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1 June 2021

### **Business Update – BKM Copper Project**

Asiamet Resources Limited (“Asiamet” or the “Company”) is pleased to provide an update with respect to several key workstreams in progress at the BKM copper development project and the Kalimantan Suraya Kencana Contract of Work (“KSK CoW”) located in Central Kalimantan, Indonesia.

#### **Highlights**

- Value Enhancement works related to transitioning the BKM copper mine development from a heap leach to tank leach processing route is making solid progress. Capex and Opex estimates expected in late July will be used as inputs to update the BKM project economics.
- Options for direct shipping of high grade, high value polymetallic ore from the BKZ deposit is being investigated with commodity trading companies for potential offtake or smelter feed. Required metallurgy work will be undertaken from the upcoming drilling programme.
- Field Activities – IP geophysical programme results due in July. Drilling high-priority targets for resource expansion proximal to BKM is planned to commence in June.
- Permitting and Community Engagement – continued strong progress on permitting front, with conditional approval for key Pinjam Pakai Permit expected over the next 4-6 weeks.
- Partner Discussions – BKM as one of few shovel ready copper projects in Asia is seeing strong interest from a number of Indonesian, Asian and US investors. Good progress is being made.

#### **Value Enhancement Activities**

Value engineering activities related to developing the BKM copper mine using tank leach processing (vs Heap Leach) is making solid progress. As part of this workstream, consultants NewPro engineering will review the capital and operating cost estimates for the project. Asiamet expects to receive the revised estimates by mid-late July 2021 and will then complete an update of the project economics. The project team led by Andrew Neale are also reviewing important initiatives related to logistics, reducing power and environmental costs.

#### **Field Activities – Drilling and IP Geophysics**

Field activities have commenced at site including mobilisation of drilling equipment and line cutting for a 30km Induced Polarisation (IP) geophysical survey. Drilling of high potential targets close to the planned BKM copper mine development is expected to commence in late June overseen by Chief Consulting Geologist, Pat Creenaune.

The IP survey will allow the Company to better target its drilling in areas that are yet to be tested and increasing the probability of successfully adding to the existing mineral inventory. Results from the IP programme are expected in July, with drilling in those areas to commence once data has been assessed.

Increasing the mineral inventory further de-risks the BKM copper project as part of the financing process through increased mine life, higher annual production and stronger support for the initial capital investment and any future expansion.

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### **BKZ High-Grade Polymetallic Zone – Direct Ship Ore**

The project team have been investigating the potential for producing a direct ship ore (DSO) from the near surface high grade polymetallic (Zinc, Lead, Silver +/- Gold and Copper) BKZ Resource, located approximately 800 metres north of the BKM copper Reserve. Initial discussions have been undertaken with various trading companies for a potential offtake or feed into a smelter or metals recovery plant. As part of this assessment, metallurgical testing to determine the processing characteristics of the BKZ mineralization will be undertaken from the upcoming drilling programme.

Subject to the necessary permitting, the potential benefit of any DSO product is early cash flow generation and hence further significant de-risking of the BKM copper mine development. BKZ is a Polymetallic (Cu-Pb-Ag-Pb-Au) deposit located close to BKM that is zoned from an upper zinc-lead-silver +/- gold and copper to a lower copper-silver bearing deposit. The deposit is open in multiple directions and can be rapidly expanded with further drilling.

### **Permitting / Community Engagement**

Permitting for the key Pinjam Pakai (Borrow-to-Use Forestry Permit) is making good progress through the Ministry of Environment and Forestry with conditional approval expected in late June/early July. This will be a significant milestone for the project and as it enables the first phases of development and construction to commence subject to meeting conditional requirements. Work on secondary permits continues to progress in accordance with the Company's timelines. Strong support from the local community is continuing as engagement programs for the BKM copper mine development are rolled out. This strong local level support greatly assists in the approvals, secondary permitting, and land acquisitions process.

### **Partner Discussions**

With copper prices at multiyear highs underpinned by large infrastructure programs and a major transition to renewable energy underway, Asiamet is very well placed with one of a few shovel ready copper projects in Asia. As anticipated the Company has had significant inbound interest from a number Indonesian, Asian and US investors seeking to partner with the Company to develop the BKM project. Confidentiality agreements have been signed with a small number of serious investors and discussions are progressing well.

### **Tony Manini, Executive Chairman of Asiamet Resources commented**

*"As per our strategy, work has been progressing on a number of important value-adding workstreams simultaneously. Significant progress has been made by Andrew Neale's team on pre-development and value engineering work and we should soon have some updated capital and operating costs to enable us to evaluate the tank leach processing option for the BKM copper mine development. At the BKZ deposit immediately adjacent to BKM we have identified a very attractive high-grade, high value, zinc-lead-silver +/- copper and gold resource that presents as a DSO opportunity with the potential to generate early cashflow. We will be assessing this opportunity in tandem with the other value enhancement workstreams in progress. On the permitting front our highly capable Indonesian team expect to receive the key forestry permit shortly, a critical de-risking milestone for financing the development of the project.*

*With copper prices at multiyear highs, the Company has had significant inbound interest from investors seeking to partner with us to develop the BKM copper project. Discussions are being progressed with a select number of groups who can bring substantial capability and value add to the BKM project financing*

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*and mine development. We have a lot of financing and development related activity in progress and are looking forward to updating our stakeholders as these important de-risking milestones materialise."*

**ON BEHALF OF THE BOARD OF DIRECTORS**

Tony Manini, Executive Chairman

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