

QUARTERLY REPORT: SEPTEMBER 2019

PT Merdeka Copper and Gold Tbk.

IDX Code: MDKA

As at 30 September 2019

Capital structure

4,379,518,330 listed shares

Share price: IDR 6,225

Market capitalisation: US\$ 1.9 b

Cash & debt

Cash and bullion: US\$ 63.3 m

Restricted cash US\$ 3.0 m

Senior Secured Loans: US\$ 255 m

Board of Commissioners

Edwin Soeryadjaya (President)

Garibaldi Thohir (Commissioner)

*Mahendra Siregar (Independent
Commissioner)*

*Dhohir Farisi (Independent
Commissioner)*

Heri Sunaryadi (Commissioner)

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(Commissioner)*

Board of Directors

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*Richard Bruce Ness (Vice President
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Colin Francis Moorhead

David Thomas Fowler

Gavin Arnold Caudle

Hardi Wijaya Liong

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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 (“the Company”) is pleased to report on September Quarter 2019 activities:

Tujuh Bukit.

- Oxide gold mine produced 63,672 ounces of gold at AISC of US\$ 641/oz. Year to date production was 174,216 ounces at AISC of US\$ 613/oz.
- No Lost Time Injury (“LTI”) occurred during the quarter, with site achieving 17.3 million hours LTI free.
- Tujuh Bukit Porphyry Project (“TPP”) Exploration Decline and Pre-Feasibility Study work continues with further strong results from underground drilling including:
 - UHGZ-19-001: 752 m @ 0.46 % Cu, 0.50 g/t Au;
 - UHGZ-19-002A: 534 m @ 0.54 % Cu, 0.95 g/t Au; and
 - UGTH-19-010: 128 m @ 0.56 % Cu, 0.38 g/t Au

Wetar.

- Production for the quarter was 4,596 tonnes of copper cathode stripped at AISC of US\$ 1.68/lb. Year to date production was 13,504 tonnes at AISC of US\$ 1.73/lb.
- No LTI occurred during the third quarter, with the site achieving 6.1 million hours without an LTI.
- Production impacted by the slower ramp up in Lerokis Cu stacked.
- Mining has successfully transitioned from contractor to owner miner with the Lerokis mine producing 814,691 tonnes of ore at a copper grade of 2.94% during the quarter.
- The commissioning of the new 400 tph crusher occurred and is expected to be fully operational early in the fourth quarter.

Corporate – Strengthened Balance Sheet.

- On 12 July 2019, the Company completed a US\$ 60 million equity placement to institutional investors. The initial offer of US\$ 50 million was well oversubscribed.
- During the quarter, debt repayment of US\$ 15 million occurred. As of 30 September 2019, the outstanding senior secured loan balance was US\$ 255 million.

Tujuh Bukit Operations

Mining and ore stacking during the September Quarter was in line with the life-of-mine (“LOM”) plan that shows the 2019 production rate at 6.2 million dry tonnes per annum of ore, ramping up to a maximum production rate of up to 8.2 million dry tonnes per annum of ore.

Work on the heap leach irrigation booster pump system for irrigation above Lift 5 is ongoing with all pump installations completed and backup power generation installed. Installation of two booster station tanks for both the ILS and PLS pump systems is in hand, to ensure that irrigation can commence on Lift 6, in October 2019.

On HLP Stage 1B (Bay 1 to Bay 2B) RL 95, the construction team is currently completing the steel irrigation header lines for the irrigation of Lift 6 and subsequent lifts. Electrical MCC upgrades for the booster station are completed, and the system will be hot commissioned next quarter.

Mining is sequenced to continually deliver the highest available grades over the first three years of the mine life. Total estimated LOM production of 0.7 million recoverable ounces of gold is planned over the remaining 5.25 years of mine life, bringing total LOM gold produced including previous production to 1.2 million ounces of gold.

Table 1: Tujuh Bukit Mine – Key Production Statistics

Tujuh Bukit	Unit	Mar Quarter 2019	Jun Quarter 2019	Sep Quarter 2019	Year to Date 2019
Open Pit Mining					
Ore Mined	t	1,680,375	1,914,950	1,813,787	5,409,112
Waste Mined	t	2,074,573	1,962,488	2,280,734	6,317,796
Mined Gold Grade	Au g/t	1.42	1.27	1.01	1.23
Mined Silver Grade	Ag g/t	12.28	9.86	6.05	9.33
Contained Gold Metal	Au oz	76,836	78,119	58,791	213,746
Contained Silver Metal	Ag oz	663,263	606,823	352,717	1,622,803
ROM Stockpiles					
Ore	t	657,311	704,178	505,495	505,495
Gold Grade	Au g/t	1.11	0.81	0.86	0.86
Silver Grade	Ag g/t	8.92	7.50	6.14	6.14
Heap Leach Production					
Ore Crushed and Stacked	t	1,454,269	1,983,262	2,008,330	5,445,861
Gold Grade Stacked	Au g/t	1.50	1.33	0.98	1.25
Silver Grade Stacked	Ag g/t	13.08	10.20	6.54	9.62
Recovered Gold	Au oz	46,515	64,030	63,672	174,216
Recovered Silver	Ag oz	63,977	92,496	129,164	285,636

Mining

Ore mined for the quarter was 1,813 kt with waste mined of 2,280 kt. Total tonnes mined was 10% above the budget and in line with the operational mine plan. Mining operations achieved total material movement of 4,418 kt including rehandling ore stockpiles and topsoil stockpiles during the quarter.

Reconciliation of grade control sampling against the Ore Reserve for the year to date, shows negative ore tonnes (9%) but at positive grade (19%) for higher contained gold ounces (8%). Additional waste mining also resulted from geotechnical assessment of weak clay zones that were modelled in the pit walls of Pit B East and Pit B West, with a reduction in the pit wall overall slope angle by changing the interim and final wall bench height from 15 metres to 7.5 metres in high

clay zones. Both the positive reconciliation and additional ore mined in the quarter resulted in a positive operating cost impact.

The transition to owner miner commenced with the start of owner mining activities on 1 August 2019. The majority of equipment has now arrived on site with commissioning of these units fully completed. The transitioning out of the mining contractor and demobilisation has commenced as per the forecast schedule that will see full owner operator mining in place by 1 December 2019.

Processing

During the quarter, both the OPP-1 & OPP-2 circuits operated as per design, achieving forecast OPP throughput. A total of 2,008 kt of crushed and agglomerated ore, at a grade of 0.98 g/t Au, was hauled and stacked onto the HLP containing 63,150 ounces of gold.

At the end of September, Lift 4 (RL 85, Stage 1B), Bays 6A to 8B and part of the access ramp on Stage 2A, Bays 2A and 2B from RL 115 down to RL 105, for the stacking of Lift 6, had been stacked. Only Bay 9 of Lift 3, Stage 1B was under active irrigation. On Lift 4, Bay 5B to 7A were under irrigation. On Lift 5, Bays 3B, 4A, 4B, 5A and 5B were all under active irrigation. Lift 5 Bays 2A and 2B have been ripped and fluffed ready for stacking of Lift 6.

Transitioning to owner operator of the agglomerate haulage was advanced during the quarter with 10 x Iveco trucks operating by the end of September and a further 5 x Iveco trucks fully commissioned and ready to operate in October. In addition, 3 x D6 dozers and 1 x PC 320 excavator were operating at the end of September.

The HLP continues to perform as per design with project-to-date recoveries at the end of September slightly below the 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. Project-to-date gold dissolution in the heap leach pad, as confirmed by independent review at the end of September is around 76.4%, with current average leaching time being around 118 days for all lifts, as a result of increased stacking rates, subsequent rate of advance, and quantities of high grade copper bearing ores having been stacked.

Construction activities during the quarter in the heap leach area were related to the preparation of the access road from the Main Haul Road to RL 115 of the heap leach pads, in preparation for stacking of Lift 6 during October. Brush clearing of the Stage 3 area, above the current lined leach pads, commenced in preparation for cell construction to continue in 2020.

Due to the increasing dissolved copper levels in the heap leach solution, the detoxification circuit was placed on line, in order to lower the copper content in preparation for the upcoming wet season.

Barren solution was pumped from CIC Train-1 through the scavenger columns to the detoxification circuit where the heavy metals were precipitated and then recovered in the clarifier dewatering filter press. The solution was returned to the storm water pond for reuse in the leach circuit, as top-up solution.

Environmental, Safety and Social Performance

By the end of the quarter, Tujuh Bukit operations have achieved 17,270,014 man-hours without a lost time injury, whilst the mine's total year-to-date recordable injury frequency rate per million hours worked, was 0.39 at the end of September, with one recordable medical treatment injury during the quarter.

The workforce at the mine including all employees and contractors is currently at 2,477 people, comprising over 99% Indonesian Nationals and less than 1% Expatriates. Of the workforce, 64% comes from the Regency of Banyuwangi, including approximately 42% from the local Sub-District of Pesanggaran.

A total of 1,948 environmental samples was 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 6.78 hectares of cover crops was completed.

During the quarter, PT BSI ("BSI") coordinated with the 5 villages in the Pesanggaran sub-district surrounding its operation to integrate the Master Plan of the Community Development and Empowerment Program ("PPM") 2019-2023 with the Village Government's program.

Community empowerment programs continued regularly throughout the third quarter, with achievements as follow:

- In education programs provision of 141 student scholarships, school buses serving 226 school students and 880 local community groups for social, religious and sports activities, and mobile library serving 4,901 elementary and junior high school pupils.
- BSI's mobile clinic served 2,324 local patients including homecare patients and provided capacity building for 22 local health cadres for eliminating tuberculosis.
- Goat animal husbandry program has increased over 100% from 94 to 375 full grown goats.
- BSI also contributed to local customs and culture events such as *Bersih Desa* of 5 villages in Pesanggaran sub-district and *Petik Laut* of Pancer, Muncar and Lampon. In addition, the company distribution 22 cows and 30 goats on the annual Idul Adha Muslim Holiday.
- Infrastructure development programs continued with the Katak Creek (Gonggo River) revitalization works to reduce flooding reaching 100% of its total length of 4.5 km and the commencement of a clean water project for Rowo Jambe area totaling approximately 2 km in length.

BSI also spearheaded an integrated community based tourism program for the Pancer area to accelerate local economic development in the area.

Operational Cost Summary

The operational cost performance achieved during the third quarter 2019 is lower than forecast. The Cash Costs per tonne were lower than planned as a result of lower mining and processing costs. The Cash Costs per ounce were US\$ 421/oz and the All-in Sustaining Costs were US\$ 641/oz. In line with expectations, lower operating cost per tonne reflected the increase in crushed ore volumes resulting from the completion and ramp up of the Oxide Expansion Project ("OXP").

The majority of the sustaining capital expenditure during the quarter related to Pit A and Pit C infill drilling, Pit A to Pit C Haul Road, HLP irrigation header pipe Lift 5, and remaining mining infrastructure expansion works for owner operator mining facilities.

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

Tujuh Bukit	Unit	Mar Qtr 2019	Jun Qtr 2019	Sep Qtr 2019	Unit	Mar Qtr 2019	Jun Qtr 2019	Sep Qtr 2019
Mining costs	US\$m	13.02	13.35	13.42	\$/t	8.96	6.73	6.68
Processing costs	US\$m	6.51	7.15	7.65	\$/t	4.48	3.61	3.81
General & admin costs	US\$m	4.26	4.31	4.93	\$/t	2.93	2.17	2.45
Operating Cash Cost	US\$m	23.79	24.81	26.00	\$/t	16.37	12.51	12.95

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

Tujuh Bukit	Unit	Mar Qtr 2019	Jun Qtr 2019	Sep Qtr 2019	Unit	Mar Qtr 2019	Jun Qtr 2019	Sep Qtr 2019
Mining costs	US\$m	13.02	13.35	13.42	\$/oz	280	209	211
Processing costs	US\$m	6.51	7.15	7.65	\$/oz	140	112	120
General & admin costs	US\$m	4.26	4.31	4.93	\$/oz	92	67	77
Inventory movements	US\$m	(4.71)	1.35	3.06	\$/oz	(101)	21	48
Silver credits	US\$m	(0.88)	(0.94)	(2.27)	\$/oz	(19)	(15)	(36)
Cash Costs	US\$m	18.20	25.22	26.79	\$/oz	392	394	421
Royalties	US\$m	2.65	2.45	4.32	\$/oz	57	38	68
Post-employment provision	US\$m	0.30	0.29	0.25	\$/oz	7	4	4
Total Cash Costs	US\$m	21.15	27.96	31.36	\$/oz	456	436	492
Sustaining capital	US\$m	5.15	5.10	5.07	\$/oz	111	79	80
Reclamation & Remediation	US\$m	0.11	0.00	0.11	\$/oz	2	-	2
Corporate costs	US\$m	4.06	2.49	4.31	\$/oz	87	39	68
All-in Sustaining Costs	US\$m	30.47	35.55	40.85	\$/oz	656	554	641

Capital Works

The Tujuh Bukit OXP works have been completed allowing up to 8.2 million tonnes per annum of ore crushed to 75 mm to be stacked and placed under irrigation.

Construction works continue to support the transition to owner operator mining with expansion of the existing heavy equipment workshop completed. Tree clearing, grubbing and topsoil removal continued for expansion of the HLP for Stage 3 and 4. Expansion of the existing camp is scheduled to commence this coming quarter for additional barracks. The new Security CCTV control room and training facility also continued construction during the quarter. ADR debottlenecking works are complete with handover of the new clarifier and filter facility. The extension to Candrian Jetty was completed in September. All 2019 Capital Works are currently on budget and ahead of schedule.

Operating Outlook

Guidance for 2019 has increased to 200,000 to 220,000 ounces of gold at an All-in Sustaining Cost of US\$ 600 to 675/oz net of silver credits. Production is expected to be at the upper end of guidance.

Wetar Operations

Summary

The transition from contract mining to owner mining was completed during the quarter and improved production rates were achieved with Lerokis ore production higher than planned. During the quarter the focus has been on delivering Lerokis ore to the leach pads with close attention applied to contained copper mined reconciliation, copper solubility and geotechnical parameters at the Lerokis Pit. The new owner ore hauling road truck fleet was also successfully tested at full capacity.

Total contained copper metal mined increased to reach planned rates for the quarter, at 23,398 tonnes of contained copper mined versus 18,342 tonnes copper in the second quarter.

Strong heap stacking performance was also achieved during the quarter with 683,940 crushed ore tonnes at 3.1% copper delivered and 20,073 tonnes of copper stacked, versus 13,935 tonnes of copper stacked in quarter two.

During the transition from the KaliKunning (“KK”) ore leaching to Lerokis ore leaching, close attention has been applied to the modelled and column tested longer zinc induced lag that occurs before copper leaching commences. The soluble copper fraction of stacked Lerokis ore is also closely monitored on a daily basis, to ensure stacking of adequate soluble copper occurs on a monthly basis.

Leach pads GP06, GP04 and DP27 have surpassed 60-days leaching while GP02 reached the 60-day lag during October with no significant copper extraction. Copper extraction is expected to commence after 90 days. The front section of KK07 containing its first ore on new liner base, is expected to achieve metal break through in the fourth quarter.

Two further Lerokis leach issues were observed during the quarter, with a deleterious impact on leaching performance. The initial Lerokis ore was partially agglomerated and the scheduled higher grade ore contained more fines. Both issues affected leach pad percolation and are contributing to Lerokis leached copper production delay. Some unagglomerated ore will be rehandled and the ongoing ore stacking strategy for Lerokis will now require all ore to be agglomerated with blending of different ore types used to maintain target levels for fines.

The delay in ramping up Lerokis and the suspension of KK pit ore mining in the first quarter, due to geotechnical induced north wall slips, contributed to lower production of 3,225 tonnes of copper leached during the quarter versus 4,631 tonnes of copper leached in the prior quarter.

Mining and processing production data for Wetar is summarised in the following table:

Table 4: Wetar Copper Project – Key Production Statistics

Wetar	Unit	Mar Quarter 2019	Jun Quarter 2019	Sep Quarter 2019	Year to Date 2019
Open Pit Mining					
Ore Mined	t	198,203	647,829	823,682	1,669,714
Waste Mined	t	867,629	1,280,600	1,000,984	3,149,213
Mined Copper Grade	% Cu	2.57	2.83	2.84	2.81
Contained Copper Metal	t	5,106	18,342	23,398	46,846
Heap Leach Production					
Fresh Ore Crushed	t	237,185	457,848	683,940	1,378,973
Copper Grade Stacked	% Cu	2.66	2.89	3.11	2.97
Copper Leached	t	5,924	4,631	3,225	13,780
Recovered Copper	t	4,616	4,293	4,596	13,504
Recovered Copper	lbs	10,173,664	9,464,101	10,132,133	29,772,183

Mining

The mining ore production rate increased significantly during the quarter resulting in 823,682 tonnes mined compared to 647,829 tonnes in the previous quarter. Improved mining practices and completion of the transition to owner fleet contributed to increased performance.

Reconciliation of grade control sampling against the Ore Reserve for the year to date, shows positive ore tonnes (11%) but at negative grade (13%) for lower contained copper tonnes (3%). Additional waste mining also resulted from geotechnical assessment of weak clay zones that were modelled in the Lerokis Pit walls.

The mined copper grade increased with the grade for the quarter at 2.84% Cu, resulting in 23,398 tonnes of copper mined for the quarter.

The transition from contractor's fleet to owner mining was successful. Both the 6015 and 390 excavators were operated during this quarter at the Lerokis Pit. During September equipment commenced operation during night shift in order to accelerate waste movement, while ore mining was done on day shift only in order to maximize ore recovery, minimize ore dilution and minimize fatigue issues due to the long haul distances from the Lerokis Pit to the ROM.

A fleet of 17 Iveco trucks were used to haul crushed ore from the new crusher installed close to Lerokis direct to the KK leach pads with additional uncrushed ore hauled to KK for crushing before stacking.

Processing

Total ore crushed and stacked to heaps increased significantly compared to the previous quarter, as mining at Lerokis operations progressed well and the new crusher 72 was commissioned. Older crushers were kept operational on Lerokis ores to assist production catch up resulting from delays in the commissioning of crusher 72. This will be reduced to two crushers and superseded by the new crusher that is in the final stages of commissioning and ramp up at the Lerokis crushing facility. The new larger crusher will be in full production during the fourth quarter.

During the quarter, the new heap leach pad areas have been prepared for the Lerokis ore, including incremental extensions to the KK leach pads. Leaching operations are focused on optimising ore under irrigation based on the stacking and heap leach pad development plans and to reach up to 90% ore under irrigation.

The increased rates of metal stacking from August to September resulted in an increase from 6,700 tonnes to 8,253 tonnes of contained copper being stacked and this production increase aims to overcome stacked deficits during 2020.

Leached copper rates however declined to 3,225 tonnes of copper leached versus 4,631 tonnes of copper leached in the second quarter, primarily due to shortfalls in contained copper stacked.

The average extraction efficiency of the 25 kt solvent extraction plant remained steady over most of the third quarter at around 60%. The PLS grade decreased towards the end of the quarter to approximately 7 g/L copper due to the lower copper leaching rates mentioned.

The average PLS free acid levels were maintained at approximately 35 g/L. By late September the acid level in both ILS and PLS were reduced to ~29 g/L and ~35 g/L respectively. This decreasing trend of free acid in both PLS and ILS ponds will provide a benefit during the fourth quarter when

high copper tenor solution from the Lerokis stacked heap commences to breakthrough, yielding higher extraction performance from the SX plant.

Total copper cathode stripped was 4,596 tonnes. Production levels were trending down during the third quarter due to the lower leach production rates.

Overall average cell house efficiency was steady at 70% and the replacement program of the old anodes continued, with 336 new anodes installed at the 25,000 t EW plant. Efforts to improve EW efficiencies were ongoing.

Environmental, Safety and Social Performance

By the end of the quarter, Wetar operations had achieved 6,102,497 man-hours LTI free. The Wetar site also achieved 606 days LTI free as at the end of September 2019. There were no lost time injuries recorded during the quarter, and Total Recordable Injury Frequency Rate (“TRIFR”) during the quarter reduced to 0.46, versus the 0.80 achievement in the previous quarter.

The Wetar operation has 873 total direct and contract employees comprising greater than 99% Nationals and less than 1% Expatriates. National employees of Batutua comprise of 363 local (Maluku) employees and 503 non-local employees, while contractors’ employees comprise of 156 local (Maluku) and 456 non local employees.

An updated Addendum EIA (AMDAL) document has been presented to the AMDAL Commission at Ambon in September and the recommendation and Environment Permit are expected to be granted in November 2019. Other Environment Permits progressed during the quarter were the Hazardous Waste Temporary Storage (TPS LB3) renewal and submitting new mine water discharge Permits for several sediment ponds (Sump 3, Wetland, and Lerokis Sediment Pond). The permits are issued by the MBD Regency authority where a team from the Environment Agency has inspected the related facilities in July 2019 and the permits are expected to be issued formally in the next quarter.

Quarterly Environment Monitoring was undertaken for all surface and ground water sites during the quarter and Annual Emission Monitoring was completed in August 2019 for the Power Plant facility.

Rehabilitation activities progressed covering 0.60 ha, at the new SCM Laydown area with total area 0.40 ha and 10 kg of cover crop planted, and at Lerokis Sediment Pond area with total area 0.20 ha with 124 seedlings planted. Rehabilitation activities are expected to progress significantly during the coming wet season in the next quarter.

The company continued community empowerment programs throughout the quarter:

1. *Education Program*: provision of full scholarship for 7 university students, and semester scholarship for 168 students (44 university, 58 senior high school, and 66 junior high school) continues. Meanwhile, capacity building training for 23 teachers at all levels as well as teachers’ teaching handbooks were provided.
2. *Health Program*: continued periodic health examination & treatment to the community in collaboration with local PUSKESMAS and company clinic. During the quarter, 113 community patients were treated in the company clinic. In commemoration of the Indonesian Independence Day, the company conducted health promotion activities and healthy environmental campaign and competition in 6 villages of North Wetar Sub District.

3. *Cash income generating or occupation:* community from Uhak and Lurang have been supplying vegetables, fruits, chicken, and fish to the company catering service. Cash income generated by community amounted to US\$ 67,433 during the third quarter of 2019.
4. *Sustainable economic:* BDLHK Kupang as the consultant for the Wetar wild honey development program conducted monitoring and evaluation against post capacity building training conducted in the prior quarter. The MONEV report was submitted along with a planning proposal for Wetar wild honey production due in October harvesting time.
5. *Local Institutional Development:* the company continues to support 2 local Foundations in Uhak and Lurang villages as well as supporting village governments institution of BUMDES which were recently established.
6. *Infrastructure Development:* The company is providing fuel for 3 gensets in the villages of Lurang, Uhak, and Kampung Baru. The company also provides reverse osmosis equipment to provide clean water to these villages.

Operational Cost Summary

Cash costs for the third quarter 2019 were US\$ 1.03 per pound of copper produced and the AISC cost was US\$ 1.68 per pound of copper produced. Costs for the Wetar Copper Project are summarised in Tables 5 & 6 below:

Table 5: Wetar Copper Project – Cash Costs per tonne of Ore Crushed and Stacked

Wetar	Unit	Mar Qtr 2019	Jun Qtr 2019	Sep Qtr 2019	Unit	Mar Qtr 2019	Jun Qtr 2019	Sep Qtr 2019
Mining costs	US\$m	3.85	4.43	3.12	\$/t	16.22	9.68	4.56
Processing costs	US\$m	9.78	9.60	10.45	\$/t	41.24	20.97	15.29
General & admin costs	US\$m	5.04	5.78	7.72	\$/t	21.24	12.63	11.28
Operating Cash Costs	US\$m	18.67	19.81	21.28	\$/t	78.70	43.28	31.12

Unit mining costs per tonne of ore for the third quarter decreased as mining transitioned to the owner mining fleet, plus most of the other operation costs such as processing including G&A cost were also lower as a result of increased crushed ore production rates during the third quarter.

Table 6: Wetar Copper Project – Quarterly Unit Costs

Wetar	Unit	Mar Qtr 2019	Jun Qtr 2019	Sep Qtr 2019	Unit	Mar Qtr 2019	Jun Qtr 2019	Sep Qtr 2019
Mining costs	US\$m	3.85	4.43	3.12	\$/lb	0.38	0.47	0.31
Processing costs	US\$m	9.78	9.60	10.45	\$/lb	0.96	1.01	1.03
General & admin costs	US\$m	5.04	5.78	7.72	\$/lb	0.50	0.61	0.76
Inventory movements	US\$m	(7.38)	(6.01)	(10.85)	\$/lb	(0.73)	(0.64)	(1.07)
Cash Costs	US\$m	11.29	13.80	10.43	\$/lb	1.11	1.46	1.03
Royalties	US\$m	0.14	0.61	1.43	\$/lb	0.01	0.06	0.14
Marketing & sales	US\$m	0.77	0.94	1.81	\$/lb	0.08	0.10	0.18
Sustaining Capital	US\$m	2.32	3.38	1.43	\$/lb	0.23	0.36	0.14
Reclamation	US\$m	0.32	0.32	0.21	\$/lb	0.03	0.03	0.02
Corporate costs	US\$m	0.32	0.41	1.70	\$/lb	0.03	0.04	0.17
All-in Sustaining Costs	US\$m	15.16	19.46	17.01	\$/lb	1.49	2.06	1.68

Unit processing costs increased as copper leaching rates and cathode production trended lower, despite other improvements including better SX and EW cell house efficiencies, plus increased copper stacking rates.

Capital Works

Construction of the upper Lerokis haul road is complete with ore hauling successfully underway from Lerokis Pit to Kali Kuning Valley leach pads. The Lerokis crushing and transfer pad is in operation and the new crusher is reaching final commissioning and ramp up, with full production planned for early October. The new neutralisation plant filter press has been commissioned and is operating above nameplate capacity.

Operating Outlook

2019 full year production guidance for the Wetar Copper Project is 18,000 to 20,000 tonnes of copper cathode, at an AISC of US\$ 1.75 /lb to US\$ 1.95 /lb. Copper production rates are expected to reach nameplate capacity during 2020, as the benefits of the improvement initiatives in 2019 are realised and Lerokis copper leaching operations reach a steady state.

Exploration and Development

Tujuh Bukit Porphyry Project (“TPP”)

The exploration decline advanced 393 metres during the quarter which takes the total development to 1,864 metres (total design is 2,808 metres). Development in the decline progressed as normal after passing through a problematic fault zone with associated water and poor ground conditions during Q2-2019. During the quarter there was no requirement to conduct pre-excavation grouting. The anticipated completion date for the decline is Q2-2020.

Underground resource definition drilling of the Upper High Grade Zone (“UHGZ”) continued this quarter. The program will include approximately 50,000 metres of drilling from the exploration decline.

The first long section hole (UHGZ-19-001 EOH 1,308m) was sampled and assayed after CoreScan analysis and geotechnical test work. Assay results correspond very well with previous resource modelling and are in line with expectations, Table 7, Figure 1.

The second long section hole (UHGZ-19-002A) commenced on 27 June, and was completed at depth 1,058.5m. This hole was drilled into the South Block of the UHGZ. Assay results for this hole also correspond very well with previous resource modelling and are in line with expectations, Figure 1.

A third long section hole (UHGZ-19-003) commenced on the 21 September, and drilled 251.5m (of planned depth 900m) into the Upper East Block during the quarter. These long section holes are designed to test the East and South Blocks in a different orientation to the majority of planned drilling to demonstrate continuity of mineralisation and to provide geotechnical and structural information for potential underground infrastructure. Long sections of these holes are shown in Figure 1.

Two geotechnical decline cover holes were completed during the quarter. UGTH-19-011 was designed to confirm ground conditions for the decline beyond the previous cover hole (UGTH-19-011), which identified an area of poor ground conditions that would potentially delay decline progress. This hole stopped at 358.4m (of proposed depth 850m) due to encountering a cavity, and will be re-drilled from SP09. UGTH-19-012 was drilled to a depth of 424.9m during the quarter. This hole was designed to pinpoint the position of a structural feature and confirm ground conditions in an area proposed for a ventilation shaft. Both holes are now set up for water monitoring, and will be assayed and included in the resource estimation.

Preliminary CoreScan results from the resource definition and geotechnical drilling indicates the clay (montmorillonite) alteration encountered in parts of the decline are limited to the upper part of the system, and therefore drilling and development conditions will improve with depth.

The porphyry geology model update continues incorporating results of the new drilling, and the compilation of all known historical faults into a new structural framework for the deposit.

Metallurgical composites from the North Block surface drill holes have been submitted for test work. A total of fifteen (15) composites representing 659m of half HQ3 core for approximately 1,715 kg of coarse reject material will be used for metallurgical test work aimed at identifying the process required to produce a viable product. Composites are characterised using a combination of rock properties including alteration mineralogy from visual logging and spectral analysis, geochemistry, copper solubility, and Equotip hardness.

Surface hydrological drilling continued during the quarter, this program ss being overseen by SRK and BSI personnel. MBH-19-023 drilled from 116.7 to 392.5m (275.8m) before compromising conditions resulted in abandoning the hole before the 1,000m target depth. MBH-19-024 drilled from 0 to 1018.7m as per design. MBH-19-025 drilled from 0 to 397.4m before losing the hole in complex drilling conditions, again stopping before 1,000m target depth. This hole will be re-drilled from an alternate location and is designed to evaluate potential sea water transmission along an interpreted fault zone. Despite two of these holes failing to reach target depth, vibrating wire piezometers were installed in all holes. Results are contributing to the global hydrological model.

CoreScan production has been in line with expectations, achieving 130m per day single shift. Selected historical holes have been scanned in addition to the East Block and North Block surface holes. All underground drillholes and selected hydrological holes will undergo hyperspectral CoreScan logging.

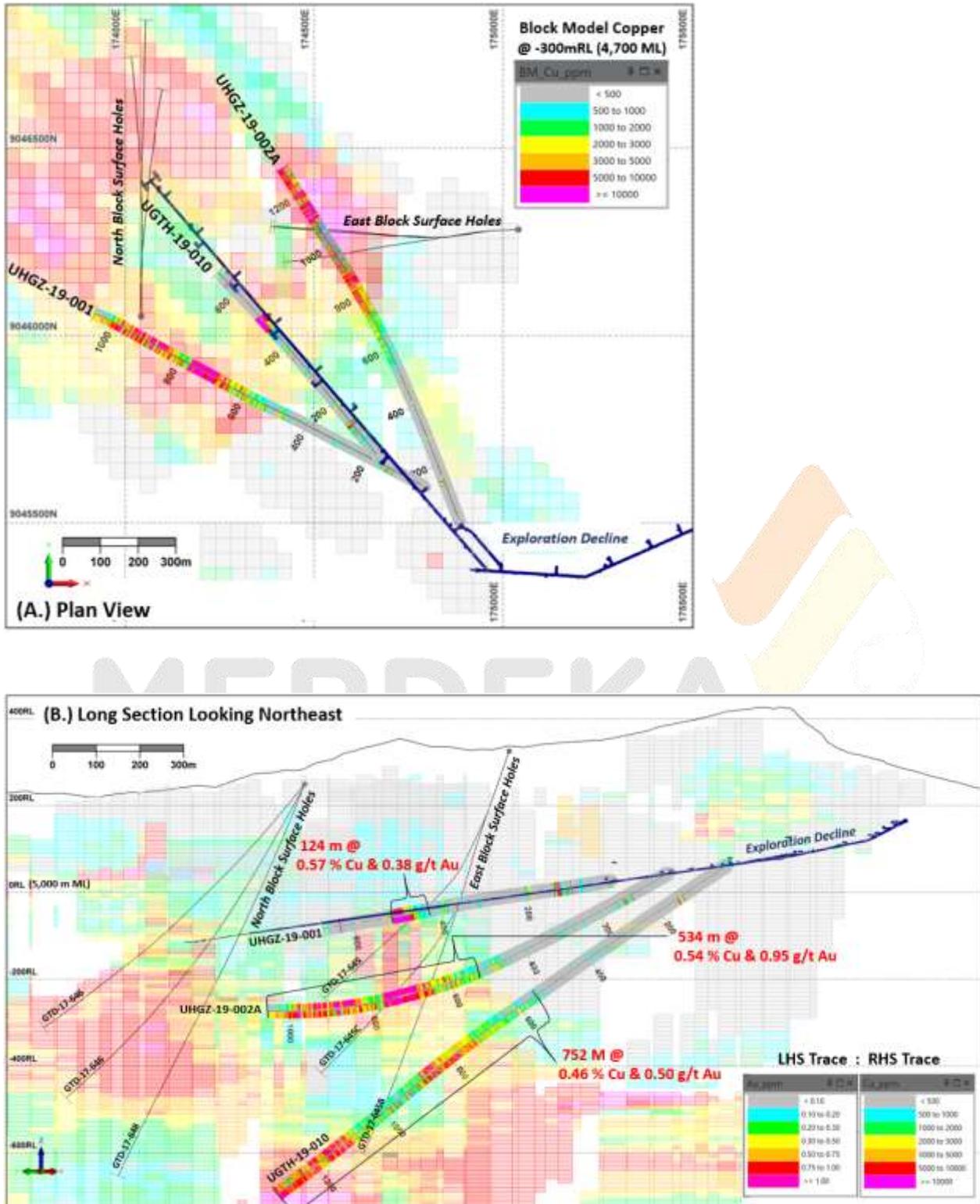
Table 7: Upper High Grade Zone Assay Results

Hole ID	Depth EOH m.	From m.	To m.	Interval m.	Cu ppm	Cu %	Au g/t	Mo ppm	As ppm
UHGX-19-001	1,308	556	1,308	752	4,645	0.46	0.50	82	277
	Including	724	904	180	6,332	0.63	0.62	129	505
		1,086	1,308	222	6,958	0.69	0.91	98	134
UHGX-19-002A	1,058	523	1,058	534	5,379	0.54	0.95	105	296
	Including	642	770	128	8,890	0.89	1.93	73	704
		824	1,016	192	5,837	0.58	1.05	138	72
UGTH-19-010	671	386	510	124	5,716	0.57	0.38	110	266
	Including	452	510	58	11,333	1.3	0.7	226	358

* Note: Previously reported UHGZ East Block and North Block surface drill holes (Ref. to drill Section & Plan)

GTD-17-645	878	634	796	162	9,865	0.99	1.20	176	50
GTD-18-645B	1,007	692	868	176	6,262	0.63	0.78	165	189
GTD-18-645C	1,121	722	972	250	7,200	0.72	0.47	146	332
GTD-18-646	1,007	660	1,007	347	5,990	0.60	0.62	97	44
GTD-18-647	972	570	970	400	4,240	0.42	0.36	131	316
GTD-19-648	1,089	676	1,002	326	4,292	0.43	0.41	85	189

Figure 1: (A) Plan and (B) Long section showing 2012 porphyry resource block model (re-presented by Merdeka in 2017) and Q3 2019 assay results from the Exploration Decline.



Wetar Exploration

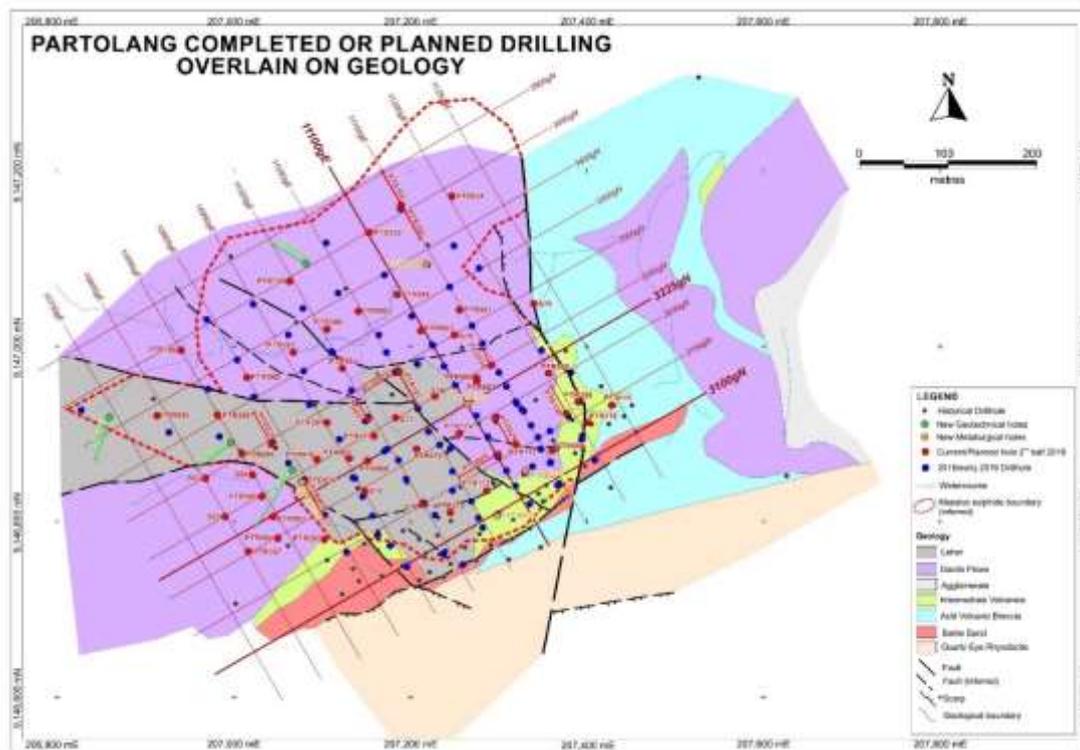
The second phase of drilling commenced at Partolang during the quarter, with a focus on upgrading the resource categories reported in the second quarter for the copper-rich sulphides and potentially to expand the resource.

In total, 48 exploration drill holes were completed for 5,085.5m, comprised of 40 reverse circulation holes (PTR075-114) and 8 diamond holes (PTD028-035) for 4,236m and 849.5m respectively.

An additional nine (9) diamond holes for 1,069.3m were completed by exploration for metallurgical sampling (5 holes for 579.2m – PTDM036-040) and for geotechnical studies (4 holes for 490.1m – PTDGM041-044).

The new drilling has included infill to a 50m x 25m pattern in the north to convert inferred resources to indicated, and confirmation drilling on interpreted structures and in high grade areas in the south and north. The resource remains open along the northern, western and eastern margins and additional step-out holes were completed in these areas. Drill locations are shown in Figure 2 with hole details provided in Appendix 5.

Figure 2 - Plan view of Partolang Deposit, showing new, proposed and existing drilling on geology



The infill holes have largely confirmed geological interpretations and generally returned comparable sulphide widths to those reported in the previous quarters.

Massive sulphides (dominated by pyrite) have been intersected in most of the step-out holes along the northern and western margins. Along the eastern margin, thick intervals of barite were intersected but only 2 of these holes contained massive sulphides.

Assay results were received during the quarter for 7 diamond holes (PTD028-034) and 15 reverse circulation holes (PTR075-089). Results were received for a further 6 RC holes (PTR090-095) in early October. Significant assay results are provided in Table 8, from both RC and diamond work.

Table 8: Assay Intersections from New Drilling at Partolang

Hole_ID	From (m)	To (m)	Interval (m)	Cu %	Au (ppm)	Ag (ppm)	Zn %	Pb %
DIAMOND HOLES								
PTD028	71.1	85.1	14	1.53	0.24	8.8	0.07	0.52
	65.9	69.1	3.2	0.01	8.03	447.7	0.01	1.97
PTD029	65.5	73.8	8.3	1.64	0.25	22.6	0.03	0.05
PTD030	76.7	99.9	23.2	1.64	0.43	9.2	0.04	0.02
PTD031	66.9	73.4	6.5	1.84	1.17	30.4	0.07	0.05
PTD032	81.3	86.7	5.4	0.98	0.53	35.3	0.96	0.19
	91.7	98.2	6.5	1.51	1.21	63.3	0.10	0.06
PTD033	39	50.3	11.3	0.89	0.55	14.1	0.06	0.03
REVERSE CIRULATION HOLES								
PTR075	54	79	25	1.16	0.55	23.2	0.12	0.11
	84	105	21	0.52	0.51	6.8	0.45	0.08
PTR076	98	120	22	1.45	0.59	26.3	0.11	0.08
PTR077	51	86	35	1.42	0.48	24.6	0.14	0.09
Incl:	71	86	15	2.36	0.46	25.3	0.18	0.18
PTR078	53	81	28	1.51	0.41	15.0	0.27	0.28
Incl:	53	62	9	2.66	0.66	17.9	0.07	0.04
PTR079	38	69	31	1.71	0.47	27.2	0.45	0.67
Incl:	57	69	12	2.59	0.38	25.0	0.82	1.03
PTR080	80	110	30	1.70	0.47	16.5	0.03	0.03
PTR081	82	102	20	1.11	0.49	7.5	0.14	0.06
Incl:	96	99	3	3.26	0.70	12.3	0.05	0.02
PTR082	73	82	9	0.12	2.16	49.1	0.03	0.10
PTR082	82	112	30	1.85	0.32	10.8	0.02	0.02
Incl:	82	94	12	2.77	0.55	23.7	0.05	0.02
PTR083	73	90	17	1.71	0.76	11.9	0.12	0.07
PTR084	55	66	11	0.90	0.65	11.2	0.11	0.06
PTR085	45	51	6	1.26	0.73	26.9	0.13	0.07
PTR086	39	51	12	0.95	0.59	14.3	0.11	0.03
PTR087	40	66	26	1.16	0.55	19.1	0.03	0.01
PTR088	78	83	5	0.47	0.40	7.9	0.03	0.02
	88	95	7	0.89	0.28	19.7	0.96	0.39
	99	102	3	1.06	0.14	8.9	0.73	0.21
PTR090	108	133	25	2.20	0.51	20.4	0.18	0.05
PTR091	78	80	2	0.65	0.34	16.5	0.06	0.01
PTR093	36	46	10	0.19	0.26	43.2	1.45	0.82
	36	55	19	0.12	0.24	25.6	1.02	0.49
	60	62	2	0.76	0.17	21.0	0.05	0.02
PTR094	63	78	15	1.48	0.85	29.5	0.07	0.02
PTR095	81	90	9	1.64	0.92	38.8	0.06	0.06

- Intercepts calculated based on minimum of 2m, for Cu>0.4%, and for Au only intercepts of >0.5g/t

Where assays are available from the infill drilling, on or between resource sections, including PTR075-080, 082-083 and PTR087-088, these have supported the grades of the surrounding holes, with several returning thicker than expected sulphide intervals and higher grades, which extend below the resource. Lower than expected grades were returned in infill holes PTR081, 084-086 and PTR092, even though sulphide thicknesses were in line with expectations.

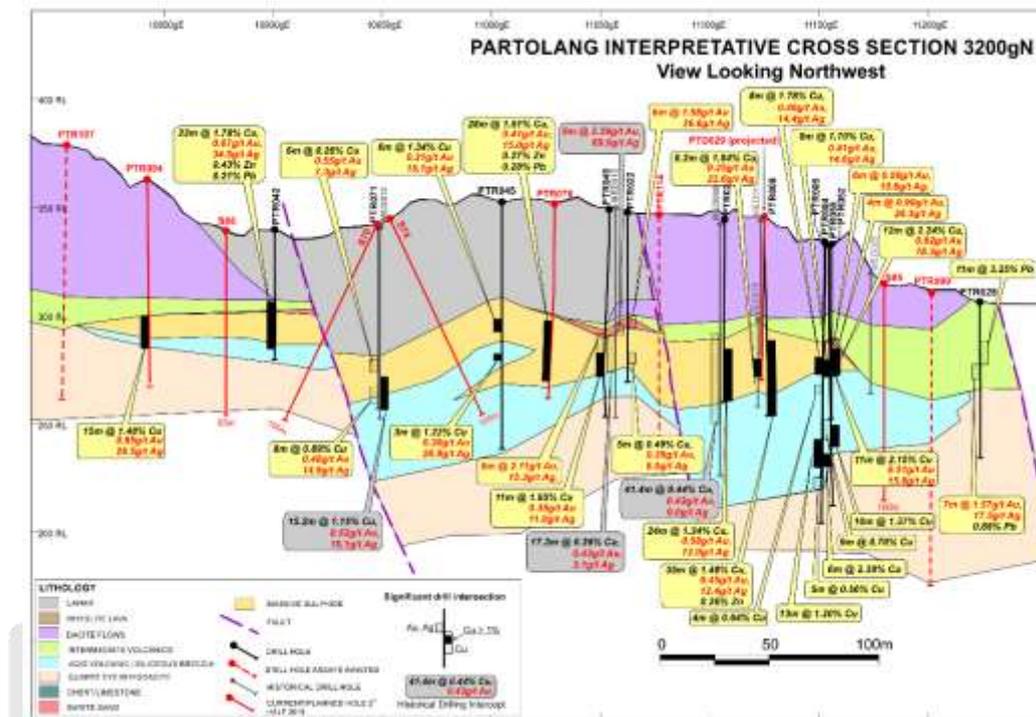
Assays have been received for some of the step-out RC holes along the western margin of the resource, including (PTR090, 093, 094, 095). Results from these are encouraging (Table 8), confirming additional copper mineralisation west of the resource. Additional 50m step-out holes are planned to follow-up on these.

No assays are yet available from drilling along the eastern margin, but results for PTD032 along the northern margin confirm minor extensions in this area.

Diagnostic leach data has been received for all new assays above 0.4% Cu, confirming the copper is 80 to 90% soluble.

Geological interpretations are still being revised for future resource modelling, however, indicative sections showing new drilling in relation to geology and some of the new assays are provided in Figures 3 to 5.

Figure 3 - Geological cross section 3200gN, showing main geological zones, new drill traces (completed and proposed) with geology and significant new Cu/Au intercepts (where available)



COPPER GOLD

Figure 4 - Geological long section 11000gE, showing main geological zones, new drill traces (completed and proposed) with geology and significant new Cu/Au intercepts (where available)

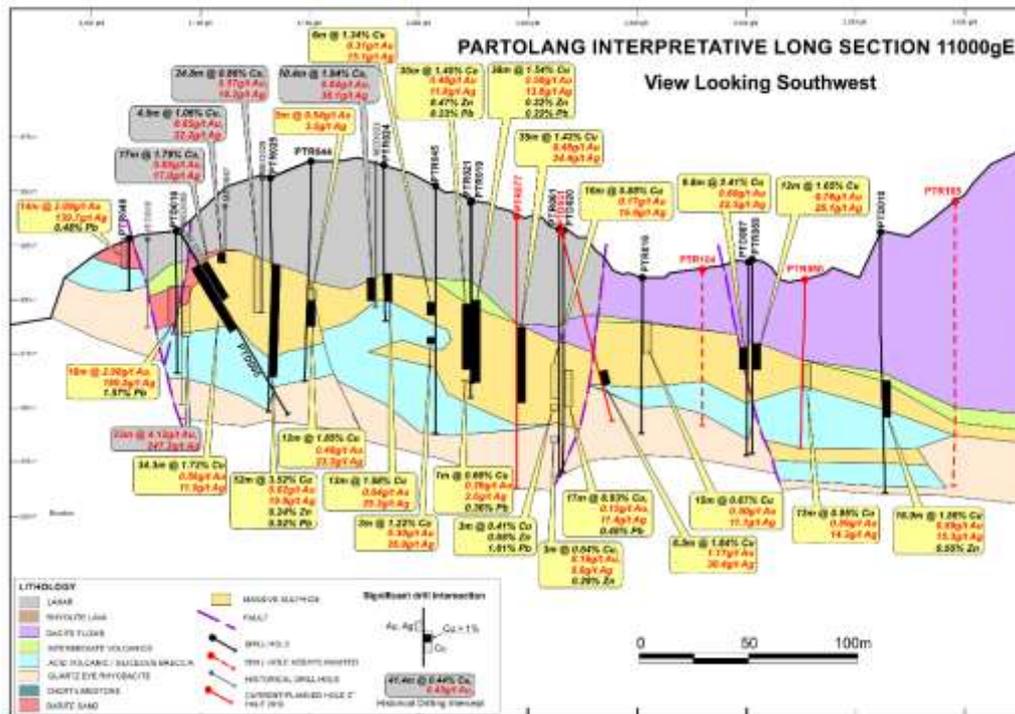
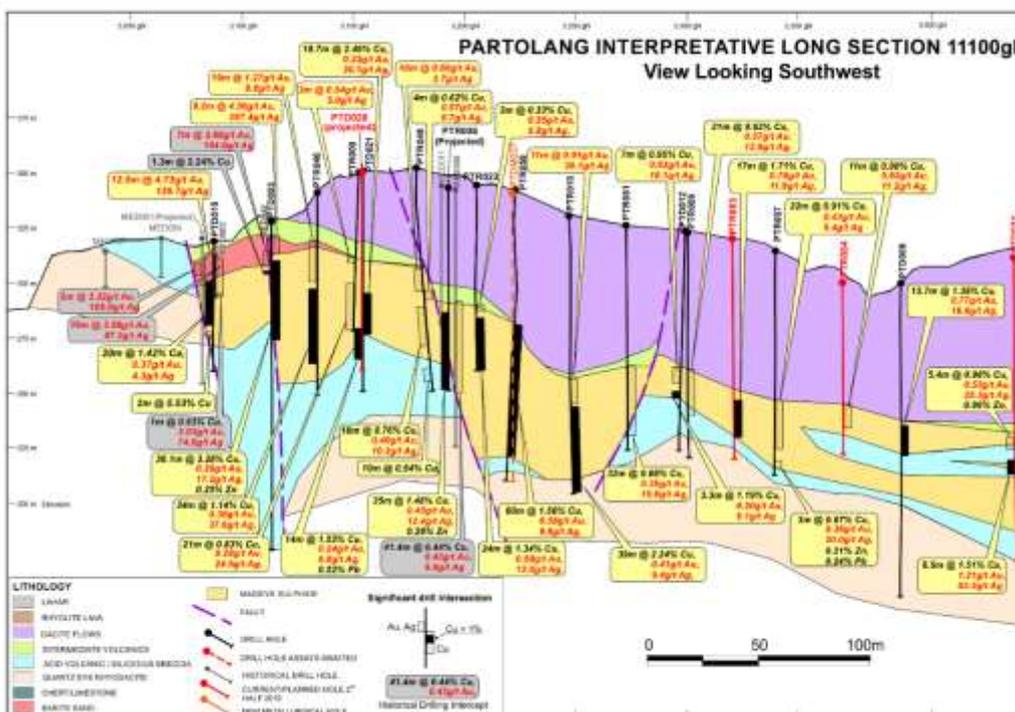


Figure 5 - Geological long section 11100gE, showing main geological zones, new drill traces (completed and proposed) with geology and significant new Cu/Au intercepts (where available)



Regional Exploration & Airborne Geophysics Survey

In early 2019 an airborne electromagnetic/magnetic survey was completed over the Company licenses. Analysis and processing of this data is ongoing but work to date has identified a number of regional targets reported in the previous quarter and, also identified “Potential” extensions to known mineralisation in the Partolang region, within ~ 500m of the existing sulphides. An initial program of 23 scout exploration drill holes has been planned to test some of the targets around Partolang for ~ 3,400m, commencing in late October.

Pani Exploration Project

The Pani Joint Venture (66.7% interest), located in the central section of the north arm of Sulawesi, Indonesia, has continued to advance its test work, permitting and studies program. Field activities for this quarter focused on preparations for the upcoming drilling program of approximately 10,500 metres, to commence in the fourth quarter of 2019.

Finance and Corporate Development

Cash and Cash Equivalents

Cash and cash equivalents, net of restricted cash, at 30 September 2019 were US\$ 63.3 million.

Debt

As per 30 September 2019, the utilised amount balance of the Corporate Senior Facility was US\$ 100 million. The facility has an interest rate of LIBOR plus a margin of 3.75% per annum increasing to LIBOR plus a margin of 4.25% per annum after 9 months with a maturity date on 28 September 2020.

Debt repayments of US\$ 15 million were made on the US\$ 200 m Senior Secured Facility during the quarter.

Sales and Hedging

At Tujuh Bukit a total of 77,348 ounces of gold and 138,409 ounces of silver were sold at an average price of US\$ 1,463.04/oz and US\$ 16.43/oz respectively for total revenue of US\$ 115.43 million.

26,267 oz of gold hedging with a strike price of US\$ 1,286 was closed out at a price of US\$ 1,487/oz resulting in a net loss on hedging for the quarter of US\$ 5.7 million. As at 30 September 2019 the mark to market position on outstanding hedges was a loss of US\$ 13 million.

At Wetar 3,682 tonnes of copper were sold at an average price of US\$ 5,815 per tonne. Wetar’s copper production is currently unhedged.

Table 9: Gold, Silver and Copper Sales for September 2019 Quarter

	Ounces	US\$/oz	US\$m
Gold	77,348.09	1,463.04	113.16
Silver	138,408.77	16.43	2.27
	Tonnes	US\$/tonne	US\$m
Copper	3,682.30	5,815.36	21.41
Total			136.84

Table 10: Details of Gold and Copper Hedge Profile as at 30 September 2019

Period	Gold Hedged		Copper Hedged	
	oz Au	US\$/oz	t Cu	US\$/t
3 months to 31 December 2019	26,366	1,314	-	-
2020	63,510	1,377	-	-
2021	-	-	-	-
Total sales	89,876	1,359	-	-

Capital Structure

On 18 July 2019, the Company has successfully exercised an Increase of Capital Without Giving Pre-Emptive Rights (*Penambahan Modal Tanpa Hak Memesan Efek Terlebih Dahulu*, or "PMTHMETD") and accepting US\$ 60 million in offers.

The issued and paid-up capital of the Company before the implementation of the PMTHMETD is 4,164,518,330 shares, while the size of the shares issued from the PMTHMETD is 215,000,000 shares. Therefore, the issued and paid-up capital of the Company after the implementation of the PMTHMETD is 4,379,518,330 shares.

Table 11: Major Shareholders as at 30 September 2019

Shareholders	No. of shares	%
PT Saratoga Investama Sedaya TBK	864,375,175	19.74
PT Mitra Daya Mustika	589,766,719	13.47
Garibaldi Thohir	391,813,023	8.95
PT Suwarna Arta Mandiri	293,294,900	6.70
Pemda Kabupaten Banyuwangi	229,000,000	5.23
Sakti Wahyu Trenggono	97,225,204	2.22
Hardi Wijaya Liong	23,612,679	0.54
Gavin Arnold Caudle	2,050,000	0.05
Richard Bruce Ness	956,700	0.02
Tri Boewono	900,000	0.02
Total Top 10 Shareholders	2,492,994,400	56.92
Others	1,886,523,930	43.08
Total shares on issue as 30 September 2019	4,379,518,330	100.00

Appendix 1 – Leach Process & Estimating Recoverable Metal

The majority of 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 metal into solution, known as the pregnant leach solution (“PLS”) and the processing of that PLS in a processing plant, known as an Adsorption, Desorption and Recovery plant (“ADR”) for gold and a Solvent Extraction/Electrowinning plant (“SX/EW”) for copper to produce gold doré’ and copper metal products respectively.

At Tujuh Bukit due to the length of the leaching process (150 days) not all contained gold within the ore mined, on a quarterly basis, is recovered into gold doré product in the same quarter. As such, the 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 and further to the gold doré product that has been transported to the refinery and any final gold bullion that is yet to be sold.

Table 1: Tujuh Bukit Mine – Estimated Recoverable Gold Statistics

Recoverable Gold Location	Unit	Mar Qtr 2019	Jun Qtr 2019	Sep Qtr 2019	Unit	Mar Qtr 2019	Jun Qtr 2019	Sep Qtr 2019
Ore Stocks	Au oz	20,263	14,999	11,452	US\$m	6.94	6.22	4.69
Metal in Stacked Ore *	Au oz	67,782	69,864	56,225	US\$m	22.96	28.63	28.82
Metal in the ADR Plant	Au oz	3,443	7,614	6,110	US\$m	1.13	3.81	2.48
Dore at the Refinery	Au oz	-	-	-	US\$m	-	-	-
Bullion On Hand	Au oz	8,490	19,841	7,153	US\$m	4.47	10.31	4.13

* Metal in the Heap Leach Pad calculated as total tonnes stacked * grade stacked * 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.

The Wetar copper leaching process, at 720 days, is substantially longer than the period to reach terminal recovery of gold at the Tujuh Bukit operation. The reasons for this are the complex copper sulphide metallurgy at Wetar including the leaching of a number of different copper minerals such as covellite, chalcocite and chalcopyrite. In addition to the leaching period, a lag of 30 to 90 days before leaching of copper commences may be factored in to recovery estimates depending on the ore type and based on the preferential leaching of zinc in the ore.

The table below provides the breakdown of estimated recoverable copper tonnes from the ore contained within heap pads, the leached copper in solution and copper cathode stocks at Wetar and in transit to the company’s freight forwarding warehouse in Surabaya.

Table 2: Wetar Copper Mine – Estimated Recoverable Copper Statistics

Recoverable Copper Location	Unit	Mar Qtr 2019	Jun Qtr 2019	Sep Qtr 2019	Unit	Mar Qtr 2019	Jun Qtr 2019	Sep Qtr 2019
Cu in heaps	Cu kt	40.4	44.9	55.8	US\$m	39.8	44.88	54.10
Cu in circuit	Cu kt	5.1	5.5	4.1	US\$m	5.1	14.01	12.65
Sub-total	Cu kt	45.5	50.4	59.88	US\$m	44.9	58.9	66.75
Cathode stock	Cu kt	2.1	0.7	1.61	US\$m	4.4	1.7	4.7
Total	Cu kt	47.6	51.1	61.49	US\$m	49.3	60.6	71.46

Appendix 2 - Tenement Status (September 2019)

Category	Details
Company:	PT Bumi Suksesindo
Ownership:	Subsidiary
Type of Permit:	Latest Amendment to Mining Business Permit (IUP) Operation and Production
Permit Number:	188/928/KEP/429.011/2012
Total Area:	4,998 ha
Location:	Banyuwangi
Date Issued:	December 7 th , 2012
Permit Period:	Until January 25 th 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 25 th , 2014
Permit Period:	Until January 25 th , 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 29 th , 2016
Permit Period:	Until January 24 th , 2030

Category	Details
Company:	PT Batutua Kharisma Permai
Ownership:	Subsidiary
Type of Permit:	IUP Operation and Production - Copper
Permit Number:	543-124 Tahun 2011
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
Permit Number:	7/1/IUP/PMA/2018
Total Area:	2,733 ha
Location:	Wetar
Date Issued:	07 Feb 2018
Permit Period:	09 Jun 2031

Category	Details
Company:	PT Batutua Kharisma Permai
Ownership:	Subsidiary
Type of Permit:	IUP Operation and Production – 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

Category	Details
Company:	PT Batutua Kharisma Permai
Ownership:	Subsidiary
Type of Permit:	Forestry Borrow to Use Permit
Permit Number:	478/Menhut-II/2013
Total Area:	134.63 ha
Location:	Wetar
Date Issued:	03 Jul 2013
Permit Period:	09 Jun 2031

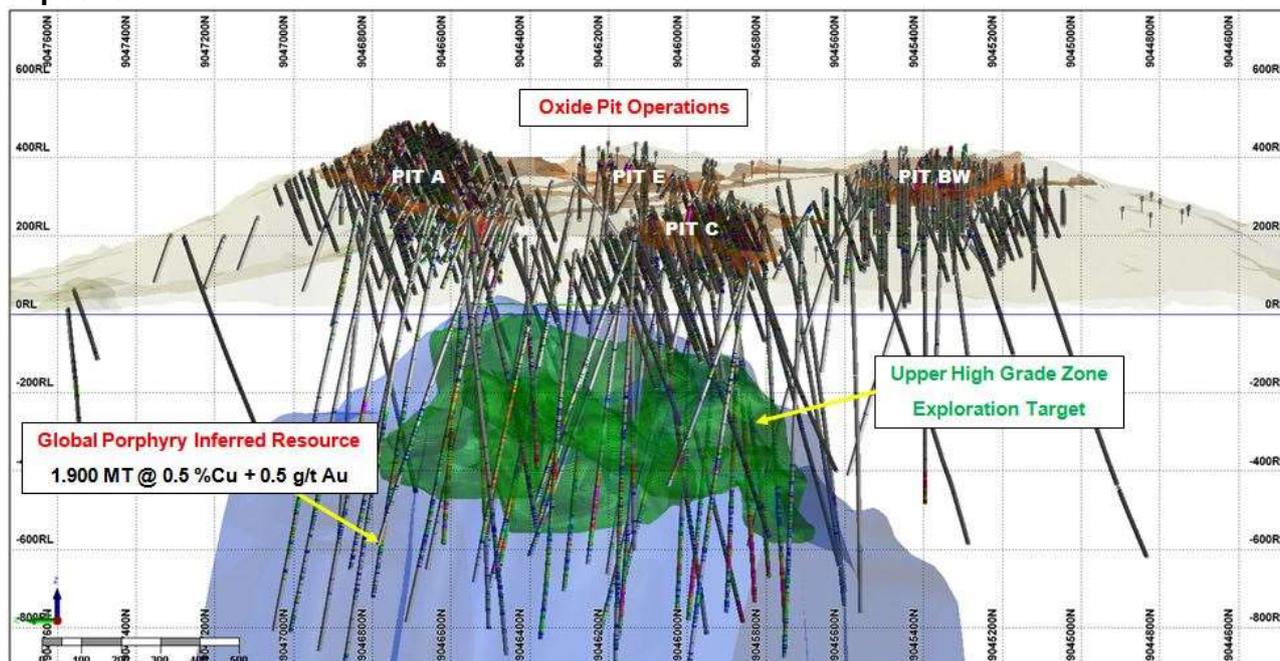
Category	Details
Company:	PT Puncak Emas Tani Sejahtera
Ownership:	Subsidiary
Type of Permit:	IUP Operation and Production
Permit Number:	351/17/IX/2015
Total Area:	100 ha
Location:	Gorontalo
Date Issued:	04 Sep 2015
Permit Period:	04 Sep 2028

Category	Details
Company:	PT Puncak Emas Tani Sejahtera
Ownership:	Subsidiary
Type of Permit:	Forestry Borrow to Use Permit
Permit Number:	SK.310/MENLHK/SETJEN/PLA.0/4/2019
Total Area:	93.90 Ha
Location:	Pohuwato, Gorontalo
Date Issued:	April 29 th , 2019
Permit Period:	Until September 3 rd , 2028

Appendix 3 - Tujuh Bukit Porphyry 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 kilometre below sea level. An Upper High Grade Zone (“UHGZ”) exploration target 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 (non JORC code compliant estimate).

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.

Crushed ore will then be transported via a conveyor system to a concentrator located on the surface near Candrian 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\$ 100-120 million.

¹ Refer to www.merdekakoppergold.com for Mineral Resources and Ore Reserves Statements.

Appendix 4 – Competent Person’s Statement - Tujuh Bukit copper-gold project, underground drilling program

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, B.App.Sci.Geol. (Hons), M.Sc.Econ.Geol. Mr. Bartlett is full-time employee of Merdeka Copper Gold, 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 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

1. Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Half drill core samples are collected at two (2) metre intervals, core sizes sampled are PQ3 and HQ3. Core recovery is recorded for every run, average recovery for the intervals included in this report are 95-98%. Where possible all core is orientated and cut along the orientation mark retaining down hole arrows. With the core rotated in the down hole position i.e. orientation line towards the front of the core tray, the top half of the core is consistently sampled. Industry standard QAQC protocols included the insertion of certified OREAS standards, duplicates, and blanks. Samples are submitted to the lab for analysis in batches of 40 samples comprising; 35 x 2m composite core samples, 2 x standards (6%), 2 x coarse reject duplicates (6%), and 1 x coarse blank. External checks and blind resubmissions to an umpire laboratory are at a rate of 1 in 20 (5%). Analysis of QAQC results suggest sample assays are accurate. Core samples are processed at Intertek’s onsite sample preparation facility, approximately 200g pulverised material from each sample is transported direct from site to Intertek Jakarta for analyses. Core samples are dried at 60°C, weighed, then the entire sample is crushed to P95% -2mm. A

Criteria	JORC Code explanation	Commentary
		<p>1.5kg split of this material is then pulverised to P95% -200#.</p> <ul style="list-style-type: none"> All exploration drill samples are analysed for gold using 30g fire assay, ICP 4-acid digestion with AAS finish, total sulphur (LECCO), sulphide sulphur, mercury by cold vapor method, and sequential copper analysis testing for acid and cyanide soluble copper. 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.
<i>Drilling techniques</i>	<ul style="list-style-type: none"> <i>Drill type (eg. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg. core diametre, 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).</i> 	<ul style="list-style-type: none"> Diamond drilling method triple tube at sizes PQ3, HQ3, and NQ3. Where possible all core is orientated every run using a Coretell orientation tool. Down hole surveys are conducted with a Proshot camera every 25-30m down hole. All down hole tools are calibrated weekly. Down hole tools are supplied by Camteq.
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> <i>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.</i> 	<ul style="list-style-type: none"> Measurements of core loss and recovery are made at the drill rig and entered directly into Geobank Mobile at the drill site. Core is marked-up relative to core blocks making allowance for any sections of lost core. In some instances, short lengths of core are lost, generally around 5-10cm at the end of a run. This loss occurs mostly in the clay dominant ore and waste domains. The grade of lost core is 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. No grade is assigned to intervals of core loss in the database. For resource modelling core loss is flagged and assigned a value of -999.
<i>Logging</i>	<ul style="list-style-type: none"> <i>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.</i> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> 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 platform. The majority of geological and geotechnical logging is qualitative in nature except measured fields for structure (α and β), RQD and fracture frequency. All core is scanned on site using CoreScan. Mineralogy is logged qualitatively.

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> The length of core from holes being reported from the underground geotech and resource definition drilling is 3,037m 100% of core was logged. There is no selective sampling, all core is logged and assayed. All mineralized intervals are sampled. All drill core is photographed and scanned by CoreScan before cutting and sampling. Logging is of a suitable standard to allow for detailed geological and resource modeling.
<p><i>Sub-sampling techniques and sample preparation</i></p>	<ul style="list-style-type: none"> <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <i>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.</i> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> Core is 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 core processing facility on site under geological supervision. Two (2) metre compositing is appropriate for the broad style of porphyry-type related mineralisation. Duplicate assaying is carried at a frequency of 6%, coarse reject duplicate spits are used. Heterogeneity analysis shows 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.
<p><i>Quality of assay data and laboratory tests</i></p>	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>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.</i> <i>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.</i> 	<ul style="list-style-type: none"> The bulk nature of the sample size (2m) 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. Hyperspectral logging is carried out on site by CoreScan, calibrations are carried out before every core tray is analysed. Industry standard QAQC protocols included the insertion of certified OREAS standards, duplicates, and blanks. Samples are submitted to the lab for analysis in batches of 40 samples comprising; 35 x 2m composite core samples, 2 x standards (6%), 2 x coarse reject duplicates (6%), and 1 x coarse blank. External checks and blind resubmissions to an umpire laboratory are at a rate of 1 in 20 (5%). Analyses of laboratory replicate assays and

Criteria	JORC Code explanation	Commentary
		duplicate assays show a high degree of correlation. Analyses of Standards show all assay batches to be within acceptable tolerances.
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • Significant intersections have been verified by alternative senior company personnel. • The drill hole being reported is exploration in nature and has not been twinned. • 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.
<i>Location of data points</i>	<ul style="list-style-type: none"> • <i>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.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> • Drill hole collars are surveyed by total station • The Grid System used is WGS84 UTM 50 South. • The topographic surface is surveyed by LIDAR and supplemented by Total Station and DGPS surveys.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • Drill hole spacing is a nominal 150 down hole. • Results reported have been composited, composite grades are mean grades with no top cuts applied.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • Sampled drill holes were designed in plan and section to intersect mineralisation at a low angle of incidence. Structural and geological analyses indicate that major controlling structures are NNW striking with sub vertical to steep dip. Holes reported are drilling sub-parallel to strike. • The orientation of samples relative to structural controls is considered not to introduce a sampling bias. Significant down hole intervals are reported however these are sub-parallel to major structural controls.
<i>Sample security</i>	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • All core samples are bagged separately into calico bags then dispatched immediately to the on-site sample preparation facility operated by Intertek. After sample preparation 200gm aliquots are securely packed and sent to Jakarta for assay.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • No formal and public audits or reviews have been undertaken on sampling protocols and results.

2. Section 2 Reporting of Exploration Results

JORC Code explanation		Commentary
Criteria		
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> • <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> • <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<ul style="list-style-type: none"> • The Company via wholly owned subsidiary, PT BSI, owns the Mining Business License (IUP) for Operation and Production for the Tujuh Bukit Project and covers an area of 4,998 hectares. The IUP for Operation and Production is valid for an initial 20 (twenty) years and is extend-able by way of 2 (two) distinct 10 (ten) year options. • A wholly owned subsidiary of PT BSI, PT Damai Suksesindo, holds an adjoining IUP Exploration covering an area of 6,558.46 hectares.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> • <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> • The Tujuh Bukit project and surrounds has been explored since the early 1990's. The first "porphyry" intercept was in 2008 and since that time there has been a sharp increase in the rate of drilling and resource definition. Both oxide and porphyry projects were significantly advance during the period 2010 – 2012 by ASX listed Intrepid Mines Limited.
<i>Geology</i>	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • Tujuh Bukit is classified as a high-level porphyry copper-gold-molybdenum deposit (sulphide) with an overlying high-level high-sulphidation epithermal gold-silver deposit (oxide). The deposit is located along the Sunda Banda Arc and is controlled by NNW trending arc transverse structures. • The upper levels of the porphyry system represents an elliptical donut shaped area of high-grade Cu-Au-Mo epithermal mineralisation that sits within the carapace of Tujuh Bukit porphyry deposit where mineralisation is hosted within structurally controlled porphyry apophyses and breccias, which as the system has evolved have been enhanced and overprinted by telescoped high-sulphidation epithermal copper-gold mineralisation. • The high-sulfidation mineralisation has been strongly oxidized near-surface.

JORC Code explanation		Commentary																				
Criteria																						
<p><i>Drill hole Information</i></p> <ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <table border="1"> <thead> <tr> <th>Hole ID</th> <th>Depth EOH m.</th> <th>Easting</th> <th>Northing</th> <th>RL</th> </tr> </thead> <tbody> <tr> <td>UHGZ-19-001</td> <td>1,308</td> <td>174888.344</td> <td>9045496.886</td> <td>63.837</td> </tr> <tr> <td>UHGZ-19-002A</td> <td>1,058</td> <td>174798.025</td> <td>9045595.707</td> <td>45.922</td> </tr> <tr> <td>UGTH-19-010</td> <td>671</td> <td>174678.870</td> <td>9045667.500</td> <td>26.900</td> </tr> </tbody> </table>	Hole ID	Depth EOH m.	Easting	Northing	RL	UHGZ-19-001	1,308	174888.344	9045496.886	63.837	UHGZ-19-002A	1,058	174798.025	9045595.707	45.922	UGTH-19-010	671	174678.870	9045667.500	26.900		<ul style="list-style-type: none"> Refer to Figure 1, Table 7
Hole ID	Depth EOH m.	Easting	Northing	RL																		
UHGZ-19-001	1,308	174888.344	9045496.886	63.837																		
UHGZ-19-002A	1,058	174798.025	9045595.707	45.922																		
UGTH-19-010	671	174678.870	9045667.500	26.900																		
<p><i>Data aggregation methods</i></p> <ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 		<ul style="list-style-type: none"> As all sample intervals are the same length (2m) the reported results are the average calculated over the composited interval with no top or bottom cut applied. To delineate the extents of the broader intercepts reported a nominal grade boundary of 0.2 % Cu and or 0.2ppm Au was used. Shorter high-grade aggregate intercepts are selected where a clear grade break is visible in the data; these breaks can coincide with interpreted domain boundaries where domains are identified by having different alteration styles. Mineral equivalent vales are not used. 																				
<p><i>Relationship between mineralisation widths and intercept lengths</i></p> <ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. 		<ul style="list-style-type: none"> Refer to Figure 1 Structural and geological analyses indicate that major controlling structures are NNW striking with sub vertical to steep dip. Holes reported are drilling sub-parallel to strike. 																				
<p><i>Diagrams</i></p> <ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 		<ul style="list-style-type: none"> Refer to Figure 1 																				
<p><i>Balanced reporting</i></p> <ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 		<ul style="list-style-type: none"> Refer to Figure 1, Table 7 																				
<p><i>Other substantive</i></p> <ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): 		<ul style="list-style-type: none"> Refer to Figure 1. All historical drill intercepts were reported to the ASX in 2008 - 2012 by Intrepid Mines Ltd. 																				

JORC Code explanation		Commentary
Criteria		
<i>exploration data</i>	<i>geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	
<i>Further work</i>	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> Future work to follow-up on reported result will take place in 2019 – 2020 with 50,000 m of additional drilling from the exploration decline Refer to Figure 1, Table 7



Appendix 5 – Wetar Competent Person’s Statement - Partolang

Exploration Results and Targets

The information in this report that relates to Exploration Results and Targets is based on information compiled by Ms Donna Sewell who is a Member of the Australian Institute of Geoscientists (#2413).

Ms Sewell has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking 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’. Ms Sewell is contracted by Batutua Kharisma Permai, and consents to the inclusion in the reports of the matters based on her information in the form and context in which it appears.



Drill Hole Details Partolang

Hole_ID	EOH (m)	Easting	Northing	RL	Azim	DIP	Datum
PTD028	103.95	207,299.34	9,146,876.51	349.6	240	-60	UTM WGS84 Zone 52S
PTR075	114	207,078.51	9,146,845.27	340.9	150	-65	UTM WGS84 Zone 52S
PTR076	138	207,094.19	9,146,870.72	346.8	0	-90	UTM WGS84 Zone 52S
PTR077	126	207,158.62	9,146,897.74	338.7	0	-90	UTM WGS84 Zone 52S
PTR078	90	207,206.92	9,146,882.83	351.8	0	-90	UTM WGS84 Zone 52S
PTD029	81.60	207,295.77	9,146,918.21	344.9	150	-65	UTM WGS84 Zone 52S
PTR079	78	207,245.01	9,146,810.38	350.1	0	-90	UTM WGS84 Zone 52S
PTR080	120	207,274.48	9,146,964.39	335.7	0	-90	UTM WGS84 Zone 52S
PTR081	102	207,255.65	9,147,042.21	327.1	0	-90	UTM WGS84 Zone 52S
PTD030	105.20	207,290.96	9,146,978.49	330.9	330	-75	UTM WGS84 Zone 52S
PTR082	114.00	207,275.30	9,146,960.47	335.7	0	-90	UTM WGS84 Zone 52S
PTR083	100.00	207,211.88	9,147,017.94	320.0	0	-90	UTM WGS84 Zone 52S
PTD031	90.60	207,151.15	9,146,916.77	331.4	330	-75	UTM WGS84 Zone 52S
PTR084	78.00	207,184.99	9,147,059.67	300.1	0	-90	UTM WGS84 Zone 52S
PTR085	102.00	207,140.64	9,147,040.55	306.5	0	-90	UTM WGS84 Zone 52S
PTR086	78.00	207,186.00	9,147,019.00	311.0	0	-90	UTM WGS84 Zone 52S
PTR087	100.00	207,066.64	9,146,993.14	317.7	0	-90	UTM WGS84 Zone 52S
PTD032	137.50	207,153.10	9,147,130.18	311.0	0	-90	UTM WGS84 Zone 52S
PTR088	114.00	207,014.75	9,146,964.88	336.9	0	-90	UTM WGS84 Zone 52S
PTR090	180.00	206,912.59	9,146,921.28	360.2	0	-90	UTM WGS84 Zone 52S
PTR089	138.00	206,980.96	9,146,921.90	350.4	0	-90	UTM WGS84 Zone 52S
PTD033	90.40	207,186.92	9,146,971.14	319.1	240	-60	UTM WGS84 Zone 52S
PTR091	126.00	207,104.86	9,146,912.81	328.2	0	-90	UTM WGS84 Zone 52S
PTD034	110.00	207,246.61	9,147,171.58	251.5	0	-90	UTM WGS84 Zone 52S
PTR092	114.00	207,130.58	9,146,872.30	340.6	0	-90	UTM WGS84 Zone 52S
PTR093	66.00	207,102.21	9,146,779.30	354.2	0	-90	UTM WGS84 Zone 52S
PTR094	96.00	207,049.86	9,146,781.38	363.3	0	-90	UTM WGS84 Zone 52S
PTD035	120.20	207,042.45	9,146,888.40	338.0	330	-70	UTM WGS84 Zone 52S
PTR095	142.00	207,031.58	9,146,829.07	354.7	0	-90	UTM WGS84 Zone 52S
PTR096	132.00	207,009.24	9,146,878.54	349.7	0	-90	UTM WGS84 Zone 52S
PTDM036	140.00	207,076.71	9,146,845.29	341.0	150	-65	UTM WGS84 Zone 52S
PTR097	120.00	207,043.83	9,146,806.27	357.6	0	-90	UTM WGS84 Zone 52S
PTR098	126.00	207,151.24	9,146,869.52	345.4	0	-90	UTM WGS84 Zone 52S
PTDM037	130.60	207,264.00	9,146,935.00	342.2	0	-90	UTM WGS84 Zone 52S
PTR099	135.00	207,356.27	9,146,969.20	310.8	0	-90	UTM WGS84 Zone 52S
PTR100	72.00	207,376.35	9,146,923.11	311.4	330	-60	UTM WGS84 Zone 52S
PTR101	114.00	207,185.70	9,146,971.63	318.9	150	-65	UTM WGS84 Zone 52S
PTR102	102.00	207,195.00	9,147,158.00	302.7	150	-65	UTM WGS84 Zone 52S
PTDM038	100.10	207,329.73	9,146,858.31	333.0	0	-90	UTM WGS84 Zone 52S
PTR103	105.00	207,195.00	9,147,158.00	302.7	330	-65	UTM WGS84 Zone 52S

Hole_ID	EOH (m)	Easting	Northing	RL	Azim	DIP	Datum
PTR104	72.00	207,122.50	9,146,975.44	314.0	0	-90	UTM WGS84 Zone 52S
PTR105	132.00	207,063.06	9,147,074.62	346.1	0	-90	UTM WGS84 Zone 52S
PTDM039	90.70	207,298.13	9,146,806.36	323.4	0	-90	UTM WGS84 Zone 52S
PTR106	132.00	206,940.03	9,146,995.54	334.6	0	-90	UTM WGS84 Zone 52S
PTR107	117.00	207,017.00	9,146,763.00	NA	0	-90	UTM WGS84 Zone 52S
PTDM040	117.80	207,219.16	9,147,093.38	302.7	0	-90	UTM WGS84 Zone 52S
PTR108	78.00	207,366.00	9,146,883.00	320.0	0	-90	UTM WGS84 Zone 52S
PTR109	80.00	207,394.00	9,146,936.00	300.0	0	-90	UTM WGS84 Zone 52S
PTDG041	150.00	207,067.00	9,146,858.00	NA	213	-60	UTM WGS84 Zone 52S
PTR110	72.00	207,406.00	9,146,912.00	301.0	0	-90	UTM WGS84 Zone 52S
PTR111	68.00	207,430.00	9,146,933.00	287.0	0	-90	UTM WGS84 Zone 52S
PTDG042	115.80	206,999.80	9,146,886.50	349.2	231.5	-65	UTM WGS84 Zone 52S
PTDG043	96.60	206,858.40	9,146,916.70	368.5	197.5	-60	UTM WGS84 Zone 52S
PTR112	60.00	207,291.00	9,146,835.00	332.0	0	-90	UTM WGS84 Zone 52S
PTDG044	127.70	207,081.70	9,147,094.80	346.0	299.7	-70	UTM WGS84 Zone 52S
PTR113	95.00	207,319.00	9,146,888.00	342.0	0	-90	UTM WGS84 Zone 52S
PTR114	108.00	207,255.00	9,146,901.00	345.0	0	-90	UTM WGS84 Zone 52S

MERDEKA
COPPER GOLD

JORC Code, 2012 Edition – Table 1 Report

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (e.g. 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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> All drilling, sampling and QAQC protocols were to industry standards. Historical sampling was carried out at Partolang during the 1990s over several phases by a subsidiary of Billiton International, PT Prima Lirang Mining (PLM), with a diamond drill rig using NQ diameter core. All samples collected by Merdeka's subsidiary Batutua Kharisma Permai ("BKP") have been with a diamond drill (DD) rig using HQ3 diameter core and with a reverse circulation (RC) rig. After logging and photographing, BKP drill core was cut in half, with one half generally sent to the laboratory for assay and the other half retained for mineralised and altered footwall units. Quarter core was taken and sent to the laboratory for unaltered cover sequences and for mineralisation in new metallurgical holes. Remaining ¾ core from the metallurgical drilling was used for column leach test work. RC samples by BKP were collected every 1 m, with 1/8 of each interval riffle split for sampling, and the remaining 7/8 of each material stored on site. Representative chips from the drilling are also retained in chip trays for reference. Expected mineralised intervals were sampled to geological boundaries on a nominal 1 m basis, increasing to 2 m in known footwall units. Above the mineralisation, 1 m intervals of quarter-core or RC splits from unaltered cover sequences were generally composited to 5 m for assaying. In metallurgical holes mineralised intervals were sampled as 2m composites. An independent laboratory pulverised the entire sample for analysis as described below.
Drilling techniques	<ul style="list-style-type: none"> Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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.). 	<ul style="list-style-type: none"> PLM drilled 86 diamond drillholes (MED001-086) into the mineralised envelope at Partolang, largely targeting the shallow Au-Ag-barite material in the south. Relatively few holes targeted interpreted sulphides for Cu in the north. All holes were drilled with NQ standard tube. No details are available on the actual core diameter All BKP drilling has included diamond drilling with HQ3 core of diameter 63.5 mm and RC holes with a 5½-inch bit and face sampling hammer. In late 2018/early 2019, 27 diamond drillholes for 2,500.9 m (PTD001–PTD027) and 74 RC holes for 6,602 m (PTR001–PTR030, PTRD031 and PTR032–PTR074) were completed at Partolang. The diamond meterage includes a diamond tail to PTRD031 from 60 m. All drilling was vertical. None of the core was orientated. In this quarter, 48 new exploration drill holes were completed at Partolang for 5085.5 m, comprised of 40 reverse circulation holes (PTR075-114) and 8 diamond holes (PTD028-035) for 4,236 m and 839.5 m respectively. An additional nine (9) diamond holes for 1,069.3 m were completed for metallurgical

Criteria	JORC Code explanation	Commentary
		<p>sampling (in 5 holes – PTDM036-040) and for geotechnical studies (in 4 holes – PTDGM041-044).</p> <ul style="list-style-type: none"> • PTD028-031, PTD033, PTD035-036, PTR075, PTR100-103, PTDG041-044 were angled holes, with dips ranging from 60-75, with all other holes vertical. • Core orientations were completed with a spear for PTD028-035, PTDM036-40, and with an orientation device for PTDG041-044.
<p>Drill sample recovery</p>	<ul style="list-style-type: none"> • <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> • <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • PLM diamond drilling returned average recoveries of ~ 80% in the barite zones although recoveries were sometimes poor due to the loose friable nature of much of the ore. No details are available on the recoveries achieved in the few holes that penetrated sulphides. • BKP diamond core recoveries have been measured on a routine basis for each drill run and calculated for each sample interval. • Recoveries from work in 2018 and early 2019 averaged 98.6% overall, and 99% in the massive sulphides whilst in the barite/gold-rich zones these averaged ~93%. • Hole recoveries from diamond drilling in this quarter averaged 97.4% overall and 93.6% in the massive sulphides. • The RC drilling has largely been restricted to areas where the targeted sulphides are <80 m deep, as the density of the material and the locally porous nature of the sulphides has made it difficult to lift adequate sample material from deeper levels. • RC samples were bagged and weighed for each 1 m interval prior to the sample being riffle split. • Estimation of RC sample recoveries is ongoing, complicated by mixing of the different ore types, as the specific gravity for these vary considerably. <ul style="list-style-type: none"> • RC recoveries from work in 2018 and early 2019 averaged 67% overall and 66% in the massive sulphides. Recoveries from work in this quarter averaged 75% overall and 72% in the massive sulphides. • No consistent relationships have yet been established between RC sample recovery and grades for copper and/or gold from recent or new drilling but there are known grade and recovery differences between the different logged units. In drilling completed earlier in the year, where diamond holes with high recoveries have twinned RC holes with lower recoveries, in general the overall interval grades compared relatively well.
<p>Logging</p>	<ul style="list-style-type: none"> • <i>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.</i> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> • Records for historical PLM drilling comprise skeletal drill logs and hand drafted drilling sections. Detailed assays and logs are only available for MED011-027, MED044-079, MED081-083. • All BKP drilling, recent (PTD001-027, PTRD031, PTR001-074) and new (PTR075-114, PTD028-035, PTDM036-040, PTDG041-044) has been processed using detailed logging procedures developed specifically for the project. • Structural information has been collected in all DD holes by BKP for use in geotechnical evaluation. DD holes were photographed prior to sampling for a permanent record and for desktop study purposes. • Four (4) of the new diamond holes have been drilled

Criteria	JORC Code explanation	Commentary
		<p>and logged by consultants Golders, specifically for geotechnical purposes however, all other diamond drillholes were logged by BKP according to a supplied legend from previous geotechnical consultants involved with the Kali Kuning project, located <2 km away.</p> <ul style="list-style-type: none"> RC chip trays have been geologically logged for each drillhole. These are photographed for desktop study purposes and retained on site.
<p>Subsampling techniques and sample preparation</p>	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. 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. 	<ul style="list-style-type: none"> DD cores were historically sampled by PLM in 1 m intervals, with half core sent for analysis. None of the original core is available. Except for metallurgical holes (PTDM036-040), and geotechnical holes (PTDG041-044), DD core from BKP work has been sampled in one metre intervals, with half core through the sulphide and barite zones, increasing to 2 m intervals in footwall units. In unmineralised cover sequences, 1 m intervals of quarter-core were composited to 5 m for assaying. Quarter core was taken over 2m intervals for the metallurgical holes and sent to the laboratory for mineralisation only. RC samples from BKP have been bagged in 1 m intervals, weighed, and riffle split to 2–6 kg sample for assay through the sulphide and barite zones. The 1 m samples have been composited to 2 m intervals in footwall units, and 5 m composites in cover sequences for assaying. One in 20 samples have been duplicated as field splits for both DD and RC. The DD duplicates were of quarter-core only. In general, zones of expected mineralisation have been targeted for the duplicates to avoid comparing samples with no grades. The samples were collected after logging of each hole.
<p>Quality of assay data and laboratory tests</p>	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters 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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. 	<ul style="list-style-type: none"> PLM drilling was analysed for Au (FAS), Ag (AAS), Cu, Pb, Zn (AAS) and As, Sb and Ba by XRF at PT. Inchape Utama Services in Jakarta. Samples with > 10% Ba were reanalysed by XRF. The accuracy of the assays was monitored using high grade and low grade (Au) samples (range 2.61–22.17 g/t) as well as blanks. BKP drilling samples were assayed by PT Geoservices in Jakarta, generally for: <ul style="list-style-type: none"> Gold (fire assay – method FAA40), with copper, lead, zinc, silver, arsenic, antimony, iron, sulphur and a suite of 28 other elements by aqua regia ICP-OES package (method GA103_ICP36). A three-acid ore grade AAS digest (method GOA03_AAS) is completed on samples above detection limits of 1% for Cu, Pb, Zn, As and Sb, above 100 ppm for Ag, and above 25% for Fe. Any sulphur values above DL of 20% by ICP were re-assayed by total sulphur (method MET_LECO_S01) by combustion furnace. Samples which returned Cu values of >0.4% have also been analysed for cyanide soluble and acid soluble amounts of Cu, Zn and Fe by sequential leach (method MET_CU_DG3A and MET_SOLN_AAS). PLM and BKP programs have included the inclusion of certified standards (~1 in 20 or 25). The accuracy of the BKP sulphide assays was monitored using high, mid and low grade (Cu) standards (range 3.82%, 1.53%, 0.51%)

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	<ul style="list-style-type: none"> ○ <i>The verification of significant intersections by either independent or alternative company personnel.</i> ○ <i>The use of twinned holes.</i> ○ <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> ○ <i>Discuss any adjustment to assay data.</i> 	<p>respectively as well as blanks at rate of 1:50. Gold and silver standards used (range from 1.43 g/t to 2.47 g/t for Au) and (range from 4.45 g/t to 488 g/t Ag) for barite material more recently.</p> <ul style="list-style-type: none"> • Standards and blanks from the BKP programs have returned acceptable values. <ul style="list-style-type: none"> • Duplicate samples, reject pulps and the remaining half core, were originally stored on site for the PLM work, but are no longer available. Hardcopy reports are available for some of the drilling and data from the reports has been entered in the Company database. • All BKP data is initially recorded on paper log sheets retained on site. These are manually entered into a Microsoft Access database on site, which is backed up daily. A master copy of the database is kept off site in Perth. Checking of the manual entries is routinely completed. • Assays are regularly merged into the Access database off-site by contract personnel. Once merged, the database is sent back to site and assay columns are checked by the Senior geologists to ensure that assays have been correctly merged. • Duplicate field samples by BKP have been taken at rate of one in 20. The Cu results show some scatter locally, especially at higher grades, but the Au results generally show good correlation. • As part of recent drilling campaigns by BKP, 158 drill holes have been completed at Partolang to date, including 32 for twinning purposes. The twin/redrill programs have tested a range of grades, including both low, and high-grade mineralisation, throughout the area, testing both sulphide and barite intervals. Full details on twin hole findings were provided in the JORC table in the June 2019 quarter, which accompanied the maiden resource estimate, with a summary of available twins and results provided below. <ul style="list-style-type: none"> ○ In total, six (6) RC holes by BKP have been twinned with RC holes over the last 12 months to assess repeatability of RC results. Most of these holes were 2–4 m apart; three of these twinned sulphide-only intervals, PTR004/005, PTR019/021 and PTR080/082 (current quarter); two twinned sulphide and barite intervals, PTR052/055 and recent holes PTR080/082; and PTR037/063 twinned a barite-only interval. Overall interval widths compare reasonably well. <i>There is significant downhole variability in the grades on a metre-by-metre basis but, no consistent trends.</i> ○ Eight (8) BKP, HQ3 diamond holes (prefixed PTD) have been twinned with RC holes (prefixed PTR) to assess any drill methodology bias, with results mixed. Five tested sulphide mainly; PTR014/PTD004, PTR059/PTD007, PTR006/PTD012, PTR061/PTD020, PTR009/PTD021 (partial); two tested sulphide and barite, including PTR013/PTD002, PTR038/PTD022; and PTR036/PTD023 tested barite only. <i>Analysis of this data suggests there is significant downhole grade variability (locally) but, no consistent</i>



Criteria	JORC Code explanation	Commentary
		<p><i>trends are evident. In general, the interval widths were thicker in the RC (by 1–4 m), often starting 1–3 m above the corresponding diamond interval.</i></p> <ul style="list-style-type: none"> ○ Five (5) RC holes (prefixed PTR) have been twinned with new metallurgical holes (prefixed PTDM) in the current quarter; PTR075/PTDM036, PTR050/PTDM037, PTR062/PTDM038, PTR011/PTDM039 and PTR065/PDTM040. <i>Results are not yet available from these.</i> ○ Seven (7) historical PLM NQ diamond drillholes (prefixed MED) have been twinned by BKP with HQ3 diamond holes (prefixed PTD) to check historical results and compare the grades from the different core sizes. Not all PLM holes intersected sulphide, and those that did, finished in it, so comparisons have only been made for the intervals common to both, not overall intercepts. There is generally good correlation on intercept widths but, interval grades are highly variable. No consistent trends are recognised although grades for gold and copper (where available) were higher in many of the new larger diameter holes, with silver values more mixed. ○ Six (6) historical PLM NQ diamond drillholes (prefixed MED) have been twinned and/or re-drilled by BKP with RC holes (prefixed PTR), three of these also twinned the HQ diamond holes as detailed above. Four of the twins have been compared for barite only; MED031/PTR011, MED022/PTR024, MED065/PTR013 and MED034/PTR06. Holes MED032/PTR062 contained both barite and sulphide intervals and MED024/PTR014 contained only a sulphide interval. <i>The average for the copper intervals were all higher in the RC holes, whilst gold and silver values were mixed, similar to findings from the new diamond holes detailed above.</i>
<p>Location of data points</p>	<ul style="list-style-type: none"> • Accuracy and quality of surveys used to locate drillholes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> • Collar and other general survey work by BKP were completed using a total station to an accuracy of 2 mm. This data was supplemented with LIDAR data in some areas. • Drilling used a local mine grid that is rotated approximately 30° to the west of true north. All data is subsequently transformed into UTM WGS-84, Zone 52S for resource estimation and mine planning purposes. • Downhole surveys have been completed by BKP with a Proshot camera at 30 m intervals for 36 (PTD) and 85 (PTR) holes, including 16 (PTD) and 37 (PTR) during the current quarter. • Dip and azimuth variations down hole generally averaged <2.0° per 100 m for the vertical drilling and 2-5 per 100m for inclined holes due to the relatively shallow nature of the drilling. These deviations are minor and indicate that dips and azimuths at the collar used at the end of hole for unsurveyed holes will result in insignificant errors.

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>Whether the data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • The Partolang area has been drilled by BKP to a nominal 50 m x 25 m hole spacing, reducing to 25 m x 25 m (locally) over shallow sulphide material in the south to confirm grades in previously defined high-grade areas. • The sampling intervals are 1 m and constrained by geological domain boundaries. In sulphide and barite these intervals are sent directly for assay. In the altered footwall and unaltered cover sequences the 1 m samples are composited to 2 m and 5 m respectively.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • Interpreted mineralisation is comprised of copper-rich massive sulphide body, locally overlain by gold-silver rich barite zone. These units dip shallowly to the north/northwest. • Much of the drilling, by both PLM and BKP has been vertical and completed on local grid sections orientated perpendicular to the interpreted strike of the shallow dipping mineralisation. • Seventeen (17) angled holes have been completed, including during the current quarter, eleven (11) diamond (PTD028-031, 033, 035-036, PTGT041-044) and five (5) RC (PTR075, PTR100-103).
Sample security	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • Bagged BKP drill samples have generally been packed into wooden boxes and shipped on contracted LCT vessel, which operates between Kupang (West Timor) and Wetar, where the samples have been crushed and split, prior to sending pulps to Jakarta for final assay analysis.
Audits or reviews	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • No audits have yet been completed on the new drilling data by BKP, but the drilling, logging and sampling methods utilised are based on methods reviewed previously by external consultants for the adjacent mine area, and in-house company standards.

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Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The Wetar Copper Project (Merdeka ~74%) is a fully permitted and operational mine and solvent extraction-electrowinning (SX-EW) treatment facility located on Wetar Island, part of the Maluku Barat Daya Regency, in the Maluku Province of the Republic of Indonesia. Key permits are listed below. IUP Exploitation 543-124 Tahun 2011 and PMA adjustment to 543-124 Tahun 2011 for copper, 2,733 ha expiry 9/6/2031, held by BKP. AMDAL environmental permit for life of mine granted in April 2010, which covers the Kali Kuning and Lerokis areas. An application has recently been submitted to cover the Partolang area. Forestry permit (Pinjam Pakai) Number SK478/Menhut II/2013) for 134.63 ha valid to December 2031.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Extensive exploration including drilling and mining was carried out during the period 1990 to 1997 by PT Prima Lirang Mining (PLM), a subsidiary of Billiton at Kali Kuning and Lerokis. The gold/precious metals exploration, mining and processing activities were rehabilitated at the completion of processing. At Partolang, exploratory drilling was completed by PLM. Informal resource estimates were also undertaken in-house for the barite and sulphides, where present. Preliminary scoping studies were undertaken on the informal gold resource but, no mining was completed.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> Wetar Island is composed of Neogene volcanic rocks and minor oceanic sediments and forms part of the Inner Banda Arc. The island preserves ~4.7 million-year-old precious metal-rich volcanogenic massive sulphide and barite deposits. The polymetallic massive sulphides are dominated by pyrite, with minor primary chalcopyrite and lesser bornite cut by late fractures infilled with sulphosalts, tennantite-tetrahedrite and enargite. The sulphosalts have replaced primary chalcopyrite and bornite to varying extents across Kali Kuning, Lerokis and Partolang, and these have in turn been replaced by supergene chalcocite and covellite to varying extents. Barite-rich orebodies are developed on the flanks of the sulphide units and locally overly the massive sulphides. Sulphide mounds showing talus textures are localised onto faults, which provided the main pathways for high-temperature hydrothermal fluids and the development of associated stockworks. Known orebodies are closely associated with quartz-porphyry dacites which occur within the basalts/andesites and are surrounded by widespread propylitic and argillic alteration haloes. Hydrothermal alteration around the various orebodies is zoned and dominated by illite-kaolinite-smectite with local alunite and pyrophyllite. The sulphide mounds and related barite bodies

Criteria	JORC Code explanation	Commentary
		<p>were covered and preserved by post-mineralisation chert, gypsum, calcareous siltstone, limestone, lahars, subaqueous debris flows, volcanoclastic rocks and locally fresh dacitic lava flows at Partolang.</p> <ul style="list-style-type: none"> • Gold-silver mineralisation occurs predominantly within barite-rich units, including sands, tuffs and breccias (after original dacitic rocks), which are strongly ferruginised locally. In some of the dacitic rocks, barite and hydrated iron minerals have completely replaced the host units, with original breccia textures no longer visible. • The economic copper mineralisation occurs predominantly within coherent massive sulphide units and locally in dacitic breccia units which, have been almost completely replaced by sulphides, with some minor lower-grade material occurring in fractures and as stockworks within intensely altered andesitic and dacitic tuffs and volcanics in the footwall and lateral extent of the massive sulphides. • The contact between the massive sulphides, barite, footwall and hangingwall units is generally quite sharp.
Drillhole information	<ul style="list-style-type: none"> • <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:</i> <ul style="list-style-type: none"> ○ <i>easting and northing of the drillhole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>downhole length and interception depth</i> ○ <i>hole length.</i> • <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	<ul style="list-style-type: none"> • New BKP drill hole location and directional information is provided in this report. • Hole locations from the historic PLM work are shown in the diagrams for reference.
Data aggregation methods	<ul style="list-style-type: none"> • <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i> • <i>Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> • <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> • BKP exploration results are reported to a minimum cutoff grade of 0.4% Cu for sulphide zones and 0.5g/t Au, for barite Au-Ag only zones, with an internal dilution of 2m maximum. No top cuts have been applied to this data.
Relationship between mineralisation widths and	<ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with</i> 	<ul style="list-style-type: none"> • The mineralisation at Partolang, generally dips shallowly to the north/northwest. Except for one (1) angled PLM hole (MED070) and sixteen (16) angled BKP holes, including PTD028-031, PTD033, PTD035-036, PTR075, PTR100-103,

Criteria	JORC Code explanation	Commentary
Intercept lengths	<p>respect to the drill hole angle is known, its nature should be reported.</p> <ul style="list-style-type: none"> If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'downhole length, true width not known'). 	<p>PTDG041-044, much of the drilling has been vertical and the intercept widths are generally indicative of deposit thickness. The angled holes have largely targeted interpreted geological structures and the dips range from -60 to -75.</p>
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> Location plans for the prospects and completed drillholes are provided in this report. Photographs showing the main sulphide ore types were provided in the December 2018 Quarterly Report.
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced, to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> The geological reporting of the rock types is provided in the information. All available significant results from drilling by BKP during the quarter are included with this report.
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> Massive sulphides, ranging in thickness from 1m to 64m, have been intersected in most of the new and previous drill holes by BKP, however some of this sulphide is barren based on available assays. Some 778 samples (including 106 in current quarter) have been collected for SG work and submitted to the site or Jakarta Geoservices laboratory for testing using water immersion methods. The results show considerable spread but updated averaged SG's for the main lithologies are 4.16 (MPY), 3.67 (PBX2), 2.63 (SBX) and 2.23 (BAR). Diagnostic leach test results have been received for all new assay intervals. Interpretation of this data is ongoing, but the initial results are encouraging, suggesting that > 80% of the overall copper is leachable by either cyanide or sulphuric acid, with majority > 90%. Previous detailed petrological work confirms that the most leachable material is associated with high amounts of supergene (covellite and chalcocite)
And returned average values which are similar Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> Future drilling will be aimed at infilling and extending mineralisation at depth and laterally with the view to increasing known resources and upgrading Inferred Resources to Indicated status. Drilling will also continue for geotechnical studies.

Appendix 6 - Recent pictures of the Tujuh Bukit Gold Mine

Figure 1 – Open Pit Mining - Pit B West showing the phase 3 backfill and cutback 4 behind.



Figure 2 – Open Pit Mining - Aerial view of Pit B East cutback 2 in foreground and Pit A & Pit C In the background.



Figure 3 – Open Pit Mining - Pit A showing cutback 1 in foreground and Dam 1 in the background.



Figure 4 – Open Pit Mining - Pit C In fill drilling in foreground and Pit A in the background



Figure 5 – Aerial view OPP



Figure 6 – Aerial view of the Heap Leach Pad showing Lift 4 Expansion



Figure 7 – ADR Plant



Figure 8 - Boxcut with Exploration Decline and underground infrastructure facilities



Figure 9 - Camp Facilities



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Appendix 7 - Recent pictures of the Wetar Copper Project

Figure 1 - Lerokis Pit



Figure 2 - Lerokis ROM and Crushing Facility



Figure 3 – KK01 – KK04 Leach Pad



Figure 4 – KK05 & KK06 Leach Pad



Figure 5 – GP01 – GP04 Leach Pad



Figure 6 – GP06 Leach Pad



Figure 7 – DP07 Leach Pad



Figure 8 – MIA ROM & Crushing Facility



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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 the (i) exploration and (ii) future 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 Cinta Bumi Suksesindo (“CBS”), (iv) PT Beta Bumi Suksesindo (“BBSI”), (v) PT Batutua Tembaga Raya as the holder of operation production mining business license specifically for processing and refining, (vi) PT Batutua Kharisma Permai as the holder of the operation production mining business license for the Wetar Copper Mine; (vii) PT Merdeka Mining Servis (“MMS”) as the holder of mining services business license; (viii) PT Pani Bersama Jaya (“PBJ”), as holder of mining business license for transportation and sales, and (ix) PT Puncak Emas Tani Sejahtera, as holder of mining business license for Pani Gold Project.

The Company’s major assets are the (i) Tujuh Bukit Mine, often referred to as the Tujuh Bukit Oxide Heap Leach Project, (ii) the Wetar Copper Mine, (iii) the undeveloped Pani Gold Project and (iv) the undeveloped Tujuh Bukit Copper Gold deposit.

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 as of 31 December 2018 contains a remaining Mineral Resource of 2.25 million ounces of gold and 53 million ounces of silver 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.

¹ Refer Annual Statements of Mineral Resources and Ore Reserves on www.merdekacoppergold.com

Disclaimer

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