PT Merdeka Copper and Gold Tbk.
IDX Code: MDKA

As at 30 September 2018

Capital structure
4,164,518,330 listed shares
Share price: IDR 2,700
Market capitalisation: US$ 760 m

Cash & bullion, debt
Cash and bullion: US$ 28 m
Restricted cash US$ 20 m
Senior Secured Loan facilities: US$ 181 m

Board of Commissioners
Edwin Soeryadjaya (President)
Garibaldi Thohir (Commissioner)
Mahendra Siregar (Independent Commissioner)
Dhohir Farisi (Independent Commissioner)
Heri Sunaryadi (Commissioner)
Sakti Wahyu Trenggono (Commisioner)

Board of Directors
Tri Boewono (President)
Richard Bruce Ness (Vice President & CEO)
Colin Francis Moorhead
Gavin Arnold Caudle
Hardi Wijaya Liong
Michael W.P. Soeryadjaya
David Thomas Fowler
Chrisanthus Supriyo (Independent)

Registered Office
The Convergence Indonesia, 20th Floor, Rasuna Epicentrum Boulevard, HR Rasuna Said Jakarta 12940 - Indonesia
T: +62 21 – 2988 0393

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 ("the Company") is pleased to report on September Quarter activities:

1. **Tujuh Bukit Oxide Project delivers another strong, low cost, safe and sustainable production quarter.**
   - Gold production in the September quarter was 48,329 ounces at an All-in Sustaining Cost ("AISC") of US$ 652/oz.
   - Achieved 10.6 million hours lost time injury ("LTI") free with zero LTIs and no reportable environmental incidents during the quarter.
2. **First full quarter of production from Wetar.**
   - September quarter copper production was 4,459 tonnes at an AISC of US$ 1.86/lb. Improvement initiatives identified and being implemented to increase production.
   - No LTIs for the quarter with 1.8 million hours lost time injury free.
3. **Tujuh Bukit Porphyry Project Pre-Feasibility work continues.**
   - Results from initial metallurgical test work confirm previous studies with copper rougher recoveries in the range 89%-94% and gold recoveries in the range of 79%-85%.
   - Development of the porphyry exploration decline continued and was at 493 m at the end of September. Total overall length at completion is expected to be 1,990 m.
4. **Tujuh Bukit Oxide Expansion Project to double installed ore processing capacity to 8 million tonnes per annum is on budget and schedule for completion by Q1 2019.**
5. **Tranche 1 of rights issue raised IDR 1,338,595,177,500 (US$ 92 million) with 594,931,190 common shares issued at a price of IDR 2,250.**

Operations Summary

Mining and ore stacking during the September quarter was in line with the life-of-mine ("LOM") plan that shows the 2018 production rate at 4 million dry tonnes per annum of ore, ramping up to a maximum production rate of 8 million dry tonnes per annum of ore once the Oxide Expansion Project ("OXP") is completed. The expansion works include a second ore preparation plant ("OPP") circuit that essentially replicates the current circuit, expansion of the total heap leach pad area "(HLP") capacity from 36 Mt to 56 Mt and debottlenecking of the adsorption, desorption and recovery ("ADR") gold plant. Mining is sequenced to deliver the highest available grades over the first three years of the mine life. Total estimated LOM production of 1.1 million recoverable ounces of gold and 4.7 million recoverable ounces of silver is planned over the remaining 8 years of mine life, bringing total LOM gold produced including 2017 production to 1.2 million ounces of gold.

First ore was placed under irrigation on the HLP in February 2017 with first gold production in March 2017. Thereafter, operations continued to ramp-up to full nameplate capacity which was achieved in Q3 2017. In September 2018, Kappes Cassidy & Associates (Australia), assessed leaching performance and found actual project-to-date gold and silver recoveries met predicted recoveries and are in line with 78% - 82% gold recoveries for oxide ores over the full 150 day leach cycle. During the September quarter, ore mining, crushing, agglomeration and heap leach pad activities continued at levels exceeding the 4 million dry tonnes nameplate annualised rate. Full year 2018 production guidance remains unchanged.

Table 1: Tujuh Bukit Mine – Key Production Statistics

	Unit	Mar Quarter 2018	Jun Quarter 2018	Sep Quarter 2018	Year to Date 2018
Open Pit Mining					
Ore Mined	Tonnes	986,562	1,500,036	1,284,451	3,771,049
Waste Mined	Tonnes	1,626,048	2,340,723	2,942,628	6,909,399
Mined Gold Grade	Au g/t	1.48	1.68	1.54	1.58
Mined Silver Grade	Ag g/t	9.29	14.03	7.62	10.61
Contained Gold Metal	Au oz	47,021	81,073	63,789	191,883
Contained Silver Metal	Ag oz	294,660	676,447	314,731	1,285,838
ROM Stockpiles					
Ore	Tonnes	195,804	420,979	380,316	420,979
Gold Grade	Au g/t	1.22	0.87	1.00	0.87
Silver Grade	Ag g/t	4.77	5.96	6.85	5.96
Heap Leach Production					
Ore Crushed and Stacked	Tonnes	999,515	1,274,861	1,325,111	3,599,034
Gold Grade Stacked	Au g/t	1.49	1.88	1.49	1.63
Silver Grade Stacked	Ag g/t	9.31	15.27	7.32	10.68
Recovered Gold	Au oz	28,661	46,349	48,329	123,339
Recovered Silver	Ag oz	19,727	35,418	44,601	99,746

Mining

Ore mined for the quarter was 1,284 kt with waste mined of 2,943 kt. Total tonnes mined was 10% above the previous quarter and in line with the operational mine plan. Mining operations achieved total material movement of 4,487 kt including rehandling ore stockpiles during the quarter.

Processing

During the quarter, the OPP crushed 1,325 kt of ore at a gold grade of 1.49 g/t. The OPP continued to perform at above nameplate design throughput rates in the quarter. 1,325 kt of crushed and agglomerated ore was hauled and stacked onto the HLP, with hauled material containing 63.3 koz of gold. Construction of the HLP Expansion, included both lateral (Stage 2A and 2B covering new bays 6 to 9) and vertical extensions (Stage 1B covering vertical extension to existing bays 1 to 5), were completed during the quarter. Stacking of the extension pads of Stage 1B has commenced and 20% stacking of Bay 9 has been completed during the quarter. 60% of Bay 8 was under active irrigation at the end of the quarter. The HLP continues to perform as per design with project-to-date recoveries at the end of September in line with forecast leach recovery curves that indicate average gold recoveries of between 78% and 82% for oxide ore and 52% for transition ore blends after the 150 day leach cycle, even though as a result of increased stacking rates, the leach cycle times have since been reduced to an average of 110 days. An independent review of leach pad performance was completed during the quarter which confirmed these recoveries.

The ADR plant operated at full capacity during the quarter, while operation of the detoxification heavy metal precipitation circuit remained off line as a result of favourable, dry conditions and while construction of the new carbon scavenging circuit is completed prior to recommencement in preparation for the upcoming wet season.

Precious metal production for the quarter was 48,329 ounces of gold and 44,601 ounces of silver.

Environmental, Safety and Social Performance

By the end of the September quarter Tujuh Bukit operations achieved a record of 10.6 million hours without a lost time injury, whilst the mine's total year to date recordable injury frequency rate per million hours worked was 0.64 at the end of September, with no recordable injuries during the quarter.

The workforce at the mine including all employees and contractors is currently 2,467 people, comprising over 99% Indonesian Nationals and less than 1% Expatriates. Of the workforce, 58% comes from the Regency of Banyuwangi, including approximately 38% from the local Sub-District of Pesanggaran.

During the quarter, management continued to implement corporate social responsibility ("CSR") programs covering health, education, livelihood and infrastructure development. The major projects undertaken by the CSR team included ongoing renovations to local kindergartens and primary schools. In addition works commenced on a project to repair some local roads near the mine site.

A total of 1,266 environmental samples were taken during the quarter, encompassing statutory based sampling requirements as well as company driven internal monitoring. As part of the Company's rehabilitation program, during this quarter a total of 10.06 hectares was newly rehabilitated. With the wet season expected to commence in October, a total of 10,292 seedlings was planted this quarter.

Operational Cost Summary

The operational cost performance achieved during the September quarter is slightly higher than forecast. The Cash Costs per tonne were higher than planned as a result of higher mining production rate and higher administration costs due to payment of property tax. Mining rates are

maximized during the dry season to mitigate the risk of lower planned production during the wet season.

The Cash Costs per ounce were US$ 422/oz and the All-in Sustaining Costs were US$ 652/oz.

The majority of the sustaining capital expenditure during the quarter related to the expanded dewatering and detoxification plant, camp upgrade, and mine haul road realignment, gold scavenging circuit, and ILS booster pump upgrade. Higher sustaining capital expenditure is expected in the next quarter related to the Oxide Expansion Project.

Table 2: Tujuh Bukit Mine – Cash Costs per tonne Ore Crushed and Stacked

Tujuh Bukit	Unit	Mar Qtr 2018	Jun Qtr 2018	Sep Qtr 2018	Unit	Mar Qtr 2018	Jun Qtr 2018	Sep Qtr 2018
Mining costs	US$m	8.487	11.172	12.481	$/t	8.49	8.76	9.42
Processing costs	US$m	4.584	4.895	3.849	$/t	4.59	3.84	2.90
General & admin costs	US$m	2.551	3.751	5.390	$/t	2.55	2.94	4.07
Operating Cash Costs	**US$m**	**15.621**	**19.818**	**23.052**	**$/t**	**15.63**	**15.55**	**17.40**

Table 3: Tujuh Bukit Mine – Cash Costs and All-in Sustaining Costs

Tujuh Bukit	Unit	Mar Qtr 2018	Jun Qtr 2018	Sep Qtr 2018	Unit	Mar Qtr 2018	Jun Qtr 2018	Sep Qtr 2018
Mining costs	US$m	8.487	11.172	12.481	$/oz	296	241	262
Processing costs	US$m	4.584	4.895	3.849	$/oz	160	106	104
General & admin costs	US$m	2.551	3.751	5.390	$/oz	89	81	112
Inventory movements	US$m	(2.810)	(7.750)	(1.839)	$/oz	(98)	(167)	(38)
Silver credits	US$m	(0.480)	(0.305)	(0.813)	$/oz	(17)	(7)	(17)
Cash Costs	**US$m**	**12.331**	**11.763**	**20.401**	**$/oz**	**430**	**254**	**422**
Royalties	US$m	2.783	1.407	2.565	$/oz	97	30	55
Post employment provision	US$m	-	-	-	$/oz	-	-	-
Total Cash Costs	**US$m**	**15.114**	**13.170**	**23.056**	**$/oz**	**521**	**284**	**477**
Capital works (sustaining)	US$m	2.880	3.819	4.404	$/oz	100	82	42
Reclamation & remediation	US$m	(0.099)	(0.068)	(0.120)	$/oz	(3)	(1)	(2)
Corporate costs	US$m	1.037	0.605	4.168	$/oz	36	9	86
All-in Sustaining Costs *	**US$m**	**19.932**	**17.526**	**31.509**	**$/oz**	**661**	**374**	**652**
All-in Costs	**US$m**	**28.972**	**32.787**	**44.963**	**$/oz**	**1,011**	**707**	**930**

Operating Outlook

Full year guidance for 2018 remains unchanged at 155,000 - 170,000 ounces of gold at an All-in Sustaining Cost of US$ 550 - US$ 650/oz net of silver credits.

Wetar Operations

Summary

Mining and stacking of fresh ore increased over the quarter as remining of existing heaps tapered down in August and September in particular. This has resulted in an increase of 78% of total copper metal mined over the previous quarter (15,846 versus 8,903 contained tonnes of Cu) Higher grades than anticipated in the lower levels of the Kali Kuning pit have positively contributed to this increase in contained metal mined. While there was a 4.4% increase in the recovered copper to 4,459 tonnes it does not correspond to the increase in stacking due to the longer leaching time and more complex metallurgy of the deeper ore.

Table 4: Wetar Mine – Key Production Statistics

Wetar	Unit	Mar Quarter 2018	Jun Quarter 2018	Sep Quarter 2018	Year to Date 2018
Open Pit Mining					
Ore Mined	Tonnes	430,867	232,286	497,230	1,160,383
Waste Mined	BCM	31,285	34,963	266,372	332,620
Mined Copper Grade	% Cu	2.71	3.83	3.19	3.14
Contained Copper Metal	Tonnes	11,676	8,903	15,846	36,425
Heap Leach Production					
Fresh Ore Crushed	Tonnes	378,296	247,536	440,231	1,066,063
Dump Ore Crushed	Tonnes	25,921	198,773	26,769	251,463
Total Ore Crushed	Tonnes	404,217	446,309	467,000	1,317,526
Copper Grade Stacked	% Cu	2.77	2.07	3.14	2.76
Recovered Copper	Tonnes	4,339	4,273	4,459	13,071
Recovered Copper	lbs	9,565,853	9,418,888	9,831,020	28,815,761
Copper Sold	Tonnes	4,501	4,207	4,611	13,319
Copper Sale Price	US$/lb	3.12	3.10	2.82	3.01

Mining

During the quarter, ore supply from the Kali Kuning open pit totalled 497,230 tonnes at a grade of 3.19% copper. The increase in ore supply represents the tapering of re-mining activities and the prioritisation of crushing and stacking of fresh ore discussed further below.

A second major slip occurred on the north wall of the Kali Kuning pit (ASX announcement 3 October 2018 and 18 June 2018). Remediation works removing approximately 300,000 bcm of

waste have commenced and are expected to be completed over October and November 2018. This additional waste movement may reduce the ore mined over the December quarter by 10%. However, it is not expected to lead to any delays to the commencement of the 2019 mine plan. No injuries occurred as a result of this incident.

An updated Mineral Resource and Ore Reserve Estimate as at 30 June 2018 on a 100% owned basis was released to the ASX on 22 October 2018 and included:

- 198 kt of copper metal contained in a 9.39 million tonnes mineral resource estimate at an average grade of 2.11% copper; and

- 188 kt of copper metal contained in 9.06 million tonnes ore reserve estimate at an average grade of 2.08% copper.

The previous estimate was effective as at 1 December 2017 update and no additional data has been collected or recalculated since this last estimate with changes reflecting mining depletion only. The Ore Reserve to actual ore mined reconciliation continues to remain positive. As at 30 September 2018 an additional 10.7% more ore (551,830 tonnes) and 20.8% copper metal (24,041 tonnes) have been extracted from the pit and placed on the heap leach pads compared to the Ore Reserve. A competent person statement for this Ore Reserve update is available on the findersresources.com website.

Processing

Approximately 440,231 tonnes of fresh ore was crushed and stacked during the quarter placing 14,739 tonnes of copper on the heap pads, up 60% from the previous quarter. Copper metal leached totalled 5,090 tonnes, being 91% of the previous quarter, due to heap re-mining activities. The daily leaching rate for the quarter was 55 tonnes per day.

The Stage 6 cutback of the Kali Kuning western wall has commenced to facilitate access to ore in the Kali Kuning pit during the slip remediation works. Works have also commenced to extend the heap pads in the Kali Kuning Valley at KK1/2 and KK06 areas.

Copper stripped was 4,459 tonnes versus 4,273 tonnes in the June 2018 quarter. This represents a slow but steady increase on the low of 4,100 realised in the December 2017 quarter. These improvements are attributable to better availability of the neutralisation plant and some benefits through optimising the neutralisation process.

However, the key constraint to increasing copper plating rates continues to be the level of free acid which impacts SX plant extraction efficiencies. The average efficiency of the solvent extraction plant remains around 46% (vs budget 80%) as the free acid level in solution continues to be persistently high above 40 g/L. The neutralising plant capacity remains insufficient to manage these free acid levels and a major upgrade to the neutralising plant is scheduled for the first quarter of 2019.

In the interim the increase in the rate of mining, crushing and stacking fresh ore to increase the leached copper inventory. The resulting higher PLS copper grade should enhance production production at higher acid levels albeit at lower plant efficiency.

Environmental, Safety and Social Performance

At the end of the September quarter Wetar operations had achieved 1.8 million hours without a lost time injury resulting in the twelve month rolling Lost Time Injury Frequency Rate (LTIFR) at the end of the September 2018 quarter falling to 0.36 versus 0.70 in the corresponding September 2017 quarter. There were no lost time injuries recorded during the quarter, and the Total Injury Frequency Rate (TRIFR) has reduced to 1.07 versus 4.20 in the corresponding September 2017 quarter.

The company continues to be actively engaged with its government and community stakeholders in a number of areas. Over the last quarter two traditional ceremonies have been conducted with elders in the Lurang and Uhak villages to recognise the of the construction of the Lerokis hauling road and the commencement of exploration drilling at Partolang.

There was one reportable incident during the quarter when a process plant solution pipeline failed during operation, causing discharge to the environment. This discharge was controlled and remediated without significant impact. All statutory reporting compliance has been completed.

Operational Cost Summary

Cash Costs for the September 2018 quarter was US$1.62 per pound of copper produced and the AISC cost was US$1.86 per pound of copper produced. Mining costs increased for the quarter due to removal of ore from the pit wall slip. Processing cost increases relate to additional remining of heap leach pads and higher power costs due to the increase in fuel price. Costs for the Wetar Copper Project are summarised in Tables 5 & 6 below:

Table 5: Wetar Mine – Cash Costs per tonne Ore Crushed and Stacked

Wetar	Unit	Mar Qtr 2018	Jun Qtr 2018	Sep Qtr 2018	Unit	Mar Qtr 2018	Jun Qtr 2018	Sep Qtr 2018
Mining costs	US$m	2.87	2.15	3.29	$/t	7.10	4.82	7.04
Processing costs	US$m	8.83	9.65	10.25	$/t	21.84	21.62	21.95
General & admin costs	US$m	4.58	4.92	4.46	$/t	12.27	11.02	9.55
Inventory movements	US$m	(4.46)	(3.42)	(2.03)	$/t	(11.03)	(7.66)	(4.35)
Operating Cash Costs	**US$m**	**11.82**	**13.30**	**15.96**	**$/t**	**30.18**	**29.80**	**34.18**

Table 6: Wetar Mine – Cash Costs and All-in Sustaining Costs

Wetar	Unit	Mar Qtr 2018	Jun Qtr 2018	Sep Qtr 2018	Unit	Mar Qtr 2018	Jun Qtr 2018	Sep Qtr 2018
Mining costs	US$m	2.87	2.15	3.29	$/lb	0.30	0.23	0.33
Processing costs	US$m	8.83	9.65	10.25	$/lb	0.92	1.02	1.04
General & admin costs	US$m	4.58	4.92	4.46	$/lb	0.48	0.52	0.45
Inventory movements	US$m	(4.46)	(3.42)	(2.03)	$/lb	(0.47)	(0.36)	(0.21)
Cash Costs	**US$m**	**11.82**	**13.30**	**15.96**	$/lb	**1.24**	**1.41**	**1.62**
Royalties	US$m	0.39	0.21	0.47	$/lb	0.04	0.02	0.05
Marketing & sales	US$m	0.99	1.09	0.85	$/lb	0.10	0.12	0.09
Capital works (sustaining)	US$m	0.38	0.09	0.29	$/lb	0.04	0.01	0.03
Reclamation & remediation	US$m	0.29	0.26	0.18	$/lb	0.03	0.03	0.02
Corporate costs	US$m	0.52	0.38	0.51	$/lb	0.05	0.04	0.05
All-in Sustaining Costs *	**US$m**	**14.40**	**15.34**	**18.28**	**$/lb**	**1.50**	**1.63**	**1.86**

Exploration and Development

Tujuh Bukit Oxide Expansion Project ("OXP")

All OXP design works are now complete.

Mine infrastructure construction works are comlpete including Pit A and Pit C haul roads, and Pit C sediment sump.

Final stage civil construction for Ore Preparation Plant No.2 continues in parallel with structural works and the commencement of mechanical and electrical installations.

HLP expansion Stage 1B and 2B are now complete, with works handed over to the Operations team one month ahead of schedule. Stacking on Stage 1B, Bays 6-9 commenced in September.

Debottlenecking and expansion of the existing ADR plant continues with completion of civil works allowing structural, mechanical and electrical works to get underway.

Dam-1 embankment 2.5 m raise was completed during the quarter with final permitting underway.

Expansion of the camp is on target to be completed in the following month.

Overall the OXP construction is currently 6% ahead of schedule and remains on budget.

At completion of the current OXP works, the current 4 million tonnes per annum production capacity will increase to a maximum of eight million tonnes per annum of ore crushed to 75 mm, stacked and placed under irrigation, whilst maintaining the required 150 day leach cycle at the higher stacking rate. Once installed, the production constraint moves temporarily from crushing rate to the leach pad. Therefore to maintain the leach cycle and to maximise recoveries, ore will be crushed to a smaller size than 75 mm at less than 8 Mtpa until pad geometry allows. It is anticipated that approximately >6.0 million tonnes of ore shall be processed in financial year 2019 with OXP commissioning expected in Q1 2019.

Estimated capital expenditure for the OXP is $US 41 million and will deliver an additional 350 koz (+37%) of gold and 2,650 koz (+95%) of silver over the life-of-mine. The mine operating life remains at 9 years from December 2016 with ore mining ending Q1 2025 to fit strategically with the potential commencement of the Tujuh Bukit Porphyry underground copper gold mine.

Tujuh Bukit Porphyry Project ("TPP")

PT Macmahon Mining Services continued the construction of the Exploration Decline, progressing to the 493 metre mark (of total 1,990 metres) with the decline anticipated completion date in Q3 2019 dependent on ground conditions. Underground resource definition drilling is expected to commence in Q1 2019 and will include approximately 50,000 metres of drilling in stage-1.

Samples from the first series of deep directional drill holes into the East Block of the Upper High Grade Zone ("UHGZ") are undergoing metallurgical testing and mineralogical examination (refer

June Quarterly Report Figure 1). Preliminary results to date are in line with previous studies with copper rougher recoveries in the range 89%-94%, gold recoveries in the range 79%-85% and molybdenum recoveries in the range 66%-89%. The performance appears to be insensitive to grind size indicating that a coarse primary grind size may be applicable.

Mineralogical examination of core sample revealed that the predominant sulphide species are pyrite, chalcopyrite, bornite, chalcocite and covellite. Enargite was the only arsenic bearing mineral identified. The work also shows that all of the sulphide species are very intimately associated.

Following the success of the deep directional drilling program into the East Block (reported June Quarterly Report) a second series of deep drill holes has been planned targeting the North Block of

the UHGZ. Drilling commenced on the 24th September. Figure 1 and 2 below shows a plan and long section of the three planned diamond drill holes.

Figure 1 shows a plan of the Upper High Grade Zone (-300 mRL) with completed drill holes and assay results from the East Block reported in the June Quarterly Report and the proposed drill hole trace of the recently commenced hole into the North Block of the Upper High Grade Zone.

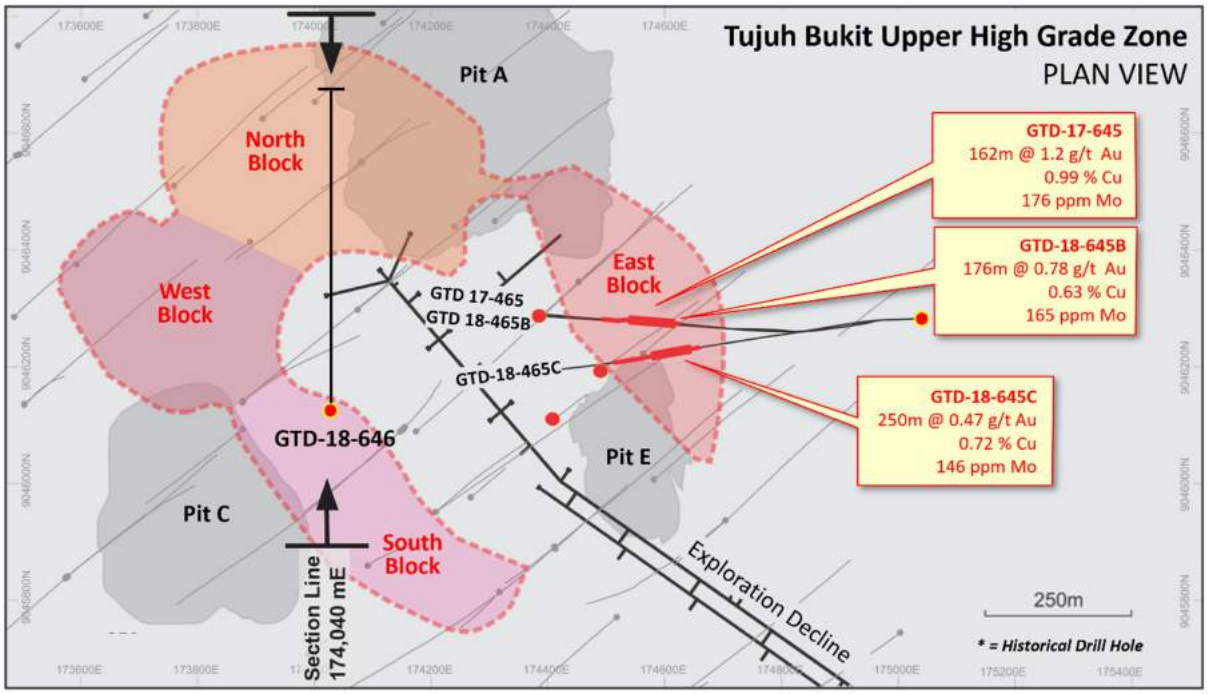
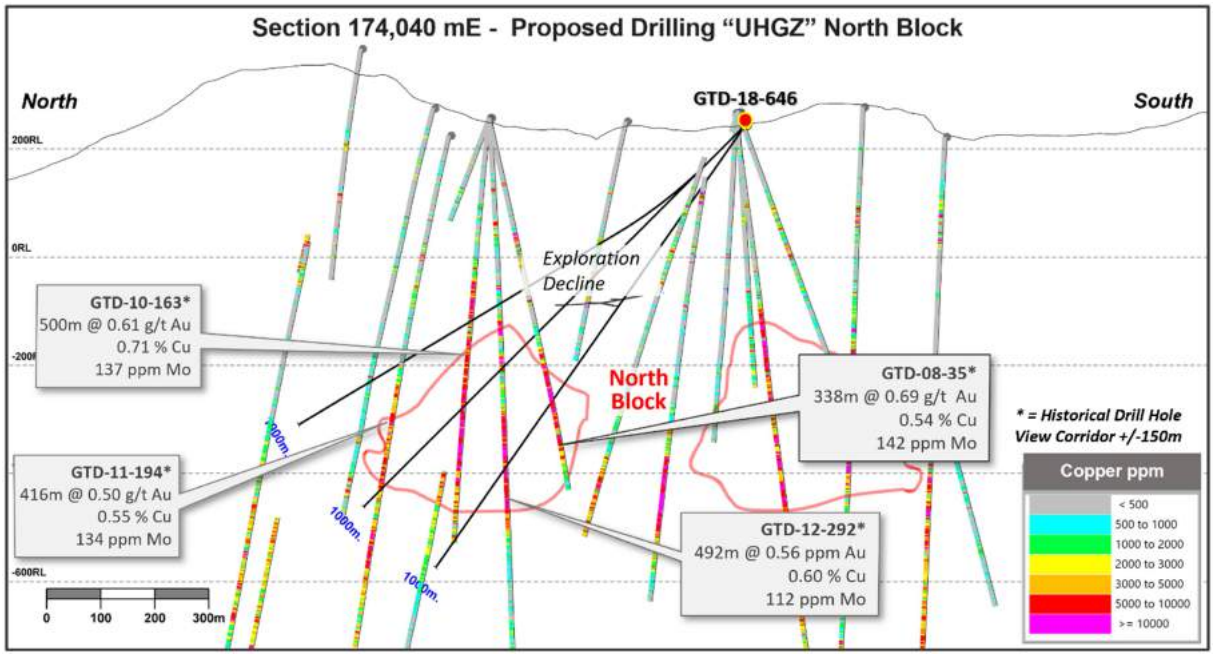


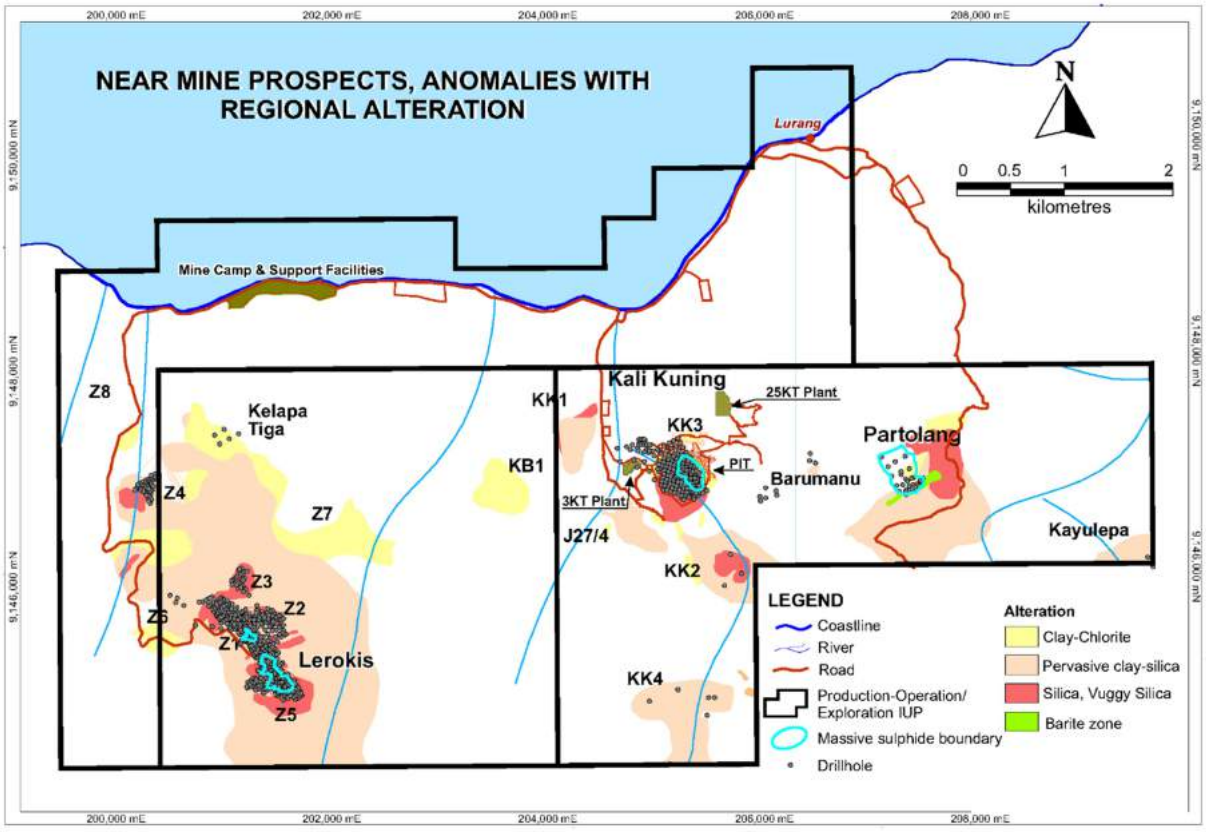
Figure 2 long section 174,040 mE looking due east showing selected historical assay results and the planned directional drilling program targeting the North Block of the Upper High Grade Zone.



Wetar Copper Project

The Lerokis mine development works, managed by Merdeka Mining Services, and exploration drilling programs around the Partolang and at Barumanu targets commenced in September 2018.

Figure 3 shows the Wetar IUPs identifying the Kali Kuning pit, Lerokis development and Partalong and Barmanu exploration targets.



At Partolang, the program includes 4,000 to 5,000 m of reverse circulation and 650 m of diamond drilling. The main objective of this work is to complete initial step-out drilling over interpreted massive sulphide mineralisation, which is associated with an electromagnetic (EM) conductor. Drilling will be completed on a nominal 50 m spacing (initially). A secondary objective will be to evaluate the gold-silver potential of the overlying barite zone.

At Barumanu, the scout program includes 800 m of both reverse circulation and diamond drilling to follow up on historic exploration results that may have potential to define small sulphide bodies beneath shallow cover.

Final flight permits are being sought for an airborne electromagnetic and magnetic survey targeting the volcanogenic massive sulphide mineralisation. The survey area comprises 111 km2 (1,470-line kilometres). This will be the first airborne geophysics program by the company.

Finance and Corporate Development

Cash and Cash Equivalents

Cash and cash equivalents, net of restricted cash, at 30 September 2018 were US$ 28 million including bullion on hand at the end of the quarter at a market value of US$ nil million.

Capital Raising

The Company's shareholders approved a rights issue to existing shareholders at its Extraordinary General Meeting of Shareholders ("EGM") on 21 May 2018 ("Rights Issue"). The Rights Issue will result in 933,333,334 shares with a nominal value IDR 100 per share being issuing at a price of IDR 2,250 per share.

The rights issue is planned to be completed in two tranches. The first tranche for 594,931,190 common shares ("New Share") or 14.29% of the issued and fully paid capital has been completed. The first tranche of the Rights Issue raised IDR 1,338,595,177,500 (US$ 92 million). The second tranche will be for 338,402,144 common shares, expected to raise a further IDR 761,404,824 (US$ 53 million) and the company has one year from the date of its shareholder approval on 21 May 2018 to complete the second tranche.

The proceeds of the Rights Issue, after deducting the issuance costs, were used as follows:

- US$ 20.2 million was used by the Company to repay all of the Company's liabilities to PT Saratoga Investama Sedaya Tbk. ("Saratoga"), one of the Company's shareholders. This facility is the result of the transfer of EFDL loan granted by Saratoga to the Company which was used by EFDL to finance the Finder's acquisition..

- US$ 19.1 was used by the Company to repay all of the Company's liabilities to Provident Minerals Pte. Ltd ("Provident"), an affiliated party of the Company. This facility result of the transfer of EFDL loan granted by the Provident to the Company which was used by EFDL to finance the Finder's acquisition.

- US$ 23.7 million was used by the Company to repay all of the Company's liabilities to Pierfront Capital Mezzanine Fund Pte. Ltd. ("Pierfront"). The Company obtained this facility under the Facility Agreement dated 5 September 2016 which was used to finance Merdeka's contribution to the Tujuh Bukit cost overrun facility and / or investment objectives.

- US$ 14.9 million was used by the Company to repay all of the Company's liabilities to MDM, a Company associated with one of the Company's shareholders. The Company obtained this facility under a loan agreement dated 6 January 2014. Funds were used for operational and investment activities. This facility has a fixed interest rate of 11.75% per annum.

- the remainder will be used by the Company and/or its Subsidiaries for working capital related to general and administrative expenses and finance charges.

Debt

During the quarter, repayments of non-affiliated debt amounting to US$ 32.2 million were made, including:

- Voluntary repayment of US$ 24.4 million to Pierfront Capital Mezzanine Fund Pte. Ltd. This loan is now fully repaid. It was the company's highest cost debt facility.
- US$ 7.8 million in both mandatory and cash sweep debt repayments in relation to the Tujuh Bukit project finance facility.
- US$ 14.4 million in mandatory repayments under the Wetar project finance facility.

Debt service reserve accounts (DSRA) are funded to US$ 20.3 million. There was no additional amount drawn down during the quarter.

On 19 October 2018 the Company wholly owned subsidiary BSI entered into a Facility Agreement for US$ 200 million with a syndicate of 8 banks. The facility is secured by the Tujuh Bukit project assets. BSI's existing project finance facility will be fully repaid from these.

Sales and Hedging

At Tujuh Bukit a total of 57,319.88 ounces of gold and 55,781.46 ounces of silver were sold at an average price of US$ 1,218.06/oz and US$ 14.58/oz respectively for total revenue of US$ 70.6 million. 19,539 oz of gold hedging with a strike price of US$ 1,201.00 were closed out at a price of US$ 1,207.42/oz resulting in a net loss on hedging for the quarter of US$ 128,827.14.

At Wetar 4,611 tonnes of copper were sold at an average price of US$ 6,227 per tonne.

Table 7: Gold and Copper Sales for September 2018 Quarter

	oz Au	US$/oz	US$m
Gold	57,320	1,218	69.82
Silver	55,781	14.58	0.81
	tonnes	US$/tonne	US$m
Copper	4,611	6,227	28.7
Total			98.7

Table 8: Details of Gold and Copper Hedge Profile as at September 30, 2018

Period	Gold Hedged		Copper Hedged	
	oz Au	US$/oz	tonnes Cu	US$/t
3 months to 31 Dec 2018	33,442	1,208	1,683	4,784
2019	80,130	1,296	1,747	4,777
2020	48,509	1,329	nil	nil
Total sales	162,081	1,298	3,429	4,781

Capital Structure

There were no shares issued during the quarter.

Table 9: Major Shareholders as at 30 September 2018

Shareholders	No. of shares	%
PT MITRA DAYA MUSTIKA	606,888,139	14.6
PT TRIMITRA KARYA JAYA	580,446,612	13.9
GARIBALDI THOHIR	341,873,502	8.2
PT SUWARNA ARTA MANDIRI	293,294,900	7.0
MERDEKA MINING PARTNERS PTE. LTD.	251,914,625	6.0
PEMDA KABUPATEN BANYUWANGI	229,000,000	5.5
MAYA MIRANDA AMBARSARI	197,671,500	4.7
PT SRIVIJAYA KAPITAL	192,830,302	4.6
ASIAN METALS MINING DEVELOPMENTS LIMITED	155,353,333	3.7
PT SARATOGA INVESTAMA SEDAYA TBK	140,184,070	3.4
Total Top 10 Shareholders	**2,989,456,983**	**71.8**
Others	1,175,061,347	28.4
Total shares on issue as 30 September 2018	**4,164,518,330**	**100.0**

Appendix 1 – Heap Leach Process & Estimated Recoverable Gold

The majority of gold heap leach operations around the world are characterised by the following key activities: mining, ore preparation (crushing and agglomeration), placing of agglomerated ores on the heap leach pad (ore stacking), the irrigation of the ores on the heap leach pad, known as the leaching process, the collection of gold and silver in solution, known as the pregnant leach solution ("PLS") and the processing of that PLS in the gold processing plant, known as an Adsorption, Desorption and Recovery plant ("ADR") to produce gold doré' product.

Due to the length of the leaching process (150 days for the Tujuh Bukit mine) not all contained gold within the ore mined, on a quarterly basis, is recovered into gold doré product in the same quarter. As such, each mine seeks to estimate the recoverable gold ounces contained at each step of the overall process for any given standardised time period.

The table below provides the breakdown of estimated recoverable gold ounces from gold contained within ore stockpiles, which is yet to be crushed and agglomerated, right through each key step of the heap leach process at the mine site and further to the gold doré product that has been transported to the gold refinery and any final gold bullion at the refinery that is yet to be sold.

Table 1: Tujuh Bukit Mine – Estimated Recoverable Gold Statistics

Recoverable Gold Location	Unit	Mar Qtr 2018	Jun Qtr 2018	Sep Qtr 2018	Unit	Mar Qtr 2017	Jun Qtr 2018	Sep Qtr 2018
Ore Stocks	Au oz	6,178	22,015	9,715	US$m	1.819	3.928	3.897
Metal in Stacked Ore *	Au oz	40,383	54,773	56,397	US$m	13.182	19.652	22.268
Metal in the ADR Plant	Au oz	5,556	6,997	5,301	US$m	1.503	1.560	2.078
Dore at the Refinery	Au oz	-	-	-	US$m	-	-	-
Bullion On Hand	Au oz	4,998	21,461	13,679	US$m	3.167	12,339	7.598

* Metal in the Heap Leach Pad calculated as total tonnes stacked x grade stacked x forecasted recovery less metal produced
Note: The value of the metal in each stockpile includes a non-cash depreciation allocation. This depreciation allocation is not included in the cash cost inventory movements amount in table 3.

Appendix 2 - Tenement Status (September 2018)

Category	Details
Company:	PT Bumi Suksesindo
Ownership:	Subsidiary
Type of Permit:	Mining Business Permit
Permit Number:	188/547/KEP/429.011/2012
Total Area:	4,998 ha
Location:	Banyuwangi
Date Issued:	July 9th, 2012
Permit Period:	Until January 25th 2030

Category	Details
Company:	PT Bumi Suksesindo
Ownership:	Subsidiary
Type of Permit:	Forestry Borrow to Use Permit
Permit Number:	SK.812/Menhut-II/2014
Total Area:	194.72 ha
Location:	Banyuwangi
Date Issued:	September 25th, 2014
Permit Period:	Until January 25th, 2030

Category	Details
Company:	PT Bumi Suksesindo
Ownership:	Subsidiary
Type of Permit:	Forestry Borrow to Use Permit
Permit Number:	18/1/IPPKH/PMDN/2016
Total Area:	798.14 ha
Location:	Banyuwangi
Date Issued:	February 29th, 2016
Permit Period:	Until January 24th, 2030

Category	Details
Company:	PT Batutua Kharisma Permai
Ownership:	Subsidiary
Type of Permit:	IUP Exploitation
Permit Number:	543 - 124 Tahun 2011 - Copper

Total Area:	2,733 ha
Location:	Wetar
Date Issued:	09 Jun 2011
Permit Period:	09 Jun 2031

Category	Details
Company:	PT Batutua Kharisma Permai
Ownership:	Subsidiary
Type of Permit:	PMA adjustment to 543-124 TAHUN 2011 - Copper
Permit Number:	7/1/IUP/PMA/2018
Total Area:	2,733 ha
Location:	Wetar
Date Issued:	09 Jun 2011
Permit Period:	09 Jun 2031

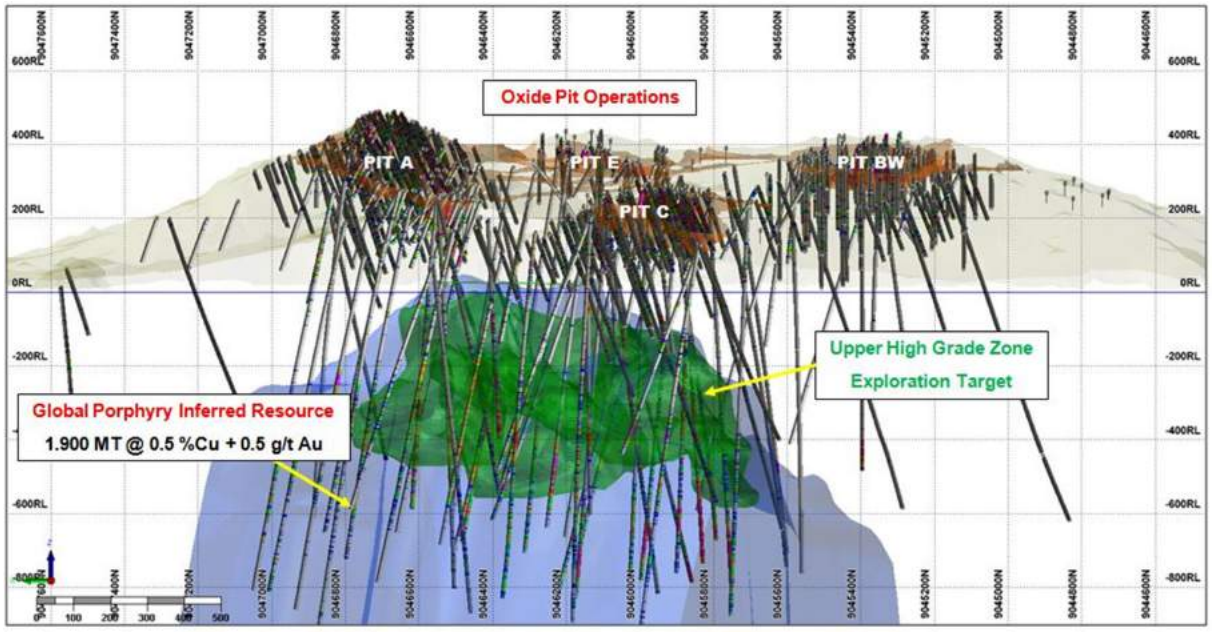
Category	Details
Company:	PT Batutua Kharisma Permai
Ownership:	Subsidiary
Type of Permit:	IUP Exploitation – Sand, Gravel & Stone
Permit Number:	311 TAHUN 2017
Total Area:	108 ha
Location:	Wetar
Date Issued:	29-Dec-17
Permit Period:	29-Dec-22

Category	Details
Company:	PT Batutua Kharisma Permai
Ownership:	Subsidiary
Type of Permit:	IUP Exploitation - Limestone
Permit Number:	276 TAHUN 2017
Total Area:	1425 ha
Location:	Wetar
Date Issued:	20-Nov-17
Permit Period:	20-Nov-22

Appendix 3 - Tujuh Bukit Porphry Project ("TPP")

The Tujuh Bukit Porphyry Mineral Resource is estimated to be 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. This estimate is currently classified as an Inferred Resource and the deposit is located directly below the ongoing open pit oxide operations extending from approximately sea level to over a kilometer below sea level. An Upper High Grade Zone ("UHGZ") defined within the top 500 metres of the deposit is estimated to contain approximately 260 million tonnes at 0.76% copper and 0.77 g/t gold for up to 2 million tonnes of copper and 6 million ounces of gold.

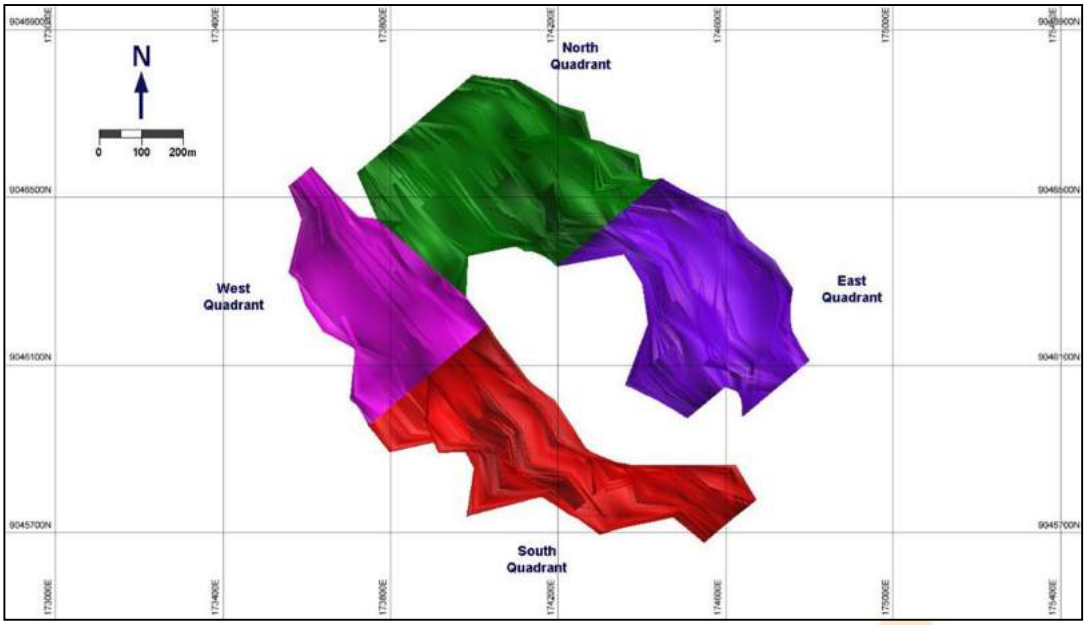
Figure 1 below shows a long section looking due east at the Tujuh Bukit oxide and porphyry deposits1.



A Concept Study has been completed to analyse options to develop a bulk underground mine to exploit the UHGZ. This study identified a preferred scenario whereby four discrete blocks arranged around the relatively un-mineralised core will be developed sequentially as a series of block cave mines. All blocks have a common extraction level at minus 500 level with ore transported to a central common crusher.

[1] Refer to www.merdekacoppergold.com for Mineral Resources and Ore Reserves Statements.

Figure 2 below is a plan view of the UHGZ showing the four defined blocks or "quadrants".



Crushed ore will then be transported via a conveyor system to a concentrator located on the surface near Candrain Bay. The Candrian Bay concentrator will treat ore at a rate of up to 12 million tonnes per annum. Financial modelling indicates that in the absence of any fatal flaws this project has the potential to become a significant mine with a life in excess of 25 years. The next step required is to complete a pre-feasibility study to upgrade the UHGZ resource to Indicated and Measured classification, define the rock mass characteristics, model hydrogeology and ventilation parameters and collect the samples required to conduct definitive metallurgical test work. An exploration decline has been approved to support an underground drilling program required to acquire the required data to inform this PFS. It is expected this PFS including underground development and drilling will take 3 years and require an investment of US$ 40-60 million.

Appendix 4 – Competent Person's Statement - Summary of Preliminary Metallurgical Results from the Tujuh Bukit Porphyry Project Surface Drilling Program

During the June Quarter the Company completed drilling of three deep directional drill holes into the Eastern Block of the Upper High Grade Zone (for approximately 2,300 m). For results of this program refer to the June 2018 Quarterly Report.

This program comprised of drilling three "daughter holes" from surface which were designed to give low-angle intercepts testing both the vertical and cross-strike continuity of mineralisation in the central parts of the Eastern Quadrant (Figures 1 & 2).

All previous drill holes from surface into the porphyry system (up to 2012) were sub-vertical to steeply dipping with significant historical reports representing long down-dip intercepts.

The successful completion of this program marks a significant milestone in the advancement of the Porphyry Project with three successive holes each intersecting strong and continuous zones of high-grade mineralisation with over 300 m of vertical separation between holes and a true width of approximately 150 m. This broad zone of copper-gold-molybdenum mineralisation is interpreted to be steeply dipping to the east (approximately 70°) with a NNW strike, internal domain boundaries are well defined as are hangingwall and footwall contacts.

Selective samples are currently undergoing Mineral Liberation Analysis (MLA) and six (6) composite core samples have been sent to PT Geoservices in Jakarta for comminution and flotation testwork (Figure 3).

The results are both preliminary and incomplete on three of the six composites, but in general, copper recoveries of 89-94%, gold recoveries of 79-85% and molybdenum recoveries in the order of 66-89% have been reported to-date over a range of grind and pH conditions.

In general, for the composites tested to-date, copper, gold and molybdenum recovery is relatively insensitive to grind size, indicating that a grind target range of 80% passing 100 µ through to 80% passing 200 µ may be appropriate for rougher flotation for this project.

Preliminary comminution work indicates that the first three composites are relatively soft and non-abrasive relative to a typical granitic porphyry deposit.

Table 1: Summary of head grade Elemental Analysis for metallurgical composites

	Au FA ppm	Ag ICP ppm	As ICP ppm	Cu ICP ppm	Cu_Sum Sequ. ppm	Cu_Tot Met Cu ppm	Cu Average %	Fe ICP %	Mo ICP ppm	Pb ICP ppm	S ICP %	S_TOT LECO %	Zn ICP ppm	Hg ppb
Comp 1A	0.09	<0.5	44	2,220	2,378	2,313	0.23%	6.11	108	30	6.01	5.76	150	72
Comp 1B	1.18	0.97	32	14,470	15,136	15,403	1.50%	4.65	341	17	3.14	2.99	173	21
Comp 2	1.84	1.03	100	8,478	8,663	8,732	0.86%	4.63	18	89	7.60	7.58	49	71
Comp 3	0.61	0.7	110	7,009	6,904	6,798	0.69%	1.38	129	40	1.44	1.67	502	460
Comp 4	0.61	1.3	283	7,883	7,650	7,747	0.78%	2.35	76	94	2.83	3.39	422	193
Comp 5	0.27	0.8	190	2,248	2,514	2,385	0.24%	10.76	2	51	12.91	14.15	322	81

Figure 1 shows a plan of the Upper High Grade Zone (-300 mRL) with completed drill holes and summarised assay results.

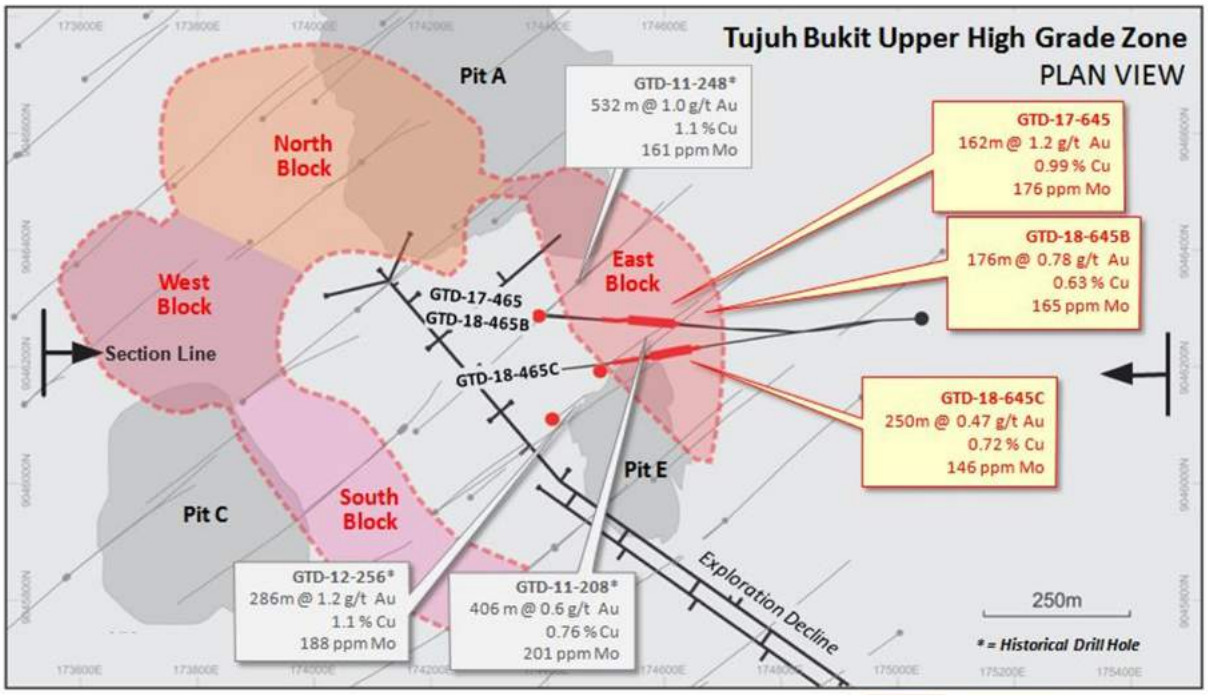


Figure 2 shows a cross section looking due north at the completed directional drilling program targeting the East Block of the Upper High Grade Zone.

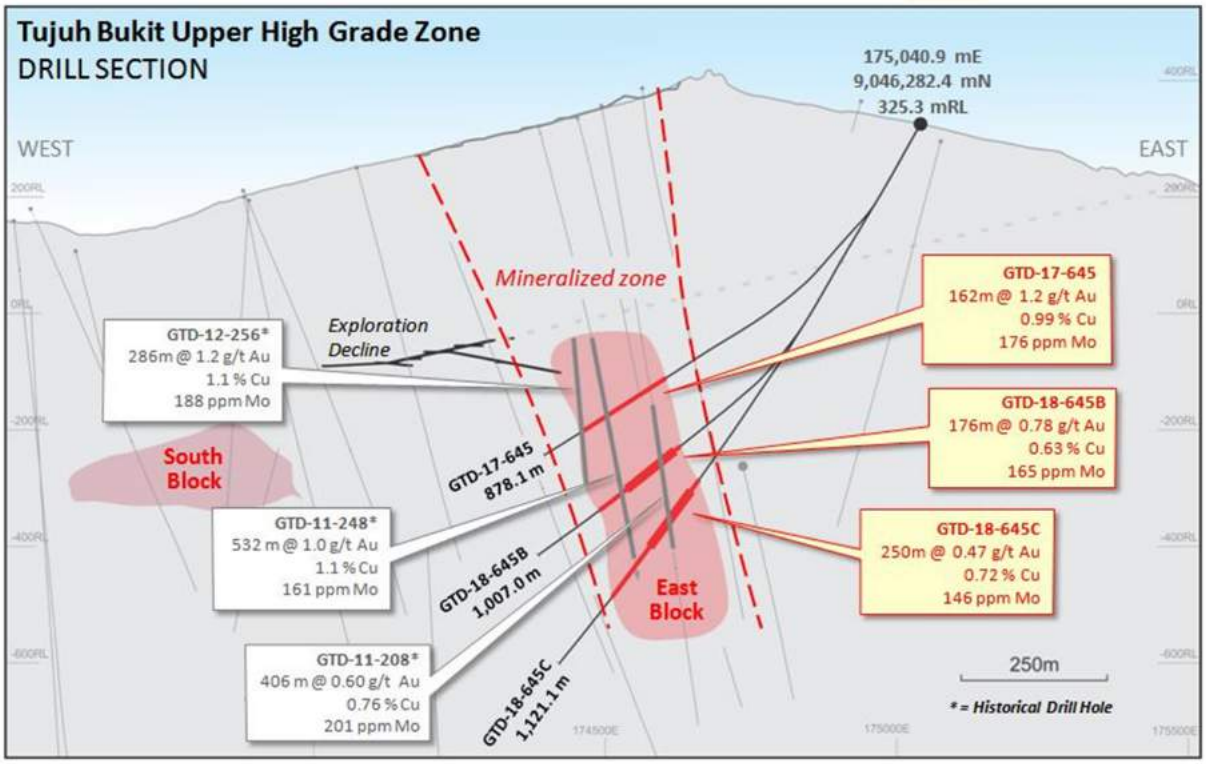
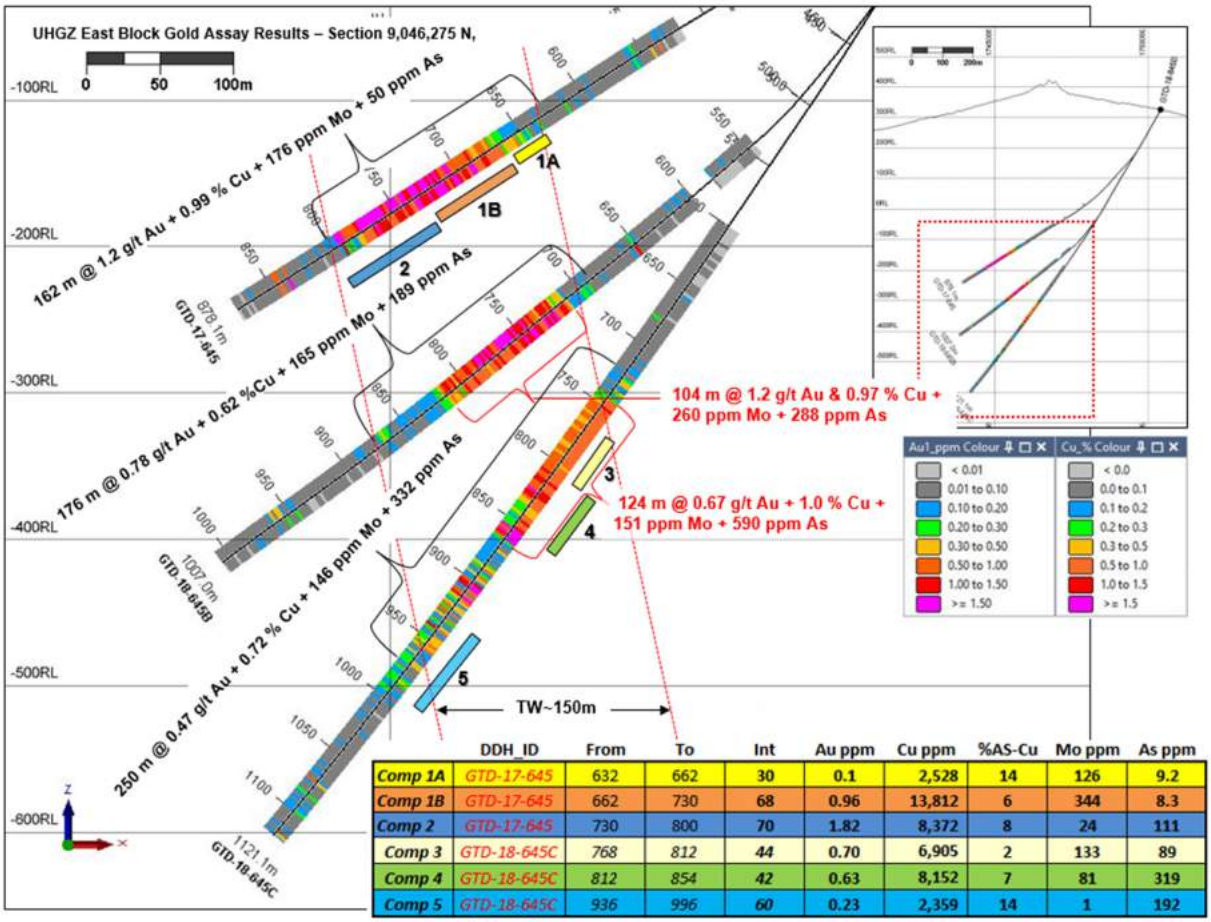


Figure 3 shows a more detailed cross section looking due north at the completed directional drilling program and the location of metallurgical composites with corresponding drill core assay results.



	DDH_ID	From	To	Int	Au ppm	Cu ppm	%AS-Cu	Mo ppm	As ppm
Comp 1A	GTD-17-645	632	662	30	0.1	2,528	14	126	9.2
Comp 1B	GTD-17-645	662	730	68	0.96	13,812	6	344	8.3
Comp 2	GTD-17-645	730	800	70	1.82	8,372	8	24	111
Comp 3	GTD-18-645C	768	812	44	0.70	6,905	2	133	89
Comp 4	GTD-18-645C	812	854	42	0.63	8,152	7	81	319
Comp 5	GTD-18-645C	936	996	60	0.23	2,359	14	1	192

Competent Person's Statement – Exploration Results

The information in this report which relates to Exploration Results is based on, and fairly represents, information compiled by Mr. Julian Bartlett, BSc (Hons), MSc (Econ.Geol.) for Merdeka Copper Gold. Mr. Bartlett is an employee of Merdeka Copper Gold however he does not hold any shares in the company, either directly or indirectly.

Mr. Bartlett is a member of the Australian Institute of Geoscientists (AIG ID: 6492) and has sufficient experience that is 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 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

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

JORC Code, 2012 Edition – Table 1 Report

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Cut drill core samples were collected at two (2) metre intervals. Core size sampled was HQ3 and NQ3, core recovery was recorded for every run, average recovery was 97%. Where possible all core was orientated and cut along the orientation mark retaining down hole arrows. With core rotated in the down hole position (ori line towards), the top hole of the core was consistently sampled. • Industry standard QAQC protocols included the insertion of OREAS Standards, Blanks, and Duplicate quarter core samples at a rate of 1 (of each) every 30 metres or every 15 samples (~7%). Analyses of laboratory replicate assays and duplicate assays show a high degree of correlation. • QAQC results suggest sample assays are accurate. • Core samples were sealed with numbered security tags and transported direct from site to Intertek Jakarta for analyses. • Two (2) metre core samples were dried and weighed, the entire samples was crushed to P95 of -2mm then a 1.5kg split was pulverized to P95 -200#. • All exploration drill samples are analysed for gold using 30g fire assay, 4-acid digestion, with AAS finish. • Standard multi-element analyses are with ICP OES that includes silver and common pathfinder minerals in epithermal and porphyry systems. • No adjustments or calibrations were made to any assay data used in reporting. • Head grade assays for the metallurgical composites (Table 1) were conducted at PT Geoservices laboratory in Jakarta. Gold assay is based on Fire Assay with standard fusion, digestion of the gold button followed by an AAS (Atomic Absorption Spectrophotometry) finish. Silver based on ICP (Inductive Coupled Plasma). Copper assays based on (i) ICP, (ii) sequential digestion (water soluble, acid soluble, ferric soluble, cyanide soluble & residual copper), and (iii) total copper by 3 acid ore grade digestion. Copper average is the average of the three copper estimates converted to percentage. Sulphur is based on both ICP and LECO, with the latter perhaps being a slightly more accurate

Criteria	JORC Code explanation	Commentary
		estimate of total Sulphur.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Drilling method was all triple tube at sizes PQ3, HQ3, and NQ3. Where possible all core was orientated using a Coretech orientation tool.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Measurements of core loss and recovery were made at the drill rig and entered directly into Geobank Mobile on site. Core was marked-up in relation to core blocks making allowance for any sections of lost core. • In some instances, short lengths of core were lost, generally around 5-10cm at the end of a run, this occurred mostly in the clay dominant ore domain. The grade of lost core was considered to be the same as core from the same interval in which it occurred. There is no evidence of a grade bias due to variation in core recovery.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All drill core is geologically and geotechnically logged. Logging fields included (but not limited to) lithology, alteration, mineralisation, structure, RQD, RMR, and defects. • Standard nomenclature is used for logging and codes or abbreviations are input directly into computerised logging sheets. BSI uses Geobank mobile by Micromine as the front end data entry tool. • The majority of geological and geotechnical logging is qualitative in nature except measured fields for structure (α and β), RQD and fracture frequency. • The length of core from holes being reported in the deep directional drilling programme is 2,328m, 100% of core was logged. • Selective sampling is utilized only when barren cover rocks are intersected i.e. the upper sections on some holes in unmineralised volcanics. • All mineralized intervals are sampled. • All drill core is photographed before cutting/sampling. • Logging is of a suitable standard to allow for detailed geological and resource modeling.
Sub-sampling techniques and	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	• Core was cut with a saw and half core composites were collected at two (2) metre intervals. • Half core samples were methodically marked-up, labeled, cut and prepared at the company's

Criteria	JORC Code explanation	Commentary
sample preparation	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	core processing facility on site under geological supervision. Two (2) metre compositing is appropriate for the broad style of porphyry-type related mineralisation. • Sub sampling consisting of quarter core duplicates was carried out at a rate of 1 sample every 30 metres/15 samples (~7%). Duplicate assays show a high level of repeatability. • Mineralogical analyses including MLA (mineral liberation analyses) shows gold grains to be 10's of microns in size. Disseminated copper mineralisation shows a range from very fine to coarse grain size. Sample size (2m half core) and partial sample preparation protocols are considered appropriate for this style of mineralisation. • Six composite samples from drill holes GTD-17-645 (Comps. 1A, 1B, & 2) and GTD-18-645C (Comps. 3, 4, & 5) are undergoing metallurgical tests at PT Geoservices, Jakarta. Composites 1A, 1B, and 2 consist of quartered drill core while composites 3, 4, and 5 consist of laboratory coarse rejects.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometres, handheld XRF instruments, etc, the parametres used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The bulk nature of the sample size (2m) and total and partial preparation procedures (total crush to P95 -2mm, 1.5kg split pulverized to P95 -200#) is considered appropriate for this style of mineralisation. Four acid total dissolution is used for assaying. • SWIR data is routinely collected on core and assay pulps. The Terraspec device used is serviced and calibrated yearly at an accredited facility in Australia and routine calibration is done when samples are being analyzed. • Industry standard QAQC protocols included the insertion of OREAS Standards, Blanks, and Duplicate quarter core samples that are inserted at a rate of every 30 metres or every 15 samples (~7%). Analyses of laboratory replicate assays and duplicate assays show a high degree of correlation. Analyses of Standards show all assay batches to be within acceptable tolerances.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Significant intersections have been verified by alternative senior company personnel • The drill hole being reported is exploration in nature and has not been twinned. The down hole separation between daughter holes is approximately 150 metres. • Primary assay data is received from the laboratory in soft-copy digital format and hard-copy final certificates. Digital data is stored on a secure SQL server on site with a back-up copy off site. Hard-copy certificates are stored on site in a secure room.

Criteria	JORC Code explanation	Commentary
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drill hole collars were surveyed with a differential GPS. • The Grid System used is WGS84 UTM 50 South. • The topographic surface is surveyed by LIDAR and supplemented by Total Station and dGPS surveys.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether sample compositing has been applied.*	• Drill hole spacing is a nominal 150 down hole. • Results reported have been composited, composite grades are mean grades with no top cuts applied.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Sampled drill holes were designed in plan and section to intersect mineralisation at a low angle of incidence. Structural and geological analyses indicate that controlling structures are NNW striking with a sub vertical to steep 70 degree east dip. • The orientation of samples retaliate to structural controls is considered not to introduce a sampling bias. Significant down hole intervals are reported however these are greater than the true width of mineralisation which is estimated to be 150 metres.
Sample security	• *The measures taken to ensure sample security.*	• All core samples are bagged separately in calico bags then further bagged into poly weave sacks which are individually sealed with a numbered security tag. Samples are dispatched to the lab in a covered truck which is locked and further sealed with a numbered security tag.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No formal and public audits or reviews have been undertaken on sampling protocols and results.

Appendix 5 - Recent pictures of the Tujuh Bukit Gold Mine

Figure 1 – Open pit mining - Pit B West showing the starter pit in the foreground and cutback 2 behind

Figure 2 – Aerial view of the Pit B East cutback 1 in foreground and Pit A in background

Figure 3 – Aerial view of Pit A with Pit B West in the background

Figure 4 – Aerial view of Pit C and Pit C Sediment Sump

Figure 5 – Aerial view of the Heap Leach Pad completed lift 1 expansion and lift 4 continuing

Figure 6 – Boxcut with Exploration Decline and underground infrastructure facilities

Figure 7 – OPP-2 slope stabilization and completion of the new workshop, and Agglomerator

Figure 8 – ADR Plant upgrade, CIC installed.

Figure 9 – Camp expansion new accommodation,

For further information please contact:

Mr. Rick Ness (Chief Executive Officer)

The Convergence Indonesia, 20th Floor,

Rasuna Epicentrum Boulevard, HR Rasuna Said

Jakarta 12940 - Indonesia

T: +62 21 – 2988 0393

E: richard.ness@merdekacoppergold.com

About Merdeka Copper & Gold Tbk.

PT Merdeka Copper Gold Tbk. was established in 2012 as a holding company, with four subsidiaries, namely PT Bumi Suksesindo ("BSI") as the holder of the production operating permit for the Tujuh Bukit Mine, PT Damai Suksesindo ("DSI") which holds the adjacent exploration permit, PT Cinta Bumi Suksesindo ("CBS") and PT Beta Bumi Suksesindo ("BBSI")which are subsidiaries that may also engage in mining and minerals operations.

The Company's major assets are the Tujuh Bukit Mine, often referred to as the Tujuh Bukit Oxide Heap Leach Project and the undeveloped Tujuh Bukit Copper Gold deposit, both located in the Banyuwangi Regency, East Java, Indonesia, approximately 205 kilometres southeast of Surabaya, the Provincial Capital.

The Tujuh Bukit Copper Gold deposit is one of the world's top ranked undeveloped porphyry copper and gold mineral resources, containing approximately 28 million ounces of gold and 19

billion pounds of copper. The operating Tujuh Bukit Mine is based on a near surface oxide gold silver deposit that contains a Mineral Resource of 2.45 million ounces of gold and 79 million ounces of silveri and associated Ore Reserves.

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.

[i] Refer Annual Statements of Mineral Resources and Ore Reserves on www.merdekacoppergold.com

Disclaimer

PT Merdeka Copper Gold Tbk (the "Company") make no representation or warranty (express or implied) as to the accuracy, reliability or completeness of the information. All statements in this document, other than statements of historical facts that address future timings, activities, events and developments that the Company expects, are forward looking statements. Although the Company, its subsidiaries, officers and consultants believe the expectations expressed in such forward looking statements are based on reasonable expectations, investors are cautioned that such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward looking statements. Factors that could cause actual results to differ materially from forward looking statements include, amongst other things commodity prices, future technical assessments for mine developments, variability of resources and reserve estimates, failure of plant and equipment or process performing as anticipated, time and receipt of environmental and other regulatory approvals, and general economic, market or business conditions. The Company and its directors, employees, agents, advisers and consultants shall have no liability (including liability to any person by reason of negligence or negligent misstatement) for any statements, opinions, information or matters (express or implied) arising out of, contained or derived from, or for any omissions from this document. The information disclosed relates to the proposed business of the Company at the date of this document. Neither the provision of this document nor any information contained in this document or subsequently communicated to any person in connection with this document is, or should be taken as, constituting the giving of investment advice to any person. By accepting this document, you acknowledge and agree to be bound by each of the foregoing statements.