



27 April 2021

Asiamet Appoints GM – KSK Project. Project Development Activities Ramping Up

Asiamet Resources Limited (“Asiamet” or the “Company”) is pleased to announce the appointment of Andrew Neale as General Manager for the KSK Project and to provide an update on the various workstreams underway on the BKM copper development (“BKM”) project located in Central Kalimantan, Indonesia.

Highlights

- Andrew Neale, a highly experienced metallurgist with extensive experience in studies, mine design, construction and operations. He has worked on numerous copper and gold projects in Indonesia and globally with Freeport McMoran, Merdeka Copper Gold and Bumi Resources. Andrew is based in Jakarta and will manage all aspects of the pre-development technical works and permitting required to prepare the BKM project for construction and operations.
- NewPro Consulting and Engineering Services Pty Ltd based in Perth, Australia have been retained to complete an assessment of capital and operating cost estimates for an alternate concentrate - tank leach process flowsheet (refer press release 22 March 2021). NewPro are working together with the developers of the Galvanox® tank leaching technology to evaluate a similar process to that which has been used very successfully at the Sepon Copper Mine in Laos over the past 15 years.

A number of pre-development workstreams are underway or commencing shortly as part of the ongoing value enhancement works including:

- Updating capital and operating cost estimates for the 2019 BKM feasibility study in preparation for debt financing discussions
- Review of all opportunities to reduce the life-of-mine power costs (estimated to be 20% of overall costs). Discussions have been initiated with:
 - potential suppliers of natural gas to the project site
 - designers and constructors of gas pipelines, and
 - suppliers of modular on-site gas-turbine power plants.

Discussions have also been initiated with third parties interested in financing the supply of power as a stand-alone project, separate from the mining and processing operations. This will determine the best overall option for power supply to the project.

- Assessment of long-term tailings and waste rock management options with a view to significantly reducing the project footprint, environmental impacts and cost. PT Ground Risk Management and PT Lorax Indonesia have been engaged on the geotechnical and environmental impacts respectively.
- Additional drilling aimed at adding mining inventory to the BKM copper deposit. Confirming the potential to maintain full production of 25ktpa copper for 10+ years will significantly benefit the debt carrying capacity of the project in the project financing. A ground-based geophysical program comprising approximately 30 line-kilometres of ground-based IP (Induced

Polarization) will also be completed to better define and extend several of the high potential drill targets in the near vicinity of the BKM copper deposit prior to drilling. Preparations for the geophysics and drilling are well advanced and expected to commence in early June 2021.

Project Economics and Financing

The 2019 feasibility study was prepared with a long-term consensus copper price of \$3.30/lb delivering an NPV₈ \$125 million and an IRR of 19.1%. Applying a range of long term copper price sensitivities to the 2019 study parameters clearly demonstrates the upside potential to price prior to completing the value enhancement works.

LT Copper Price	NPV₈ (\$M)	IRR %
\$3.50/lb	169	22.6
\$3.75/lb	223	26.4
\$4.00/lb	276	30.0

On the project financing front, a small group of interested parties have commenced diligence and discussions with the Company and an update will be provided as these discussions progress to a logical conclusion. Asiamet is also evaluating the potential to list its local operating subsidiary on the Indonesian Stock Exchange and discussions with Investment Banks and professional firms in Indonesia are being initiated.

Simultaneous with the above equity financing initiatives, the Company is progressively updating its financial models with the new capital and operating cost inputs coming through the value enhancement works and commencing debt financing discussions with various financial institutions.

Covid-19

Covid 19 remains a very significant health issue in Indonesia and extensive restrictions remain in place to control its impact. The health and safety of our employees, contractors and all stakeholders is our highest priority at this time. Aligned with government guidance on the movement of its staff and contractors the Company continues to implement systems and protocols to reduce the potential for exposure to Covid 19 amongst its work force.

Tony Manini, Executive Chairman of Asiamet Resources commented:

“Asiamet formally welcomes Andrew Neale to the Company. Andrew is very well placed to lead the BKM copper development at our KSK project given his extensive background and experience in copper and gold in Indonesia and having managed the most recent value enhancement metallurgical studies for us. Despite the highly challenging operating environment resulting from Covid 19, we are very pleased with the progress being made both on the pre-development activities by Andrew and our Indonesian based team and corporately on the financing front. While a lot of work remains to be done as we transition Asiamet from an explorer to a copper mine developer and operator, the macro-environment for copper is a very positive tail wind which is being reflected in the level of investor interest we are seeing after five years of downturn. The value inherent in the BKM project is clearly demonstrated in copper price sensitivities applied to the 2019 feasibility study parameters and positive outcomes from the pre-production value enhancement works currently being progressed are expected to provide further significant upside to the project economics. We look forward to reporting further on this work and its impact on our project economics and financing activities over the course of 2021.”

ON BEHALF OF THE BOARD OF DIRECTORS

Tony Manini, Executive Chairman

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FORWARD-LOOKING STATEMENT

This news release contains forward-looking statements that are based on the Company's current expectations and estimates. Forward-looking statements are frequently characterised by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "suggest", "indicate" and other similar words or statements that certain events or conditions "may" or "will" occur. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual events or results to differ materially from estimated or anticipated events or results implied or expressed in such forward-looking statements. Such factors include, among others: the actual results of current exploration activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; possible variations in ore grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing; and fluctuations in metal prices. There may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

This announcement contains inside information as stipulated under the Market Abuse Regulations (EU) no. 596/2014 ("MAR").