



# PT Merdeka Copper Gold Tbk

Q3 2021 Update

December 2021

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## 5 Main Assets

MDKA today consists of five main assets, which are in order of importance, as follows:

- 1 Tujuh Bukit Copper/Gold Project (“TB Copper Project”)**
  - 1.9bt containing 8.8mt copper and 28 million oz gold inferred resource<sup>1</sup>
  - PFS underway. Planned for release end of Q1 2022
- 2 Wetar / Morowali Acid Iron Metal (“AIM Project”)**
  - US\$387m capex for 1.2mtpa acid production. Average annual revenue over the first five years of the project is expected to be approximately US\$280m. Compelling NPV of US\$513m at 8% discount rate with an IRR of 29.5%.
  - Construction started in Q3 2021 with target to commence production in Q2 2023
- 3 Pani Joint Venture (“Pani JV Gold Project”)**
  - 4.7 million oz of gold<sup>2</sup>
  - MDKA expects to commence drilling and other feasibility related activities at the Pani JV on completion of PT Andalan CSPA with PT JRN.
- 4 Tujuh Bukit Gold Production (“TB Gold mine”)**
  - Gold reserves of 702 thousand oz to support future gold production<sup>1</sup>
  - Q3 2021 gold production of 41,520 oz at an AISC of US\$691/oz.
- 5 Wetar Copper Production (“Wetar Copper mine”)**
  - Copper reserves of 108 thousand tonnes to support future copper production<sup>1</sup>
  - Q3 2021 copper production of 5,896 tonnes at an AISC of US\$2.59/lb.

## Key Investment Highlights

- 1 Established and proven gold and copper development and production capability. Indonesia’s only gold and copper company actively developing projects in the past 5 years**
- 2 Transformational development projects underpinned by substantial resources**
- 3 Strong cash generation and ability to finance and develop projects. US\$374m of debt and equity raised in 9M 2021. A total debt of US\$174m was repaid YTD Q3 2021**

Note:

1. Source: Company filings. Resources and reserves information as at 31 December 2020 (<http://www.merde kacoppergold.com/en/assets/resources-and-reserves>),

2. J Resources Resource reported 31/12/2018, Mineral Resource Estimate reported 3/12/2014

# ESG & Sustainability

## ESG & Sustainability Commitment

- MDKA has established an ESG & Sustainability Committee to oversee ESG programs and implementation progress. This committee assembles on a quarterly basis, is chaired by the CEO. All Executive team members participate and lead the drive for improvements in ESG.

## Highlights from 2020 Sustainability Report

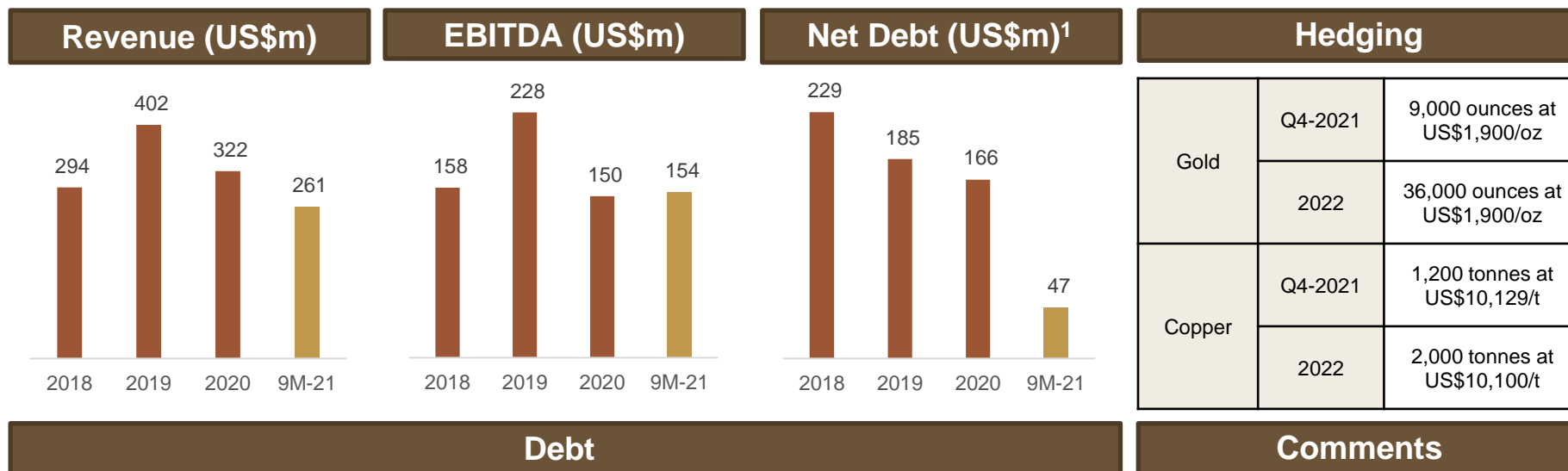
- 2020 EOY TRIFR of 0.43 which is a mining industry world class level result. Wetar operation reached 10 Million man-hours LTIF.
- Reduction in operational greenhouse gas emissions (Mt CO<sub>2</sub>-e) from 0.140 in 2019 to 0.093 in 2020.

## Highlights of 2021 Initiatives

- Independent management system audits utilising ISO standards on Environment (ISO14001) and Occupational Health & Safety (ISO 45001) are scheduled for Q4 2021.
- To reduce CO<sub>2</sub> emissions, Wetar will be progressively changing to generator models providing greater efficiency. As part of this transition Wetar will also be trialing a 277 kva solar facility on site.
- Tujuh Bukit successful land reclamation reduces erosion, increases carbon removal from the atmosphere, improves the hydro-ology system of the land and conserves the biodiversity and its habitats



# Strong and Sound Financial Position



Debt	
1	<p><b>Merdeka Holdco</b></p> <ul style="list-style-type: none"> <li>2020 IDR Bond<sup>2</sup> equivalent to ~US\$116m bond closed in July and September 2020. US\$56m repaid in Q3 2021                             <ul style="list-style-type: none"> <li>- 3 years: ~US\$60m at a weighted average USD 5.23%</li> </ul> </li> <li>1<sup>st</sup> tranche of 2021 IDR Bond<sup>2</sup> equivalent to ~US\$104m closed in March 2021                             <ul style="list-style-type: none"> <li>- 1 year: ~US\$39m at USD 3.60%</li> <li>- 3 years: ~US\$66m at USD 5.40%</li> </ul> </li> <li>Raised the 2<sup>nd</sup> tranche of 2021 IDR Bond<sup>2</sup> amounting to equivalent ~US\$105m at USD 1.95% in November 2021</li> </ul> 
2	<p><b>TB Opco (PT BSI)</b></p> <ul style="list-style-type: none"> <li>US\$100m secured bullion forward hedge and financing facility                             <ul style="list-style-type: none"> <li>- Closed June 2021</li> <li>- 18 months amortizing facility with 54,000 oz gold to be delivered from Jul 2021 to Dec 2022</li> </ul> </li> <li>US\$50m revolving credit (<i>undrawn</i>)                             <ul style="list-style-type: none"> <li>- Libor + 3.0%</li> <li>- Maturity can be extended up to 3 years from drawdown</li> </ul>  </li> </ul>

- Cash balance was US\$203m as of 30 Sep 2021. In addition to this MDKA has US\$75m of undrawn debt facilities
- Analyst coverage from Argonaut, Bahana, BNI, Ciptadana, Citi, CLSA, Credit Suisse, Indopremier, Macquarie, Mandiri, Panin, RHB, Sucor, Trimegah
- On 5 March 2021, MDKA successfully issued 1 billion new shares at Rp2,420 via a non-pre-emptive rights issuance. The offer was significantly over subscribed and MDKA raised a total of Rp2.4T (equivalent to US\$170m)

**Note:**

- 1: Net debt using bank loan + HoldCo bonds – cash  
 2: Refer to notes in Appendix: MDKA IDR Bonds

# Tujuh Bukit Gold Mine

## Production Information

Mining Method	Conventional open pit
Metals	Gold and silver
Mineralisation Type	High sulphidation epithermal
Process Method	Oxide heap leach
Recovery	Gold 79% and silver 13%
Oxide Mineral Reserves <sup>1</sup>	0.7 Moz Au contained; 29 Moz Ag contained
Oxide Mineral Resources <sup>1</sup>	2.0 Moz Au contained; 78 Moz Ag contained
Workforce	2,466 employees and contractors

## Operational & Financial Performance

	Unit	2019 Actual	2020 Actual	9M 2021 Actual
<b>Open Pit Mining</b>				
Ore Mined	M Tonnes	7.4	6.7	4.4
Waste Mined	M Tonnes	8.4	5.7	2.7
<b>Heap Leach Production</b>				
Ore Crushed and Stacked	M Tonnes	7.4	5.8	4.4
Recovered Metal	Au oz	223,042	157,175	95,883
<b>Financials</b>				
Cash Costs	US\$/oz	409	398	489
All-in Sustaining Costs	US\$/oz	620	669	808
Sales	US\$m	312	317	164
Operating EBITDA	US\$m	201	176	117

## Open Pit Mining



## Heap Leach and ADR Plant



## 2021 Operating Outlook

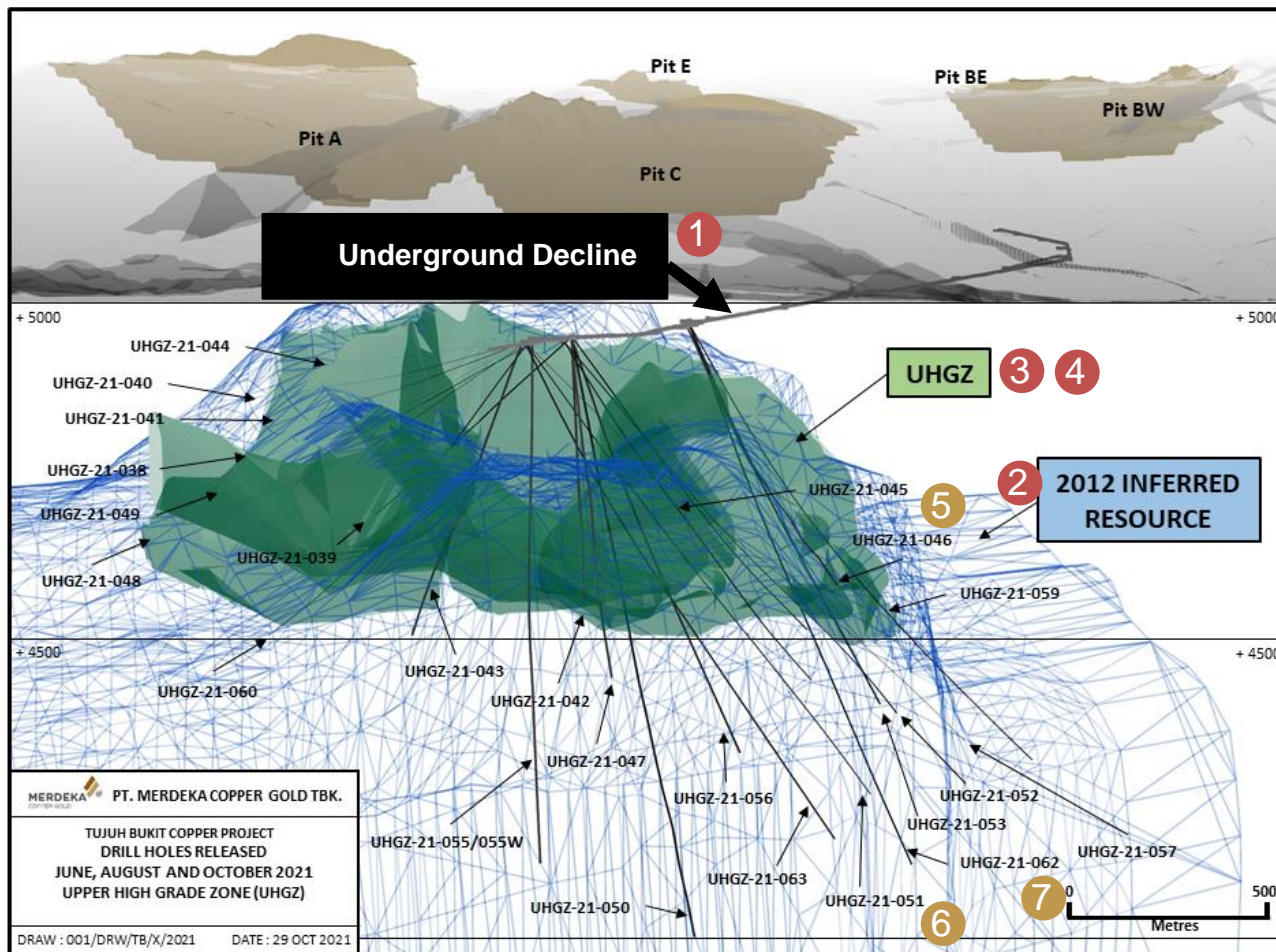
Guidance for 2021 is expected to be in the range of 100,000 to 120,000 ounces of gold produced at an AISC of \$825 to \$900/oz net of silver credits

<sup>1</sup> Source: Company filings. Resources and reserves information as at 31 December 2020 (<http://www.merdekaoppergold.com/en/assets/resources-and-reserves>)

# TB Copper Project

## Leading Underground Copper/Gold Deposit

### Perspective View: Upper High Grade Zone (“UHGZ”)



**1 Underground Decline**  
1,890-meter long exploration decline  
Successfully completed in June 2020

**2 2012 Inferred Resource (1)**  
1,900 Mt @ 0.45% Cu & 0.45 g/t Au  
~ Contains approx. 8.8 Mt Cu & 28 Moz Au

**3 UHGZ (2)**  
Underground Exploration Target: 250-300 Mt @  
0.7-0.9% Cu & 0.7-0.9 g/t Au

**4 Plan for 2021**  
Expect to drill 40,000 – 45,000 metres during 2021 to  
confirm the exploration target in the UHGZ

**5 Drill Hole UHGZ-21-046 (released June 2021)**  
636 metres @ 0.8% Cu and 1.0 g/t Au from 0 metres  
(including 406 metres @ 1.0% Cu and 1.4 g/t Au from  
10 metres)

**6 Drill Hole UHGZ-21-051 (released August 2021)**  
446 metres @ 0.8 % Cu and 1.6 g/t Au from 254  
metres (including 236 metres @ 1.0% Cu and 2.0 g/t  
Au from 340 metres)

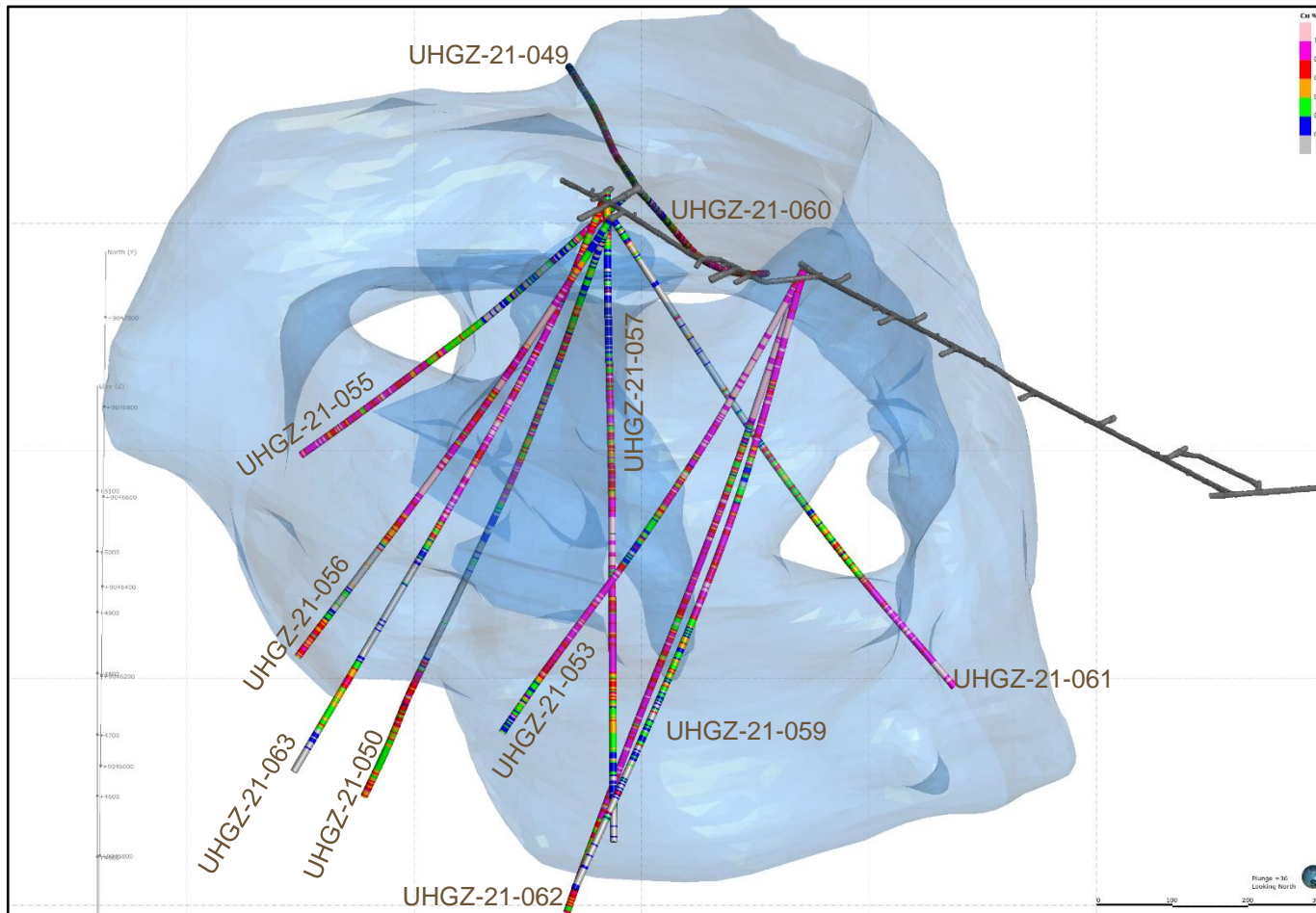
**7 Drill Hole UHGZ-21-062 (released Oct 2021)**  
918 metres @ 0.7 % Cu and 0.9 g/t Au from 0 metres  
(including 212 metres @ 1.3% Cu and 1.7 g/t Au from  
2 metres)

1. As disclosed in the 31 December 2020 Resources and Reserves Report  
2. Annual Report for 31 December 2020

# TB Copper Project

## Leading Underground Copper/Gold Deposit

### Perspective View 1: August & October 2021 Drillholes



Note:<sup>1</sup> Bornite-Chalcocite-Covelite high grade domain shell shown in blue

### Comments

- Mineralisation tested has either met or exceeded expectations. This is expected to provide a solid foundation for ongoing study work
- Latest MDKA drilling results:
  - ✓ <https://www.merdekcoppergold.com/en/download/june-2021-tujuh-bukit-copper-drill-results-released-2/>
  - ✓ <https://www.merdekcoppergold.com/en/download/august-2021-tujuh-bukit-copper-drill-results-released-2/>
  - ✓ <https://www.merdekcoppergold.com/en/download/october-2021-tujuh-bukit-copper-drill-results-released-2/>
- MDKA has invested US\$88m up to 30 September 2021 in a PFS programme. The bulk of the PFS expenditure was spent on decline development, resource definition drilling and technical studies. The PFS is planned for release at the end of Q1 2022.



# TB Copper Project

## Eight of World's Top 20 Best Copper and Gold Drill Results over the Last Two Years



No	Project Name	Company Name	Hole ID	From (m)	To (m)	Interval (m)	Cu (%)	Au (g/t)
1	Onto	PT Sumbawa Timur Mining	VHD037	536	1,485	949	1.3	0.7
2	Onto	PT Sumbawa Timur Mining	VHD073	730	1,471	741	1.3	0.9
3	Red Chris	Newcrest Mining Limited	RC611	542	1,170	628	0.9	1.7
4	Filo del Sol	Filo Mining Corp.	FSDH041	188	1,046	858	0.9	0.7
5	Tujuh Bukit	PT Merdeka Copper Gold Tbk	UHGZ-21-062	0	918	918	0.7	0.8
6	Filo del Sol	Filo Mining Corp.	FSDH041	376	1,046	670	1.1	0.9
7	Tujuh Bukit	PT Merdeka Copper Gold Tbk	UHGZ-21-046	0	636	636	0.8	1.0
8	Red Chris	Newcrest Mining Limited	RC623	534	1,066	532	0.8	1.3
9	Red Chris	Newcrest Mining Limited	RC634	650	1,164	514	0.8	1.3
10	Tujuh Bukit	PT Merdeka Copper Gold Tbk	UHGZ-21-051	254	700	446	0.8	1.6
11	Tujuh Bukit	PT Merdeka Copper Gold Tbk	UHGZ-21-045	14	530	516	0.9	0.9
12	Red Chris	Newcrest Mining Limited	RC623	598	830	232	1.5	2.6
13	Tujuh Bukit	PT Merdeka Copper Gold Tbk	UHGZ-21-053	0	380	380	1.0	1.4
14	Tujuh Bukit	PT Merdeka Copper Gold Tbk	UHGZ-21-063	2	512	510	0.7	1.0
15	Tujuh Bukit	PT Merdeka Copper Gold Tbk	UHGZ-21-056	64	522	458	0.8	0.9
16	Red Chris	Newcrest Mining Limited	RC700	738	1,104	366	0.9	1.1
17	Onto	PT Sumbawa Timur Mining	VHD034	548	835	287	1.0	1.1
18	Red Chris	Newcrest Mining Limited	RC595	668	1,054	386	0.7	0.8
19	Tujuh Bukit	PT Merdeka Copper Gold Tbk	UHGZ-21-043	364	634	270	1.2	0.8
20	Red Chris	Newcrest Mining Limited	RC705	718	972	254	1.1	1.0

Source: S&P Market Intelligence, Company Data

S&P criteria include >200 m interval, primarily copper and/or gold interval and reported after 30 September 2019. Results are ordered based on interval of drill meters, Cu grades and Au grades. MDKA has not verified the individual exploration results from other companies as shown in the table above.

# Wetar Copper Mine

## Production Information

Mining Method	Conventional open pit
Metals	Copper
Mineralisation Type	Volcanogenic massive sulphide (“VMS”)
Process Method	Sulphide heap leach
Plant Capacity - Crushing & Stacking - SX / EW	2.5 mt 25,000 tpa
Copper Mineral Reserves <sup>1</sup>	108 kt Cu contained
Copper Mineral Resources <sup>1</sup>	163 kt Cu contained
Workforce	967 employees and contractors

## Operational & Financial Performance

	Unit	2019 Actual	2020 Actual	9M 2021 Actual
<b>Open Pit Mining</b>				
Ore Mined	M Tonnes	2.3	0.5	1.7
Waste Mined	M Tonnes	3.8	2.4	7.8
<b>Heap Leach Production</b>				
Ore Crushed and Stacked	M Tonnes	1.9	0.4	1.6
Recovered Metal	Cu t	16,777	5,377	13,387
<b>Financials</b>				
Cash Costs	US\$/ lb	1.29	3.41	1.70
All-in Sustaining Costs	US\$/ lb	1.86	4.62	2.43
Sales	US\$m	101	32	97
Operating EBITDA	US\$m	41	(12)	60

## Open Pit Mining



## Process Plant

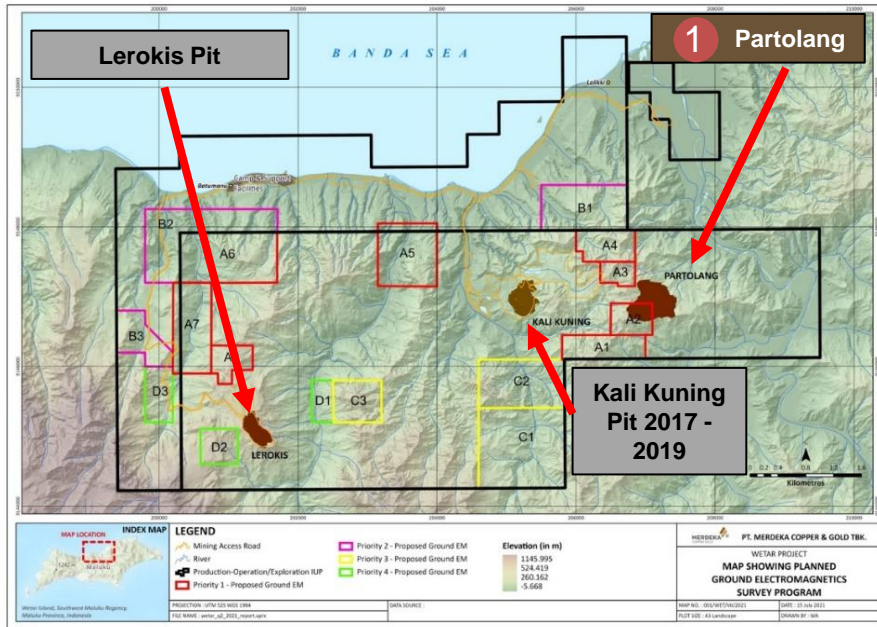


## 2021 Operating Outlook

Guidance for 2021 is expected to be in the range of 15,500 to 18,500 tonnes of copper at an AISC of \$1.90/lb to \$2.40/lb

<sup>1</sup> Source: Company filings. Resources and reserves information as at 31 December 2020 (<http://www.merdekacoppergold.com/en/assets/resources-and-reserves>)

# Wetar: Extending Mine Life



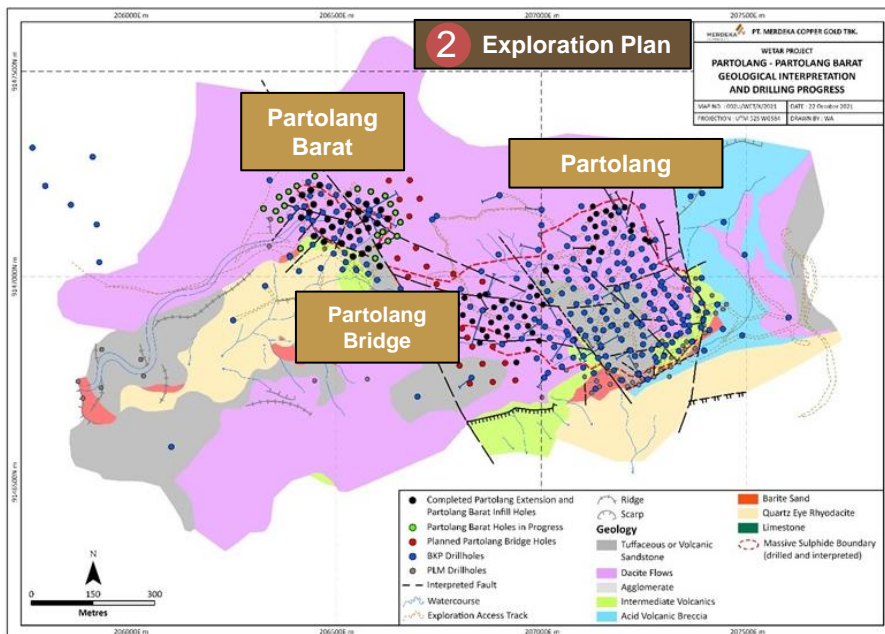
A geophysical survey of Wetar was completed during 2019 with approximately 20 targets identified within the mining lease. These types of deposits generally appear in clusters, which has resulted in the continued discovery of resources over time

## 1 Partolang Resource

- A significant new resource has been defined at Partolang with 12 Mt of ore @ 1.1% Cu for 131,600 tonnes of contained copper

## 2 Exploration Plan in 2021

- Ongoing exploration activities in 2021 focusing on resource definition RC drilling at Partolang. The objective is to convert Inferred resources to Indicated to support an upgrade of ore reserves, as well as extending the known Partolang resources to the northwest.
- The majority of Partolang drilling results thus far have confirmed previous interpretations of the Partolang mineralisation, with grade being either in line with, or exceeding the expected grades in the majority of the holes. Additional high-grade results along the west/southwest and northern margins of the mineralisation indicate the potential for future resource additions in these areas. The information obtained from the drilling program is supportive of an eventual update of ore reserves.
- Following on from this drilling at Partolang, the program continued into Partolang Barat. After completion of Partolang Barat, the drilling will relocate to the “Bridge” zone between Partolang and Partolang Barat, with the aim of determining if the area linking the two zones is mineralised and to assist in long term mining infrastructure planning in this area



# Wetar Copper Mine

## Latest Drill Results

### Partolang New Drill Holes and Results

### Comments

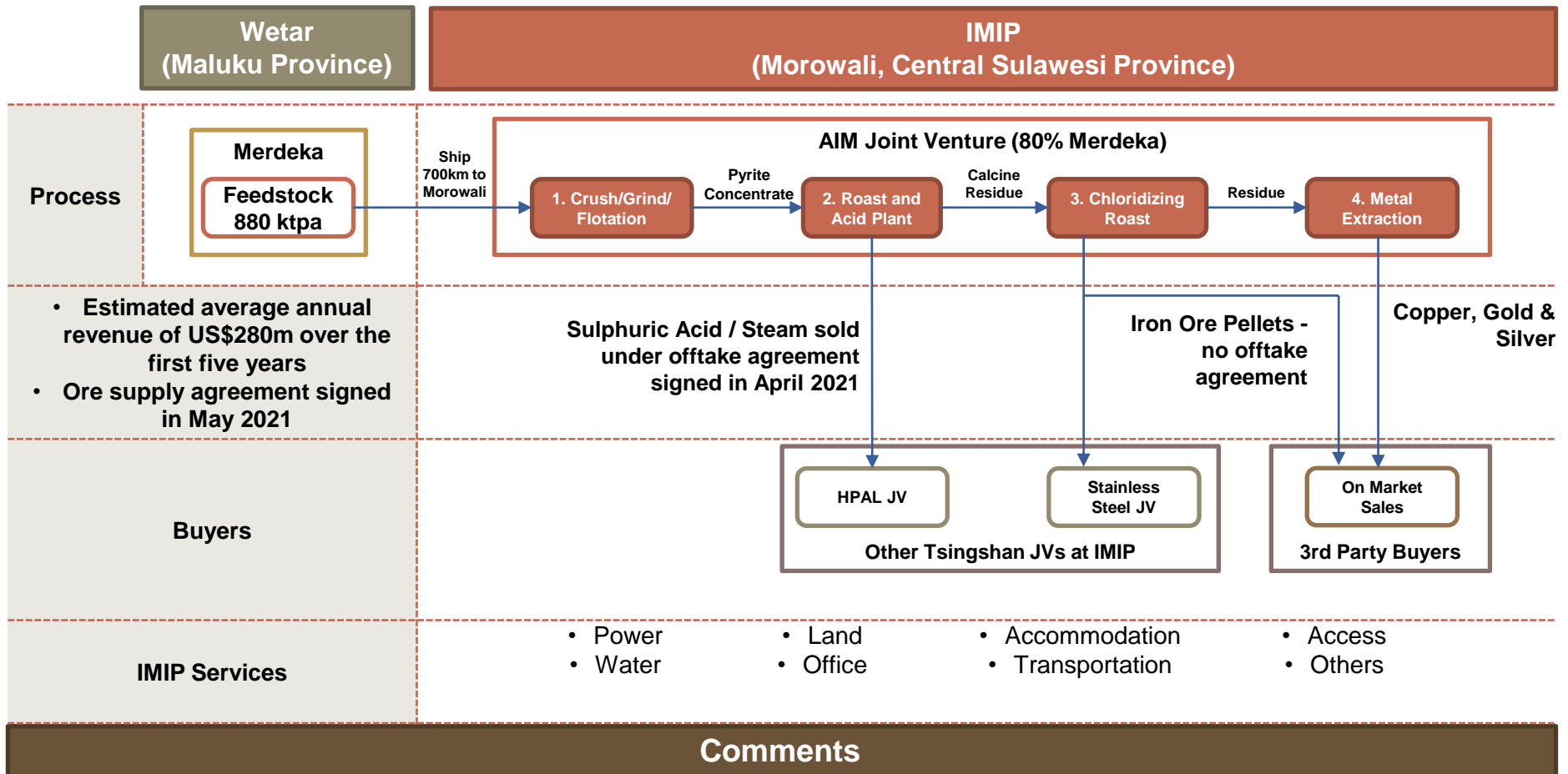
#### Selected October 2021 Drill Results

Hole ID	From (metres)	To (metres)	Interval (metres)	Cu %	Au g/t	Ag g/t
PTR154	80	91	11	7.03	1.56	73.1
PTR155	82	101	19	2.75	0.51	20.4
PTR171	106	117	11	2.56	0.83	32.9
PTR186	54	81	27	2.90	0.84	26.2
PTR199	77	95	18	1.75	0.87	34.9

- The majority of drilling results from Partolang thus far have confirmed previous interpretations of the Partolang mineralisation, with grade being either in line with, or exceeding the expected grades in the majority of the holes.
- At the end of the quarter, 33 holes for 3,965 metres had been completed, with all holes returning encouraging results from geological logging.
- Additional high-grade results along the west/southwest and northern margins of the mineralisation indicate the potential for future resource additions in these areas.
- The information obtained from the drilling program is supportive of an eventual update of ore reserves.
- Latest Wetar drilling results:
  - ✓ <https://www.merdekakoppergold.com/download/october-2021-wetar-exploration-results-release/>

# AIM Project Processing Overview

AIM is a huge growth opportunity for Merdeka given the nickel developments taking place in Indonesia, which will demand significant volumes of sulphuric acid. Potential for exploration at Wetar to support 2-3 Mt of acid production



- Significant value in spent ore at Wetar (Cu, pyrite (FeS<sub>2</sub>), Au and Ag)
- Opportunity to optimise long term production profile across Wetar and AIM Project. Only some of the Cu recovered at Wetar and remaining copper and other products recovered with AIM Project
- Pyrite concentration, acid production and iron pellet production are all very conventional processes. MDKA has undertaken several site visits as a part of the feasibility work
- Acid and Steam Supply Agreement signed on 30 April 2021. Long term contract (take or pay basis) to a customer currently constructing a HPAL plant at IMIP. The agreement for ore supply from Wetar to AIM Project was signed in May 2021

# AIM Project Economics

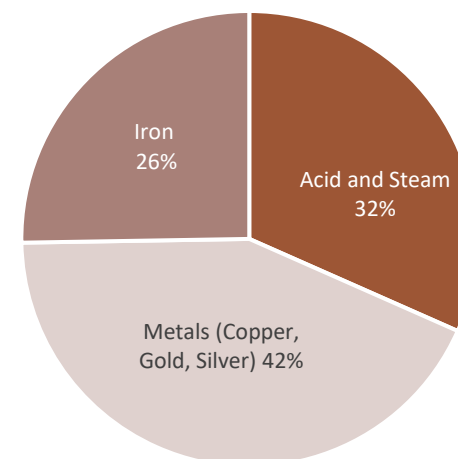
## AIM Project Economics (First Plant of 1.2 Mtpa Capacity)

Project Statistics	Unit	Value
Project Life	Years	18
Average Annual Project Revenue	US\$m	215
Average Annual Operating Costs	US\$m	112
<b>Financial Results</b>		
NPV @ 8%	US\$m	513
IRR	%	29.5%
Payback from First Production	Years	2.8
<b>Pre-Production Capex Requirements</b>		
Concentrator	US\$m	25
Refinery	US\$m	262
<b>Sub-Total</b>	<b>US\$m</b>	<b>287</b>
Indirect and Contingency	US\$m	100
<b>Total</b>	<b>US\$m</b>	<b>387</b>

## Comments

- Current resources and heap leach inventory support a project life of 18 years. This is expected to be extended over time
- With capex of US\$387m including contingency, the AIM Project delivers a compelling IRR of 29.5% generating NPV of US\$513m at an 8% discount rate
- The JV has identified cost saving initiatives that could potentially lower the expected capital cost to the bottom of pre-indicated range and further improve the project's returns

## Project Revenue



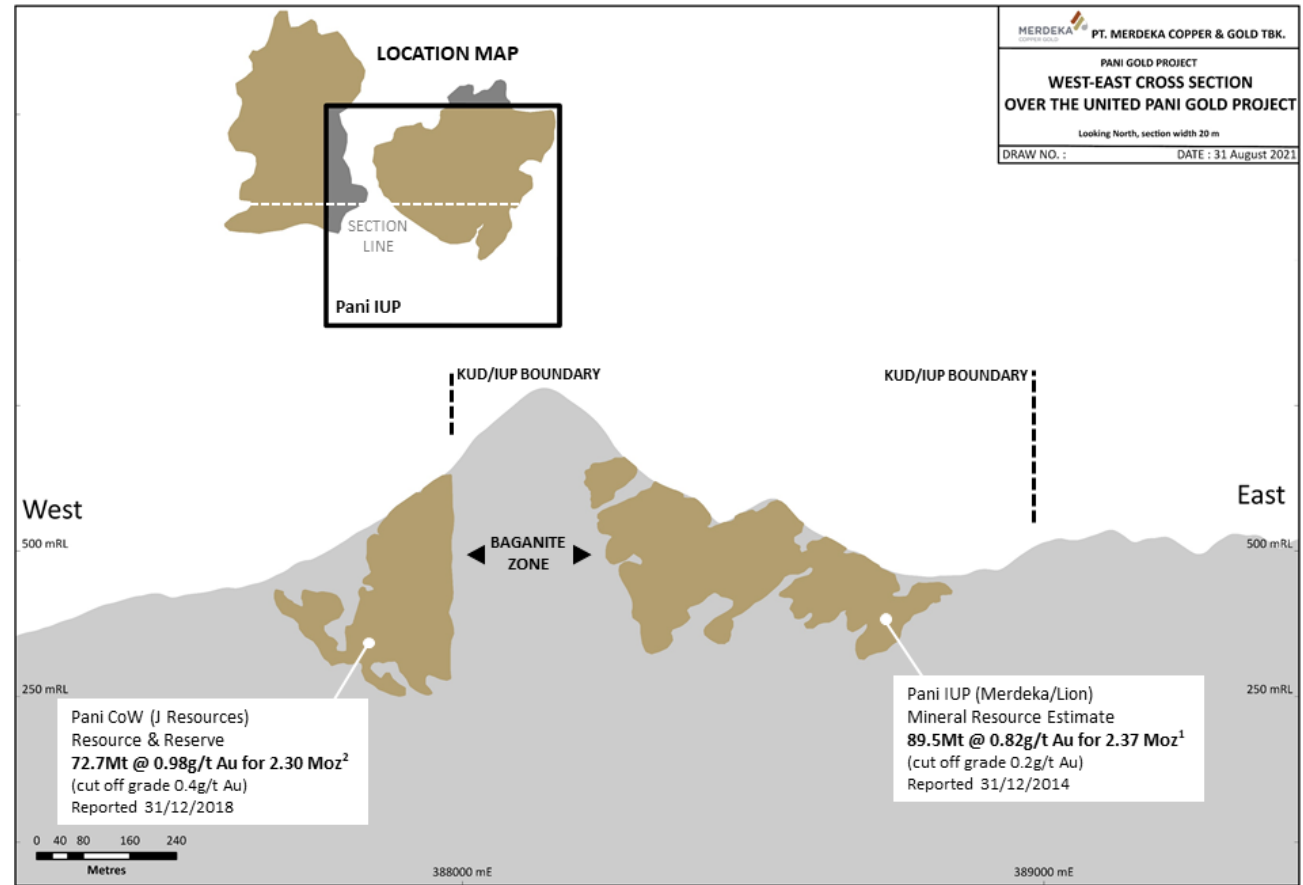


# Pani JV Gold Project

## Comments

- Expect greater resource to reserve conversion and better economics from combined project
- Orebody outcrops – potential for low strip ratio, low cost mining
- Initial metallurgical testing shows high recoveries from CIL, heap leach and gravity
- On 1 October 2021, Provident Capital, one of the major shareholders of MDKA, through its subsidiary PT Andalan Bersama Investama signed a CSPA with PT JRN to purchase all the shares in the capital of GSM. Due to the expected ownership change, the arbitration proceedings instituted by MDKA's subsidiary, PT PBT against a subsidiary of PSAB, JRN, to enforce PBT's rights under the CSPA against JRN have been suspended.
- Joint development of the Pani project is the most feasible route and MDKA continues to pursue this outcome.

## West-East Cross Section over the United Pani Gold Project



### Note:

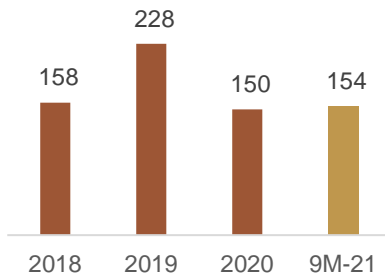
1. Two holes drilled by Utah International in 1982 between the two resources ("Baganite Zone"), assayed 406m @ 0.5g/t (GPD-04) and 154m @ 0.57g/t (GPD-05)
2. Pani IUP Resource estimate from SRK Report dated December 2014 based on 137 Diamond Drill holes, 26,000m drilling and using cut off grade of 0.2g/t Au



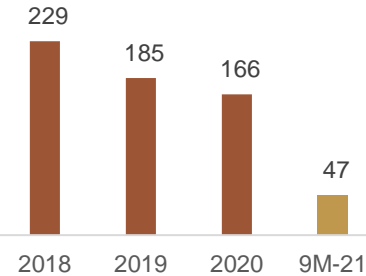
# Growth and Capital Management

## Actual Performance

EBITDA (US\$ m)



Net Debt (US\$ m)



## Production Cashflow

- Existing assets generate strong cashflow over next 5 years
- Modest sustaining capex
- Continuously improve operations to sustain margins

## Strategy

- Debt expected to amortized quickly to maintain balance sheet strength. Low gearing to be maintained.
- Cashflow invested in extending mine life and to fund growth.

Existing Operations  
(4 + years)

## Potential

## Funding Strategy

## Strategy

AIM Project  
(20 + years)

Potential to generate US\$ 215 m of revenue per annum based on updated project economics

### Funding for 1.2 mtpa plant construction:

- Approximately US\$ 387 m funding required
- US\$ 72 m equity MDKA
- US\$ 18 m equity Tsingshan
- US\$ 297 m debt funding
- Strong margins allow debt payback within 3 years

### Potential for AIM Growth:

- Significant acid required for HPAL nickel expansions throughout 2030
- Potential for 3-4 AIM plants
- Cashflow from first plant and proven concept will allow debt to fund expansion

TB Copper  
(20 + years)

Potential to produce 70k-90k tonnes of copper and 200k to 300k ounces of gold per annum

### Pre-production (PFS/FS)

- US\$ 75 m required for drilling/feasibility 2021/22
- Funded from cashflow from operations

### Funding for Development

- Sell minority equity stake to fund Merdeka equity dilution
- Long term debt

### Capital Management Strategy to minimise future equity dilution:

- Cashflow from operations will fund existing pre-production studies
- Debt funding of long life low cost development assets
- Partnering on TB Copper
- Partnering on AIM
- Partnering on Pani

Pani Gold  
(15 + years)

Potential to produce in excess of 250k ounces of gold per annum

### Close JV deal

### Pre-production (FS)

- US\$ 50-60 m required for 2022/23 when JV dispute resolved
- Funded from cashflow from operations

### Funding for Development

- 70% debt funding target

# Appendix

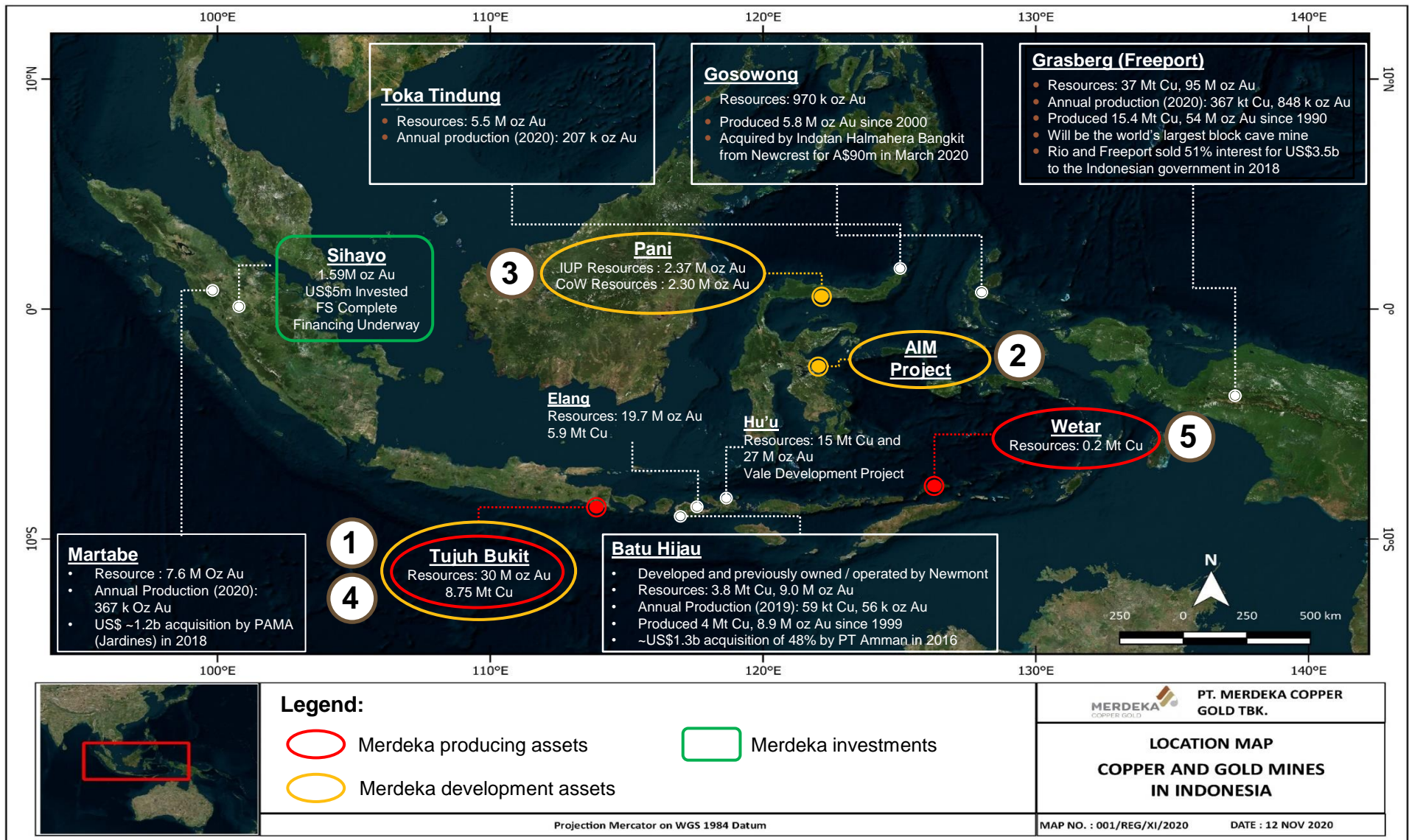
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**MERDEKA**  
COPPER GOLD



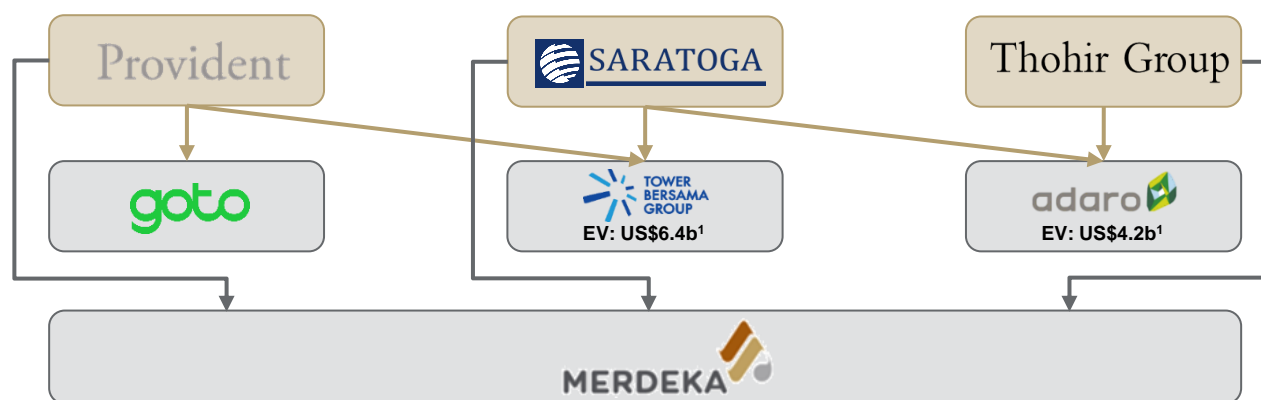
# Indonesia - Right Geological Address

Indonesia continues to be a significant player in the global mining industry, with significant production of coal, copper, gold, tin and nickel, including leading gold and copper assets such as Grasberg, Tujuh Bukit, Batu Hijau and Martabe



# Strong and Reliable Indonesian Shareholders

## Existing Shareholding Structure



1	<b>Track Record in Growing and Financing Indonesian Corporates</b>	The shareholders collectively have rich experience in leading and growing businesses in Indonesia, ranging from dynamic tech platforms (Gojek) to well established corporates (i.e. Tower Bersama and Adaro). As a result, the shareholders have established strong relationships with key external stakeholders and have gathered valuable experience leading companies to growth within the country
2	<b>Strong Governmental, Regulatory and Local Ties</b>	The shareholders have decades of experience in obtaining permits across Indonesia for their various operating companies including Adaro (portfolio of coal mines) and Tower Bersama (tower development in all 34 provinces), demonstrating their ability to resolve community issues and work with national and local governments to develop projects across multiple industries
3	<b>Excellent Corporate Governance and Investor Relations</b>	Reputation for maintaining excellent corporate governance and reporting standards (in the case of Merdeka, voluntary adoption of ASX reporting requirements for reserves and resources, as well as quarterly reporting) has attracted quality investors globally in both debt and equity capital markets, achieving overall lower cost of funds and strong support
4	<b>Low Risk of Divestment under Indonesia Mining Law</b>	The Indonesian Mining Law requires foreign shareholders to gradually divest portions of their shareholdings by making initial offers to the central Government of the Republic of Indonesia, regional or municipal governments. With the major shareholders being 100% Indonesian-incorporated or by citizenship, it minimizes the risk of divestment requirements

Note:

1. Market cap as at 30 September 2021; net debt as at 30 June 2021

# Management with Significant Industry Experience



The management team comprises a group of individuals with rich experience within the industry and within their individual business functions

	Experience
<b>Simon Milroy</b>	<ul style="list-style-type: none"> <li>• More than 30 years of experience in mining sector including exploration, feasibility studies, permitting, financing, construction, operations and closure</li> <li>• Previously the GM Corporate Development and Exploration in PanAust</li> </ul>
<b>David Fowler</b>	<ul style="list-style-type: none"> <li>• Accountant with more than 25 years of experience in mining sector</li> <li>• Held CEO / CFO positions for listed mining companies in Australia, South America and Indonesia</li> </ul>
<b>Doug Jones</b>	<ul style="list-style-type: none"> <li>• More than 30 years of experience in mining sector</li> <li>• Held a variety of leading operations and mining consulting roles in the United States, Asia (including Indonesia), South America, Mexico, and Europe, bringing extensive experience of copper and gold mining operations and projects with underground and surface mining, mill operations and heap leach operations. Previously Chief Operations Officer in Rye Patch Gold</li> </ul>
<b>Gerick Mouton</b>	<ul style="list-style-type: none"> <li>• More than 20 years experience in strategic mine development, implementation and execution of multifaceted capital-intensive mining projects on the African continent</li> <li>• Previously Senior Vice President in Ivanhoe Mines Ltd</li> </ul>
<b>Zach Casley</b>	<ul style="list-style-type: none"> <li>• More than 25 years of experience gained from a variety of roles in operational mines, consulting, mining finance and corporate management including roles at Macquarie and Newcrest Mining</li> <li>• Zach is a Fellow of the Australian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists</li> </ul>
<b>Peter Scanlon</b>	<ul style="list-style-type: none"> <li>• More than 20 years of experience with Thiess</li> <li>• Previously the Head of Construction at Thiess Indonesia</li> </ul>
<b>Devin Ridwan</b>	<ul style="list-style-type: none"> <li>• More than 10 years experience as Director/CFO at PT Provident Agro Tbk</li> <li>• CFA charter holder with more than 20 years of relevant professional experience</li> </ul>
<b>Boyke Abidin</b>	<ul style="list-style-type: none"> <li>• More than 30 years experience in mining sector including government affairs, community affairs, asset protection and corporate communication</li> </ul>
<b>Albert Saputro</b>	<ul style="list-style-type: none"> <li>• More than 10 years of experience as equity analyst in natural resources</li> <li>• More than 15 years of relevant professional experience</li> </ul>
<b>Gavin Caudle</b>	<ul style="list-style-type: none"> <li>• Founding shareholder of Provident Capital</li> <li>• Former Partner at Arthur Andersen and Head of M&amp;A / Private Equity at Citigroup / Salomon Brothers for Indonesia</li> </ul>

# MDKA IDR Bonds

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1. 1<sup>st</sup> Tranche of 2020 IDR Bond amounting to Rp1.4T closed in July 2020 swapped to ~US\$96m:
  - 1 year : Rp674b at IDR 8.9%, swapped to ~US\$46m at USD 3.83% (*repaid in August 2021*)
  - 3 years : Rp726b at IDR 10.5%, swapped to ~US\$50m at USD 5.10%
  
2. 2<sup>nd</sup> Tranche of 2020 IDR Bond amounting to Rp300b closed in September 2020 swapped to ~US\$20m:
  - 1 year : Rp149b at IDR 8.25% swapped to ~US\$10m at USD 4.30% (*repaid in September 2021*)
  - 3 years : Rp151b at IDR 10.25% swapped to ~US\$10m at USD 5.90%
  
3. 1<sup>st</sup> Tranche of 2021 IDR Bond amounting to Rp1.5T closed in March 2021 swapped to ~US\$104m:
  - 1 year : Rp560b at IDR 7.50% swapped to ~US\$39m at USD 3.60% (*will be due in April 2022*)
  - 3 years : Rp940b at IDR 9.85% swapped to ~US\$66m at USD 5.40%
  
4. 2<sup>nd</sup> Tranche of 2021 IDR Bond amounting to Rp1.5T with tenor of 1-year closed in November 2021 swapped to ~US\$105m at USD 1.95%

# Share Price and Liquidity

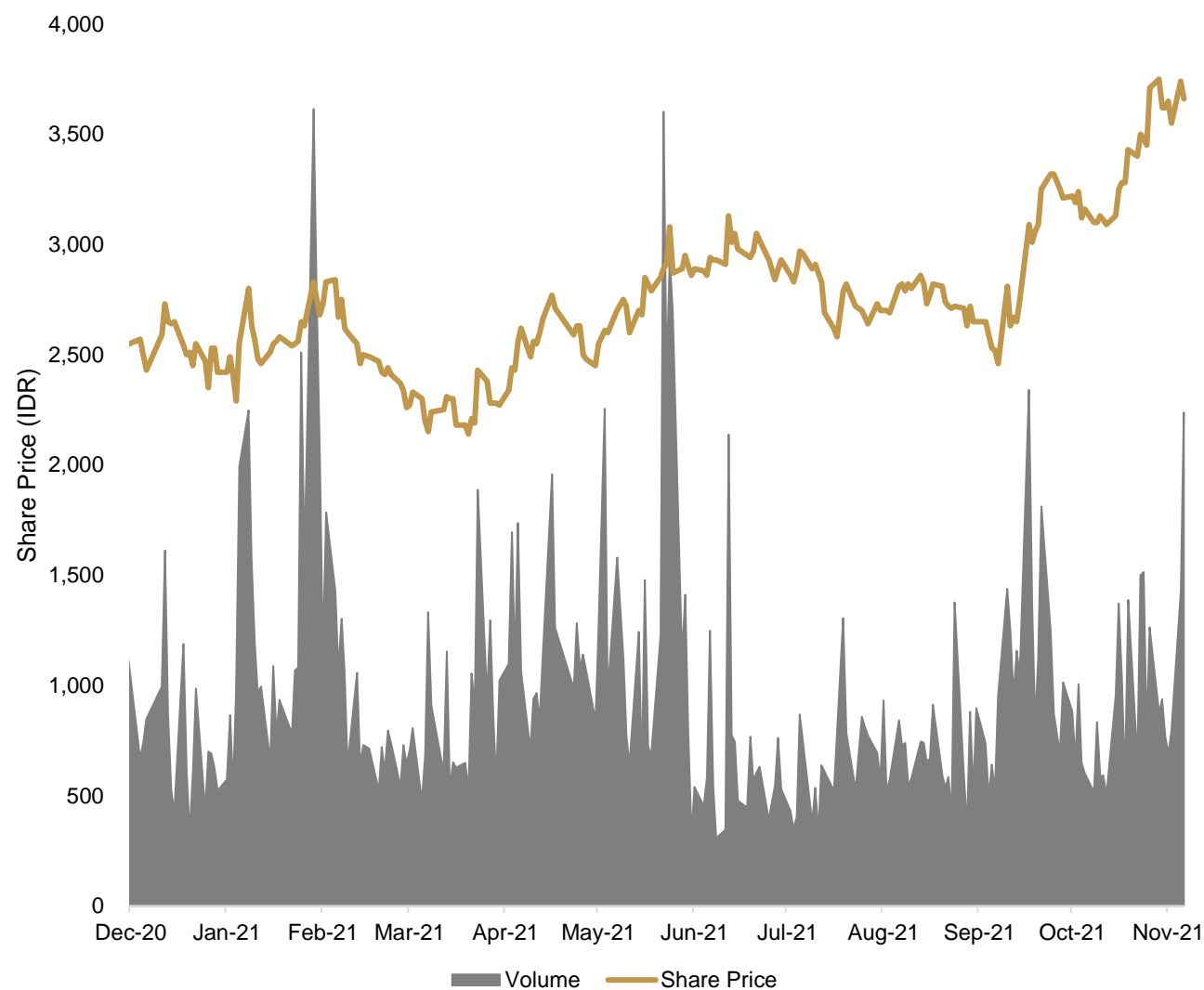
## Current Capitalization

Share Price (IDR) <sup>1</sup>	3,660
Shares Outstanding (m)	22,905
Market Cap (IDR)	IDR83.83t
<b>Market Cap<sup>1</sup></b>	<b>~US\$5.85b</b>
Net Debt <sup>2</sup>	US\$47m
<b>Enterprise Value</b>	<b>~US\$5.90b</b>

## Trading Volume

	Average Daily Trading Volume (US\$m)
<b>1 month</b>	17.64
<b>6 months</b>	13.71
<b>12 months</b>	13.68

## 12 Month Share Price Performance



Note:

1. Share price information as at 30 November 2021 using currency rate of IDR 14,340/US\$
2. Using cash balance, bank debt and IDR bond number as of 30 September 2021.

# TB Copper Project

## Latest Drill Results

### UHGZ New Drill Holes and Results

#### Selected August and October 2021 Drill Results

Hole ID	From (metres)	To (metres)	Interval (metres)	Cu %	Au g/t
UHGZ-21-051	254	700	446	0.8	1.6
UHGZ-21-053	0	380	380	1.0	1.4
UHGZ-21-056	64	522	458	0.8	0.9
UHGZ-21-062	0	918	918	0.7	0.8
UHGZ-21-063	2	512	510	0.7	1.0

### Comments

- The most recent holes of the current infill drilling program have all returned intercepts in line with, or exceeding expectations
- Further 17,000 meters of underground drilling scheduled for the rest of 2021
- Latest MDKA drilling results:
  - ✓ <https://www.merdekacoppergold.com/en/download/august-2021-tujuh-bukit-copper-drill-results-released-2/>
  - ✓ <https://www.merdekacoppergold.com/en/download/october-2021-tujuh-bukit-copper-drill-results-released-2/>

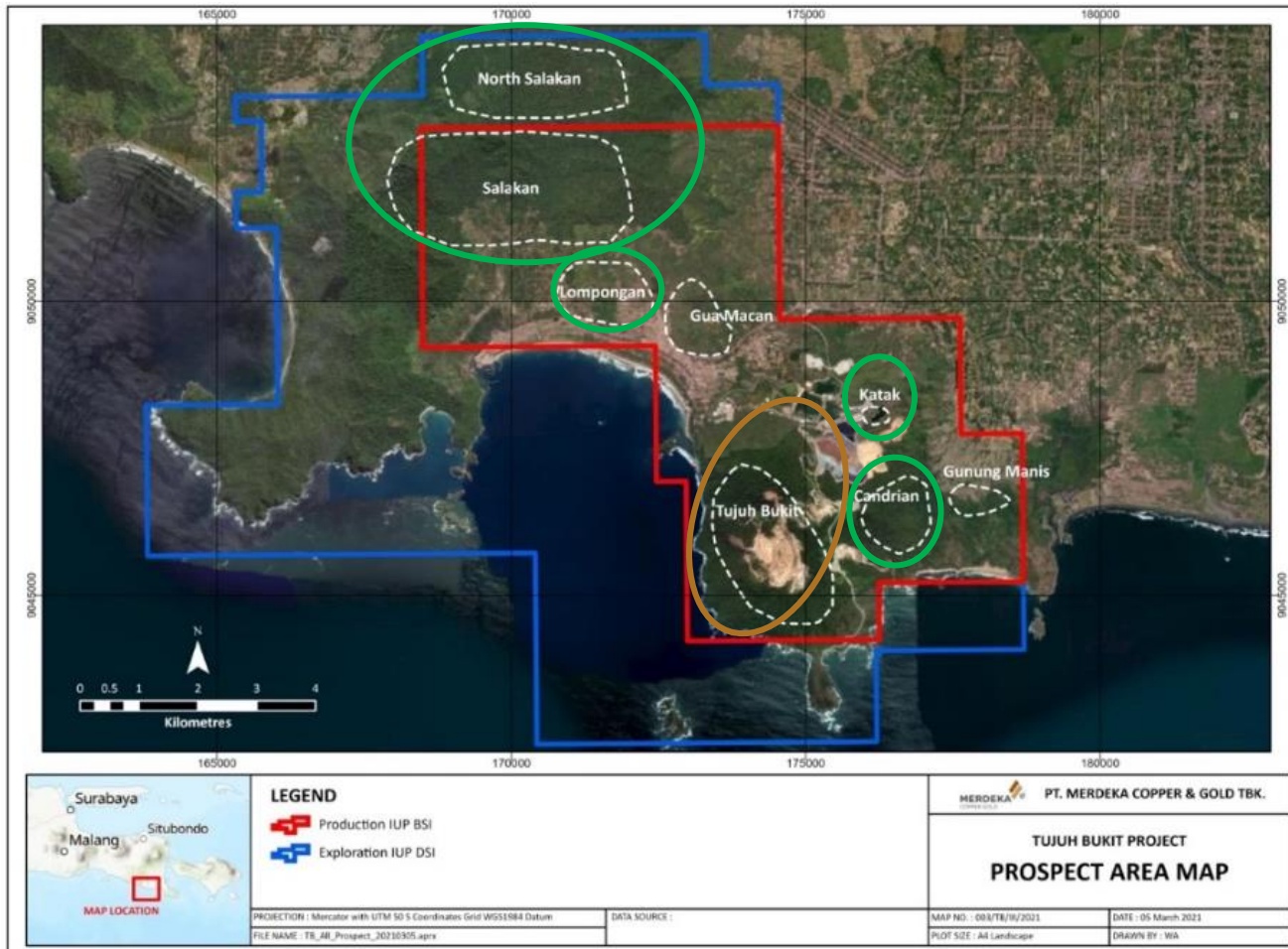




# Tujuh Bukit Near Mine Exploration

## Open Pit Targets Could De-Risk Copper Project Ramp Up

### Open Pit Mineralisation Targets



### Comments

- Short to medium term exploration program in the near mine region will targeting Candrian and Katak Prospects. Both prospects have the potential to provide additional ore feed for the current Tjjuh Bukit Gold Mine.
- Negotiations with local land holders in the region surrounding Tjjuh Bukit (including Salakan, Lompongan and Katak) is ongoing to gain access so that regional exploration in the lease surrounding the Tjjuh Bukit Gold Mine can restart. This program has the dual objectives of:
  - ✓ defining near surface oxide gold resources to supplement the existing Tjjuh Bukit Gold Mine operations; and
  - ✓ testing for potential sulphide copper and gold targets which may provide additional ore for the future Tjjuh Bukit Copper Project processing plant.

# AIM Project: Location

- Feedstock is shipped from Wetar Island to processing facilities at IMIP in Sulawesi
- Approximately  $\pm 700$  kms of sea transport, with a sailing time of  $\sim 5$  days



# Indonesian Morowali Industrial Park (IMIP)

## Substantial Facility

### Location and Size



### Comments

- Tsingshan owns 66.25% of IMIP
- Development started in 2013. Tsingshan's stated objective at the time was to create the world's largest fully integrated stainless steel facility
- This has now been achieved, with the site housing a number of separate nickel / stainless steel joint venture operations
- Total investment to date > US\$6 billion
- IMIP currently comprises:
  - 3.0 mtpa stainless steel capacity
  - 0.5 mtpa carbon steel capacity (currently expanding to 3.5 mtpa)
  - 0.6 mtpa high carbon ferrochrome
  - 1.95 mtpa NPI capacity
  - 2.0GW coal-fired power plant (currently expanding to 2.9GW)
  - Lime, coke and acid plants
  - Airport with 2,000 m long runway
  - Port facilities
  - 5-star hotel
- 3,000 ha site in Bahodopi District, Morowali Regency, Central Sulawesi Province

# COVID-19 Business Continuity Plan & Measures

- MDKA has developed and is operating under a COVID-19 business continuity plan. It continues to operate its mines at Tujuh Bukit and Wetar and is continuing with ongoing expansion and development projects with some restrictions from preventative and precautionary COVID-19 measures. This is to ensure the safety and wellbeing of MDKA's workforce, communities and all stakeholders.
- MDKA continue to mitigate COVID-19 risks through COVID-19 Prevention programs in 3 areas:
  - i. Quarantine & Testing measures
  - ii. Ten Mandatory Rules for transmission prevention
  - iii. Case response and recovery plans
  - iv. Employee education programs
- MDKA has contributed COVID-19 education and financial assistance to the local communities and the local and national authorities in which it operates. In 2020, IDR 9.1 billion is being contributed for COVID-19 related assistance.



Ventilator Donation



Covid-19 Education Post



Covid-19 Education

# Safety at Work

**MDKA places strong emphasis to ensure the safety and wellbeing of MDKA's workforce, communities and all stakeholders.**

## 2020 Highlights

- Strong safety performance result with a 2020 EOY total recordable injury frequency rate (TRIFR) of 0.43 which is a mining industry world class level result.
- Wetar operation reached a milestone safety achievement of 10 Million man-hours Lost Time Injury (LTI) Free.

## 2021 Progress Update Against Plans

- **ISO: 45001** Occupational Health & Safety Management system gap analysis audit completed.
- **ISO:** ISO Certification teams established for each Site towards preparing for ISO certification in Q4-21.
- **MDKA Safety Committee:** Formally established, chaired by CEO and attended by Operational Senior Managers, HSE & Safety Managers.
- **Critical Risks:** Sourcing off-the-shelf system for a Critical Risk Standards (“CRS”) program to establish effective controls for higher risk activities.
- **Policy:** Health and Safety policy review completed and currently undergoing final inputs from stakeholders.
- **HSE Management System:** Development of HSE Management System manual completed, Currently undergoing review & approval.
- **Risks:** Risk Management Standard and Management of Change Procedure documents drafted and circulated for review.
- **Fatigue Risk:** Fatigue Monitoring camera’s for Wetar hauling trucks have ordered and preparations for implementation in progress.



# Safeguarding the Environment

**MDKA applies effective environmental management practices and mitigates environmental risks in order to achieve excellence in our environmental performance.**

## 2021 Progress Against Plans

- **ISO: 14001** Environmental Management System gap analysis audit completed. Findings being addressed in preparation for certification audit in Quarter 4.
- **Policy:** Environmental Policy review completed and currently undergoing final inputs
- **Metrics:** Environmental measurement metrics being reviewed to be aligned with global ESG reporting. In progress.
- **SM360 Database:** Environmental SM360 database functionality and reporting being reviewed to be aligned with Proper (Indonesian Environmental Certification) information requirements.
- **Wetar Operations:** Improving piping arrangements for better mine water management.
- **BSI Operations:** Commemorating World Environmental Day with environmental campaigns and competitions.



# Corporate Social Responsibility

MDKA takes its corporate social responsibility (“CSR”) seriously. We understand the importance of engaging with our stakeholders, especially the communities in which the MDKA Group operates. We firmly believe that building trust and understanding among and with our communities are keys to our successful mining operations as well as long-term sustainability.

## 2020 Economic Contribution Highlight

- US\$ 3.3 million spent on community.
- US\$ 42.7 million for employees compensation & benefits.
- US\$ 51.6 million in the form of royalty and taxation payments to Government.

## CSR Highlights

- Education program: scholarships, school support.
- Health program: health services for community.
- Social & culture program: support religious and local culture events and facilities.
- Cash income generating/occupation: MDKA supports production of vegetables, fruits, poultry and fish by local community, SME business training, goat farms.
- Local institution development: capacity building programs and honorariums to *yayasan*/foundations.
- Infrastructure development: road repairs, river normalisation, clean water supply.



Scholarship Programs



Mobile Clinic



Road Repair



River Normalisation



# Human Capital

MDKA continues to step-up its human capital management in line with the Company's vision to become The Global Leader in the Indonesian Mining and Metals Industry. The move started with strengthening the team, acquiring fresh commitments from top management to fully support initiatives toward achieving the Company's vision, and the creation of a strategic human capital roadmap to address current and future challenges faced by the MDKA Group.

## 2020 Highlights

- 2,737 employees.
- 99% national employees.

## Gender Equality and Work Opportunity

- 200 employees (7%) of workforce identify as female. An increase from 2019 of 167 employees (6%).

## Training & Development

- Merdeka Young Talent Program.
- Various technical and support training programs.



# Significant Awards



Oct 2018 Award to BSI  
“Achievement of 10 million hours work without LTI”



22 April 2019 KLHK RI-  
Category “SOE/Public  
Companies inspirator  
reforestation on land  
compensation



11 July 2019 KLHK RI-  
Category “SOE/Public  
Companies inspirator  
reforestation on land  
compensation



15 July 2019 Award  
“Implementation Management  
of life environment in 2019”



July 2019 Governor award “15  
million hours without LTI”



26 August 2019 Award “Clean  
water Production 2019”



27 September 2019 Subroto Award 2019 Category “PNBP (non-  
tax revenue ) Compliance on mineral and coal”



27 September 2019 Subroto Award 2019 Category “PNBP (non-  
tax revenue ) Compliance on mineral and coal”



November 2019 3<sup>rd</sup> place in  
the CSR Category program at  
IMA (Indonesian Mining  
Association) Award 2019



Feb 20 Award “Tax compliant  
company at the same time as  
highest taxpayer in the  
Banyuwangi Regency”



September 2020 First  
company who submit land  
compensation in Java island



December 2020 Gold  
certificate for management  
system obvtinas safeguard

# Social Value Scorecard

Category	Key Indicators	2019	2020	Target
Safety & Health	Fatalities	0	0	Zero work-related fatalities
	Lost Time Injury Frequency Rate ("LTIFR") (per million hours worked)	0.00	0.22	Zero Lost Time Injuries; 0.00 LTIFR
	Total Recordable Injury Frequency Rate ("TRIFR") (per million hours worked)	0.34	0.43	2020 target: 10% reduction on TRIFR (2020 target set at 0.31) <i>Note: The number of Recordable Injuries in 2019 and 2020 were the same, however 2020 Frequency Rate was higher due to lower man-hours through the year</i>
Environment	Operational greenhouse gas (GHG) emissions (Mt CO <sub>2</sub> -e)	0.140	0.093	2% reduction in operational areas 5% reduction in non-operational areas
	Fresh water withdrawals (GL)	0.53	0.45	2%. Water for operations in BSI was collected from rainfall
Community	Social investment (US\$m)	3.1	3.3	10% increase in value through three operating areas in Banyuwangi District, Wetar Island and Pohuwato District
Inclusion & Diversity	Female workforce participation (%)	6	7	To increase participation from prior year
	Local workforce participation at operating sites (%) <i>Local: Ring 1 (sub-district area) and Ring 2 (district and province area)</i>	69	70	To increase the percentage of local manpower recruitment by supporting human resource development through training, special scholarships, and skills for working age groups to enter the mining sector and other supporting sectors

# Key Financial Figures

2016 – 9M 2021



	In US\$m	2016	2017	2018	2019	2020	9M 2021
<b>P&amp;L</b>	Revenue	0	129	294	402	322	261
	EBITDA	(6)	99	158	228	150	154
	Net Profit/(Loss)	(3)	43	58	69	29	19
<b>BS</b>	Cash	43	35	14	50	51	203
	Other current assets	5	59	141	155	148	217
	Fixed assets	240	268	593	647	640	629
	Other non-current assets	17	9	50	100	90	121
	Total Assets	304	371	798	951	930	1,170
	Borrowings – current portion	10	67	95	154	144	125
	Borrowings – non-current portion	118	64	159	133	124	167
	Other current liabilities	13	37	88	100	48	69
	Other non-current liabilities	4	14	33	40	50	52
	Total Liabilities	145	181	376	427	366	413
	Equity	159	190	422	524	564	757
	Total Liabilities & Equity	304	371	798	951	930	1,170
	<b>CF</b>	Cash flow from operation	(11)	72	51	123	120
Capex		(79)	(61)	(56)	(134)	(62)	(45)
Investment/acquisition		-	(0)	(59)	(19)	(8)	(51)
Cash flow from financing		114	(19)	42	65	(49)	159

# Competent Person's Statement

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The information in this report which relates to Exploration Activities and Exploration Results is based on, and fairly represents, information compiled by Mr Zach Casley, BSc (Hons). Mr Casley is full-time employee of PT Merdeka Copper Gold Tbk.

Mr Casley is a certified Competent Person Indonesia (#CPI-199), a Member of the Indonesian Geologists Association (ID: 7083B), a Member of a Masyarakat Geologi Ekonomi Indonesia (ID: B-1173), a Fellow of the Australian Institute of Mining and Metallurgy (ID: 112745), and a Member of the Australian Institute of Geoscientists (ID: 1451)

Mr Casley has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2017 Kode KCMI for Reporting of Exploration Results, Mineral Resources and Mineral Reserves, and the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”.

Mr Casley consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.