

## Exploration Report – Quarter 3 2022

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

The total spending on exploration in Indonesia by Merdeka in Quarter 3 2022 is approximately Rp301.6 billion.



Figure 1: Merdeka Exploration Project Locations

### Copper and Gold: Tujuh Bukit Project

- A. Expenditure:  
The total expenditure for exploration-related activities for the Tujuh Bukit Copper Project in Quarter 3 2022 is Rp155.1 billion consisting of decline maintenance, underground resource definition drilling, and associated test work.
- B. Area:  
Tujuh Bukit copper and gold resource, Banyuwangi, East Java.
- C. Exploration Party:  
All work was completed through a contracting agreement between Merdeka and PT Merdeka Mining Servis.
- D. Assessment Method:  
Drilling from underground and surface with associated test work.
- E. Election of Assessment Area:  
The area was selected for the current drilling program as it is an area of the Tujuh Bukit porphyry deposit which contains the largest zone of contiguous high-grade drilling results for copper and gold to date, and is well positioned for drilling from the current decline location.

F. Results of Exploration:

Eight underground rigs conducted Resource Definition drilling totalling 9,194.7 metres and two surface rigs completed a total of 1,948.4 metres as shown in Table 1.

G. Action Plan:

Diamond drilling will continue using 8 underground diamond drill rigs and 2 surface rigs.

Table 1: Tujuh Bukit copper project drilling statistics Quarter 3 2022

RIG ID	HOLE ID	From	To	Interval	comments
ID150DE-A	UHGZ-22-098	649.5	987.6	338.1	UG
ID150DE-A	UHGZ-22-107	0	492.3	492.3	UG
ID150DE-B	UHGZ-22-096	965.5	965.5	0	UG
ID150DE-B	UHGZ-22-105	0	458	458	UG
ID150DE-B	UHGZ-22-105A	0	880.2	880.2	UG
ID150DE-C	UHGZ-22-099	288.1	948.4	660.3	UG
ID150DE-D	UHGZ-22-102	358	790	432	UG
ID150DE-D	UHGZ-22-106	0	346.1	346.1	UG
ID150DE-D	UHGZ-22-108	0	607.1	607.1	UG
ID150DE-D	UHGZ-22-114	0	135	135	UG
ID150DE-E	UHGZ-22-094	704.5	704.5	0	UG
ID150DE-E	UHGZ-22-103	0	821.3	821.3	UG
ID150DE-E	UHGZ-22-109	0	610.1	610.1	UG
ID150DE-E	UHGZ-22-115	0	1.1	1.1	UG
ID150DE-F	UHGZ-22-095	833	833	0	UG
ID150DE-F	UHGZ-22-104	0	1022.5	1022.5	UG
ID150DE-F	UHGZ-22-113	0	157.8	157.8	UG
ID150DE-G	UHGZ-22-101	351	351	0	UG
ID150DE-G	UHGZ-22-101W	307.7	844.5	536.8	UG
ID150DE-G	UHGZ-22-111	0	333.2	333.2	UG
LM110-05	UHGZ-22-100	218	617.6	399.6	UG
LM110-05	UHGZ-22-100W	366	533.3	167.3	UG
LM110-05	UHGZ-22-112	0	795.9	795.9	UG
ID1800 A	GTD-22-715A	0	938.9	938.9	Surface
ID1800 A	GTD-22-715	0	16.3	16.3	Surface
ID1800 A	GTD-22-704	530.5	901.3	370.8	Surface
ID1800 B	GTD-22-725	0	0	0	Surface
ID1800 B	GTD-22-701W	393.3	955.8	562.5	Surface
ID1800 B	GTD-22-701	380	439.9	59.9	Surface

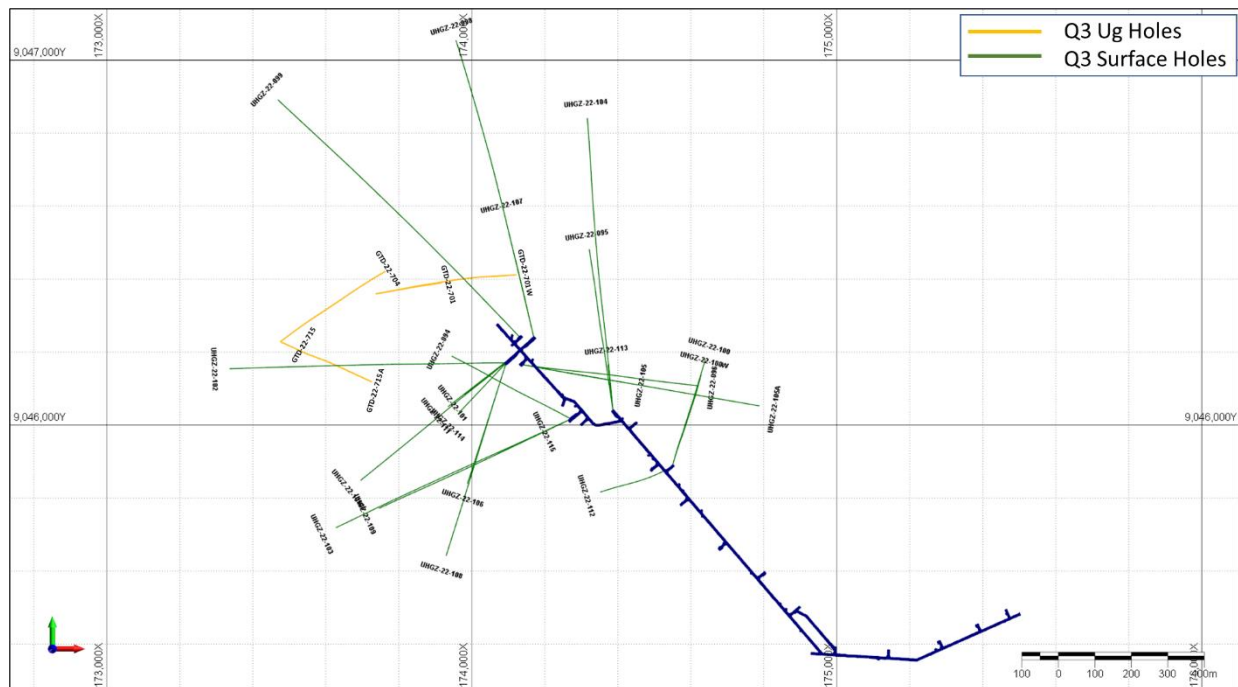


Figure 2: Tujuh Bukit – Underground and Surface Drill Holes

### **Gold and Silver: Tujuh Bukit Project**

- A. Expenditure:  
The total expenditure for exploration-related activities for the Tujuh Bukit gold and silver project in Quarter 3 2022 is Rp 29.5 billion consisting of near-mine resource definition drilling, and regional exploration work.
- B. Area:  
Tujuh Bukit gold and silver project, 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 surface, regional mapping, sampling, and geophysical survey.
- E. Election of Assessment Area:  
The areas were selected for the near-mine drilling programs and regional work as they are areas of the Tujuh Bukit licence close to the current pits and with anomalous geochemical results.
- F. Results of Exploration:  
Two reverse circulation (RC) rigs and five diamond drilling (DD) rigs conducted drilling with a total of 9,710.18 metres including near-mine drilling.
- G. Action Plan:  
Near-mine drilling will continue using an RC rig and three DD rigs.

Table 2: Tujuh Bukit surface drilling project statistics Quarter 3 2022

Rig ID	Hole_ID	From	To	Interval	Comments
ID 350D	GTD-22-709	260.1	345.6	85.5	Surface
ID 350D	GTD-22-713	0	200.5	200.5	Surface
ID 350D	GTD-22-717	0	129.3	129.3	Surface
ID 350D	GTD-22-721	0	153.3	153.3	Surface
ID500 E	GTD-22-711	186.1	344.2	158.1	Surface
ID500 E	GTD-22-714	0	253	253	Surface
ID500 E	GTD-22-719	0	268.3	268.3	Surface
ID500 E	GTD-22-722	0	274.1	274.1	Surface
ID500 E	GTD-22-727	0	434.4	434.4	Surface
IDT1000	GTD-22-710	203.6	203.6	0	Surface
IDT1000	GTD-22-712	0	315.3	315.3	Surface
IDT1000	GTD-22-718	0	260.2	260.2	Surface
IDT1000	GTD-22-723	0	331.7	331.7	Surface
IDT1000	GTD-22-724	0	404.1	404.1	Surface
IDT1000	GTD-22-728	0	164.3	164.3	Surface
ID350 E	GTD-22-720	0	274.8	274.8	Surface
ID350 E	GTD-22-726	0	105.4	105.4	Surface
ID350 E	GTH-22-295	0	31	31	Surface
ID350 E	GTH-22-297	0	25.88	25.88	Surface
450 RC	GTR-22-514	84	200	116	Surface
450 RC	GTR-22-515	0	200	200	Surface
450 RC	GTR-22-516	0	174	174	Surface
450 RC	GTR-22-518	0	150	150	Surface
685 RC	GTR-22-517	0	220	220	Surface
685 RC	GTR-22-519	0	264	264	Surface
685 RC	GTR-22-520	0	300	300	Surface
685 RC	GTR-22-521	0	350	350	Surface
685 RC	GTR-22-522	0	250	250	Surface
685 RC	GTR-22-523	0	300	300	Surface
685 RC	GTR-22-524	0	222	222	Surface
685 RC	GTR-22-525	0	156	156	Surface
685 RC	GTR-22-526	0	250	250	Surface
685 RC	GTR-22-527	0	350	350	Surface
685 RC	GTR-22-528	0	240	240	Surface
685 RC	GTR-22-529	0	240	240	Surface
685 RC	GTR-22-530	0	240	240	Surface
685 RC	GTR-22-531	0	267	267	Surface
685 RC	GTR-22-532	0	150	150	Surface
685 RC	GTR-22-533	0	140	140	Surface
685 RC	GTR-22-534	0	160	160	Surface

685 RC	GTR-22-535	0	145	145	Surface
685 RC	GTR-22-536	0	245	245	Surface
685 RC	GTR-22-537	0	200	200	Surface
685 RC	GTR-22-538	0	200	200	Surface
685 RC	GTR-22-539	0	12	12	Surface
685 RC	GTR-22-539A	0	270	270	Surface
685 RC	GTR-22-540	0	30	30	Surface

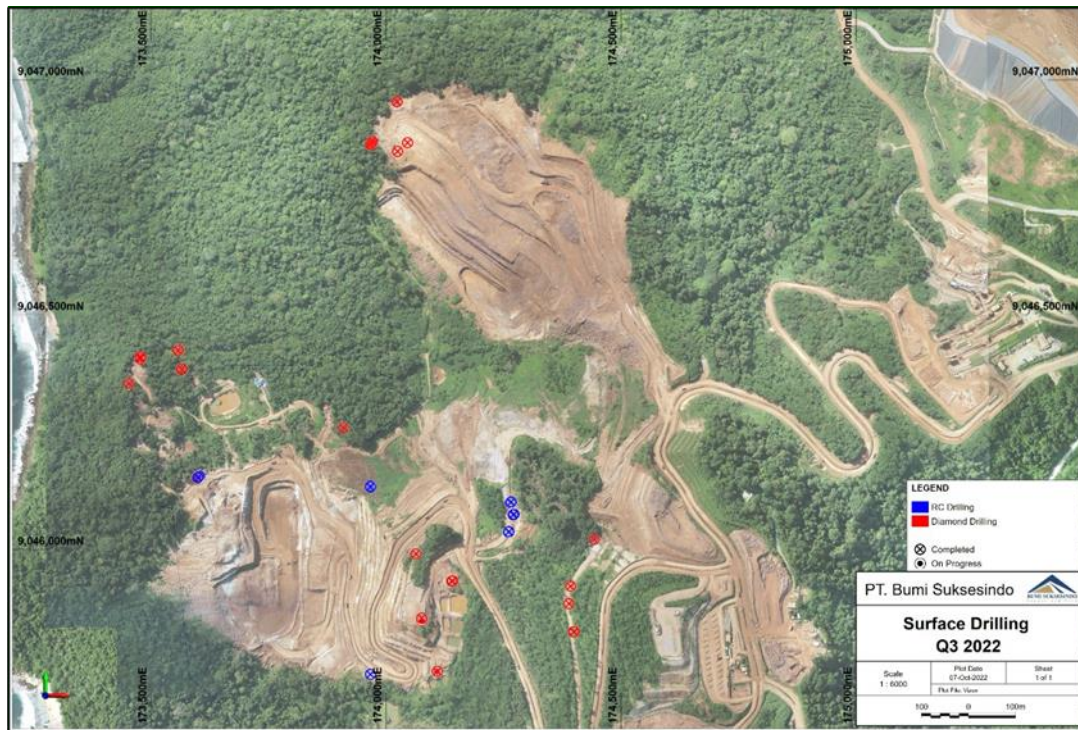


Figure 3: Tjueh Bukit Surface Drilling Map – Quarter 3 2022

### **Copper: Wetar Project**

- A. Expenditure:  
Total estimated exploration costs for the Wetar Project in Quarter 3 2022 are Rp40.58 billion.
- B. Area:  
Wetar Project, Wetar Island, West Maluku.
- C. Exploration Party:  
All work was completed through a contracting agreement between Merdeka and PT Merdeka Mining Servis.
- D. Assessment Method:  
Mapping and following up the continuation of mineralisation, and ground geophysics on regional airborne EM targets. Infill and extension drilling in Partolang Bridge, Partolang North Extension and Partolang Barat aimed to identify the extension of resource potential of massive sulphide and the Lerokis target was focused in Lerokis Zone 1 to test the significant assay in the historical drill holes.

E. Election of Assessment Area:

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

F. Results of Exploration:

Four drill rigs operated during Quarter 3 with 8,946.5 metres of drilling completed as shown in Table 3 and Figure 4. Twenty-one diamond drill holes were completed at Lerokis Zone 1 on regional targets to follow up on historical drill hole results. At Partolang, fourteen diamond drill holes were completed in the northeast and northern areas. At Partolang Bridge, twenty-six reverse circulation (RC) holes were completed to identify new extensions of resources to the western and northern parts.

G. Action Plan:

Surface drilling with four rigs will continue to test mineralisation in Lerokis Zone 1 and ground geophysical targets in the Lerokis region to define new regional drill targets. Infill and extension resource drilling will continue in Partolang.

Table 3: Wetar project drilling statistics Quarter 3 2022

Drill Type	Holes Completed	Metres Drilled	Hole_ID	Details
DD Lerokis	21	2,361.40	LKD118-LKD138	Scout drilling Lerokis Zone 1
DD Partolang	14	2,578.10	PTD091-PTD100, BMD043-BMD045 and PTRD234	Extension drilling to define resources in Northeast and North Partolang
RC Partolang Bridge	26	4,007	PTR234-PTR259	Infill drilling between Partolang and Partolang Barat and Extension to West Partolang Pit to identify new resources
<b>Totals</b>	<b>57</b>	<b>8,946.50</b>		



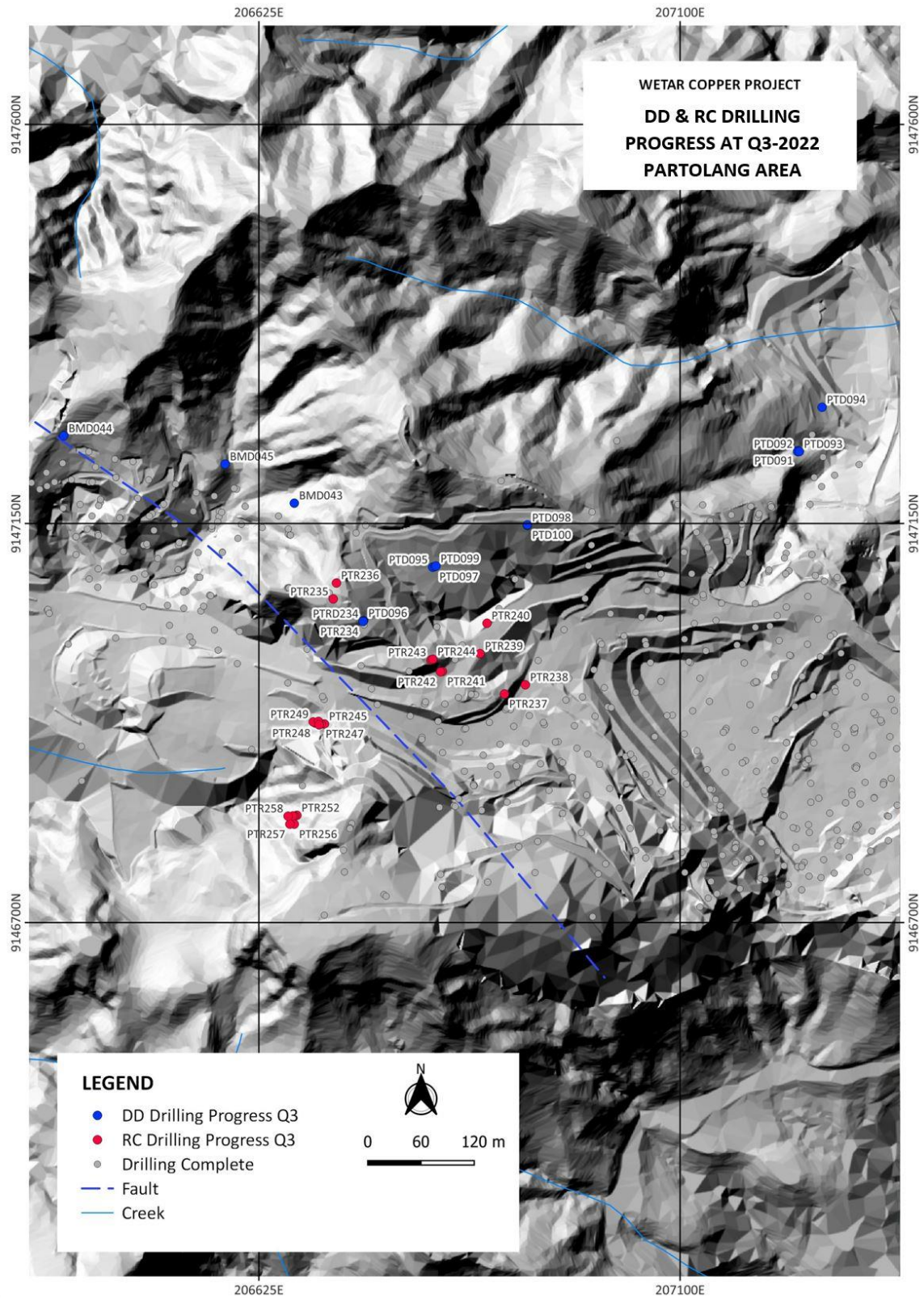


Figure 4: Completed DD & RC drilling in Partolang

**Gold: Pani Project**

- A. Expenditure:  
Total estimated exploration costs for the Pani Project in Quarter 3 2022 are Rp76.41billion.
- 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:  
Diamond drilling utilising eleven drill rigs, with three drill rigs mobilised in August. Core logging and half core sampling for all resource definition and sterilisation holes, geological mapping of the area, and alteration mineral analysis on current drilling using ASD.
- E. Election of Assessment Area:  
The area selected for drilling was chosen as there is a gap between historical drilling within the IUP and that of the adjoining CoW.
- F. Results of Exploration:  
A total of 49 drill holes have been completed for 15,443.2m, include 9 holes from a sterilisation drilling program. The progress of current drilling program is shown in Figure 5.
- G. Action Plan:  
The diamond drilling program will continue using thirteen diamond drill rigs with an additional two rigs planned last week of October 2022.

Table 4: Pani project drilling statistics Quarter 3 2022

Drill Type	Holes Completed	Metres Drilled	Hole_ID	Details
DD Baganite	9	3,468.70	BGD001-BGD009	Infill Drilling
DD Ilota-Nanasi	14	4,852.70	ILD302-ILD315	Infill Drilling
	17	5,862.30	NND313, NND316, NND318- NND332	Infill Drilling
DD Sterilization	9	1,259.50	STD002-STD010	Sterilization Drilling
<b>Totals</b>	<b>49</b>	<b>15,443.20</b>		



