

Exploration Report – Quarter 4 2022

Summary: PT Merdeka Copper Gold (Merdeka) continues exploration activities at 3 locations in Indonesia (Tujuh Bukit in East Java, Wetar Island in Southwest Maluku, and Pani in Gorontalo), as shown in Figure 1 below. In Tujuh Bukit the focus is on copper-gold resources and gold-silver resources, in Wetar the focus is on copper, and in Pani, the company is exploring a gold resource.

The total spending on exploration in Indonesia by Merdeka in Quarter 4 2022 is approximately Rp393.97 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 4 2022 is Rp194.3 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.

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**E. Election of Assessment Area:**

The selected area for the current drilling program is an area of the Tujuh Bukit porphyry deposit that contains the largest zone of 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:

8 underground rigs conducted Resource Definition drilling totalling 11,180.3 metres and 2 surface rigs completed a total of 1,314.1 metres as shown in Table 1.

G. Action Plan:

Diamond drilling will continue using 6 underground diamond drill rigs and 2 rigs on the surface.

Table 1: Tujuh Bukit copper project drilling statistics Quarter 4 2022

HOLE ID	From	To	Interval	comments
UHGZ-22-107	492.3	563.4	71.1	UG
UHGZ-22-107W	545.2	1001	455.8	UG
UHGZ-22-117	0	349.7	349.7	UG
UHGZ-22-105A	880.2	882.4	2.2	UG
UHGZ-22-116	0	1054.6	1054.6	UG
UHGZ-22-123	0	500.4	500.4	UG
UHGZ-22-123W	284.1	639.6	355.5	UG
UHGZ-22-099	948.4	1020	71.6	UG
UHGZ-22-110	0	902	902	UG
UHGZ-22-124	0	572.5	572.5	UG
UHGZ-22-114	135	518.2	383.2	UG
UHGZ-22-120	0	334.8	334.8	UG
UHGZ-22-125	0	279.8	279.8	UG
UHGZ-22-129	0	503.6	503.6	UG
UHGZ-22-115	1.1	310.1	309	UG
UHGZ-22-119	0	629	629	UG
UHGZ-22-119W	623	821.4	198.4	UG
UHGZ-22-126	0	78.2	78.2	UG
UHGZ-22-113	157.8	965.9	808.1	UG
UHGZ-22-122	0	525	525	UG
UHGZ-22-130	0	22.7	22.7	UG
UHGZ-22-111	333.2	810.2	477	UG
UHGZ-22-121	0	880.1	880.1	UG
UHGZ-22-127	0	307.5	307.5	UG
UHGZ-22-112	795.9	1020.9	225	UG
UHGZ-22-118	0	619	619	UG
UHGZ-22-118W	608.7	752.2	143.5	UG
UHGZ-22-128	0	121	121	UG

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GTD-22-715A	938.9	1068	129.1	Surface
GTD-22-725A	0	965.2	965.2	Surface
GTD-22-725	0	219.8	219.8	Surface

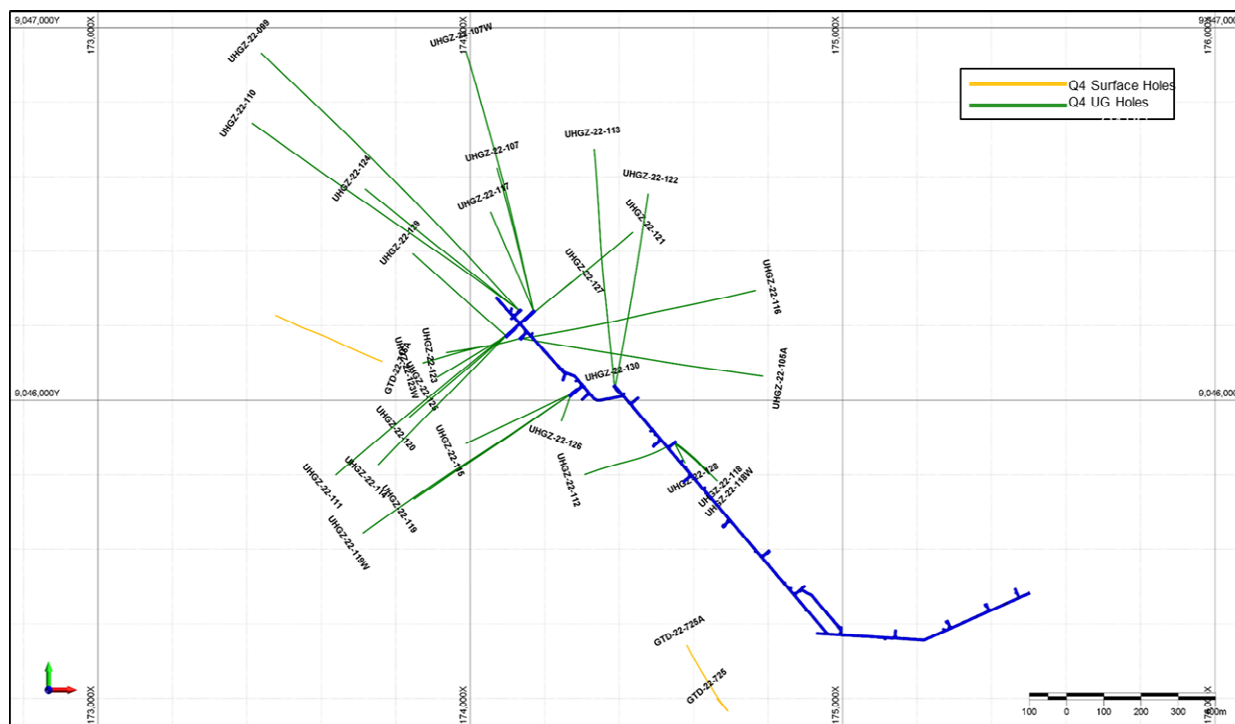


Figure 2: Tjueh Bukit – underground and surface drill holes

Gold and Silver: Tjueh Bukit Project

A. Expenditure:

The total expenditure for exploration-related activities for the Tjueh Bukit gold and silver project in Quarter 4 2022 is Rp46.1 billion consisting of the life of mine resource definition drilling and regional exploration work.

B. Area:

Tjueh 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 the surface, regional mapping, sampling and geophysical survey.

E. Election of Assessment Area:

The areas were selected for the life of mine drilling programs and for the regional work as they are near the current pits and with anomalous geochemical results.

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**F. Results of Exploration:**

1 reverse circulation (RC) rig and 5 diamond drill (DD) rigs conducted drilling with a total of 8,513.7 metres.

G. Action Plan:

Near-Mine drilling will continue using 1 RC rig and 3 DD rigs. Regional Exploration drilling will continue with 1 DD Rig.

Table 2: Tujuh Bukit surface drilling project statistics Quarter 4 2022

Hole_ID	From	To	Interval	Comments
GTD-22-730	0	356.6	356.6	Surface
GTD-22-734	0	251.5	251.5	Surface
GTD-22-736	0	221.9	221.9	Surface
GTD-22-738	0	298	298	Surface
GTD-22-741	0	0	0	Surface
GTD-22-727	434.4	510.9	76.5	Surface
GTD-22-729	0	417.6	417.6	Surface
GTD-22-735	0	405.4	405.4	Surface
GTD-22-737	0	305.7	305.7	Surface
GTD-22-728	164.3	389	224.7	Surface
GTD-22-731	0	336.3	336.3	Surface
GTR-22-540	30	250	220	Surface
GTR-22-541	0	264	264	Surface
GTR-22-542	0	220	220	Surface
GTR-22-543	0	270	270	Surface
GTR-22-544	0	270	270	Surface
GTR-22-545	0	250	250	Surface
GTR-22-546	0	260	260	Surface
GTR-22-547	0	250	250	Surface
GTR-22-548	0	225	225	Surface
GTR-22-549	0	230	230	Surface
GTR-22-550	0	265	265	Surface
GTR-22-551	0	96	96	Surface
GTR-22-552	0	60	60	Surface
GTR-22-553	0	120	120	Surface
GTR-22-554	0	120	120	Surface
GTR-22-555	0	12	12	Surface
GTR-22-555A	0	60	60	Surface
GTR-22-556	0	200	200	Surface
GTR-22-557	0	264	264	Surface

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GTR-22-558	0	200	200	Surface
GTR-22-559	0	220	220	Surface
GTR-22-560	0	150	150	Surface
GTR-22-561	0	168	168	Surface
GTR-22-562	0	220	220	Surface
GTR-22-563	0	250	250	Surface
GTR-22-566	0	200	200	Surface
GTD-22-732	0	351.9	351.9	Surface
GTD-22-733	0	201.6	201.6	Surface
CND-22-011	0	2	2	Surface

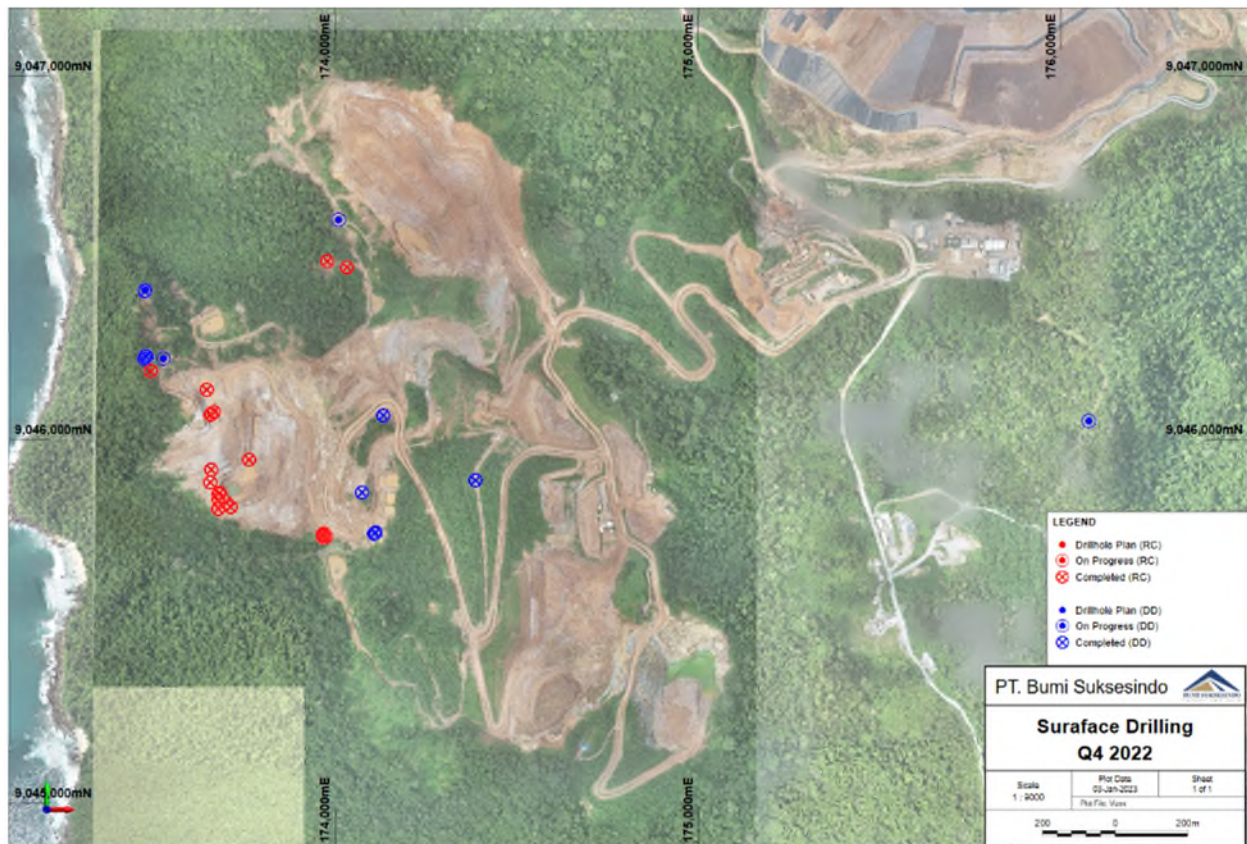


Figure 3: Tujuh Bukit surface drilling map – Quarter 4 2022

Copper: Wetar Project

A. Expenditure:

The total estimated exploration cost for the Wetar Project in Quarter 4 2022 is Rp41.98 billion.

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**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:

Geological interpretation and geochemical results have been used to define drilling targets both for the resource definition program in Near Mine Partolang and sterilisation drilling in Kali Kuning.

E. Election of Assessment Area:

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

F. Results of Exploration:

4 drill rigs operated during Quarter 4 2022 with 63 drill holes completed for a total drilled depth of 9,746.9 metres for resource drilling programs in Partolang and sterilisation drilling program in Kali Kuning.

G. Action Plan:

Infill and extension resource drilling will continue in the Partolang area.

Table 3: Wetar project drilling statistics Quarter 4 2022

Drill Type	Holes Completed	Metres Drilled (m)	Hole ID	Details
DD Partolang	25	4,975.80	PTD101-PTD119, BMD046-BMD051	Extension drilling to define resources
DD Kali Kuning Sterilisation	5	487.10	KKD087-KKD091	Sterilisation drilling for mining infrastructure
RC Partolang Bridge	33	4,284	PTR260-PTR292	Infill drilling
Totals	63	9,746.9		

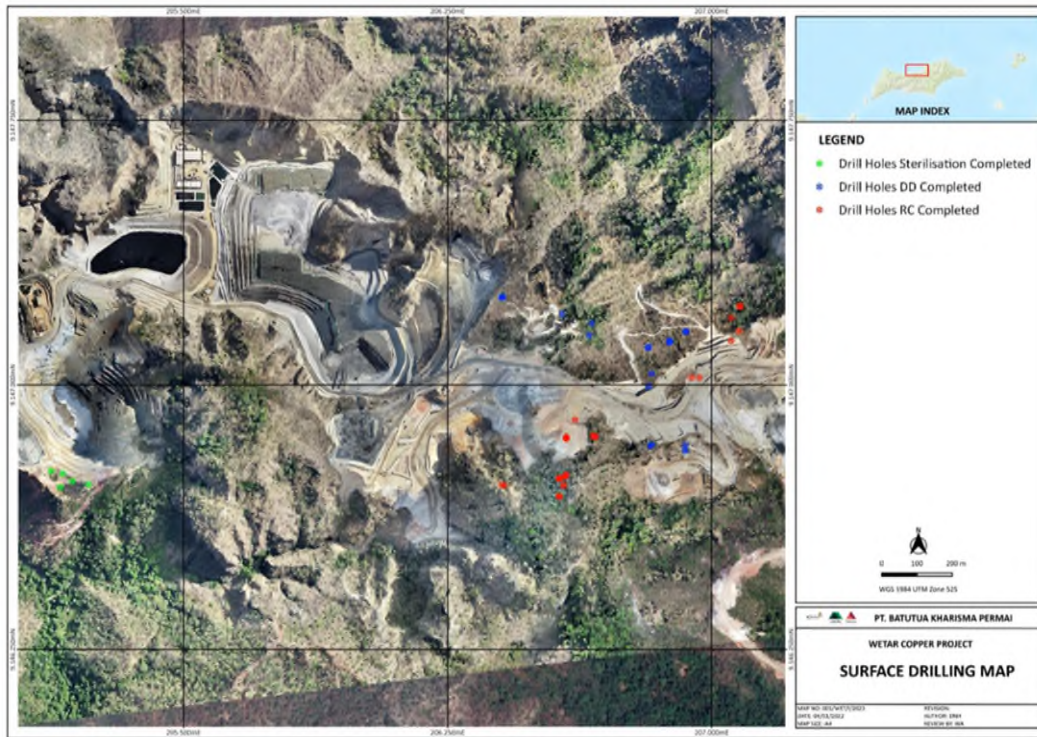


Figure 4: Completed DD & RC holes in Partolang and Sterilisation holes in Kali Kuning

Gold: Pani Project

- A. Expenditure:
Total estimated exploration costs for the Pani Project in Quarter 4 2022 are Rp111.6 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:
Diamond drilling continued with 13 drill rigs, the last two drill rigs mobilised at the end of October. Drill pad construction, water pipeline setup, core logging and sampling, geological mapping and alteration mineral analysis by LIBS and XRF were conducted during the month.
- 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:
86 drill holes were completed for a total of 24,432.1 metres during Quarter 4 2022, including 18 holes from a sterilisation drilling program. The progress of the current drilling program is shown in Figure 5.

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**G. Action Plan:**

The diamond drilling program will continue using 13 diamond drill rigs for the resource definition program at the Baganite area and sterilisation drilling program.

Table 4: Pani project drilling statistics Quarter 4 2022

Drill Type	Holes Completed	Metres Drilled	Hole_ID	Details
DD Baganite	48	15,972.9	BGD010-BGD051, BGD053-BGD056, BGD058, BGD060	Infill Drilling
DD Ilota- Nanasi	14	4,388.9	ILD316-ILD329	Infill Drilling
	6	1,567.1	NND333-NND338	Infill Drilling
DD Sterilization	18	2,503.2	STD011-STD028	Sterilisation Drilling
Totals	86	24,432.1		

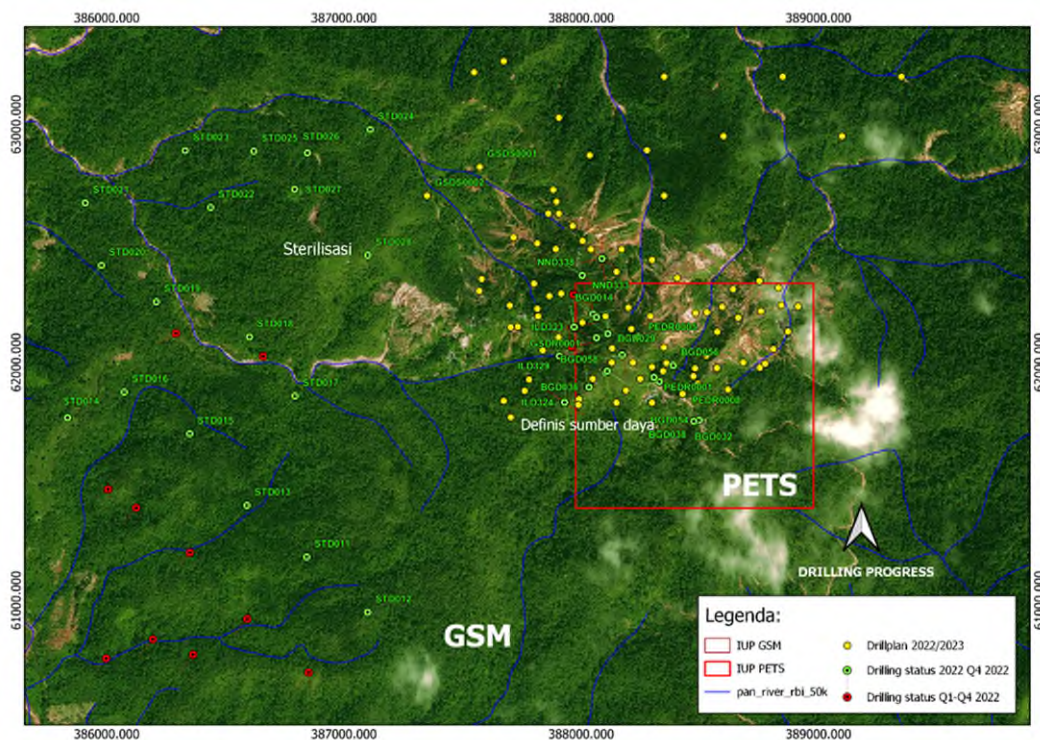


Figure 5. Pani Proposed and Completed Drill Holes Overlain on Topography