gold, receive induction training that includes topics such as labour rights, human rights, discrimination, and grievance management. Grievances are managed in accordance with standard operating policies that are aligned with local employment regulations.

TRX Gold employs a workforce that is fully Tanzanian, including 110 full-time employees and 249 contract employees (over 600 in 2024). TRX Gold's operational workforce predominantly consists of local contractors and business partners drawn from areas in which we operate, enabling us to provide strong support for local economies and agencies.

We support the right to freedom of association and do not place any restrictions on union representation. There are two active unions on site, with which the Company

has positive working relationships and open dialogue. We also seek to ensure that training and remuneration are in line with best industry practice.

The Company complies with all national employment regulations, including Tanzania's Employment and Labour Relations Act, and follows the four core ILO labour standards. All employees are vetted regarding their age, and the Company ensures against forced labour or discrimination within its operations.

HEALTH & SAFETY

Maintaining strong standards of health, safety and labour rights can improve employee productivity and operational efficiency and enhance employee well-being. TRX Gold is committed to ensuring the health and safety of our employees, consultants, contractors, visitors and any other persons with whom we work, as required by law. We offer a healthcare plan for our full-time employees that includes extended coverage for their families.



The Company's [Environmental, Sustainability, Health and Safety Policy](#) outlines the mechanisms through which TRX Gold seeks to operate its businesses safely, responsibly, and sustainably. This includes commitments such as prohibiting violence and harassment in the workplace, ensuring a workplace free of alcohol and drugs, and providing health and safety training to pursue an injury-free workplace. Further, we commit to establishing appropriate systems, standards, and procedures for health and safety management, reporting and compliance with applicable laws, rules, and standards of corporate conduct. We are currently working to develop an ISO 45001-inspired occupational health and safety management system.

Within our operations, we continuously conduct comprehensive risk assessments, prepare safety management plans, hold pre-start and handover meetings, provide training, and offer onsite medical support.

OUR PEOPLE

The Executive team and key management personnel have a responsibility to ensure that all employees and contractors are provided with the appropriate training and education on TRX Gold's environmental policy objectives and maintain continued adherence to these objectives.

We also provide awareness and prevention training to employees and contractors regarding communicable diseases and provide vector control within our facilities. Finally, TRX Gold provides emergency response training to internal employees, including fire drills. We are currently in the process of updating our Emergency Response Plan.

In fiscal 2023, a total of 472,650 hours of training were executed among employees at the Buckreef Gold Project site.

DIVERSITY, EQUITY AND INCLUSION

The Company is committed to a workplace culture that promotes the engagement of diverse, qualified, capable and motivated staff at all levels of the organization to deliver enhanced corporate performance, a positive reputation, and shareholder value for the Company.

The Company is in the process of identifying a breakdown of indicators relating to economic inclusion and diversity, though we do not yet report on these indicators. We plan to provide such disclosures in the future as part of our initiatives to improve inclusion, and as the Company grows. We are also planning to develop a Diversity, Equity and Inclusion (DEI) Policy, which will directly guide our DEI practices.

At this stage, TRX Gold does not disclose pay comparisons for women and men, ethnic groups or any marginalized groups. Objectives on pay equality have not been explicitly set, however, the Company facilitates equal employment opportunities based on relative ability, performance or potential. Although the Company does not currently report against any key indicators on this topic, we may explore doing so in the future, as the Company grows.

TRX Gold is committed to making a positive contribution to local communities in the areas where we operate. Our operations create significant positive impacts for local communities, particularly through employment, procurement, and community investment. We are also aware of the potential for adverse and unintended impacts, which we strive to avoid and mitigate, understanding that they can lead to the erosion of trust, operational disruptions, disputes and missed opportunities to create shared value.



The Buckreef Gold Project's Emergency Response Team undergoes several training sessions throughout the year. These cover various H&S topics and include practical training of situational emergencies through role play. Mine rescue training, as seen here, is a key resource that ensures that all staff members are prepared and safe while working at the mine site.

COMMUNITY RELATIONS AND ECONOMIC CONTRIBUTIONS

The Company has a [Corporate Social Responsibility Policy](#) in place committing us to demonstrate the utmost respect for local cultures, values, and traditions where we operate. We also have an open [Communication Policy](#) governing engagement activities with stakeholders, to enhance transparency on the Company's socio-environmental performance.

The Buckreef Gold Project is located in the Geita Region of Tanzania, south of Lake Victoria. None of the Company's operations or its proved or probable reserves are located near Indigenous land. In addition, none of the project's proved or probable reserves are located near conflict areas.

TRX Gold recognizes the importance of engagement with local communities, and we are currently planning to develop an engagement plan and to expand our community relations team. While we do not currently track the number of stoppages or delays linked to non-technical issues, there were no reportable community-related incidents at the Buckreef Gold Project during the reporting period.

Buckreef Gold employs a mix of private and public security forces within its operations. The Company has a Memorandum of Understanding with the local police force and also employs a private security contractor. The Company also cooperates with local villages to implement community-based security which protects the Company's property and reports any illegal activities. This community-focused approach helps to maintain a positive and trusting relationship between the Company and local communities. We are currently expanding our security team, and are hiring a security coordinator.

Road safety around mine sites in Tanzania is a common concern. As a result, Buckreef Gold has invested in improving road maintenance on and near our operations, which has been appreciated by local communities.

A recent land acquisition enabled expanding our mining license and a road detour. This followed a formal appraisal and compensation process by a third-party specialist. Procedures included market research, asset valuation, community meetings, and a grievance resolution procedure, with a government-endorsed report. Compensation for 960 Project Affected People (PAPs) totaled \$6 billion Tanzanian Shillings or about US\$2.5 million, covering land, crops, trees, and buildings.

GOVERNMENT PAYMENTS

TRX Gold is committed to contributing to the betterment and prosperity of its host communities, the Geita region and Tanzania as a whole. As such, the Company, buys, builds and gives back as much as possible within country. As a reporting entity under

IN-COUNTRY ECONOMIC CONTRIBUTIONS

Canada's Extractive Sector Transparency Measures Act ("ESTMA"), we annually disclose certain types of payments made to governments. For this reporting period, a total of USD \$3.7 million was registered as payments to the Government of Tanzania by concepts of gold sale royalties and other fees. TRX Gold's in-country contribution extends well beyond this however, through employment creation, community contribution and purchasing of most of its goods and services. For the fiscal 2023 reporting period, in-country spending totalled over USD \$9million, including over \$3million for drilling services, over \$2million on royalties and over \$2million on various taxes and fees.

No government funding was received by the Company in the 2023 reporting period. The detailed financials can be reviewed in the TRX Gold 2023 Annual Financial Statements, for that year ended August 31, 2023.



LOCAL CONTENT

TRX Gold's workforce is 100% Tanzanian and the Company supports local procurement wherever possible in its business activities by first sourcing within the immediate wards, then within the district, then regionally, and finally, nationally. Only those items or services not available in Tanzania are purchased externally, with first priority granted to East Africa, and then Africa, before looking outside the continent.

Local employment is a top priority, and we give preference to Tanzanian nationals in our hiring practices. We also comply with government regulations on local procurement, and we annually report to local authorities on our local procurement practices. Local contractors whom we work with are provided safety training by the Company, and we conduct regular inspections and audits to ensure that all contractors operate safely.

The Buckreef Gold Project exemplifies a commitment to supporting Tanzania's economy. Since 2021, three successful processing mill expansions, boosting capacity from 360 to 1,000 tonnes per day, prioritized sourcing 100% of construction materials and services from regional or national suppliers. By leveraging Tanzania's thriving shipbuilding industry, Buckreef procured metal sheets and metalwork for our carbon in leach tanks. This strategic sourcing decision is an example of our commitment to injecting crucial resources back into the local economy, fostering job creation, and minimizing unnecessary foreign expenditure where possible.

COMMUNITY INVESTMENT

In the reporting period, TRX Gold has focused on strengthening community relations through a number of social investment initiatives. This includes Buckreef Gold's collaboration with the Geita District Council and local wards to identify key programs that focus on short to long-term educational needs. These programs are aligned with Buckreef Gold's local hiring practices, and include Science, Technology, Engineering and Mathematics (STEM), as well as gender goals.

In 2023, Buckreef Gold signed a Memorandum of Understanding with Geita District Council to provide support on education in Buckreef's host wards of Lwamgasa, Kaseme, Busanda, and Bugulula. A total of 420M Tanzania Shillings (approximately \$180,000) was budgeted by Buckreef for 2023, to support priority areas in agreement with the District Council.



TRX Gold strives to support global efforts to secure a sustainable future for society, including through conservation of the natural environment and pollution prevention at our operations. Just like our stakeholders, TRX Gold places a high level of importance on environmental management and sustainability. The Company's approach focuses on mitigating adverse environmental impacts, rehabilitating and restoring disturbed areas, and offsetting to compensate for any impacts that cannot otherwise be avoided, minimized or rehabilitated. TRX Gold undertakes best practices to prevent pollution, minimize sanitary risks, and optimize waste management procedures to reduce waste, reuse materials, and promote recycling. We strive to allocate sufficient resources to meet our environmental objectives, including ensuring effective closure planning is in place at all stages of the mining life cycle and undertaking progressive reclamation wherever possible.

Our [Environmental, Sustainability Health and Safety Policy](#) commits us to ongoing management of environmental impacts, and to ensuring a high level of preparedness for environmental incidents, in order to contain, control, clean up, and eliminate negative environmental effects. This is underpinned by careful management planning to mine responsibly in line with project approval conditions, as well as progressive rehabilitation of disturbed land. We also strive to provide relevant information to our stakeholders, guided by our open [Communication Policy](#), and to contribute to advancing the measurement and management of relevant critical environmental issues that stakeholders value.

TRX Gold conducted an Environmental Impact Assessment (EIA) prior to building our mining facility. This EIA was approved by government permitting agencies and covers the full duration of TRX Gold's mining license. The Company will consider additional assessments or management planning if deemed material or mandated by the local government in the future to support our commitment to responsible environmental management.

We are committed to evaluating the implementation of an ISO- 14001-inspired environmental system within the next few years. Our risk assessments include a variety of environmental topics, and we conduct monthly inspections and audits. Annually, we conduct a third-party audit of our environmental practices, and produce a report that is submitted to the Tanzanian government.



ENERGY AND EMISSIONS

At TRX Gold, we recognize that we can play a role in reducing global carbon emissions through responsible and efficient energy use. We also recognize the potential risks posed by climate change to our business. As a result, TRX has begun reviewing the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard, and the Task Force on Climate-Related Financial Disclosures (TCFD). Our intention is to understand the implications for our ongoing operations, with the goal of defining an appropriate strategy for managing, gathering data and reporting our greenhouse gas (GHG) emissions.

As part of our [Environmental, Sustainability, Health and Safety Policy](#) objectives, one-way TRX Gold is focusing on minimizing our environmental burden is by reducing GHG emissions where feasible, to minimize the adverse environmental impacts of our operations. This includes our reliance on the local power grid, which employs hydroelectric and natural gas power. During grid power outages and periods of lower grid reliability, we rely on diesel to supplement our grid power use.

As part of our efforts to understand and strategically manage our energy mix, we are beginning to track some details of our energy consumption. During the reporting period, total energy consumption at the Buckreef Gold Project was approximately 126,739.2 gigajoules (GJ), consisting of 24,494.4 GJ from grid electricity and 102,244.8 GJ from diesel¹. TRX Gold has used basic conversion approaches to quantify our kWh and diesel litres to GJ, in order to calculate this starting point for understanding our baseline energy use. The Company acknowledges the need for a more nuanced approach specific to our context in the future.

During the reporting period, our direct emissions at the Buckreef Gold Project, also known as Scope 1 emissions, are estimated to have been approximately 7,661.5 t CO₂e², representing our annual diesel consumption of 238,000 litres at the site. This does not consider our off-site fuel usage, including transportation of people, materials and products, or Scope 1 emissions from our Dar Es Salaam or Oakville offices. Based on our electricity use at the mine site, our indirect emissions, also known as Scope 2 emissions, are estimated at 2,239 t CO₂e³ for the reporting period.

Carbon emissions for the project

Scope	Emissions (tCO ₂ e)
Scope 1: Diesel Usage	7,661.5
Scope 2: Purchased electricity	2,239.0

Beyond diesel use, TRX also attempts to reduce carbon emissions by ensuring that on-site employees are local to its operations. Currently, 100% of on-site employees are local Tanzanians, avoiding the emissions impacts related to fly-in fly-out non-national employment. At the corporate level, TRX's Canadian office was moved out of the downtown area to reduce the commute of its employees when they are not working remotely.

In the future, we intend to enhance how we measure, monitor, and report our Scope 1 and Scope 2 emissions. As appropriate and in line with growing industry and societal expectations, we will consider assessing our Scope 3 emissions, those across our supply chain, in the future. Although our Scope 3 GHG emissions are outside our direct control, it is in our interest to gauge our GHG emissions exposure, to help future decarbonisation and strategic sustainability efforts and meet possible changing regulatory requirements regarding corporate climate-related risk management and targets in line with the Paris Agreement.



Understanding the opportunity of operational emissions reduction, the Company is in the early stages of implementing a process to identify risks associated with GHG constraints and evaluate further ways to reduce carbon emissions, set GHG targets, and advance our emissions reporting.

TRX is committed to understanding and, as relevant, mitigating our operational air quality impacts. To this end, in 2023 we invested in air quality monitoring instruments to

¹ Calculation using HHV value of 35.8 MJ/L, based on the default value of average energy content per litre provided by the IPCC 2006 Guidelines for National Greenhouse Gas Inventories.
² Calculation using an average diesel carbon intensity factor of 2.67a kg CO₂e per litre.
³ Calculation using an average emissions factor of 0.329 kgCO₂e/kWh for electricity supplied from the grid in Tanzania (sourced from Climatq and ADEME (French Environment and Energy Management Agency, 2017). This does not consider localized grid energy sources.



ENVIRONMENTAL MANAGEMENT

regularly track key pollutants like volatile organic compounds (VOCs), sulphur dioxide (SO₂), nitrogen oxide (NO_x), and dust particulate matter (PM10). We will include our initial calculations from this monitoring program in the next reporting period.

BIODIVERSITY

Biodiversity loss and adverse ecosystem impacts constitute a risk to people and the broader environment we live and operate in. Accordingly, we believe in prioritizing the protection, conservation and restoration of natural systems as we conduct our business. The Company's practices seek to protect the surrounding natural environment in which we operate, and to minimize and manage risk related to biodiversity impacts. We are committed to always planning carefully and mining responsibly in line with approval conditions and to progressively rehabilitate the land on which we operate.

Our operations are not located on or near sites with protected conservation status, however preliminary studies have identified a few endangered flora species in the concession area. While we are working to better understand the presence of endangered



An indigenous tree nursery was developed at Buckreef Gold to support mine site rehabilitation. Trees are propagated and grown to the desired size and are then moved to the proposed rehabilitation site, such as decommissioned tailing storage facilities. In the long-term, these once vegetated areas will reclaim their place in the local landscape. The indigenous species planted include *Acacia nilotica*, *Faidherbia albida* and *Brachystegia spp.*

and threatened species near our operations, we are not yet in a position to calculate what percentage of our proven or probable reserves are on or near sites of endangered species habitat.

Our biodiversity management approach is rooted in the precautionary principle, leading us to err on the side of protective action where there is uncertainty about the impact of our activities on local ecosystems or the natural resources upon which local communities depend. Our environmental risk register includes biodiversity considerations.

TRX Gold is committed to meeting or surpassing applicable regulatory requirements pertaining to biodiversity in all its exploration and development activities, while working to support environmental protection both within and beyond the Company's operational boundaries. As part of our [Environmental, Sustainability, Health and Safety Policy](#) objectives, TRX Gold is focused on minimizing our environmental burden by preserving biodiversity, in support of our objective to minimize any adverse environmental impact of our operations.

WATER MANAGEMENT

TRX Gold is dedicated to responsible freshwater stewardship. While we operate in a region with low risk of water scarcity, there are growing water scarcity concerns in our area of influence, and we consistently strive to keep our water consumption to a minimum¹. At the Buckreef Gold Project mine site, there is no water discharge from our operations. All water is recycled throughout the circuit, and rainwater is collected for use when possible. This means that freshwater is withdrawn solely for workers at our base camp in Tanzania, and at the Company's corporate offices in Oakville and Dar es Salaam. We also conduct regular physical and chemical water analysis to better understand our impact on the local watershed.

TRX Gold has yet to formally monitor and report on its water usage but intends to begin this process in 2024. The Company also plans to investigate the potential of funding the drilling of community water wells at locations requested by local communities in Tanzania, to support shared water stewardship.

There were no reportable environmental-related incidents within the dates covered by this report.

¹ None of our operations are in areas of high or extremely high baseline water stress.

In 2023, TRX invested in a new water treatment plant with a capacity of 3 m³/hr for treating camp water. A water conservation training program was conducted to promote responsible water use among the workforce at site. Additionally, a new borehole was drilled to supplement the camp's water supply, and improvements were made to the existing water dam to optimize water retention. Moving forward, TRX will install flow meters to improve water use monitoring and identify areas for further conservation efforts.

TAILINGS AND WASTE MANAGEMENT

TRX Gold recognizes that tailings management and risks associated with potential tailings dam failures are increasingly important to our stakeholders and within the mining industry. Our operations are located over the Lake Tanganyika watershed, and we are committed to ensuring that we operate our tailings facilities safely in order to minimize any potential impacts on our environmental surroundings.

We currently have three tailings storage facilities (TSFs). Our first storage facility (TSF 1) is an old heap leach pad located next to the plant which was inherited from the mine's previous operators. This tailings facility is full, and TRX Gold's closure plan includes provisions for covering and rehabilitating the site. The second tailings facility (TSF 2) includes two ponds, the first of which was completed using downstream construction methods in 2022. TSF 2, pond 1, is being used to store processed oxide materials. The full capacity of TSF 2 following the completion of Pond 2 in 2024, is expected to provide an additional two years of tailings storage.



The Company has also commenced work for a long-term tailings management and storage solution. This includes the development of our third tailings storage facility, which has been completed by a local company employing new and innovative engineering methods. This new TSF has been classified as a very high "A" by the dam safety guidelines issued by the Ministry of Water of the United Republic of Tanzania for population at risk (PAR) and environmental and cultural hazards.

Tailings Inventory

(1) facility name	1. Tailings Storage Facility (TSF2) Cell 2	Tailings Storage Facility (TSF1)
(2) location	Mnekezi Area, Busanda Ward, Geita District in Geita, Region - Tanzania	
(3) ownership status	Operated by Buckreef Gold Company Limited, a joint venture project between TRX Gold Tanzania and State Mining Company (STAMICO).	
(4) operational status	Active	Closed
(5) construction method	Downstream embankment	Heap Leach
(6) maximum permitted storage capacity	The maximum volume that can be stored is 618,615m ³	Not Reported
(7) current amount of tailings stored (Metric Tons)	Tailings stored 146,049m ³	Not Reported
(8) consequence classification	Very High Risk "A"	Not Reported

¹ As per the dam consequence classification in the dam safety guidelines issued by the Ministry of Water of the United Republic of Tanzania, April 2020

We are committed to ensuring that our operations do not negatively impact nearby ecosystems through acid rock drainage. In practice, our water monitoring studies have not revealed any deviations in water quality as a result of our operations, and we do not classify any portion of our operations as being in an area where acid rock drainage is predicted to occur, is actively mitigated, or is under remediation.

In terms of acid generation, there is currently low-risk of acid-generating tailings. This has been confirmed through testing, which also showed clean tailings. Further testing is scheduled to take place to specifically analyze for acid mine drainage (if any) characteristics.

HAZARDOUS WASTE MANAGEMENT

We are continuing to further develop our waste management approach. Waste is collected and separated, with some of this waste deposited at a dump while the remainder is recycled. We work with a government-certified contractor to collect recyclable materials, including metal. Hazardous waste, including oil and hydrocarbon waste, is separated from other sources of waste. While we do not currently collect data on waste produced, we plan to do so in the future.

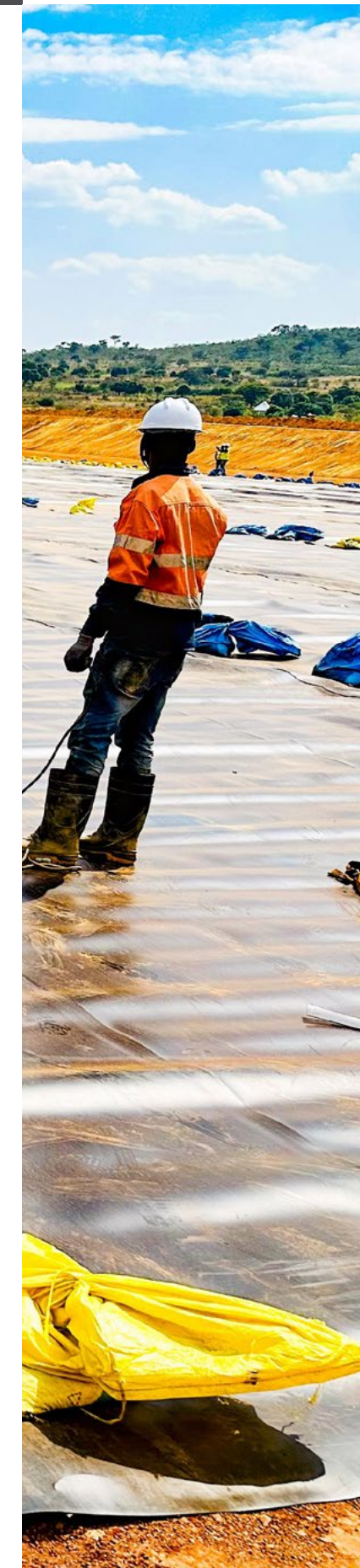
In 2024, TRX plans to implement an initial monitoring system for waste generation, including waste rock, non-mineral waste, tailings, and hazardous waste.

We are also committed to responsibly handling cyanide, which is utilized in our operations. Packaging used to transport cyanide is immediately incinerated to prevent possible contaminations. TRX Gold is also evaluating future initiatives which will ensure that suppliers and service providers will be aligned with the International Cyanide Management Code.



SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS

SASB Metals & Mining Standard Code	Accounting Metric	Unit of Measure	Reference	TRX Gold Commentary
GREENHOUSE GAS EMISSIONS				
EM-MM-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations.	Metric tons CO ₂ e	7,661.5 kg CO ₂ e	Calculated from diesel consumption using a diesel carbon intensity factor of 2.68 kg CO ₂ e per litre
EM-MM-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	N/A	Please refer to Energy and Emissions	
AIR QUALITY				
EM-MM-120a.1	Air emissions of the following pollutants: (1) CO, (2) NO _x (excluding N ₂ O), (3) SO _x , (4) particulate matter (PM ₁₀), (5) mercury (Hg), (6) lead (Pb), and (7) volatile organic compounds (VOCs)	Metric tons (t)	Not reported	We currently don't report annual information for Air Emission, but we plan to do so in the future.
ENERGY MANAGEMENT				
EM-MM-130a.1	(1) Total energy consumed, (2) percentage grid, (3) percentage renewable	1) Gigajoules; 2) Percentage	1) 126,739.2 gigajoules (GJ) 2) 19% of local power grid	Energy sources correspond to a mix of Diesel and Local power grid, which employs hydroelectric and natural gas power.
WATER MANAGEMENT				
EM-MM-140a.1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	1) Thousand cubic metres; 2) Percentage	1) Not Reported 2) Not Reported 3) 0%	We operate in a region with a low risk of water scarcity. We currently don't report annual information for water withdrawn and consumed, but we plan to do so in the future.
EM-MM-140a.2	Number of incidents of non-compliance associated with permits, standards, and regulations	Number.	0	No incidents of non-compliance were recorded during the reporting period.



SASB CONTENT INDEX



WASTE AND HAZARDOUS MATERIALS MANAGEMENT				
EM-MM-150a.4	Total weight of non-mineral waste generated	Metric tons (t)	Not reported	Currently, we don't collect data on waste, but we plan to do so in the future.
EM-MM-150a.5	Total weight of tailings produced	Metric tons (t)	Not reported	
EM-MM-150a.6	Total weight of waste rock generated	Metric tons (t)	Not reported	
EM-MM-150a.7	Total weight of hazardous waste generated	Metric tons (t)	Not reported	
EM-MM-150a.8	Total weight of hazardous waste recycled	Metric tons (t)	Not reported	
EM-MM-150a.9	Number of significant incidents associated with hazardous materials and waste management	Number	0	No incidents of waste management were recorded during the reporting period.
EM-MM-150a.10	Description of waste and hazardous materials management policies and procedures for active and inactive operations	N/A	Please refer to Tailings and Waste Management	
BIODIVERSITY IMPACTS				
EM-MM-160a.1	Description of environmental management policies and practices for active sites	N/A	Please refer to Environmental Management	
EM-MM-160a.2	Percentage of mine sites where acid rock drainage is: (1) predicted to occur, (2) actively mitigated, and (3) under treatment or remediation	Percentage	1) 0% 2) 0% 3) 0%	Please refer to Tailings and Waste Management
EM-MM-160a.3	Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat	Percentage	Please refer to Biodiversity	
SECURITY, HUMAN RIGHTS & RIGHTS OF INDIGENOUS PEOPLES				
EM-MM-210a.1	Percentage of (1) proved and (2) probable reserves in or near areas of conflict	Percentage	1) 0% 2) 0%	None of the Company's operations or its proved or probable reserves are located near areas of conflict.
EM-MM-210a.2	Percentage of (1) proved and (2) probable reserves in or near Indigenous land	Percentage	1) 0% 2) 0%	None of the Company's operations or its proved or probable reserves are located near Indigenous land.
EM-MM-210a.3	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	N/A	Please refer to Community Relations and Economic Contributions	
COMMUNITY RELATIONS				
EM-MM-210b.1	Discussion of process to manage risks and opportunities associated with community rights and interests	N/A	Please refer to Community Relations and Economic Contributions	
EM-MM-210b.2	Number and duration (# of days) of non-technical production delays	Number	0	No technical delays were caused by community unrest during the reporting period.

LABOUR RELATIONS				
EM-MM-310a.1	Percentage of active workforce covered under collective bargaining agreements, broken down by U.S. and foreign employees.	Percentage	47.00%	
EM-MM-310a.2	Number and duration of strikes and lockouts	Number, Days	0	No strikes or lockouts registered during the reporting period.
WORKFORCE HEALTH & SAFETY				
EM-MM-320a.1	(1) MSHA all-incidence 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	Rate	(1) Not Reported (2) Fatality Rate - 0 (3) 7,200 hours (4) 6,400 hours	Please refer to Health & Safety . We plan to align with the SASB MSHA all-incidence rate calculation methodology in the future.
BUSINESS ETHICS & TRANSPARENCY				
EM-MM-510a.1	Description of the management system for prevention of corruption and bribery throughout the value chain	N/A	Please refer to Business Ethics	
EM-MM-510a.2	Production in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Metric tons (t) saleable	0	Tanzania is not in the lowest rankings in Transparency International's Corruption Perception Index.
TAILINGS STORAGE FACILITIES MANAGEMENT				
EM-MM-540a.1	Tailings storage facility inventory table: (1) facility name, (2) location, (3) ownership status, (4) operational status, (5) construction method, (6) maximum permitted storage capacity, (7) current amount of tailings stored, (8) consequence classification, (9) date of most recent independent technical review, (10) material findings, (11) mitigation measures, (12) site-specific EPRP	Various	Partial Reporting	Please refer to Tailings and Waste Management
EM-MM-540a.2	Summary of tailings management systems and governance structure used to monitor and maintain stability of tailings storage facilities	N/A	Not reported	In the future, we plan to disclose our tailings management systems and governance structure.
EM-MM-540a.3	Approach to development of Emergency Preparedness and Response Plans (EPRPs) for tailings storage facilities	N/A	Not reported	In the future, we plan to disclose our EPRP for our tailings storage facilities.
COMMUNITY RELATIONS				
EM-MM-000.A	Production of (1) metal ores and (2) finished metal products	Metric tons (t) saleable	1) Not reported 2) Gold Produced: 20,759 oz	
EM-MM-000.B	Total number of employees, percentage of contractors	Number, Percentage	359 total employees - 110 full-time employees - 249 contract employees	



