



3Q 2023 Results Presentation

26 October 2023



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3Q 2023 Highlights

A 66% uplift in gold sales revenue from the previous quarter at an attractive cash margin of 59%

NPI production increased by 55% from the previous quarter, whilst production costs have decreased by 14% and 25% over the past three and six months, resulting in stronger margins (+138% QoQ)

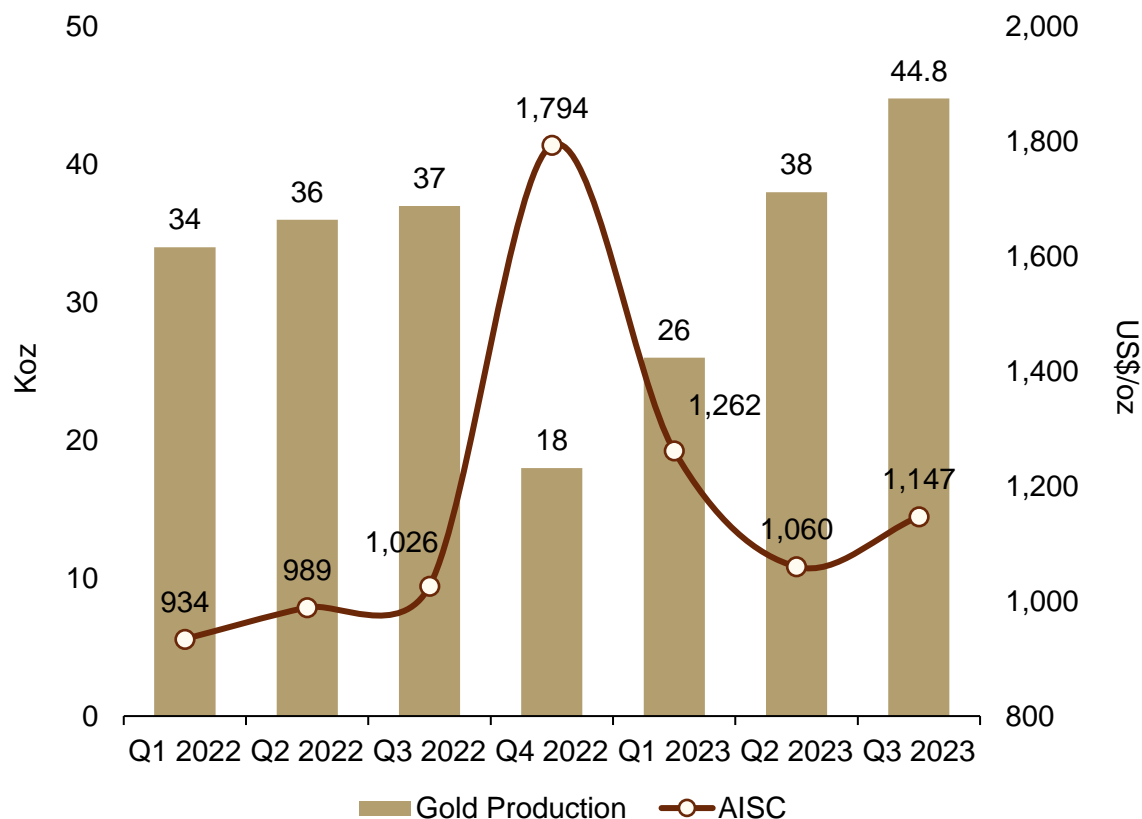
First full quarter of nickel matte production and sales – realising an additional cash margin of US\$1,192/t from selling a higher value product

Substantial development work completed at Pani. Construction capex for the 7Mtpa heap leach project is estimated to cost approximately \$200 million, and gold production is expected to commence by the end of 2025

Forming the GEM HPAL JV, commissioning at the AIM Project, completion of haul road upgrade leading to successful first delivery of saprolite ore to IMIP, and successful first delivery of pyrite ore from Wetar to IMIP

3Q 2023 Production Highlights – Gold

Gold Production and AISC

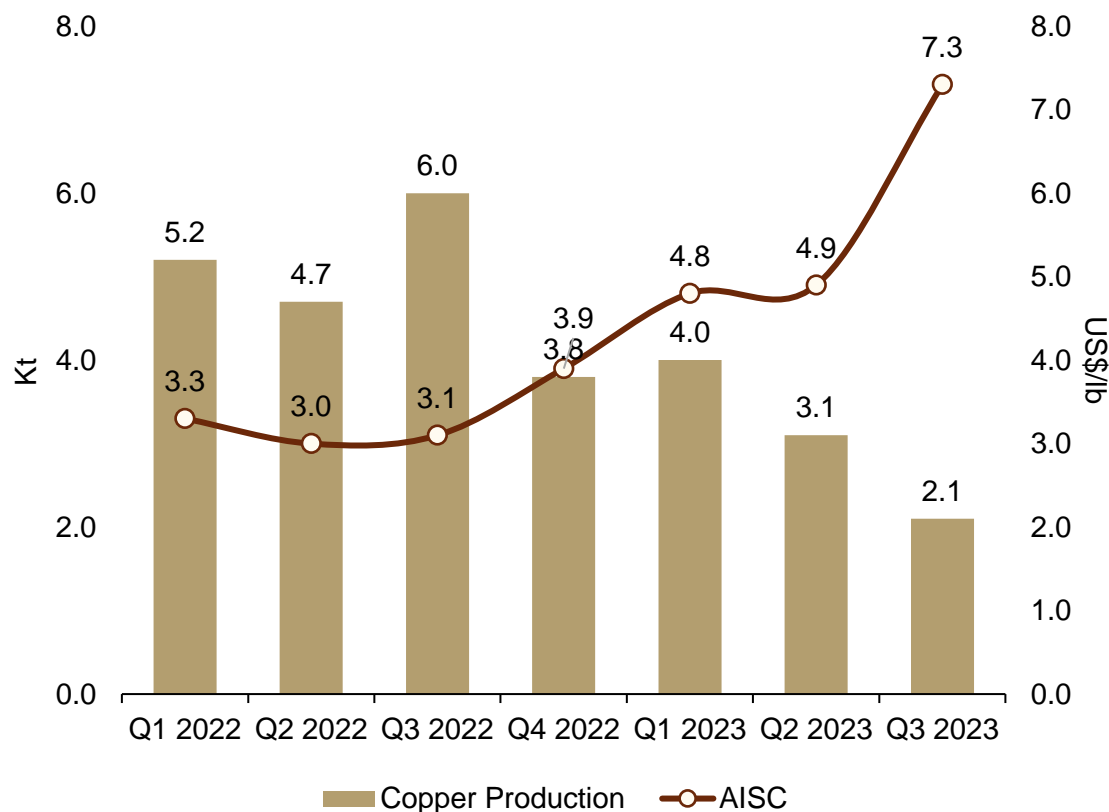


Commentary

- Production from TB Gold Mine for the quarter was in line with plan
- Gold produced during the quarter was 44,882 ounces at a total cash cost of US\$805/oz and an AISC of US\$1,147/oz net of silver credits
- Average grade and recoveries for the quarter were 0.69 g/t Au and 79.1%, respectively
- Cumulative gold production for 9M 2023 is 109,159 ounces at an AISC of \$1,138/oz
- On track to achieve 2023 guidance of 120,000 – 140,000 ounces of gold at an AISC of US\$1,100 – 1,300/oz net of silver credits
- Cumulative manhours without Lost Time Injury (“LTI”) until the end of September 2023 is 22,154,192 hours
- During the quarter, Merdeka continued an aggressive drilling program to test new targets to extend mine life. The current expectation is that the TB Gold Mine will be producing gold beyond 2026
- Average realised price for the quarter was US\$1,946/oz

3Q 2023 Production Highlights – Copper

Copper Production and AISC

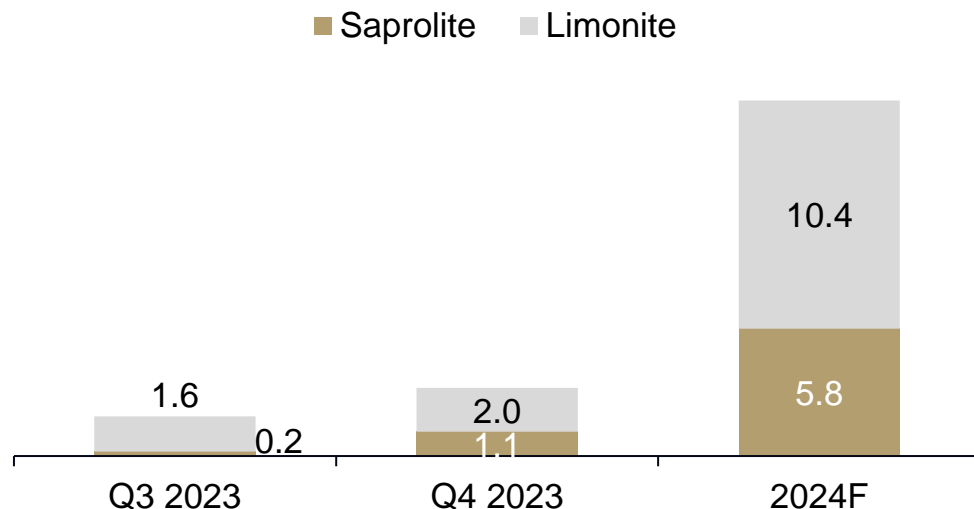


Commentary

- Copper produced from Wetar during the quarter was 2,128 tonnes at a total cash cost of US\$4.80/lb and an AISC of US\$7.28/lb
- Cumulative copper production for 9M 2023 is 9,309 tonnes at an AISC of \$5.44/lb
- Guidance for 2023 is 14,000 – 16,000 tonnes of copper at an AISC of US\$4.20 – 5.00/lb
- Lower waste mining during the quarter resulted in delays in accessing planned ore. This delay occurred as deliveries of explosives were temporarily limited. As a result, this production is now deferred to 2024
- During the quarter, Wetar commenced shipments of pyrite ore to the AIM Project with the target of reaching run-rate shipment of 1Mtpa by the end of 2024
- Wetar recorded one LTI during the quarter and achieved 1.5 million manhours free without LTI
- Average realised price for the quarter was US\$8,444/t

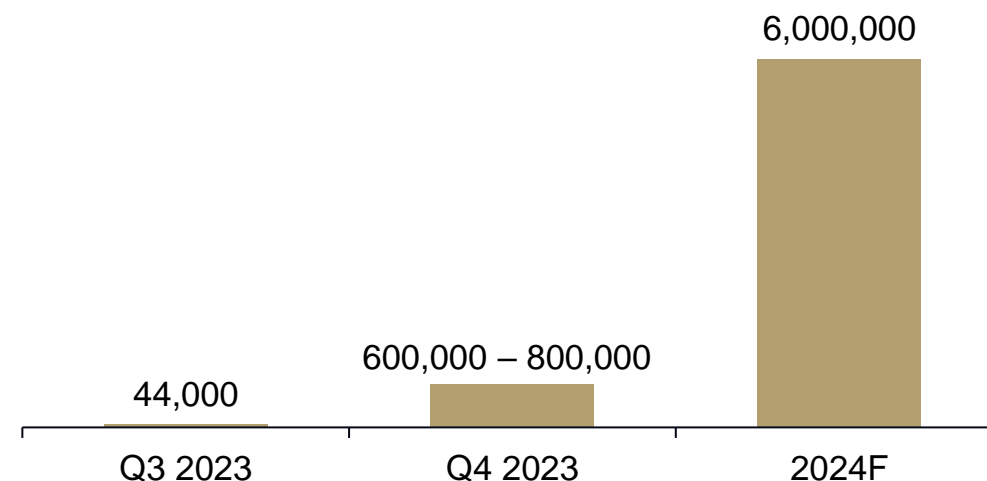
3Q 2023 Production Highlights – SCM Mine

SCM Mine Production Plan (million wmt)



- Mining activities continue to ramp up at the SCM Mine
- Total material mined was 2.1 million wet metric tonnes (“wmt”), comprising 1.6 million wmt of limonite ore, 0.2 million wmt of sapolite ore and 0.3 million wmt of waste
- Significant volume of stockpiled material on site (limonite 3.6 million wmt and sapolite 1.1 million wmt) which has not yet been sold

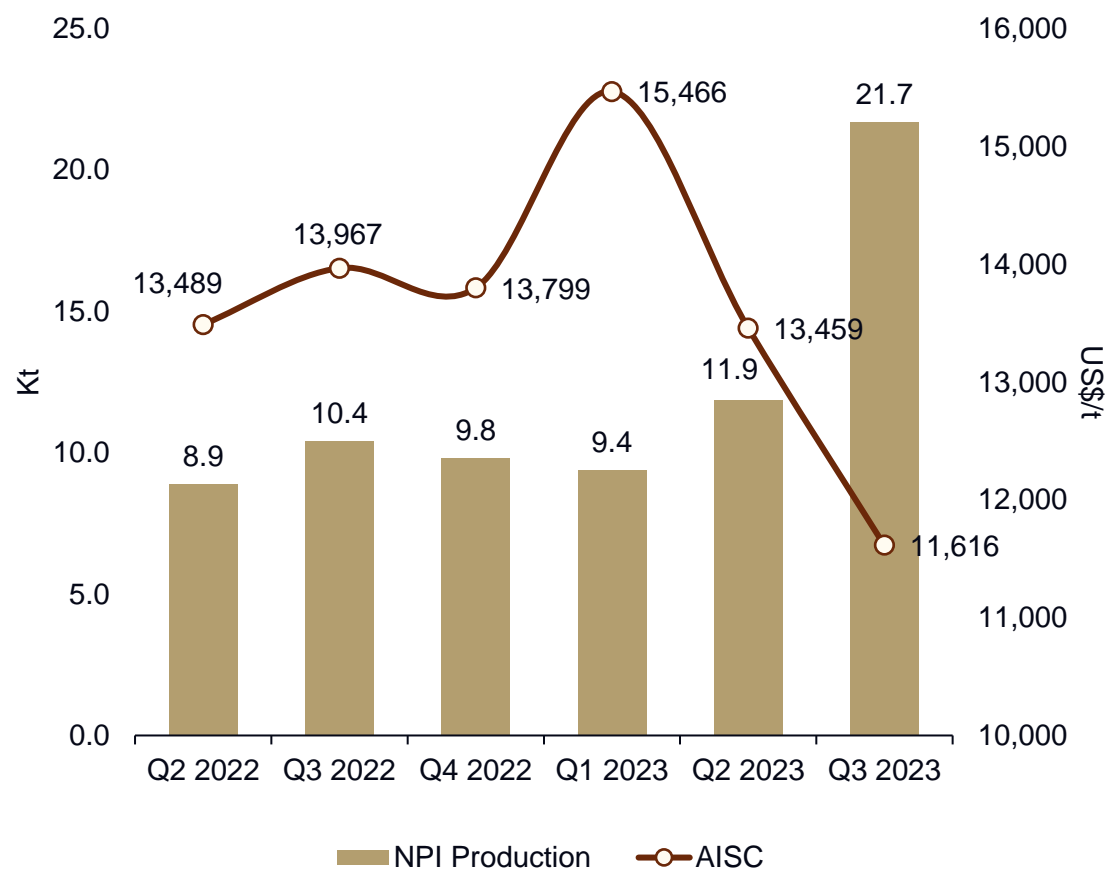
Sapolite Ore Haulage Plan (wmt)



- Delivery of sapolite ore from the SCM Mine to its RKEF Smelter at IMIP commenced during the quarter
- In September 2023, MBM operated ~44 dump trucks of 30 – 50 tonnes capacity on day shift, ramping up to ~140 dump trucks and will commence night shift operations in Q4 2023
- SCM Mine is expected to deliver up to 800,000 wmt of sapolite ore in 2023 and ramp up to six million wmt by the end of 2024, generating significant operating cash flow

3Q 2023 Production Highlights – NPI

NPI Production and AISC

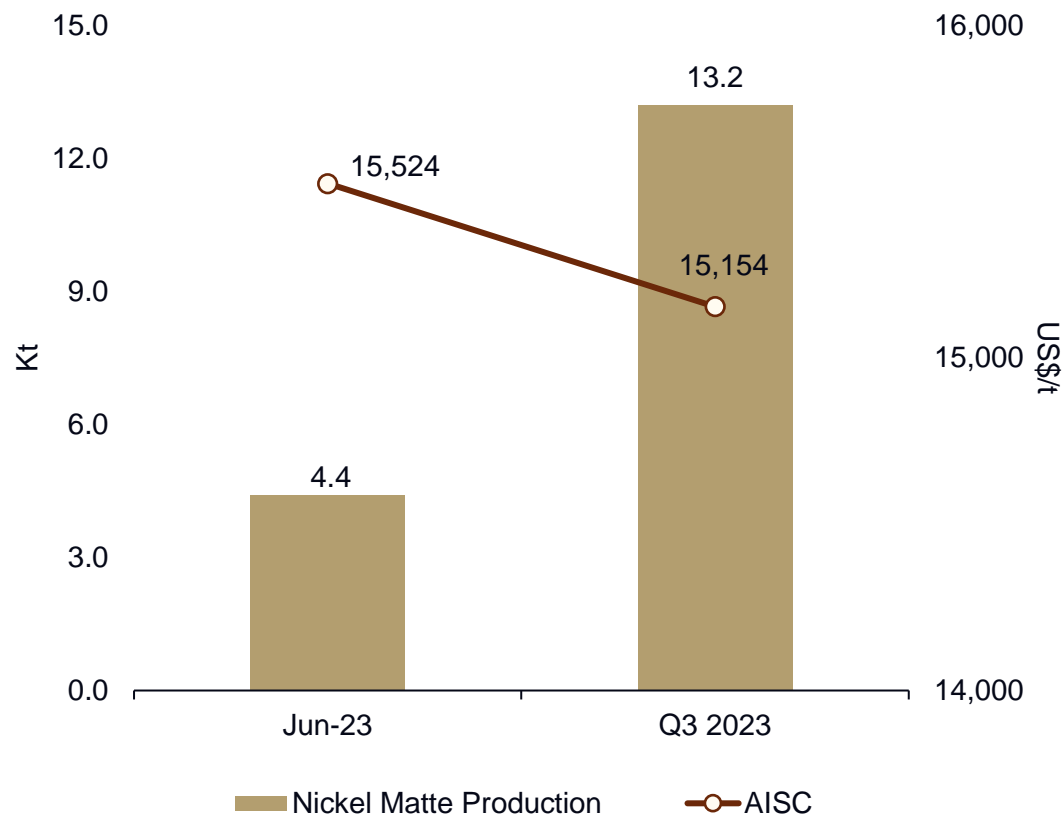


Commentary

- NPI produced from the three MBM RKEF smelters during the quarter was 21,738 tonnes at a cash margin of \$1,577/t, representing an increase in margin of 138% compared to the previous quarter
- Cumulative NPI production for 9M 2023 is 42,976 tonnes at an AISC of US\$12,958/t, achieving a cash margin of US\$1,309/t
- Guidance for 2023 is 57,000 – 65,000 tonnes of nickel in NPI at an average AISC of US\$12,500 – 14,000/t
- NPI production increased by 55%, whilst production costs have decreased by 14% and 25% over the past three and six months, resulting in stronger margins
- The cost reduction can be attributed to a lower price for nickel ore, electricity, and reductant costs
- Average realised price for the quarter was US\$13,193/t

3Q 2023 Production Highlights – Nickel Matte

Nickel Matte Production and AISC



Commentary

- The acquisition of HNMI, a high-grade nickel matte (“HGNM”) converter, was completed in June 2023
- During the quarter, HNMI produced 13,210 tonnes of nickel in nickel matte at an AISC of US\$15,154/t, achieving a cash margin of US\$1,192/t
- Cumulative production, post-acquisition completion, is 17,649 tonnes of nickel in nickel matte at an AISC of US\$15,247/t, achieving a cash margin of US\$1,256/t
- HNMI is expected to produce 28,000 – 31,000 tonnes of nickel in nickel matte, following acquisition completion, in 2023
- HNMI has an agreement to purchase low-grade nickel matte (“LGNM”) at the prevailing NPI price plus a small margin reflecting recovery losses and costs. As a large-scale producer of NPI, MBM is naturally hedged against the cost of LGNM
- Average realised HGNM price for the quarter was US\$16,346/t

Nickel Matte Facilities

High Grade Nickel Matte Converter (HNMI)



High Grade Nickel Matte Product



Pani Gold Project

Pani will be a low cost, long life, sustainable gold mining operation in the near term

Significant gold resource

6.6Moz of gold with significant exploration upside

Extensive development work on-site completed

More than US\$100 million invested in resource drilling, mining fleet purchases and site infrastructure development

Advancing towards first production

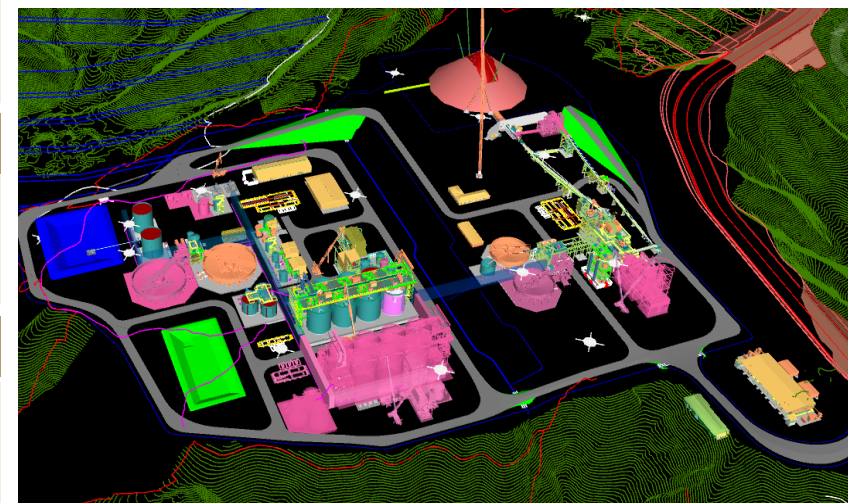
7Mtpa heap leach project is expected to commence production by the end of 2025

Large scale production

Combined heap leach and CIL processing 19Mtpa of ore targeting ultimate production in excess of 450,000 ounces of gold per annum

Low capex, self-funding mine

Estimated construction capex of approximately US\$200 million. Future project expansion will be self-funding once the initial heap leach processing commences



Pani Gold Project

Pre-development construction activities continued across the site, with the development of an independent access road, establishment of accommodation facilities, and supporting infrastructure

Site Access Road



Office Accommodations



Various Infrastructure



Road Access to Mining Open Pit



TB Copper Project

Merdeka is now completing optimisation studies, including the potential for improved metallurgical recoveries, higher underground production throughput and open pit mining of additional copper ore

Globally significant copper-gold deposit

Mineral resources containing 8.1Mt of copper and 27.4Moz of gold

Increasing confidence in mineral resource

Underground drilling has advanced, with the next mineral resource update, targeted for Q1 2024, expected to deliver significant additional indicated resource tonnage

Potential connectivity to TB Gold Mine

Recent drilling has identified copper-gold mineralisation extending from below the TB Gold Mine open pits to the underground indicated resource

Low-risk, brownfield expansion

The potential open pit mining of this copper-gold mineralisation of the existing mining operations would potentially increase, accelerate and de-risk the initial production profile of the TB Copper Project

Advancing project enhancement work

Optimisation work include the potential to increase SLC production throughput, enhancing metallurgical recoveries and the potential application of the AIM Project to treat TB Copper concentrates



MBM Project Development

SCM Mine



- Saprolite ore delivery to MBM's RKEF Smelters commenced in mid-August
- SCM Mine is expected to deliver up to 800,000 wmt of saprolite ore in 2023 and ramp up to six million wmt by the end of 2024, generating significant operating cash flow

Haul Road & Other Infrastructure



- Haul road upgrade completed during the quarter following an investment of approximately US\$84.5 million
- MBM is also monitoring the Huayue FPP and installation of a slurry pipeline from the FPP to the HNC HPAL plant at IMIP
- Completion of the FPP and slurry pipeline is expected in early 2024 enabling the sale of limonite ore from the SCM Mine to HNC to commence

AIM Project



- Commissioning has commenced as construction nears completion
- Engineering, procurement and construction activities were 92% complete at the end of the quarter
- The first acid train is expected in January 2024 and ramp up to full capacity in early 2024, with the commencement of the second acid train and chloride plant also expected in early 2024

HPAL JVs



- New partnership signed with GEM Co., Ltd ("GEM") to construct a majority MBM owned HPAL processing plant, located within IMIP, with a nameplate capacity of 30,000 tonnes per annum of contained nickel in MHP
- MBM has the option to participate in potential expansion of an additional 20,000 tonnes per annum of contained nickel in MHP of another GEM HPAL project

SCM Mine – Huayue FPP

MBM is ready to monetise its substantial stockpile of limonite ore upon completion of the Huayue FPP and slurry pipeline, expected in early 2024

FPP Area



FPP Area



FPP Facilities (camp, warehouse, workshop, office)



Camp



AIM Project Site Photos

In September 2023, the first 10,000 tonnes of pyrite ore was shipped from Wetar to the AIM Project at IMIP, following the completion of the Wetar barge jetty

Delivered Pyrite Ore at AIM



Wetar Barge Jetty



AIM Project Site Photos



AIM is a significant growth opportunity for MBM and is well positioned to benefit from the growth in acid demand expected as additional HPAL plants are constructed at IMIP and across Indonesia



AIM Acid Plant



HPAL Development Plan

MBM plans to develop multiple HPAL processing plants in partnership with leading battery material companies

JV with CATL	
 	
66% MBM Ownership	60 ktpa Nameplate Capacity (Ni MHP) End 2025 Target First Production
Capacity	<ul style="list-style-type: none"> 60ktpa
Ore Supply	<ul style="list-style-type: none"> SCM Mine
Responsibilities	<ul style="list-style-type: none"> CATL: project financing, design and construction ENFI: design and engineering MBM: permitting, incentives and local community relations
Capex	<ul style="list-style-type: none"> Low capex Cost overrun protection
Location	<ul style="list-style-type: none"> IKIP

JV with GEM	
 	
55% MBM Ownership	30 ktpa Nameplate Capacity (Ni MHP) End 2024 Target First Production
Capacity	<ul style="list-style-type: none"> 30ktpa with option to participate in potential expansion of an additional 20ktpa
Ore Supply	<ul style="list-style-type: none"> SCM Mine
Responsibilities	<ul style="list-style-type: none"> GEM: design, construction, and plant operation MBM: permitting, incentives and project financing
Capex	<ul style="list-style-type: none"> Low capex (brownfield) Cost overrun protection
Location	<ul style="list-style-type: none"> IMIP

Step change increase in group revenue profile underpinned by gold, NPI and nickel matte sales

Further uplift expected in the near term from increasing saprolite ore sales, commissioning of the AIM Project and expected commencement of limonite ore sales

Continuation of downstream battery materials expansion strategy through GEM HPAL JV and ongoing assessment of value accretive opportunities

Pani gold production expected to commence by the end of 2025. Ultimate production is planned to be in excess of 450,000 ounces of gold per annum, making it Indonesia's largest and one of Asia Pacific's largest gold mines

Strong quarterly performance is expected to continue, supported by strong gold, NPI and nickel matte cash margins





For more information, please contact or visit



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