

Exploration Report – Period of Quarter 3 2021

Summary: PT Merdeka Copper Gold (Merdeka) is continuing with exploration activities at 3 locations in Indonesia (Tujuh Bukit at West Java, Wetar Island at West Maluku, and Pani at Gorontalo), as per Figure 1 below. At Tujuh Bukit the focus is on a copper and gold resources, at Wetar the focus is on copper, and at Pani Merdeka is exploring a gold resource.

The total spending on exploration in Indonesia by Merdeka in Quarter 3 2021 is approximately Rp 111.4 billion.



Figure 1: Merdeka Exploration Project Locations in Indonesia

Copper and Gold: Tujuh Bukit Project

A. Expenditure:

The total expenditure for exploration related activities for the Tujuh Bukit Copper Project (TB CP) in Quarter 3 2021 is Rp 85.5 billion consisting of decline maintenance, underground resource definition drilling, and associated test work.

B. Area:

Tujuh Bukit copper and gold resource, Banyuwangi, East Java.

C. Exploration Party:

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

D. Assessment Method:

Drilling from underground with associated test work.

E. Election of Assessment Area:

The area was selected for the current drilling program as it is an area of the Tujuh Bukit porphyry deposit which contains the largest zone of contiguous high grade drilling results for copper and gold to date, and is well positioned for drilling from the current decline location.

F. Results of Exploration:

Five underground rigs conducted Resource Definition drilling totalling 8,199.5m, and one surface rig completed a total of 1,308.1m as shown in Table 1.

G. Action Plan:

Underground diamond drilling will continue using five diamond drill rigs, with an additional two underground rigs planned to commence in Q4 2021.

RIG ID	HOLE ID	From	To	Interval	Comments
ID1800B	GTD-21-678	0	297.8	297.8	Surface
ID1800B	GTD-21-679	0	1010	1010.3	Surface
ID150DE-A	UHGZ-21-055	553.8	571.8	18	UG
ID150DE-A	UHGZ-21-055W	556.6	904.8	348.2	UG
ID150DE-B	UHGZ-21-056	308.8	710.6	401.8	UG
ID150DE-C	UHGZ-21-057	0	877.2	877.2	UG
ID150DE-D	UHGZ-21-058	0	5.5	5.5	UG
ID150DE-E	UHGZ-21-059	217.7	880.1	662.4	UG
ID150DE-A	UHGZ-21-060	0	745	745	UG
ID150DE-B	UHGZ-21-061	0	764.4	764.4	UG
ID150DE-E	UHGZ-21-062	0	917.8	917.8	UG
ID150DE-C	UHGZ-21-063	0	872	872	UG
ID150DE-C	UHGZ-21-063W	455.5	513.6	58.1	UG
ID150DE-E	UHGZ-21-064	0	534.1	534.1	UG
ID150DE-A	UHGZ-21-065	0	600.9	600.9	UG
ID150DE-C	UHGZ-21-066	0	351.3	351.3	UG
ID150DE-B	UHGZ-21-067	0	491.2	491.2	UG
ID150DE-A	UHGZ-21-068	0	400.1	400.1	UG
ID150DE-E	UHGZ-21-069	0	151.5	151.5	UG

Table 1: Tujuh Bukit Copper Project Drilling Statistics Quarter 3 2021

Copper: Wetar Project

A. Expenditure:

Total estimated exploration costs for the Wetar Project in Quarter 3 2021 are Rp 20.9 billion.

B. Area:

Wetar Project, Wetar Island, West Maluku.

C. Exploration Party:

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

D. Assessment Method:

Mapping, rock chip sampling, line surveying and commencement of ground geophysics on regional airborne EM targets. Resource drilling at Partolang and Partolang Barat to help define resources and metallurgical drilling on leach pads.

E. Election of Assessment Area:

The exploration areas were selected from ground and airborne electromagnetic (EM) geophysical surveys and historical mining activity which identified features with potential for VMS deposits.

F. Results of Exploration:

Results were received for around 232 rock chip samples on EM targets near previous gold mining areas. Around 37% of the samples returned >1.0g/t Au. Moreover, 3 drill rigs operated during the quarter with 7,793.2m of drilling completed as shown in Table 2, and Figures 2 and 3.

Results were received from previous resource drilling in the Lerokis pit, metallurgical drilling on the leach pads, Partolang resource drilling, and from a portion of the Partolang Barat drilling. The Partolang drilling generally returned assay intercepts between 0.6-1.3% Cu. However, along the west and northeast margins of the resource higher-grade copper results were returned and mineralisation remains open in these areas. At Partolang Barat, initial results are encouraging, with 5 holes returning grades between 1.5-3.5% Cu.

G. Action Plan:

Further exploration is planned around the anomalous rock chip samples and ground geophysical targets in the Lerokis region, including scout exploration drilling. Ground geophysics will continue to define new regional drill targets. Resource drilling at Partolang and Partolang Barat will continue to enable resource estimation and scout drilling will commence between these.

Drill Type	Holes Completed	Metres Drilled	Hole_ID	Details
RC	64	7,317	PTR167-PTR199, BMR042-BMR072	Infill Resource Drilling around edge of Partolang Pit and Partolang Barat
DDH	15	145	PTDG054- PTDG057	Geotech Sediment Pond Partolang
SONIC	30	331.2	LPD07 – LPD107	Metallurgical Drilling on leach pads
Totals	109	7,793.20		

Table 2: Wetar Project Drilling Statistics in Quarter 3 2021

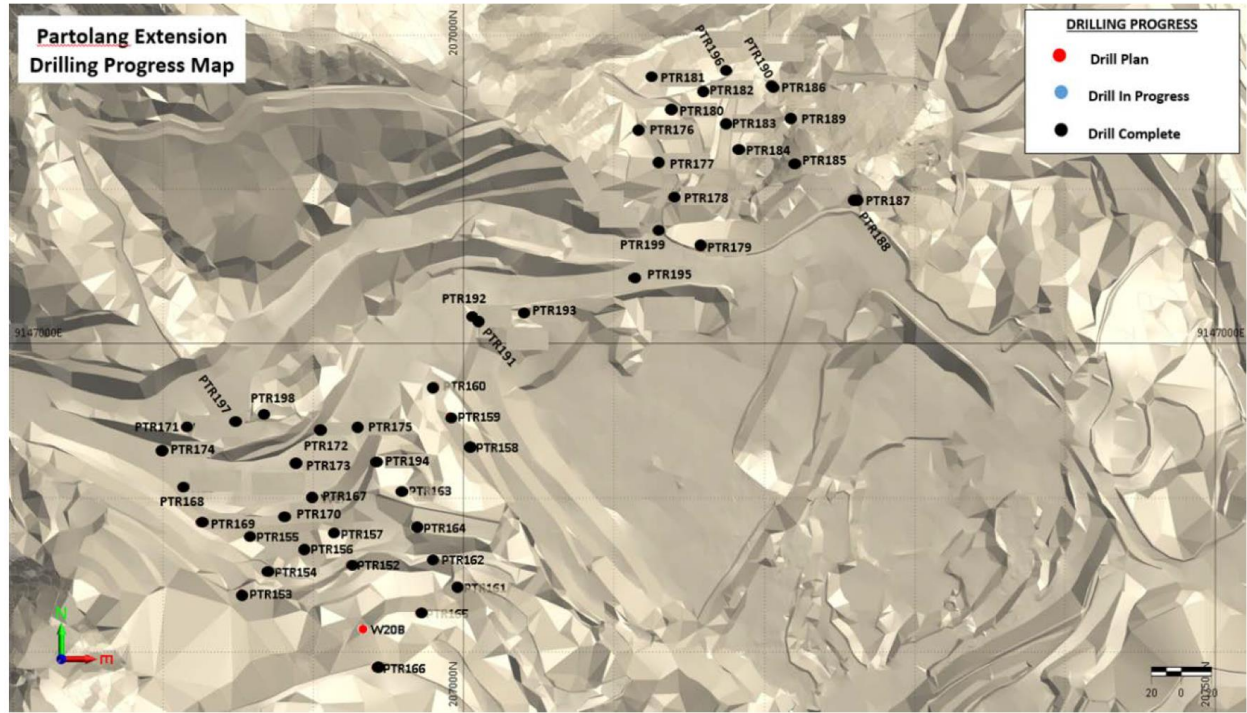


Figure 2: Completed Drilling at Partolang

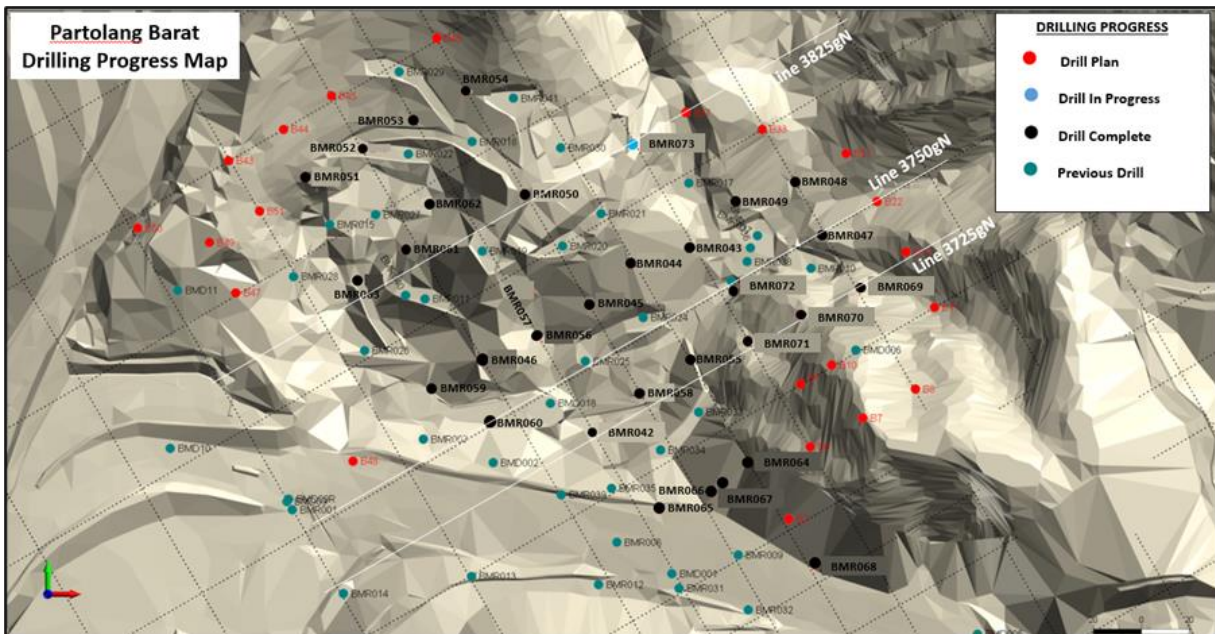


Figure 3: Completed Drilling at Partolang Barat

Gold: Pani Project

- A. Expenditure:
Total estimated exploration costs for the Pani Project in Quarter 3 2021 are Rp 5 billion.
- B. Area:
Pani Project, Gorontalo Province, Sulawesi.
- C. Exploration Party:
All work was completed through a contracting agreement between Merdeka and PT Merdeka Mining Servis.
- D. Assessment Method:
A review of historic information and results to date continued this quarter along with updating the geological models.
- E. Election of Assessment Area:
The area selected for the most recent drilling was chosen as there is a gap between historical drilling within the IUP and that of the adjoining CoW.
- F. Results of Exploration:
Previously 17 drill holes for 4,543.95 metres from the planned 40 drill holes for approximately 10,500 metre have been completed, as shown in Figure 4 below.
- G. Action Plan:
Further exploration and drilling will be undertaken once the review is complete and program is optimised.

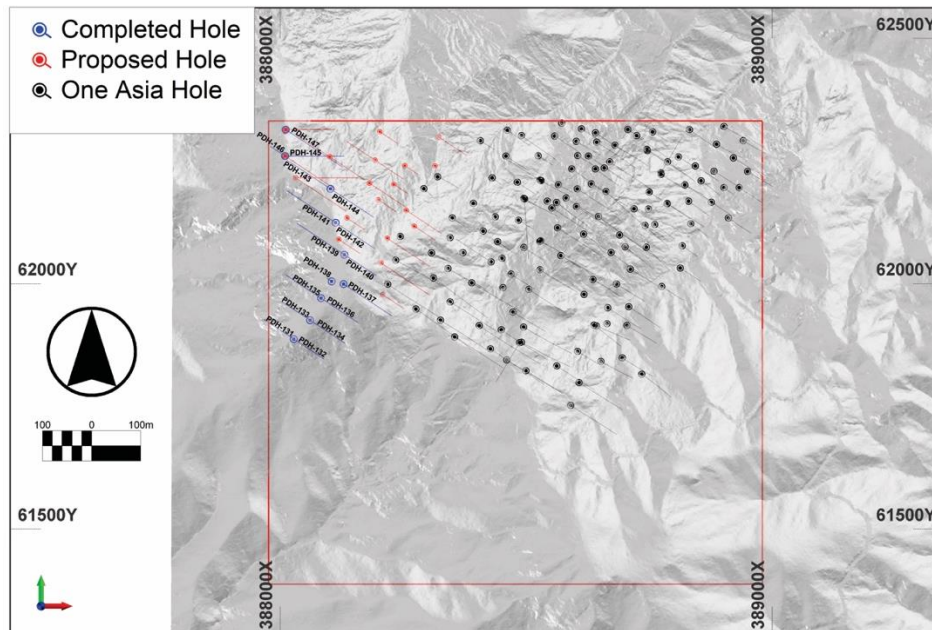


Figure 4: Pani Proposed and Completed Drill Holes Overlain on Topography