

PT Merdeka Copper Gold Tbk.

IDX Code: MDKA
As at 30 June 2020

Capital Structure (30-07-2020)

21,897,591,650 listed shares
Share price: IDR 1,790
Market capitalisation: \$2.7b

Cash & Debt

Cash: \$56m
Bank Debt: \$220m

Board of Commissioners

Edwin Soeryadjava (President)
Garibaldi Thohir
Richard Bruce Ness **
Heri Sunaryadi
Dhohir Farisi (Ind.) *
M. Munir (Ind.) **
Budi Bowoleksono (Ind.)

Board of Directors

Tri Boewono (President)
Simon Milroy (Vice President) **
Richard Bruce Ness *
Colin Francis Moorhead *
David Thomas Fowler
Gavin Arnold Caudle
Hardi Wijaya Liong
Michael W.P. Soeryadjava
Chrisanthus Supriyo (Ind.)

* Effectively resigned 29 July 2020

** Appointed 29 July 2020

Executive Management

Boyke Poerbaya Abidin
Devin Antonio Ridwan
Gerick Mouton
Zachary Casley
James Francis
Peter Scanlon

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PT Merdeka Copper Gold is proudly an Indonesian owned and operated company and is listed on the Indonesian Stock Exchange.

PT Merdeka Copper Gold Tbk (“MDKA”) is pleased to report on June Quarter 2020 activities.

Since the time of its IPO in June 2015, MDKA has transformed from a small company with a single undeveloped medium term gold project into a multi asset diversified group with exciting long life development projects.

With the successful execution of its strategy, MDKA management expects MDKA will become a globally significant copper and gold producer.

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

- 1) Tujuh Bukit Copper Project (“TB Copper Project”)
- 2) Pani Joint Venture (“Pani JV Project”)
- 3) Wetar / Morowali Acid Iron Metal Project (“AIM Project”)
- 4) Tujuh Bukit Gold Mine
- 5) Wetar Copper Mine

Gold produced at Tujuh Bukit Gold Mine for the quarter was 54,672 ounces at an all-in sustaining cost (“AISC”) of \$641/oz. Year to date production was 108,823 ounces at an AISC of \$648/oz. No Lost Time Injury (“LTI”) occurred during the quarter.

Copper produced at Wetar Copper Mine for the quarter was 1,141 tonnes of copper at an AISC of \$4.67/lb. Year to date production was 2,926 tonnes at an AISC of \$4.33/lb. No LTI occurred during the quarter, with the site achieving 8.7 million hours without an LTI. Copper production will remain low while a strategic review is completed and a plan is implemented in H2 2020. Copper production expected to return to H1-2019 levels in 2021.

AIM Project’s conceptual study by Fluor Australia was completed in April 2020 with promising results. A feasibility study is expected to be completed by Q4 2020. The feasibility study will be produced by Beijing General Research Institute of Mining and Metallurgy (“BGRIMM”) and DRA Pacific Pty Ltd.

TB Copper Project’s drilling results have continued to outperform the current resource estimate in areas drilled, including an intercept of 194m @ 1.2% Cu & 1.21 g/t Au from hole UHGZ-20-018.

During the quarter, \$10 million of bank debt was repaid resulting in bank debt at 30 June 2020 of \$220 million and \$56 million of cash.

1) TB Copper Project

World Class Resource: This project (formally known as the Porphyry Project) is 100% owned by MDKA. Located beneath the existing Tujuh Bukit Gold Mine, the global inferred resource is 1.9 billion tonnes at 0.45% copper and 0.45 g/t gold containing approximately 8.7 million tonnes of copper metal and 28 million ounces of gold.

Pre-Feasibility Study: MDKA has invested \$65 million to date in a pre-feasibility study, which is planned for completion in 2021. The bulk of the pre-feasibility study expenditure during the quarter was spent on the exploration decline and associated underground drilling. The 1,890m long exploration decline, complete with equipped lateral drill cuddies, was successfully completed in June 2020. This was an important milestone that allows drilling to be accelerated and was completed without a LTI with over 1 million hours LTI free.

Following a comprehensive internal review of the project status, a subset of the Upper High Grade Zone (“UHGZ”) has been identified and prioritised for exploration and associated pre-feasibility study work. This area (referred to as the Initial Mining Area – “IMA”) contains the largest zone of contiguous high grade drilling results for copper and gold to date, and is well positioned for drilling from the current exploration decline location. Underground resource definition drilling and surface hydrogeological drilling continued throughout the quarter, with a total of 5,536m drilled into the IMA.

Figure 1: One of the TB Copper Project Underground Drill Rigs



Project schedules have been adjusted to prioritise drilling of the IMA, accelerating data collection for permitting, resource estimation, mine planning and other project related studies. Drilling and study work for the remainder of the UHGZ will be completed following the accelerated IMA work program.

Drilling results this quarter have continued to outperform the current resource estimate in drilled areas, including an intercept of 194m @ 1.2% Cu & 1.21 g/t Au from drillhole UHGZ-20-018.

2) Pani JV Project

Pani Joint Venture Agreement Signed: Agreement with PT J Resources Asia Pasifik Tbk (“PSAB”) in relation to the combination of MDKA’s Pani Mining IUP (“Pani IUP”) and one of the three mining blocks, that is the Pani block (“Pani Project”) within PT Gorontalo Sejahtera Mining’s (“GSM”, a subsidiary of PSAB) Contract of Work (“GSM COW”), together referred to as the “Pani Joint Venture”, due for completion in the second half of 2020, pending regulatory and lender approval.

Through its 66.7% ownership of PT Pani Bersama Jaya (“PBJ”), MDKA controls the Pani IUP in Gorontalo Province, Sulawesi. Through its 99.999% ownership of PT J Resources Nusantara (“JRN”), PSAB controls a 100% interest in the Pani Project located in Gorontalo Province, Sulawesi.

Adjacent Resources: The Pani IUP and the Pani Project are located adjacent to each other in Gorontalo. One Asia Resources Limited has previously reported that the Pani IUP contains mineral resources of 89.5 million tonnes at a gold grade of 0.82 g/t for 2.37 million contained ounces of gold and PSAB has previously reported that the Pani Project contains a mineral resource of 72.7 million tonnes at a gold grade of 0.98 g/t for 2.3 million contained ounces of gold.

PBJ’s subsidiary, PT Pani Bersama Tambang (“PBT”), has commenced a drill program on the Pani IUP in the area between the Pani IUP and Pani Project where two holes drilled by Utah International in 1982, assayed 406m @ 0.5 g/t Au (GPD-04) and 154m @ 0.57 g/t Au (GPD-05). However, the Pani Joint Venture will temporarily pause its on-going drilling program pending completion of the J Resources agreement. It is anticipated that assay results of holes that have been drilled will be progressed and become available after the recommencement of drilling.

The Pani Joint Venture remains subject to satisfying various conditions precedent, including regulatory and PSAB’s lenders’ approvals. MDKA and PSAB expect conditions precedent to be satisfied in the second half of 2020 after which the joint venture will commence.

3) AIM Project

Overview: The ore at the Wetar Copper Mine is primarily pyrite (FeS_2) which hosts copper, gold, silver and zinc. Since 2018, MDKA has investigated opportunities to realize additional value from the Wetar ore, as the existing heap leaching process at Wetar only recovers a portion of the copper and does not recover any of the gold, silver, zinc, iron and sulphur (a component of chemical grade sulphuric acid) contained in the ore.

As part of this initiative, MDKA has worked with Eternal Tsingshan Group Limited (“Tsingshan”) to conduct metallurgical test work on the Wetar ore as well as developing a preliminary process flowsheet.

Tsingshan is involved in a number of projects that have been and are being developed at the Indonesia Morowali Industrial Park (“IMIP”) located in Sulawesi, Indonesia. Some of these projects will require large amounts of sulphuric acid and steam in their production process.

Tsingshan / MDKA MOU: As a result of the positive test results to date, MDKA and Tsingshan were sufficiently confident with the process that they entered into a memorandum of understanding (“MOU”) to develop a plant to undertake the processing of the Wetar ore (“Pyrite Processing Plant”) which will be located at IMIP. A Joint Venture company (“JV”) with Merdeka as the majority owner will be established to operate the AIM project.

JV Overview: The JV will purchase feedstock from the Wetar Copper Mine. The Pyrite Processing Plant will process the feedstock to produce commercial grade sulphuric acid and high grade iron ore pellets, and will also allow the recovery of the remaining copper, as well as gold and silver.

Based on the MOU, the initial scale of production will be one million tonnes per annum of commercial grade sulphuric acid, which will be supplied under a long term contract to another Tsingshan joint venture, also with planned operations at IMIP. Expansion of acid production to more than 1 million tonnes has been discussed.

Conceptual Study Summary: A conceptual study, managed by Fluor Australia, was completed in April 2020 and will form the foundation for the feasibility study to advance the AIM Project into development, construction and operations. Metallurgical test work has been undertaken at ALS Global’s Perth laboratory and at the BGRIMM laboratory in Beijing.

The goal of the proposed AIM Project is to produce pyrite concentrate from heap leach pad inventories and mineral resources at the Wetar Copper Mine. The pyrite feedstock will be transported to the Wetar port where it will be loaded onto shipping vessels. The pyrite feedstock will then be shipped approximately 385 nautical miles to the IMIP and processed by the joint venture facility to produce sulphuric acid and steam and recover copper, gold and silver together with pelletised iron ore. The IMIP is a well established facility that includes a coal-fired power plant, port unloading facilities, fuel storage, communications, mobile equipment, airport and accommodation. Contract discussions for the sale of acid and steam to the IMIP customers are underway.

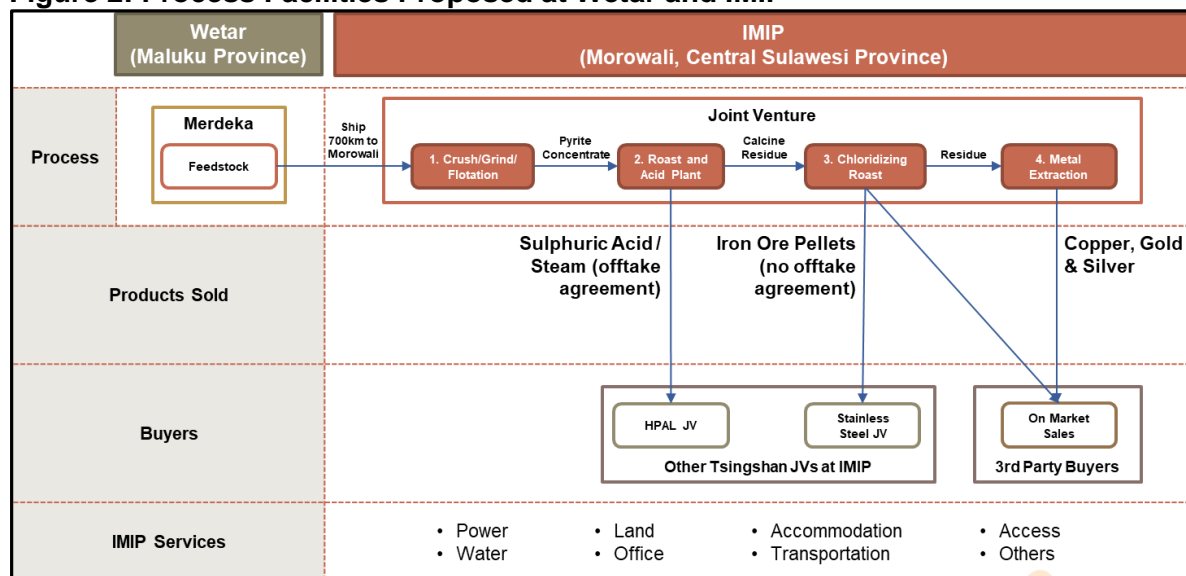
The initial pyrite feedstock will be sourced from the existing leach pads at Wetar which contain approximately 7.7 million tonnes of ore, which was mined and stacked on heap leach pads from the Kali Kuning and Lerokis open pits since 2015. Additional pyrite feedstock is available at the Partolang and Lerokis deposits. The ore at Wetar is pyrite rich, typically containing around 70% pyrite by weight, which makes the ore a suitable feedstock for the production of sulphuric acid by roasting.

At IMIP, the Project aims to achieve the following:

1. Establish a joint venture (MDKA & Tsingshan) pyrite feedstock processing plant to produce approximately one million tonnes per annum of commercial grade sulphuric acid. This acid will be sold to other operations within the IMIP;
2. Produce approximately 1.2 million tonnes of high pressure steam as a by-product from acid production, for sale to other operations within the IMIP;
3. Recover the copper, gold and silver contained in the pyrite feed; and
4. Produce iron ore pellets, for sale to other customers in IMIP, or for export sales.

Process facilities proposed at Wetar and IMIP are depicted in the flow diagram in Figure 2 below.

Figure 2: Process Facilities Proposed at Wetar and IMIP



Considering all the open pit mineral resources and the heap leach pads at Wetar, the overall pyrite inventory is estimated at 20 million tonnes at 38% sulphur (S) and 33% iron (Fe). This would provide feed for ~20 years. Test work on samples of spent ore from the Wetar operations, and low grade ore from the Partolang open pit were provided to BGRIMM in Beijing and ALS Perth to conduct beneficiation, flotation, roasting, chlorinated roasting and leaching test work.

Outlook: Preliminary financial results from the concept study look promising and have given MDKA confidence to engage consultants to complete a Class 3 feasibility study. While some delay has occurred due to Covid-19, we expect the feasibility study to be finalized in Q4 2020 with a decision to proceed with the project expected early in 2021. Legal documents for acid and steam sales, JV operation and ore sales are expected to be substantially negotiated in Q3 2020.

4) Tujuh Bukit Gold Mine

Summary: Mining and ore stacking during the quarter was in line with the life-of-mine plan that shows a production rate of up to 8.4 million dry tonnes per annum of ore. Heap leach recoveries were in accordance with expectations. Gold produced during the quarter was 54,672 ounces at an AISC of \$641/oz net of silver credits. Year to date production was 108,823 ounces at an AISC of \$648/oz net of silver credits.

Mining: Ore mined for Q2 2020 was 2.30 million tonnes with waste mined of 2.17 million tonnes. Mining operations achieved total material movement of 4.68 million tonnes including rehandling ore stockpiles during the quarter.

Processing: During Q2 2020 the ore preparation plant (“OPP”) operated above design, achieving forecast throughput of 2.23 million tonnes of crushed and agglomerated ore, at a grade of 0.91 g/t Au (containing 65,636 ounces of gold), which was hauled and stacked onto the heap leach pad (“HLP”) during the quarter.

The HLP continues to perform as per design with project to date recoveries at the end of June 2020 in line with the forecast 150-day leach recovery of 79%. The ADR gold recovery plant continued to operate at full design rates. Construction of an upgrade to the elution circuit to improve silver recoveries is on schedule and expected to be commissioned in Q4 2020.

Environmental, Safety and Social Performance: At the end of the quarter, Tujuh Bukit operations achieved 1,864,941 man-hours without a LTI. The mine's total year to date recordable injury frequency rate per million hours worked was 0.34 during Q1 and Q2 2020, with no medical treatment injuries during the quarter.

The workforce at the mine including all employees and contractors is currently 2,311 people, comprising over 99% Indonesian nationals and less than 1% expatriates. Of the workforce, 66% comes from the regency of Banyuwangi, including approximately 43% from the local sub-district of Pesanggaran.

During the second quarter, the company coordinated with the 5 villages in the Pesanggaran sub-district surrounding its operation, as well as the Banyuwangi administration, to integrate the Master Plan of the Community Development and Empowerment Program 2019-2023 (PPM) with the village administration's program.

A total of 1,312 environmental samples were taken during the quarter, encompassing statutory based sampling requirements as well as company driven internal monitoring.

Operational Cost Summary: The cash cost per tonne of ore stacked for Q2 2020 was \$8.70/t. Owner mining, agglomerate transport and stacking equipment availabilities and efficiencies continued to improve, resulting in lower mining, processing and G&A costs per tonne of ore stacked compared to the previous quarter. The Q2 2020 cash cost was \$393/oz and the AISC was \$641/oz. Year to date cash cost was \$408/oz and the AISC was \$648/oz.

Operating Outlook: Guidance for 2020 has increased to 175,000 to 195,000 ounces of gold at an AISC of \$625 to 700/oz net of silver credits.

5) Wetar Copper Mine

Summary: As detailed earlier in 2020, a strategic review of the Wetar Copper Mine and integration with the AIM Project is being conducted. During the quarter, an extended shutdown to the SX/EW processing plant of 19 days reduced production to 1,141 tonnes at an AISC of \$4.67/lb with year to date production of 2,926 tonnes at an AISC of \$4.33/lb.

With the signing of the MOU with Tsingshan, the focus going forward will be on extracting maximum value from the Wetar ore including production of copper at Wetar and the sale of ore to the AIM Project to be used to produce acid, iron, steam, gold and silver as well as extracting residual copper at Morowali.

Mining: During Q2 2020 mine activities at Lerokis were minimised with initial Partolang development works prioritised including plan to move the crusher to the Partolang location. The Partolang orebody mineral resource update was completed and project development

assessments, studies and test work continued, including ore reserve, feasibility and mine design works.

Government approval for the Partolang development has been received and mining operations are expected to commence in October 2020.

Processing: During Q2 2020 total copper extracted was 1,280 tonnes with 1,141 tonnes of copper produced. An extended planned shutdown of the SX/EW processing plant was completed including maintenance of the cellhouse and mixers, and work on the power transformer.

Copper leaching of both the Lerokis and Kali Kuning ores continued to be affected by high levels of total dissolved solids (“TDS”), especially iron (ferrous), in leach solutions.

Short Term Strategy to Improve Copper Production:

The short term strategy to improve copper production at Wetar has been focused on column leach test work to establish the impact of high TDS on leach performance, investigating the most effective method to improve and sustain the quality of leach solutions and conduct column leach test work to investigate the ability of Partolang to deliver improved leach results, despite high TDS.

A desktop study completed by MDKA in Q2 2020 investigated various flow sheet options for treating Wetar raffinate to reduce iron, acid and other dissolved metals and manage the site water balance. The proposed flow sheet would see the existing neutralisation plant expanded to remove iron with the addition of a metals precipitation plant. Additional test work is being completed in Q3 2020 to confirm the most effective flow sheet option to enable MDKA to complete the detailed engineering in parallel during Q3 2020.

The conclusions from column leach test work and studies completed during the quarter are:

1. Lerokis and Kali Kuning ore leaching will improve significantly by lowering TDS in leach solutions;
2. Partolang ore will leach with high TDS solutions. Higher recoveries will be achieved with low TDS solutions;
3. A neutralisation and metals precipitation (“NMP”) plant to reduce iron levels is necessary to allow copper leaching to return to historical production levels. The capital estimate to develop the NMP plant is \$14 to 27 million over a 12 month period;
4. The development of Partolang should proceed in Q3 2020 as it is expected to significantly improve copper production despite high TDS. The capital associated with the development of Partolang and improving heap leach operations is expected to be \$9 to 12 million.

Medium to Longer Term Strategy

The current Wetar heap leaching process extracts a portion of the copper but none of the gold, silver, iron or sulphuric acid in a saleable form. It is estimated that the current process route delivers revenue of \$70 per tonne. By developing the AIM Project, a further possible \$200 per tonne of revenue should be recoverable. While the feasibility study for AIM is being

completed (expected end 2020), work is being undertaken to plan for integration of the current Wetar operations with the AIM Project.

A desktop study investigating Copper Tank Leaching (“CTL”) as a viable alternative to heap leaching is nearing completion. The CTL process would speed up the rate of copper leaching, provide more reliable and predictable recoveries and produce less iron and acid into solution. This process would also produce feedstock concentrate necessary for the AIM process rather than the AIM plant upgrading the pyrite feedstock.

The CTL test work was based on “whole of ore” leaching, however subsequent economic modelling has demonstrated that a copper concentration stage (flotation) would be required to ensure viability. A phased study has now been initiated to progress the CTL concept with results expected in Q3 2020.

A study on alternative power supply options to reduce power costs at Wetar has also commenced.

Environmental, Safety and Social Performance: At the end of the quarter, Wetar Copper Mine had achieved a record of 8,702,305 man-hours without a LTI since January 2018, whilst the mine’s total year to date recordable injury frequency rate per million hours worked, was zero at the end of June 2020, with no recordable injuries during the quarter.

High priority Community Development and Empowerment (“CDE”) programs were carried out during the quarter. However, due to the Covid-19 pandemic, multiple CDE programs were temporarily suspended.

Operational Cost Summary: The cash cost in Q2 2020 was \$3.46 per pound of copper produced and the AISC cost was \$4.67 per pound of copper produced. Year to date cash cost was \$3.57 per pound of copper produced and the AISC cost was \$4.33 per pound of copper produced.

Operating Outlook: Copper production is expected to increase in Q4 2020 following the development of Partolang and is expected to reach consistent production levels in Q1 2021. AISC costs will fall as production increases.

Appendix 1: Exploration and Development

1) Tujuh Bukit Copper Project

Underground resource definition and geotechnical drilling of the UHGZ continued this quarter, with a total of 5,082 metres drilled.

Total drilling from surface, primarily for hydrogeology holes (to understand the nature of water movement and the presence of water transmitting fault structures in and around the resource) and for geotechnical information was 559 metres.

A surface geotechnical hole to assess ground conditions for potential underground development was completed during the quarter, with 760 metres drilled.

Underground resource definition drilling was ongoing from the exploration decline during the quarter. The purpose of this drilling is to provide comprehensive geological, geotechnical, and hydrological information for the UHGZ. Core corresponds well with current geological interpretation and resource estimates, and analytical results are in line with expectations. Hyperspectral Corescan production has been proceeding according to plan at approximately 90 metres per day.

Results for the quarter exceeded expectations and are tabulated below. More detail regarding these results has been reported separately in 'Q2 2020 Tujuh Bukit Copper Drill Results' at (<https://www.merdekacoppergold.com/en/download/q2-tb-copper-drill-results-released-2020/>)

Table 1: Upper High Grade Zone Significant Intercepts – Assay Results Q2 2020

Hole ID	End of Hole Depth	From (m)	To (m)	Interval (m)	Cu %	Au g/t
UHGZ-20-011	784.8	576	784.8	208.8	0.5	0.5
UHGZ-20-012 / 012W	779.6	298	779.6	481.6	0.7	0.7
	<i>including</i>	560	638	78	1.0	1.0
UHGZ-20-013	727.3	522	718	196	0.5	0.6
	<i>including</i>	596	640	44	1.0	1.1
UHGZ-20-014	881.5	0	332	332	0.3	0.3
	and	626	828	202	0.5	0.1
	<i>including</i>	722	756	34	1.1	0.2
UHGZ-20-015	470.2	0	434	434	0.8	0.4
	<i>including</i>	178	360	182	1.1	0.6
UHGZ-20-016	685.1	376	662	286	0.6	0.7
	<i>including</i>	514	564	50	0.9	1.2
UHGZ-20-017	810.3	2	810.3	808.3	0.6	0.5
	<i>including</i>	378	430	52	1.2	0.9
	<i>and</i>	532	600	68	1.3	0.5
UHGZ-20-018	530.3	0	194	194	1.2	1.1
	and	278	484	206	0.8	1.0
	<i>including</i>	354	470	116	1.0	1.0

(1) Reported at a 0.2% Cu cut-off

(2) Minimum composite length of 30m

(3) Consecutive runs of samples (up to 30m) lower than the cut-off may be included in the reported intervals as internal dilution

QUARTERLY REPORT: JUNE 2020

The hydrogeology investigation program to establish baseline hydrology conditions for underground operations continued during the quarter. All surface and underground monitoring stations are active and regular section data measurements show that general dewatering continues near to the decline development, with no significant correlation with rainfall events.

All drill holes completed during the quarter are shown in Table 2.

Figure 3: Plan view (4,700m RL) showing Drilling Sections A to E, the IMA (>0.5 % Cu grade shell – magenta), as well as the UHGZ shell (green).

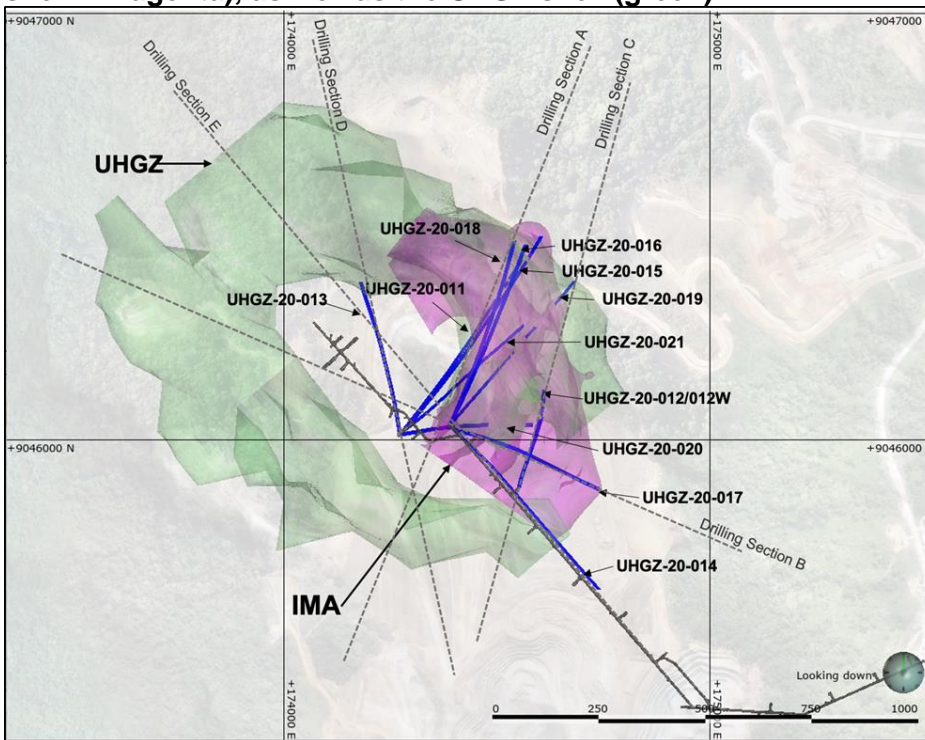


Figure 4: Perspective view looking north-west showing drill holes reported, the current IMA >0.5% Cu wireframe (magenta), UHGZ (green), 2012 Inferred Resource 0.2% Cu wireframe (blue), decline development and surface infrastructure

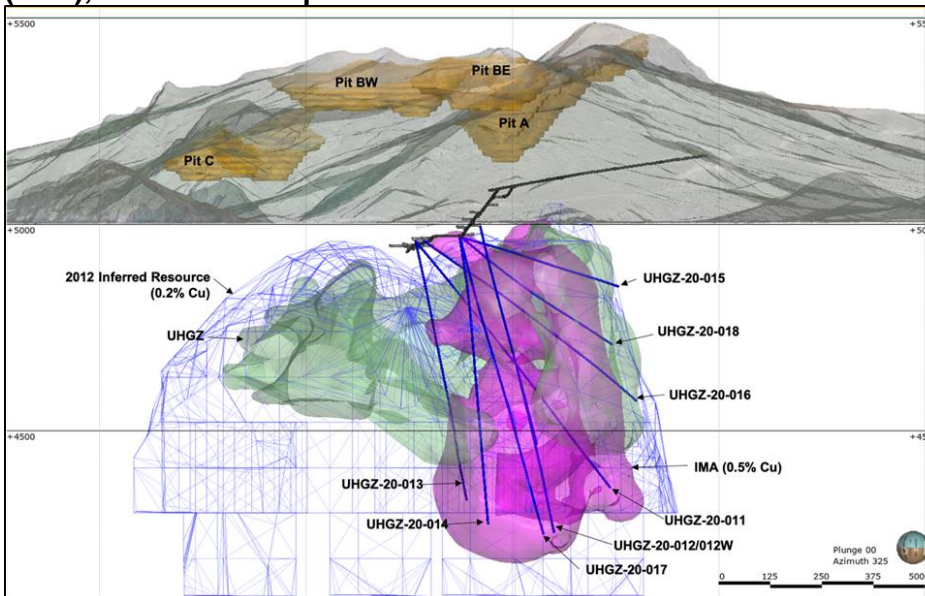


Table 2: Tujuh Bukit Copper Project Drilling Q2 2020

Hole ID	From	To	Interval	Type
MBH-20-033	0	113	113	Hydro
MBH-20-034	0	31	31	Hydro
MBH-20-035	0	151	151	Hydro
MBH-20-036	0	101	101	Hydro
MBH-20-037	0	31	31	Hydro
MBH-20-038	0	101	101	Hydro
MBH-20-039	0	31	31	Hydro
UGTH-20-018	0	240	240	Geotech
UHGZ-20-011	336.8	784.8	448	Res Def
UHGZ-20-014	789.6	881.5	91.9	Res Def
UHGZ-20-015	462.2	470.2	8	Res Def
UHGZ-20-016	0	685.1	685.1	Res Def
UHGZ-20-017	0	810.3	810.3	Res Def
UHGZ-20-018	0	530.3	530.3	Res Def
UHGZ-20-019	0	887.3	887.3	Res Def
UHGZ-20-020	0	894.5	894.5	Res Def
UHGZ-20-021	0	486.6	486.6	Res Def

2) Wetar

Minimal exploration activity was undertaken at Wetar during the quarter due to the planned shutdown of activity for the wet season, and the impact of Covid-19 on travel and personnel movements.

Planning was underway at the end of the quarter for the re-commencement of drilling activity on the Barumanu prospect adjacent to the previously reported Partolang mineral resource.

There were no safety, environmental, or community incidents during the quarter.

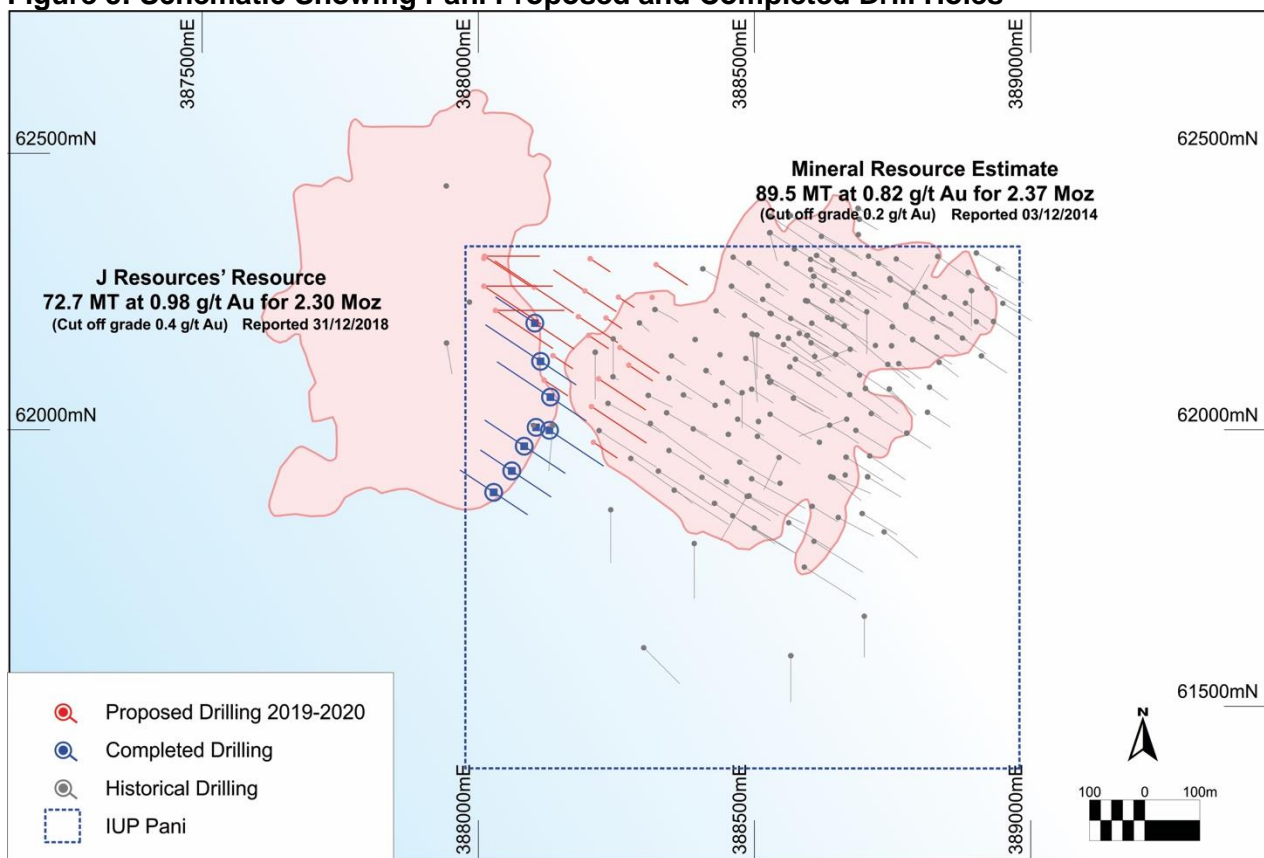
3) Pani JV Project

Diamond drilling continued throughout the quarter using a single man portable drill rig with 8 holes completed or underway for a total of 1,423 metres. This brings total drilling in the current program to 9 holes completed or underway for a total of 1,829 metres. The planned program comprises 40 drill holes located on 29 drill pads for a total of approximately 10,500 metres as shown in Figure 5 below.

Core logging and core photography are keeping track with drilling. There are some 1,305 drill core samples ready to be dispatched to Intertek laboratory for analysis.

There were no safety, environmental, or community incidents during the quarter.

Figure 5: Schematic Showing Pani Proposed and Completed Drill Holes



Appendix 2: Finance and Corporate

Cash and Cash Equivalents: Cash and cash equivalents, net of restricted cash, at 30 June 2020 was \$56 million.

Debt: At 30 June 2020, the balance of the Corporate Senior Facility was \$100 million. The facility has an interest rate of LIBOR plus a margin of 4.25% per annum with a maturity date of 28 September 2020. This facility is expected to be refinanced in August 2020 with the issue of an IDR Bond.

A debt repayment of \$10 million was made on the \$200 million Senior Secured Facility in the quarter. The balance at the end of the quarter was \$120 million.

The finance lease balance outstanding at 30 June 2020 was \$43.1 million. This resulted from the acquisition of owner mining equipment during 2019 and a further amount of \$1.8 million in 2020.

Sales and Hedging: During the quarter, at Tujuh Bukit, a total of 55,134 ounces of gold and 135,837 ounces of silver were sold at an average price of \$1,725/oz and \$16/oz respectively for total revenue of \$97.2 million. Furthermore, 24,658 oz of gold hedging with a strike price of \$1,451/oz was closed out at a price of \$1,723/oz resulting in a net loss on hedging for the quarter of \$6.7 million. Mark to market liability has increased from \$9.8 million at 31 December 2019 to \$12.3 million at 30 June 2020, resulting in comprehensive loss (unrealised loss) of \$2.5 million.

At Wetar, 815 tonnes of copper were sold at an average price of \$5,169/t. Wetar's copper production is currently unhedged.

Table 3: Gold, Silver and Copper Sales for June 2020 Quarter

	Ounces	\$/oz	\$m
Gold	55,134	1,725	95.1
Silver	135,837	16	2.1
	Tonnes	\$/tonne	\$m
Copper	815	5,169	4.2
Total			101.4

Table 4: Details of Gold and Copper Hedge Profile as at 30 June 2020

Period	Gold Hedged		Copper Hedged	
	oz Au	\$/oz	t Cu	\$/t
2020	37,004	1,453	-	-
2021	3,000	1,775	-	-

Capital Structure: The issued and paid-up capital of the company is 21,897,591,650 shares.

Table 5: Major Shareholders as at 30 June 2020

Shareholders	No. of shares	%
PT Saratoga Investama Sedaya Tbk	4,321,875,875	19.74
PT Mitra Daya Mustika	2,948,833,595	13.47
Garibaldi Thohir	1,959,065,115	8.95
PT Suwarna Arta Mandiri	1,569,415,700	7.17
Pemda Kabupaten Banyuwangi	1,145,000,000	5.23
Hardi Wijaya Liong	118,063,395	0.54
Gavin Arnold Caudle	10,250,000	0.05
Richard Bruce Ness	4,783,500	0.02
Tri Boewono	4,500,000	0.02
Heri Sunaryadi	4,083,330	0.02
Total Major Shareholders	12,085,870,510	55.21
Others	9,811,721,140	44.79
Total shares on issue as at 30 June 2020	21,897,591,650	100.00



For further information please contact:

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About Merdeka Copper & Gold Tbk.

PT Merdeka Copper Gold Tbk (“Merdeka”), a holding company with operating subsidiaries engaging in mining business activities, encompassing: (i) exploration; (ii) production of gold, silver, copper (and other related minerals); and (iii) mining services. The subsidiaries are: (i) PT Bumi Suksesindo (“BSI”) as the holder of the operation production mining business license for the Tujuh Bukit mine; (ii) PT Damai Suksesindo (“DSI”) which holds the adjacent exploration permit; (iii) PT Batutua Tembaga Raya (“BTR”) as the holder of operation production mining business license specifically for processing and refining; (iv) PT Batutua Kharisma Permai (“BKP”) as the holder of the operation production mining business license for the Wetar Copper mine; (v) PT Merdeka Mining Servis (“MMS”) as the holder of mining services business license; (vi) PT Pani Bersama Tambang (“PBT”), as the holder of an operation production mining business license specifically for processing and refining; and (vii) PT Puncak Emas Tani Sejahtera (“PETS”), as the holder of an operation production mining business license for Pani Gold Project.

The company’s major assets, in order of management’s assessment of future value, are the: (i) Tujuh Bukit Copper Project; (ii) Pani Joint Venture; (iii) Wetar / Morowali Acid Iron Metal Project; (iv) Tujuh Bukit Gold Mine and; (v) Wetar Copper Mine.

The Tujuh Bukit Copper Project deposit is one of the world’s top ranked undeveloped copper and gold mineral resources, containing approximately 8.7 million tonnes of copper and 28 million ounces of gold.

As a world-class Indonesian mining company, Merdeka is owned by prominent Indonesian shareholders including: PT Saratoga Investama Sedaya Tbk., PT Provident Capital Indonesia and Mr. Garibaldi Thohir. Merdeka’s three major shareholders have exceptional track records in successfully identifying, building and operating multiple publicly listed companies in Indonesia.

Refer to Annual Statements of Mineral Resources and Ore Reserves on www.merdekacoppergold.com