

Exploration Report – January 2021

Summary: PT Merdeka Copper Gold (Merdeka) is continuing with exploration activities at three locations in Indonesia (Tujuh Bukit, Wetar Island – West Malukus, and Pani – Gorontalo), as per Figure 1 below. At Tujuh Bukit the focus is on a copper-gold resource, at Wetar the focus is on copper, and at Pani the company is exploring a gold resource.

The total spending on exploration in Indonesia by Merdeka in the month of January 2021 is approximately Rp 29.7 billion.



Figure 1: Merdeka Exploration Project Locations

Copper and Gold: The Upper High Grade Zone (UHGX) of the Tujuh Bukit copper and gold resource is being explored through a combination of surface and underground drilling. The focus of the current drilling program is an area of the Upper High Grade Zone which 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 decline location.

Drilling from underground continued in January 2021, with four underground rigs conducting Resource Definition drilling totaling 2,501.9m. No surface exploration drilling occurred in January.

Hole ID	From	To	Interval	Comment
UHGZ-20-031	700.5	759	58.5	Res Def
UHGZ-20-032	702.8	706.6	3.8	Res Def
UHGZ-20-033	424.1	525.2	101.1	Res Def
UHGZ-20-034	281.9	713.5	431.6	Res Def
UHGZ-21-035	0	584.7	584.7	Res Def
UHGZ-21-036	0	680.9	680.9	Res Def
UHGZ-21-037	0	637.3	637.3	Res Def
UHGZ-21-038	0	4	4	Res Def

Table 1: Tujuh Bukit underground project drilling statistics January 2021

The total expenditure for exploration related activities for the Tujuh Bukit UHGZ in January is Rp 25.7 billion consisting of decline development, underground resource definition drilling and associated test work. All work was completed through a contracting agreement between Merdeka and PT Merdeka Mining Servis.

Copper: The Wetar Island exploration program focussed on mapping and rock chip sampling of regional EM targets near Lerokis, planning for geotechnical drilling around the Kali Kuning pit and additional resource drilling at Lerokis.

Total estimated exploration costs for January are Rp 0.80 billion. All work was completed through a contractual agreement between Merdeka and PT Merdeka Mining Servis.

Gold: Diamond drilling at the Pani project remains on hold, while a review of historic information and results to date is undertaken for program optimisation. Seventeen drill holes for 4,543.95 metres from the planned forty drill holes for approximately 10,500m have been completed, as shown in Figure 2 below.

Total expenditure for exploration activities on the Pani property in January 2021 is Rp 3.2 billion. All work was completed through a contractual agreement between Merdeka and PT Merdeka Mining Servis.

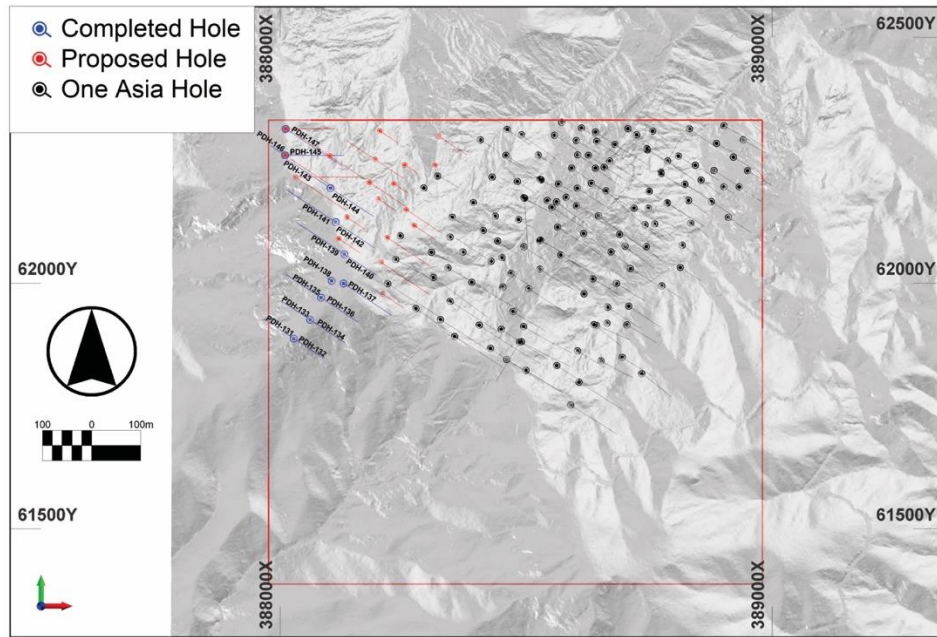


Figure 2: Pani proposed and completed drill holes overlain on topography