

## Exploration Report – Quarter 1 2022

**Summary:** PT Merdeka Copper Gold (“Merdeka” or the “Company”) is continuing with exploration activities at three locations in Indonesia (Tujuh Bukit, Wetar Island – West Maluku, 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 Quarter 1 2022 is approximately Rp 194.2 billion.



Figure 1: Merdeka Exploration Project Locations

### Copper and Gold: Tujuh Bukit Project

- A. Expenditure:  
The total expenditure for exploration related activities for the Tujuh Bukit Copper Project (“TBCP”) in Quarter 1 2022 is Rp144.4 billion consisting of decline maintenance, underground resource definition drilling, and associated test work.
- B. Area:  
Tujuh Bukit copper and gold resource, Banyuwangi, East Java.
- C. Exploration Party:  
All work was completed through a contracting agreement between Merdeka and PT Merdeka Mining Servis.
- D. Assessment Method:  
Drilling from underground and surface with associated test work.
- E. Election of Assessment Area:  
The area was selected for the current drilling program as it is an area of the Tujuh Bukit porphyry deposit 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.

F. Results of Exploration:

Six underground rigs conducted Resource Definition drilling totalling 10,105.7m, and two surface rigs completed a total of 2,021.2m as shown in Table 1.

G. Action Plan:

Underground diamond drilling will continue using six diamond drill rigs, with an additional three underground rigs planned to commence in Quarter 2 2022.

RIG ID	HOLE ID	From	To	Interval	Comments
ID1800 B	GTD-21-680	709.9	1057.6	347.7	Surface
ID1800 A	GTD-22-693	0	530.8	530.8	Surface
ID1800 B	GTD-22-694	0	791.1	791.1	Surface
ID1800 A	GTD-22-698	0	351.6	351.6	Surface
ID1800 A	GTH-21-283	118.5	118.5	0	Surface
ID150DE-B	UGTH-22-019	0	12	12	UG
ID150DE-B	UGTH-22-020	0	284.3	284.3	UG
ID150DE-C	UGTH-22-021	0	14.6	14.6	UG
ID150DE-E	UGTH-22-022	0	14.6	14.6	UG
ID150DE-E	UHGZ-21-072	693.1	693.1	0	UG
ID150DE-C	UHGZ-21-073	723.2	723.2	0	UG
ID150DE-D	UHGZ-21-074	802.3	1032.6	230.3	UG
ID150DE-B	UHGZ-21-075	730.8	896.7	165.9	UG
ID150DE-A	UHGZ-21-077	72.8	775.7	702.9	UG
ID150DE-E	UHGZ-22-076	0	622.3	622.3	UG
ID150DE-E	UHGZ-22-076W	599.1	968.4	369.3	UG
ID150DE-C	UHGZ-22-078	0	962.4	962.4	UG
ID150DE-D	UHGZ-22-079	0	789.9	789.9	UG
ID150DE-F	UHGZ-22-080	0	780	780	UG
ID150DE-B	UHGZ-22-081	0	808.5	808.5	UG
ID150DE-A	UHGZ-22-082	0	982.9	982.9	UG
ID150DE-B	UHGZ-22-083	0	835.2	835.2	UG
ID150DE-E	UHGZ-22-084	0	842.5	842.5	UG
ID150DE-C	UHGZ-22-085	0	706.6	706.6	UG
ID150DE-D	UHGZ-22-086	0	350.8	350.8	UG
ID150DE-F	UHGZ-22-087	0	476.1	476.1	UG
ID150DE-A	UHGZ-22-088	0	154.6	154.6	UG

Table 1: TBCP Drilling Statistics Quarter 1 2022

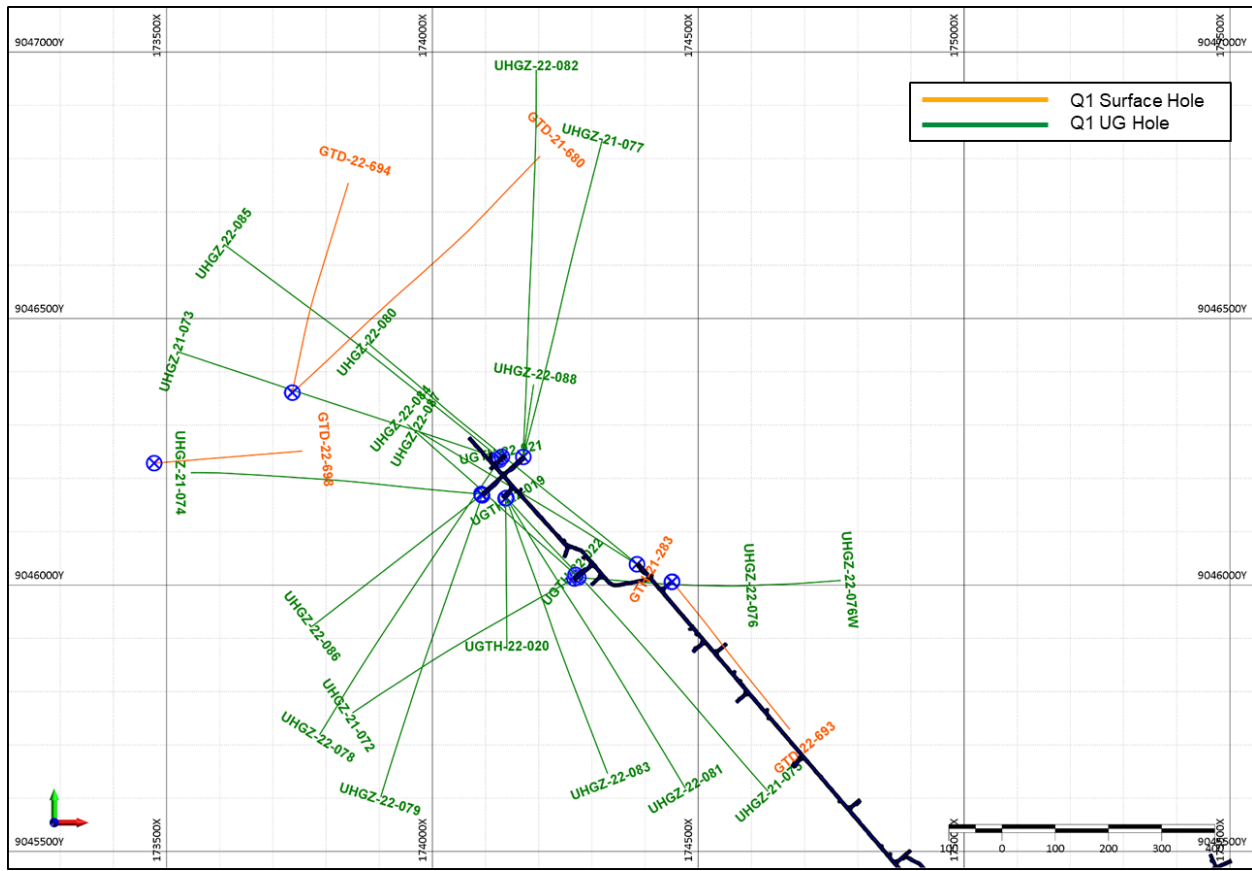


Figure 2: TBCP Drilling Quarter 1 2022

**Copper: Wetar Project**

- A. Expenditure:  
Total estimated exploration costs for the Wetar Project in Quarter 2022 are Rp31.7 billion.
- B. Area:  
Wetar Project, Wetar Island, West Maluku.
- C. Exploration Party:  
All work was completed through a contracting agreement between Merdeka and PT Merdeka Mining Servis.
- D. Assessment Method:  
Mapping and line surveying and continuation of ground geophysics on regional airborne EM targets. Infill and extension resource and metallurgical drilling at Partolang and Partolang Barat, scout drilling in the Partolang Bridge area to identify resources and on targets in the Lerokis region defined from EM work and previous rock sampling.
- E. Election of Assessment Area:  
The exploration areas were selected from ground and airborne electromagnetic (EM) geophysical surveys and historical mining activity which identified features with potential for VMS deposits.
- F. Results of Exploration:  
Four drill rigs operated during the quarter with 5,354.8 metres of drilling completed as shown in Table 2, and Figures 3-7.

Fourteen scout diamond drill holes were completed at Lerokis on regional targets from electromagnetics and rock sampling. Assay results have not yet been received for this work.

At Partolang and Partolang Barat four diamond holes were completed as part of resource infill and extension drilling and a further fifteen diamond holes were completed for metallurgy. Assay results were received for this work and were in line with expectations. A press release detailing new exploration results from the previous Partolang Barat drilling was issued on February 2<sup>nd</sup>, 2022.

At Partolang Bridge four reverse circulation scout holes were completed to identify new resources. Results have not yet been received for this work.

G. Action Plan:

Regional exploration will continue around anomalous rock chip samples and ground geophysical targets in the Lerokis region, including scout exploration drilling, and ground geophysics will continue to define new regional drill targets. Infill drilling and resource estimation will be completed in the Partolang Barat area in the southeast and scout drilling will continue in the Partolang Bridge area to identify new resources.

Drill Type	Holes Completed	Metres Drilled	Hole_ID	Details
DDH Lerokis EM	14	2300.3	LKD084-LKD097	Scout EM drilling on targets in the Lerokis Corridor
DD Partolang Barat	3	568.9	BMD039, BMD041 & BMD042	Infill drilling to define resources
DD Partolang	1	135.2	PTD081	Infill and extension drilling to define resources
RC Partolang Bridge	4	594	PTR204 – PTR207	Scout drilling between Partolang and Partolang Barat to identify new resources
DDH Metallurgy	15	1756.4	BMDM031-BMDM035, BMDM037-BMDM038, BMDM040, PTDM076-PTDM080, PTDM082-PTDM083	Metallurgical Drilling over known and potential resources
<b>Totals</b>	<b>37</b>	<b>5,354.8</b>		

Table 2: Wetar project drilling statistics Quarter 1 2022

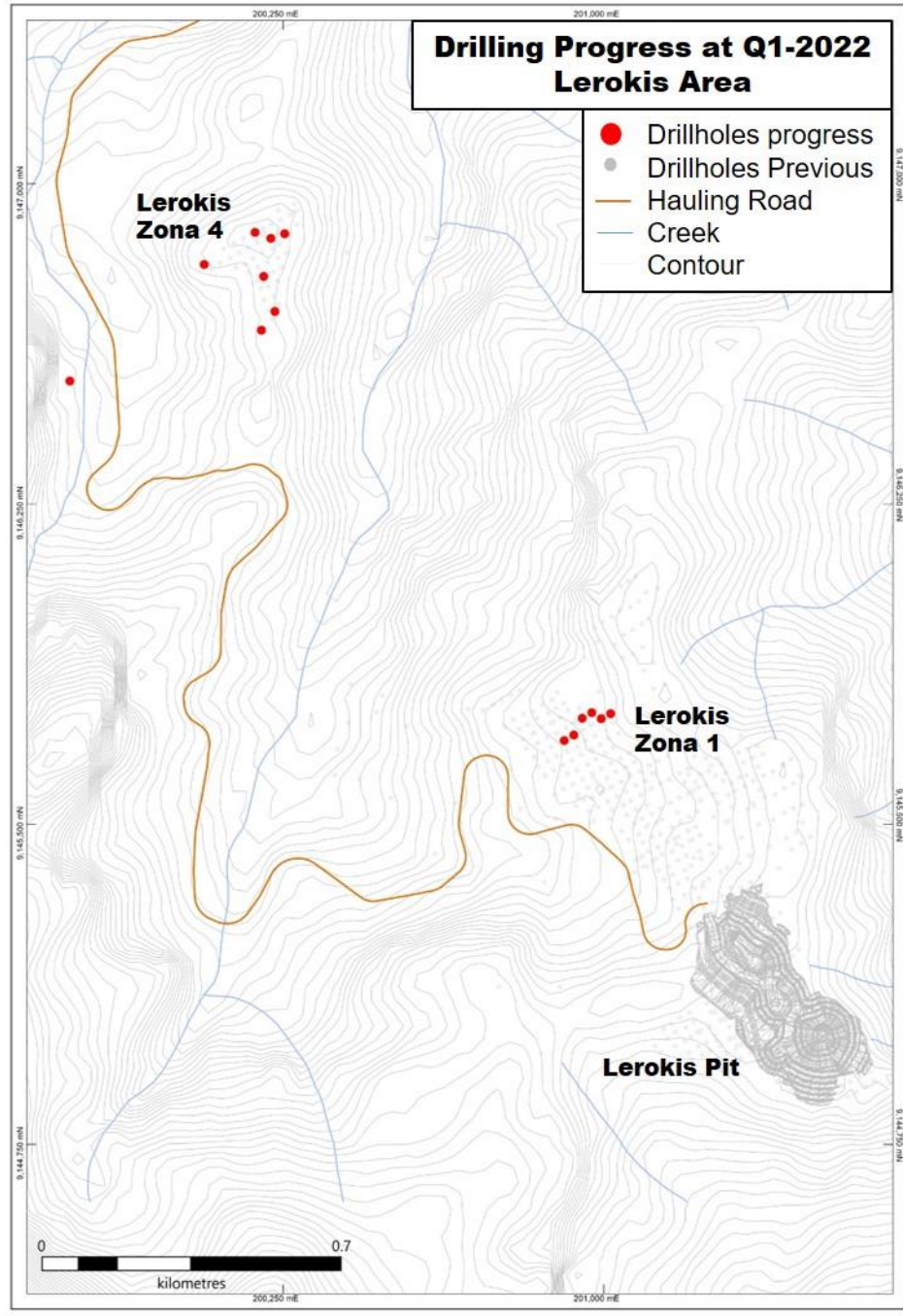


Figure 3: Completed and Planned Regional Scout Drilling at Lerokis on Electromagnetic Targets and Rock Chip Anomalies



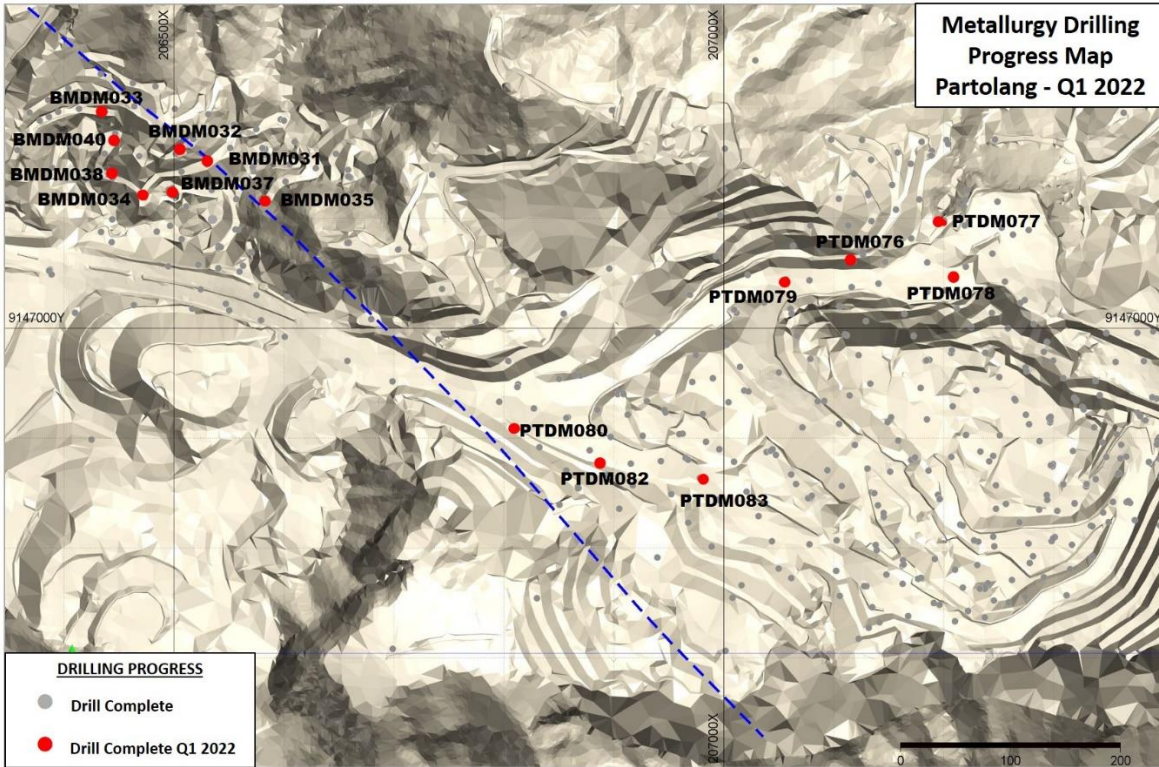


Figure 4: Completed Metallurgical Drilling at Partolang and Partolang Barat

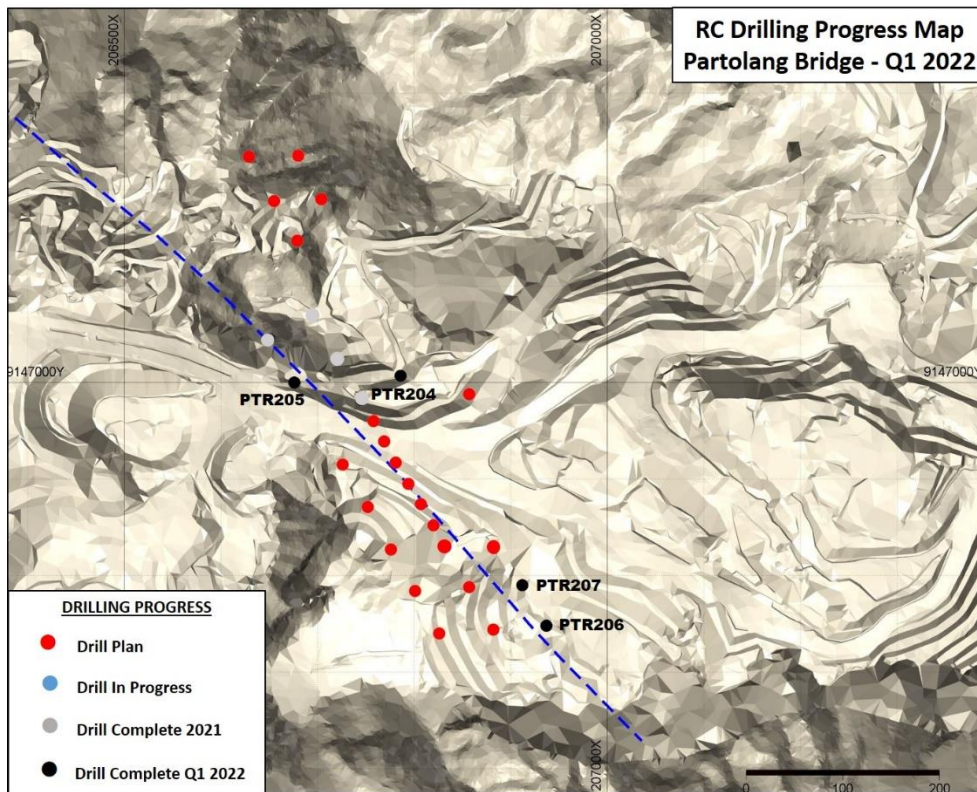


Figure 5: Completed and Planned Scout RC Drilling at Partolang Bridge



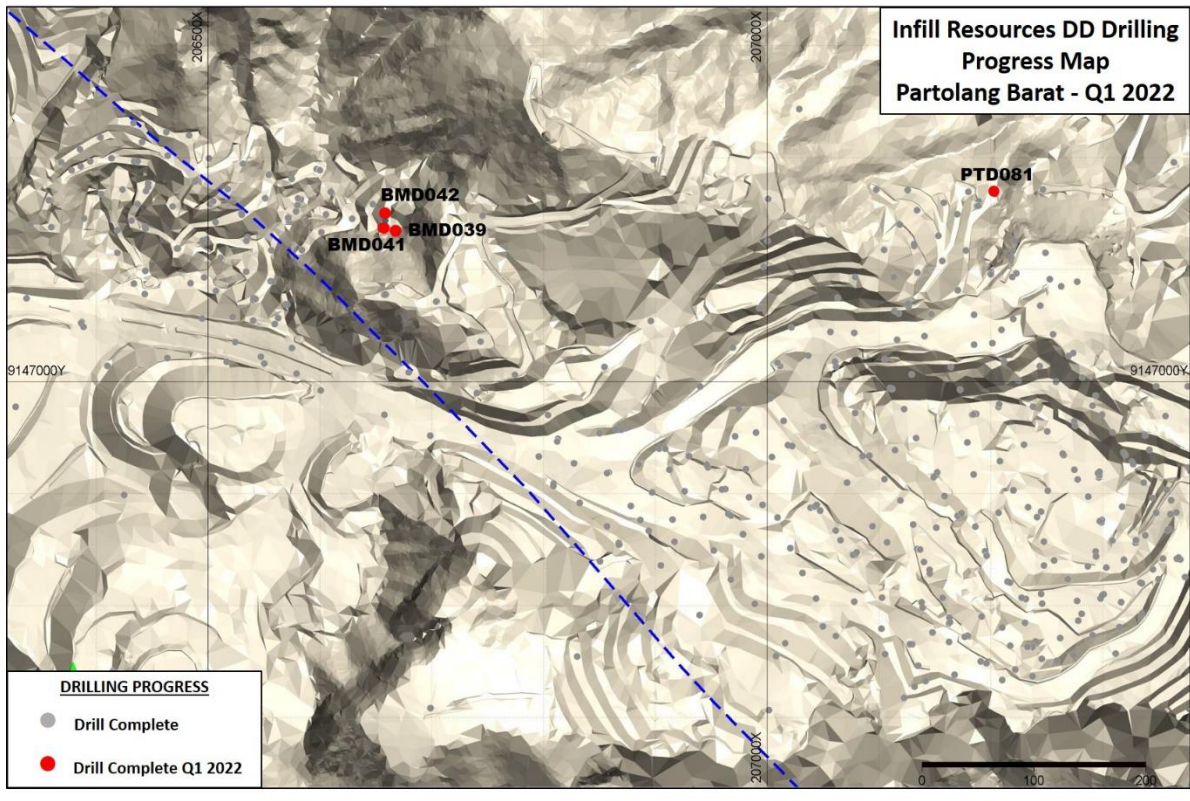


Figure 6: Completed Diamond Drilling at Partolang and Partolang Barat for Resource Infill and Extensions

**Gold: Pani Project**

**A. Expenditure:**

Total estimated exploration costs for the Pani Project in Quarter 1 2022 are Rp18.2 billion.

**B. Area:**

Pani Project, Gorontalo Province, Sulawesi.

**C. Exploration Party:**

All work was completed through a contracting agreement between Merdeka and PT Merdeka Mining Servis.

**D. Assessment Method:**

Preparations for the upcoming drill program were made during the quarter, with drill pads constructed and water pipelines laid. Datasets from the PETS IUP and the GSM CoW were amalgamated and a revised and simplified geological code system developed for drill core logging.

**E. Election of Assessment Area:**

The area selected for drilling was chosen as there is a gap between historical drilling within the IUP and that of the adjoining CoW.

**F. Results of Exploration:**

Previously 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 7 below. Drilling will continue in this area.

G. Action Plan:

The planned drilling program will be ramped up in a staged manner with two or more helicopter portable drill rigs brought to site each month until there are at least 12 drill rigs on site. The planned drill program will focus on combining the two known resources and drilling the area between them.

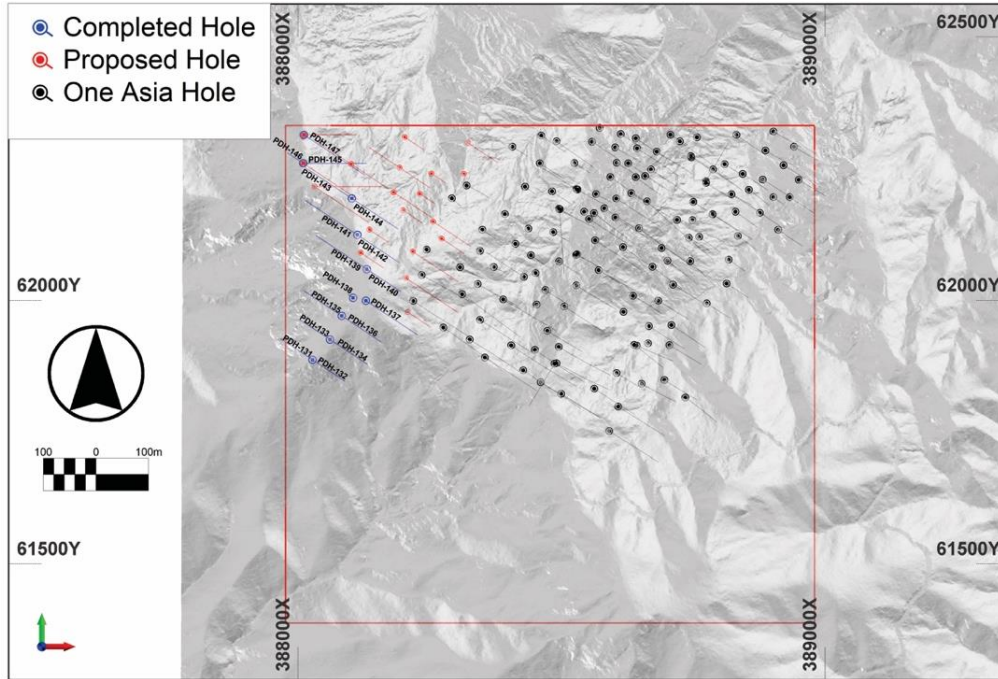


Figure 7: Pani Proposed and Completed Drill Holes Overlain on Topography