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30 December 2022

## **Business Update & 2022 Overview**

Asiamet Resources Limited (“Asiamet” or the “Company”) is pleased to provide the following business update with respect to the Feasibility Study for the BKM copper project located in Central Kalimantan, Indonesia, along with a general overview of 2022.

### **Feasibility Study Update**

The Feasibility Study Update (FS Update) for the BKM copper project incorporates a number of technical workstreams, including but not limited to, mine planning and design, geotechnical/hydrogeology/hydrology, processing/metallurgy, civil earthworks engineering, infrastructure development, transport and logistics, power and ESG framework development and generation of operational and capital cost estimates delivering overall economics of the project. A number of these workstreams are either completed or in the final review processes of being completed however several remain ongoing at this time. There will be some impact on delivery of information due to the holiday break over the Xmas-New Year period with the expectation that outstanding packages of work will be completed during January 2023. Based on the current expected timing for finalising outstanding work, the revised timeline to deliver the BKM copper project FS Update will be early February 2023. Whilst we are working in a high inflation backdrop, based on key items that have been delivered to date we expect the overall economics to the project to be robust. The market will continue to be updated as results from workstreams are delivered and compilation of the feasibility study document is finalised.

### **2022 Overview**

Over the past 12 months several important milestones for the company have been achieved:

- Issuance of the provisional license converting BKM’s forestry concession area to the mining operational area. Several key conditions required to convert this permit from provisional to definitive have been completed with only one aspect remaining outstanding. Finalisation of the requirements for converting this permit are expected to be completed by the end of Q1, 2023 for final submission to the Ministry of Forestry.
- Completion of the 2021/2022 drilling program at BKM/BKZ delivered excellent results at BKZ leading to a substantial increase in all Mineral Resources for the deposit. High grade gold-silver mineralization was discovered below the BKZ resource and reported as an Exploration Target. Limited further work is expected to convert this Exploration Target to a Mineral Resource.
- BKM and BKZ were recognised to be parts of a single 3.5km long VHMS polymetallic mineral system which remains highly prospective and requires substantial additional geological follow up and drilling. BKZ was prioritised for the 2021/2022 drilling program based on the outstanding results received and information requirements for the placement of proposed mine infrastructure. The BKZ Resource and surrounding perspectivity provide very significant future option value for the Company post the initial development of BKM. The extension opportunity at BKM also remains, and the Company will explore this further in due course as resources become available and as part of the overall development strategy for the project area.

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- As a result of macro-economic factors, including supply constraints and inflation, the 2022 update of the 2019 Feasibility Study evolved into a full revision of the previous work with all aspects of the project being re-evaluated. A high level of technical assessment has yielded the following improvements:
    - Improved life of mine physicals including a very detailed alignment of the mining production and heap leach stacking schedule has reduced total material movement and the overall strip ratio.
    - Significantly reduced disturbance area related to the project most notably the Heap Leach Facility and Waste Rock Dump.
    - A 50% reduction in sulphuric acid consumption over the life of mine compared to the 2019 Feasibility Study which will have a positive impact on operating costs and overall environmental impact.
    - Additional climate data analysis providing confidence to reduce the project mean annual rainfall assumption by 18%, which will result in reduced capital and operating costs in relation to site water treatment and management. These results led to the complete review of the approach to water management across the site.
    - Recognition that excess power being available in Central Kalimantan leading to formal engagement with Indonesian state owned electricity company PLN on the delivery of grid power to the KSK site.
  - Asiamet and its subsidiary PT KSK completed its first detailed materiality assessment related to Environmental, Social and Governance elements in cooperation with internationally recognised sustainability consulting group ERM. This delivered the company's first integrated ESG implementation framework which will be utilised to develop appropriate policies and procedures as we transition from explorer to producer. Community engagement remained high in 2022 with Asiamet and KSK's partner YTS conducting focus group discussions with key stakeholder groups to provide input into desired outcomes of KSK's community development plan and delivering detailed contextual analysis documentation for each of the six pillars constituting the plan.
  - DOID increased their investment and shareholding in the Company from 15.3% to 24.2%, demonstrating their commitment to the project and the Company longer term. As part of this investment DOID has the option to appoint two non-executive directors to the Asiamet board and these nominations are likely to be received in the new year. These appointments will complement the current board and enhance our in-country operating knowledge.

**Darryn McClelland, Chief Executive Officer commented:**

*"Since commencing with the Company in mid-June this year my focus has been primarily on understanding the conditions under which the BKM Copper Project will be developed and ensuring we deliver a project that is technically and economically robust for these conditions. This process has led us to an in-depth re-evaluation of all aspects of the BKM Copper study and the previous underlying assumptions related to the project. The outcomes of this work have delivered a project of appropriate scale considering the cost inflation pressures being experienced and retains more of the BKM copper resource for future development.*

*The exploration resource development drilling completed over 2021 and 2022, culminated in the issue of an updated JORC compliant Mineral Resource Estimate for the BKZ Lead-Zinc and Copper zones as well as Exploration Targets for all zones including a significant body of Gold-Silver mineralization beneath the*

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*BKZ base metals deposit. This work adding substantial intrinsic value to the project and clearly demonstrated the significant upside and optionality within the Company's KSK Contract of Work. The enhanced geological understanding gained through this program is applicable across the entire BK district and will greatly improve our targeting for this very high value mineralisation when exploration drilling recommences.*

*2023 will prove to be a defining year for Asiamet as we deliver the updated BKM Copper Feasibility Study and subsequently commence the next phase of financing work for mine development and construction. Other opportunities to deliver more value from the BKM copper resource will be explored as ways of further enhancing long term value. The opportunity to progress work on Beutong will be a focus later in the year as we look to define an appropriate partnership model with parties interested in this outstanding copper resource. Other opportunities to expand the portfolio of projects within Indonesia will also be considered based on long term value creation potential."*

## **ON BEHALF OF THE BOARD OF DIRECTORS**

Darryn McClelland, Chief Executive Officer

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### **-Ends-**

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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.*

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