

**INFORMATION DISCLOSURE TO SHAREHOLDERS RELATED TO AFFILIATED TRANSACTION
PT MERDEKA COPPER GOLD TBK (the "COMPANY")**

This Information Disclosure to the shareholders (as defined below) is made to explain to the public in connection with the services provision agreement made by and between PT Gorontalo Sejahtera Mining and PT Merdeka Mining Servis which both are the Company's Controlled Companies.

The transaction is an Affiliated Transaction as stipulated in the Regulation of the Financial Services Authority of the Republic of Indonesia No. 42/POJK.04/2020 on Affiliated Transactions and Conflict of Interest Transactions.

THIS INFORMATION DISCLOSURE IS IMPORTANT TO BE READ AND CONSIDERED BY THE SHAREHOLDERS OF THE COMPANY.

IF YOU HAVE DIFFICULTIES UNDERSTANDING THE INFORMATION AS SET FORTH IN THIS INFORMATION DISCLOSURE YOU SHOULD CONSULT WITH A LEGAL COUNSEL, A PUBLIC ACCOUNTANT, A FINANCIAL ADVISOR, OR ANY OTHER PROFESSIONAL.

THE BOARD OF DIRECTORS AND BOARD OF COMMISSIONERS OF THE COMPANY, EITHER SEVERALLY OR JOINTLY, ARE FULLY RESPONSIBLE FOR THE ACCURACY AND COMPLETENESS OF THE INFORMATION AS DISCLOSED IN THIS INFORMATION DISCLOSURE. THE BOARD OF DIRECTORS AND BOARD OF COMMISSIONERS OF THE COMPANY REPRESENT THE COMPLETENESS OF THE INFORMATION AS DISCLOSED IN THIS INFORMATION DISCLOSURE AND AFTER GIVING DUE AND CAREFUL EXAMINATION, EMPHASIZE THAT THE INFORMATION CONTAINED IN THIS INFORMATION DISCLOSURE ARE TRUE AND THERE ARE NO IMPORTANT MATERIAL AND RELEVANT FACTS THAT HAVE NOT BEEN DISCLOSED OR REMOVED IN THIS INFORMATION DISCLOSURE CAUSING THE INFORMATION PROVIDED ON THIS INFORMATION DISCLOSURE TO BE UNTRUE AND/OR MISLEADING.

THE BOARD OF DIRECTORS AND BOARD OF COMMISSIONERS OF THE COMPANY DECLARE THAT THIS AFFILIATED TRANSACTION DOES NOT CONTAIN ANY CONFLICT OF INTEREST.



PT MERDEKA COPPER GOLD TBK

Business Activities

Mining of gold, silver, copper, nickel and other associated minerals, industries and other related business activities through subsidiaries of the Company

Domiciled in South Jakarta, DKI Jakarta, Indonesia

Headquarter Office:

Treasury Tower, 67th Floor, District 8 SCBD Lot. 28
Jl. Jend. Sudirman Kav. 52-53, South Jakarta 12910
Telephone: +62 21 3952 5580 Facsimile: +62 21 3952 5589
Email: corporate.secretary@merdekacoppergold.com
Website: www.merdekacoppergold.com

This Information Disclosure
is issued in Jakarta on 2 November 2022

DEFINITIONS

“Affiliate”	:	Affiliate means <ol style="list-style-type: none">1. family relations due to marriage and descent up to the second degree, both horizontally and vertically;2. relationship between a party and employees, directors, or commissioners of the party;3. relationship between 2 (two) companies where there is 1 (one) or more same members of the board of directors or board of commissioners;4. the relationship between a company and a party, both directly or indirectly, controlling or being controlled by the said company;5. relationship between 2 (two) companies that are controlled, both directly or indirectly, by the same party; or6. the relationship between a company and the principal shareholders.
“Conflict of Interest”	:	The difference between the economic interest of a public company and the personal economic interest of members of the board of directors, members of the board of commissioners, principal shareholders, or Controllers that may be harmful to the public company concerned.
“Indonesia Stock Exchange”	:	Stock exchange as defined in Article 1 point 4 Capital Market Law, in this case, held by PT Bursa Efek Indonesia, domiciled in Jakarta.
“GSM”	:	PT Gorontalo Sejahtera Mining, domiciled in South Jakarta, a limited liability company established and operated under the laws of the Republic of Indonesia.
“Minister”	:	Minister of Law and Human Rights of the Republic of Indonesia.
“MMS”	:	PT Merdeka Mining Servis, domiciled in South Jakarta, a limited liability company established and operated under the laws of the Republic of Indonesia.
“Financial Services Authority or OJK”	:	The independent institution as referred to in Law No. 21 of 2011 on Financial Services Authority (“ OJK Law ”), whose duties and authorities include the regulation and supervision of financial service activities in the sectors of banking, capital market, insurance, pension funds, financial institution and other financial institutions, whereby since 31 December 2012, OJK is an institution that replaces and accepts the rights and obligations to carry out regulatory and supervisory functions from the Capital Market and Financial Institutions Supervisory Agency with following the provisions of Article 55 OJK Law.
“Shareholders”	:	Parties who have the benefit of the Company’s shares, both in the form of scripts and in collective custody which are kept and administered in the securities account at Indonesia Central Securities Depository, registered in the Shareholder Register of the Company which is

	:	administered by the Securities Administration Bureau appointed by the Company.
“Independent Appraiser or KJPP”	:	Public Appraisal Office of Ferdinand, Danar, Ichsan and Partners, independent appraisers registered with the OJK who have been appointed by the Company to conduct an assessment of the fair value and/or fairness of the Transaction.
“Agreement”	:	Services Provision Agreement No. 025/GSM/SRVC/VI/2022 dated 31 October 2022 signed by PT Gorontalo Sejahtera Mining and PT Merdeka Mining Servis.
“Company”	:	PT Merdeka Copper Gold Tbk, domiciled in South Jakarta, a public limited company whose shares are listed on the Indonesia Stock Exchange, which is established and operated under the laws of the Republic of Indonesia.
“Controlled Company”	:	Any company which is directly or indirectly controlled by the Company as defined in OJK Regulation 42/2020.
“POJK 17/2020”	:	OJK Regulation No. 17/POJK.04/2020, enacted on 20 April 2020 regarding Material Transaction and Changes in Business Activities.
“POJK 35/2020”	:	OJK Regulation No. 35/POJK.04/2020, enacted on 25 May 2020 regarding Appraisal and Presentation of Business Appraisal Report in the Capital Market.
“POJK 42/2020”	:	OJK Regulation No. 42/POJK.04/2020, enacted on 1 July 2020 regarding Affiliated Transaction and Conflict of Interest Transaction.
“Rupiah or Rp or IDR”	:	Reference to the Rupiah, the legal currency of the Republic of Indonesia.
“Affiliated Transaction”	:	Any activity and/or transaction conducted by a public company or a controlled company with an Affiliate of a public company or an Affiliate of a member of the board of directors, a member of the board of commissioners, the principal shareholders, or the Controller, including any activity and/or transaction conducted by a public company or controlled company for the benefit of an Affiliate of a public company or an Affiliate of a member of the board of directors, member of the board of commissioners, principal shareholders or the Controller.
“Conflict of Interest Transaction”	:	Transactions that are carried out by public companies or controlled entities with any party, both with Affiliates and parties other than Affiliates that contain a Conflict of Interest.
“Capital Market Law”	:	Law No. 8 of 1995 dated 10 November 1995 on Capital Market, State Gazette of the Republic of Indonesia No. 64 the Year 1995.

INTRODUCTION

To comply with the provisions of POJK 42/2020, the Board of Directors of the Company announces Information Disclosure to provide information to the Shareholders of the Company that on 31 October 2022, GSM and MMS signed an Agreement with the scope of work as furtherly elaborated in the Summary of Transaction Agreement below to support the implementation of GSM's business activities ("**Transaction**").

The Transaction carried out is an Affiliated Transaction as referred to in POJK 42/2020, in which GSM and MMS are the Company's Controlled Companies. However, this Affiliated Transaction is not a Transaction with a Conflict of Interest as outlined in POJK 42/2020.

The Affiliated Transaction has complied with the procedures as outlined in Article 3 of POJK 42/2020 and has been executed by generally accepted business practices.

In accordance with the provisions of Article 4 paragraph 1 of POJK 42/2020, this Transaction is an Affiliated Transaction that is required to use the service of an Independent Appraiser in determining the fairness of the Affiliated Transaction in which the fairness of the Transaction needs to be announced to the public. The Company has received the fair value for this Transaction based on the Appraisal Report from the KJPP No. 00049/2.0176-00/BS/02/0089/1/X/2022 dated 18 October 2022 on Fairness Opinion Report for the Services Provision of PT Merdeka Mining Servis to PT Gorontalo Sejahtera Mining as an Affiliated Party ("**Appraiser's Report**").

Moreover, the Company is obliged to announce Information Disclosure to the public and submit the appraisal report along with other supporting documents to OJK no later than the end of the 2nd (second) business days after the date of the Transaction as referred in Article 4 of POJK 42/2020.

DESCRIPTION OF THE TRANSACTION

Information Regarding the Parties Involved

1. GSM

GSM, domiciled in South Jakarta, was a limited liability company established by the name of PT Newcrest Nusa Sulawesi based on Deed of Articles of Association No. 82 dated 28 July 1994, made before Siti Safariyah, S.H. C. N., as the substitute of B.R.Ay. Mahyastoeti Notonagoro, S.H., Notary in Jakarta, which has been approved by the Minister of Justice of the Republic of Indonesia under Decree No. C2-12.169 HT.01.01-TH94 dated 12 August 1994, of which articles of association have been amended several times, lastly based on Deed of Statement of Shareholders' Resolution No. 22 dated 8 October 2021, made before Humberg Lie, S.H., S.E., M.Kn., Notary in North Jakarta, which has been notified to the Minister based on the Receipt of Notification of the Amendment of Articles of Association No. AHU-AH.01.03-0462760 dated 19 October 2021 and has been approved by the Minister under Decree No. AHU-0058067.AH.01.02.Tahun 2021 dated 19 October 2021 ("**Deed 22/2021**").

Based on the provisions of Article 3 of the Articles of Association of GSM, the purpose and objective of GSM are to carry out businesses in the field of gold and silver mining as well as metal and metal ore wholesale.

To achieve the above-mentioned purpose and objective, GSM may carry out the following business activities:

- a. mining and processing of gold and silver ore. Cleaning, separation, and refining activities which cannot be separated administratively from gold and silver ore mining business activities; and
- b. metal ore and base metal wholesale, for instance iron ore and non-iron ore in its base form, for instance nickel ore, copper ore, aluminium, iron, steel, and wholesale for iron metal products as well as semi-finished non-iron and other wholesale activities which are not included in other classification. Including gold and other precious metal wholesale (silver, platinum).

Capital Structure and Shareholders' Composition of GSM

In accordance with Deed 22/2021 *juncto* Deed of Statement of Shareholders' Resolution No. 86 dated 29 December 2021, made before Humbert Lie, S.H., S.E., M.Kn., Notary in North Jakarta, which has been notified to the Minister based on the Receipt of Notification of the Change of Data No. AHU-AH.01.03-0492518 dated 29 December 2021 ("**Deed 86/2021**"), capital structure and composition of shareholders of GSM are as follows:

Description	Total Shares	Nominal Value per Share (Rp)	Total Value of Shares (Rp)	%
Authorized Capital	1,000,000,000	2,167	2,167,000,000,000	
Issued Capital and Fully Paid-Up Capital				
PT Andalan Bersama Investama	751,949,753	2,167	1,629,475,114,751	99.99
Tri Boewono	1	2,167	2,167	0.01
Total	751,949,754		1,629,475,116,918	100
Portfolio Shares	248,050,246		537,524,883,082	

Composition of the Board of Commissioners and Board of Directors of GSM

Based on Deed of Statement of Shareholders' Resolution in lieu of Extraordinary General Meeting of Shareholders No. 20 dated 4 March 2022, made before Darmawan Tjoa, S.H., S.E., Notary in Jakarta, which has been notified to the Minister based on the Receipt of Notification of the Change of Data No. AHU-AH.01.03-0141578 dated 4 March 2022, the composition of the Board of Directors and the Board of Commissioners of GSM as of the date of the issuance of this Information Disclosure is as follows:

Board of Commissioners

President Commissioner : Simon James Milroy
 Commissioner : Edi Permadi
 Commissioner : Adi Adriansyah Sjoekri

Board of Directors

President Director : Boyke Poerbaya Abidin
 Director : Cahyono Seto

2. MMS

MMS, domiciled in South Jakarta, was established under the Deed of Establishment No. 114 dated 21 December 2017, made before Darmawan Tjoa, S.H., S.E., Notary in Jakarta, which has been approved by the Minister under Decree No. AHU-0058435.AH.01.01.Tahun 2017 dated 22 December 2017, whose articles of association have been amended several times, lastly based on the Deed of Circular Resolutions in Lieu of the Extraordinary General Meeting of Shareholders No. 82 dated 25 March 2022, made before Darmawan Tjoa, S.H., S.E., Notary in Jakarta, which has been approved by the Minister under Decree No. AHU-0021428.AH.01.02.Tahun 2022 dated 25 March 2022.

Based on the provisions of Article 3 of the Articles of Association of MMS, the purpose and objective of MMS are to carry out a business in the field of mining support service activities; architectural and engineering activities; building construction; civil building construction; and special construction.

To achieve the above-mentioned purpose and objective, MMS may carry out the following business activities:

- a. other mining and excavation support activities (KBLI 09900)
Carrying out supporting service activities based on remuneration or contracts, which are needed in mining activities, such as exploration services, pumping and distribution services for mining products and experimental services for excavation and drilling of fields or mines wells.
- b. engineering and related technical consulting activities (KBLI 71102)
Carrying out engineering design and consulting activities; such as machinery, factories and industrial processes; projects involving civil engineering, hydraulics, traffic engineering; expansion and realization of projects related to electrical and electrical engineering; and project management activities related to construction.
- c. industrial building construction (KBLI 41013)
Carrying out business activities for the construction, maintenance, and/or reconstruction of building used for industry, such as factories and workshops. Including changes and renovation of industrial buildings.
- d. civil road construction (KBLI 42101)
Carrying out business activities for the construction, maintenance and/or reconstruction of roads structures. This includes development activities, improvement, maintenance support, complementary and road equipment.
- e. construction of civil building of bridge, overpass, fly over, and underpass construction (KBLI 42102)
Carrying out business activities for the construction, maintenance and/or reconstruction of bridge, overpass, underpass, and fly over. This includes development activities, improvement, maintenance support, bridge and road complementary equipments, such as fences/retaining walls, road drainage, road markings, and signs.
- f. mining civil building construction (KBLI 42916)
Carrying out business activities for the construction, maintenance and/or reconstruction of mining exploration and operation production facility, including environmental impact control.
- g. prefabricated civil buildings construction services (KBLI 42930)
Carrying out activities for the installation of materials from factory production such as precast concrete, steel, plastic, rubber, and other factory products through manufacturing, erection and/or assembly methods for civil buildings.
- h. mechanical installation (KBLI 43291)
Carrying out of business activities for the installation and maintenance of mechanical installations of conveyor and lifting equipment in buildings, such as elevator, escalator, conveyor, gondola, and automatic door.
- i. land preparation (KBLI 43120)
Carrying out business activities to prepare land for subsequent construction activities, such as clearing and maturation of construction land, shrubland clearing; land clearing/soil stabilization (excavation for slope making and so on), sampling for construction purposes, geophysics, geology or similar purposes, and land preparation for nuclear power activity. Land preparation supporting activity such as installation of construction supporting facility, re-measurement, temporary road diversion/construction, reparation and maintenance of public roads, dewatering/drainage, mobilization and demobilization, and other similar works.

- j. other construction installation which cannot be otherwise classified (KBLI 43299)
 Conducting business activities in installing building's other installations and activity of installation, maintenance, and repairing of other civil building. Including installing and maintenance mining and manufacture installation facility such as loading and discharging stations, winding shafts, chemical plants, iron foundaries, blast furnaces and coke oven; installing the installation of processing system and refining system for seawater, brackish water, fresh water into purified water on power station.

Capital Structure and Shareholders' Composition of MMS

Based on Deed of Statement of Shareholders' Circular Resolution in lieu of Extraordinary General Meeting of Shareholders No. 31 dated 14 December 2021 made before Darmawan Tjoa, S.H., S.E., Notary in Jakarta, which has been approved by the Minister based on Decree No. AHU-0071884.AH.01.02.TAHUN 2021 dated 14 December 2021 and notified to the Minister based on Receipt of Notification of Amendment of Articles of Association No. AHU-AH.01.03-0485228 dated 14 December 2021, the capital structure and composition of shareholders of MMS are as follows:

Description	Total Shares	Nominal Value per Share (Rp)	Total Value of Shares (Rp)	%
Authorized Capital	150,000	1,000,000	150,000,000,000	
Issued Capital and Fully Paid-Up Capital				
Company	107,227	1,000,000	107,227,000,000	99.99
PT Mitra Daya Mustika	3	1,000,000	3,000,000	0.01
Total	107,230		107,230,000,000	100
Portfolio Shares	42,770		42,770,000,000	

Composition of the Board of Commissioners and Board of Directors of MMS

Based on Deed of Circular Resolutions in Lieu of Extraordinary General Meeting of Shareholders No. 5 dated 4 February 2022, made before Darmawan Tjoa, S.H., S.E., Notary in Jakarta, which has been notified to the Minister based on the Receipt of Notification of the Change of Data No. AHU-AH.01.03-0077420 dated 4 February 2022, the composition of the Board of Directors and the Board of Commissioners of MMS as of the date of the issuance of this Disclosure of Information is as follows:

Board of Commissioners

President Commissioner : Simon James Milroy
 Commissioner : Adi Adriansyah Sjoekri

Board of Directors

President Director : Priyadi
 Director : Cahyono Seto

Transaction Value

Pursuant to the Agreement, the Transaction's maximum amount of IDR325,772,060,613.96 (three hundred twenty-five billion seven hundred seventy-two million sixty thousand six hundred thirteen point nine six Rupiah) plus 10% (ten per cent) margin. Therefore, the Transaction is not a material transaction as referred to POJK 17/2020 considering that the value of the Transaction does not reach 20% (twenty per cent) of the total equity value by the Company's Interim Consolidated Financial Statements as of 30 June 2022 which was audited by Tanubrata Sutanto Fahmi Bambang & Rekan as Public Accountant Firm.

Nature and Affiliated Relation

The nature of the affiliation relationship between GSM and MMS with the Company is as follows:

- a. MMS is a Controlled Company of the Company with shares owned directly by the Company in the amount of 99,99% (ninety-nine point nine nine per cent);
- b. GSM is a Controlled Company of the Company with shares owned indirectly by the Company in the amount of 50,09% (fifty point zero nine per cent); and
- c. there are members of the Board of Commissioners of GSM and MMS who also serve as members of the Board of Directors of the Company.

Summary of Transaction Agreement

Services Provision Agreement No. 025/GSM/SRVC/VI/2022 dated 31 October 2022

Parties:

1. GSM; and
2. MMS.

Scope of Agreement:

In accordance with the Agreement, GSM cooperates with MMS to provide mining construction services to support GSM's business activities, consisting of:

1. Study and Detail Engineering Design;
2. Construction;
3. Mine Planning Includes Exploration;
4. Asset Management;
5. Health, Safety, and Environmental;
6. Feasibility Study;
7. Others consulting, planning, and/or implementation activities of mining services.

The Agreement is valid from 31 October 2022, until 2 (two) years and will continue to be automatically extended for the same period until termination is made in accordance with the Agreement.

Transaction Value:

The maximum of Transaction Value is IDR IDR325,772,060,613.96 (three hundred twenty-five billion seven hundred seventy-two million sixty thousand six hundred thirteen point nine six Rupiah) plus 10% (ten per cent) margin.

Applicable Law:

Laws of the Republic of Indonesia

Dispute Resolution:

Indonesian National Arbitration Board (BANI)

SUMMARY OF APPRAISER'S REPORT

KJPP who have been appointed by the Company's Board of Directors as Independent Appraisers following the proposal letter No. 012/FDI/PB-FO/VIII/2022 dated 16 August 2022, has been requested to provide an assessment of and provide an opinion of the Transaction's fairness.

Fairness Assessment Report on Transaction

The following is a summary of the KJPP's fairness assessment of the Transaction as stated in its report No. 00049/2.0176-00/BS/02/0089/1/X/2022 dated 18 October 2022 as follows:

1. Transaction Parties

The transacting parties are GSM as the company that utilizes the professional services and MMS as the company providing services.

2. Analysis Object of Fairness Opinion

The object of the fairness opinion analysis is the proposed transaction of the Company's subsidiary in the form of the provision of mining construction services with a margin of 10% (ten per cent) by MMS to GSM as an affiliated party.

3. Purpose and Objective of Giving Fairness Opinion

The purpose and the objective of this assignment is to provide a fairness opinion on the affiliated proposed transaction and in order to comply with the POJK 42/2020, not for taxation, banking and not for other forms of the proposed transaction.

4. Assumptions and Limit Condition

- a. This fairness opinion appraisal report is a non-disclaimer opinion.
- b. KJPP has reviewed the legal status of the document used in the appraisal/fairness opinion process.
- c. The obtained data and information derived from trustworthy sources.
- d. KJPP uses the adjusted financial projection made by management with fiduciary duty.
- e. KJPP is responsible for the implementation of the appraisal of the fairness opinion.
- f. This fairness opinion is open to the public, except for confidential information, which may affect the Company's operations.
- g. KJPP has obtained information on the legal status (Agreement) of the appraisal object/proposed transaction from the assignor.
- h. KJPP is responsible for all contents of this fairness appraisal report.

5. Methodology of Fairness Analysis of the Proposed Transaction

Based on the POJK 35/2020, the analysis of the fairness of the proposed transaction is carried out through an analysis that includes the following:

- a. analysis of the Transaction;
- b. qualitative and quantitative analysis of the proposed Transaction;
- c. analysis of the fairness of the Transaction value; and
- d. analysis of another relevant factor.

6. Fairness Opinion

In view of the transaction analysis, qualitative analysis, quantitative analysis, and fairness analysis of the proposed transaction, KJPP considered that the proposed transaction of the Company's subsidiary in the form of provision of mining construction services with a margin of 10% (ten per cent) by MMS towards GSM, is **FAIR**.

**THE EFFECT OF THE TRANSACTION ON THE COMPANY'S
FINANCIAL CONDITION**

The Effect of the Transaction on the Company's Financial Condition

The table below shows an overview of the financial condition of the Company and its subsidiaries as of 31 March 2022 before and after carrying out the Affiliated Transaction.

Description	Before Transaction Execution	Adjustment	After Transaction Execution
ASSETS			
Current Assets			
Cash or cash equivalents	121.959.805	(22.700.304)	99.259.501
Trade receivables	825.326	-	825.326
Other receivables	60.410.715	-	60.410.715
Inventories - current portion	155.904.932	-	155.904.932
Claims for tax refund	22.876.420	-	22.876.420
Advances and prepayments - current portion	18.666.048	-	18.666.048

Description	Before Transaction Execution	Adjustment	After Transaction Execution
Investment in equity instrument and other securities	47.882.116	-	47.882.116
Derivative financial instrument - current portion	104.232	-	104.232
Total Current Assets	428.629.594	(22.700.304)	405.929.290
Non-Current Assets			
Advances and prepayments - non-current portion	50.499.209	-	50.499.209
Advance of investment	349.644.665	-	349.644.665
Investment in shares	1.230.013	-	1.230.013
Loan to related parties - non-current portion	9.528.967	-	9.528.967
Inventories - non-current portion	52.156.551	-	52.156.551
Prepaid taxes	15.695.652	-	15.695.652
Property, plant and equipments	330.887.074	19.432.428	350.319.502
Right-of-use assets	17.304.051	-	17.304.051
Mining properties	68.631.495	-	68.631.495
Exploration and evaluation assets	411.717.799	3.267.876	414.985.675
Deferred tax assets	18.719.785	-	18.719.785
Derivative financial instrument - non-current portion	6.273.094	-	6.273.094
Other non-current assets	6.842.869	-	6.842.869
Total Non-Current Assets	1.339.131.224	22.700.304	1.361.831.528

Description	Before Transaction Execution	Adjustment	After Transaction Execution
TOTAL ASSETS	1.767.760.818	-	1.767.760.818
LIABILITIES AND EQUITY			
Current Liabilities			
Trade payables	44.015.161	-	44.015.161
Accrued expenses	32.405.383	-	32.405.383
Unearned revenue	8.092.502	-	8.092.502
Taxes payable	28.842.490	-	28.842.490
Other payables	38.783.423	-	38.783.423
Borrowings - current portion			
Bank Loans and Credit Facility	128.735.321	-	128.735.321
Bonds payable	209.807.988	-	209.807.988
Lease liabilities	25.968.471	-	25.968.471
Derivative financial instrument - current portion	6.269.389	-	6.269.389
Provision for mining rehabilitation - current portion	78.720	-	78.720
Total Current Liabilities	522.998.848	-	522.998.848
Non-Current Liabilities			
Borrowings - non-current portion			
Bonds payable	266.710.392	-	266.710.392
Bank Loans and Credit Facility	9.706.866	-	9.706.866

Description	Before Transaction Execution	Adjustment	After Transaction Execution
Lease liabilities	18.072.592	-	18.072.592
Deferred tax liabilities	947.349	-	947.349
Derivative financial instrument - non-current portion	732.932	-	732.932
Post-employment benefits liability - non-current portion	19.093.466	-	19.093.466
Provision for mining rehabilitation - non-current portion	34.271.564	-	34.271.564
Total Non-Current Liabilities	349.535.161	-	349.535.161
TOTAL LIABILITIES	872.534.009	-	872.534.009
Equity			
Share capital	36.112.298	-	36.112.298
Additional paid-in capital	454.779.498	-	454.779.498
Treasury stock	(113.972)	-	(113.972)
Cash flows hedging reserve	(291.007)	-	(291.007)
Other equity components	13.829.371	-	13.829.371
Retained earnings	294.016.074	-	294.016.074
Non-controlling interests	96.894.547	-	96.894.547
Total Equity	895.226.809	-	895.226.809
TOTAL LIABILITIES AND EQUITY	1.767.760.818	-	1.767.760.818

(*) Expressed in US Dollars and refers to the Company's Interim Consolidated Financial Statements dated 31 March 2022.

**DESCRIPTION, CONSIDERATIONS AND REASONS FOR THE TRANSACTION
COMPARED WITH OTHER SIMILAR TRANSACTIONS WHICH ARE NOT PERFORMED
WITH AFFILIATED PARTIES**

By conducting the Transaction, GSM can utilize MMS' services which already have a good and long track record in providing similar services as described in the Summary of Transaction Agreement to other subsidiaries of the Company. By carrying out services provision towards GSM, it is expected that it will potentially improve GSM's performance which will improve the Company's financial performance indirectly, hence in turn can create added value for the Company's Shareholders.

The Transaction has also been assessed by internal procedures using similar terms and conditions if the Transaction is conducted with an unaffiliated party, hence the terms and conditions of the Transaction are carried out by generally accepted business practices. Furthermore, the Transaction is also more effective and efficient if carried out by GSM and MMS.

**STATEMENT OF THE BOARD OF COMMISSIONERS
AND BOARD OF DIRECTORS OF THE COMPANY**

The Board of Commissioners and Board of Directors of the Company, either individually or jointly, state that all material information related to the Transaction has been disclosed and the information is not misleading and the Transaction is not considered a Conflict of Interest Transaction as referred to POJK 42/2020 and is not a material transaction as referred to POJK 17/2020 considering that the Transaction value does not reach 20% (twenty per cent) of the total equity value based on Interim Consolidated Financial Statements as of 30 June 2022 which was audited by Tanubrata Sutanto Fahmi Bambang & Rekan as Public Accountant Firm.

The Board of Directors of the Company stated that the Transaction was carried out following the procedures owned by the Company as required in POJK 42/2020 to ensure that Affiliated Transactions have been carried out by prevailing regulations and generally accepted business practices.

ADDITIONAL INFORMATION

For further information, you can contact the Company at the following address:

PT Merdeka Copper Gold Tbk
Corporate Secretary

Treasury Tower, 67th Floor, District 8 SCBD Lot. 28
Jl. Jend. Sudirman Kav. 52-53, South Jakarta 12910

Telephone: +62 21 3952 5580

Facsimile: +62 21 3952 5589

E-mail: corporate.secretary@merdekacoppergold.com

Website: www.merdekacoppergold.com

Initial: