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1 March 2024

### Corporate Update

Asiamet Resources Limited (“Asiamet” or the “Company”) announces updates in relation to the Company’s BKM copper cathode project in Central Kalimantan, Indonesia (“BKM” or the “BKM Project”) and its Beutong copper-gold porphyry project in Aceh Indonesia (“Beutong”).

#### Highlights

- **Debt Finance Process:** Positive engagement with Lead Bank continues, with financial modelling completed for BKM Project financing. The Company has successfully closed out several items from the Independent Technical Expert (“ITE”) review, meeting the requirements for the initial phase of approvals. The Company is also actively engaged with a prominent Indonesian bank.
- **Engineering Design & Development Strategy:** Finalising partners for project execution and engaging partners for project management support. Updates on partner appointments expected before the end of Q1 2024.
- **BKM Project Optimisation:** Evaluation of alternative locations for the heap leach facility. Detailed modelling of a new facility will commence in the near term with the expected appointment of a dedicated heap leach design group. The BKM Project execution model is being amended to reflect feedback over the ITE and bank financing process.
- **BKM Project Permitting:** Prioritising closure of the final outstanding item required to obtain the forestry permit to develop a mine at BKM. Additionally, awaiting release of the environmental permit from Ministry of Environment for the limestone resource drilling programme to the north of the BKM Project.
- **Power Supply for BKM Project:** Advancing Biomass Power Station studies and financing options with turnkey power providers. Study expected to be completed by the end of Q1 2024, with further details on financing and technical partners to follow.
- **Concentrate Logistics:** Evaluating truck and barge configurations for cost optimisation. The Company has received encouraging cost estimates from its scoping study.
- **Corporate Development:** Elevated interest in the KSK and Beutong assets from multiple parties. The Company is facilitating due diligence and site visits. Advanced, high-quality copper and copper-gold assets in various stages of maturity are rare in the Asian region and are appealing to investors seeking to secure copper metal longer term.

#### Debt Finance Process

Positive engagement continues with the prospective Lead Bank, and financial modelling for BKM project’s financing base case has now been completed. The Company has successfully closed out several items from the ITE review, including providing additional information on the biomass power and proposed project execution partners and construction contractors, meeting the requirements for the initial phase of approvals.

Moreover, the Company is actively engaged with a prominent Indonesian bank to join the financing consortium, with planning for due diligence underway and further announcements will be made, as appropriate.

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## **Engineering Design & Development Strategy**

Feedback from ITE review process highlighted the critical importance of early engagement of project execution partners to achieve confidence in project delivery outcomes. The Company is currently finalising the selection of partners to support the engineering design, longer term procurement and construction execution for the BKM Copper Project. During the 2023 feasibility update, the Company identified highly capable and experienced local and regional companies which have clearly demonstrated improved cost outcomes relative to other providers.

Additionally, the Company is engaging with partners capable of providing project management support, such as Project Management Office services, ensuring that project deliverables such as detailed baseline project schedules, capex estimate updates and execution planning are established and maintained.

These advancements highlight the progress made in strengthening the project's execution team as the Company advances the BKM Copper Project. A further update on the appointment of both project execution and project management partners will be provided as appointments are made.

## **BKM Project Optimisation**

Optimisation initiatives to enhance the efficiency and cost-effectiveness of the BKM Project are continuing throughout the financing process, including the evaluation of alternative locations for building the heap leach facility ("HLF"). Detailed modelling of an alternative and significantly improved site has been identified within the current mine. An updated layout and design will commence with the appointment of a dedicated heap leach design consultant, which will be announced in the near term.

Furthermore, optimisation works extend to reviewing the project delivery model for BKM which will encompass various aspects such as engineering resources, operating and capital costs, and strategic sourcing of key supplies. An example of the optimisation works delivering significant value to the BKM Project is the recent review of site access road earthworks and local equipment hire costs, which indicate potentially significant savings relative to previous estimates.

## **BKM Project Permitting**

There remains one outstanding requirement for the issuance of the Company's forestry change of land use permit (PPKH) by the Indonesian Ministry of Environment and Forestry Department, being the preliminary agreement on the shared use of the forestry access road to the BKM site. The Company has completed all other necessary requirements, including obtaining the Governor's Recommendation following satisfaction of various environmental, technical, financial, and community development needs, as well as completing the revised environmental and social impact assessment (AMDAL) The Company is currently prioritising the completion of this final remaining requirement.

Additionally, the Company is awaiting the final release of an environmental permit to commence a limestone resource definition drilling programme in the Rinjen area immediately to the north of the BKM Project. Securing a local limestone supply for use in controlling heap leach chemistry will be a major operating cost benefit for BKM.

## **Power Supply for BKM Project**

The Company is in the process of finalising arrangements with financing and technical partners for the Biomass Power Station for the BKM Project.

Supporting studies are focused on assessing various factors, including the availability of Palm Oil waste (which will be used as a Biomass source) within close proximity of the site, considerations regarding the optimal location for the power station and capital and operating cost trade off studies. This work assessing the physical and financial viability of utilising biomass for power generation at BKM is expected to be completed by the end of Q1 2024.

Details relating to the funding and technical model will be announced once complete.

## **Concentrate Logistics**

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An internal scoping study has been concluded on the combined truck and river barge haulage of pyrite concentrate, used to produce acid for the expanding nickel industry in Indonesia. The feed to produce the pyrite concentrate would be from BKM's primary copper resource and spent heap leach ore. Given the location of the BKM site relative to where the emerging nickel high pressure acid leach ("HPAL") facilities are likely to be located, understanding the transport and logistics requirement is crucial to ensure project viability.

Following further review by an external local specialist consultant, it has been identified that significant improvements in transport costs can be achieved by increasing the proposed transport barge size. The Company is currently evaluating various combinations of truck and barge configurations to refine costs and optimise the concentrate product transport logistics.

### **Corporate Development**

Strong in-bound interest continues to be evaluated by the Corporate Development team, with potential project level investment in either its KSK or Beutong licences, or potentially both. From late 2023 and into 2024, extensive due diligence processes have been underway, including a data room review and more recently site visits by several interested parties.

To solve for the project funding requirement for the development of the BKM Project, the Company is evaluating a potential divestment of part or all of either project. The introduction of a partner at the project level has ancillary benefits associated with the development of the project and operations of the mine.

Furthermore, ongoing disruptions in the copper market, coupled with the imperative to meet global energy transition requirements are attracting increased investor interest in Asiamet's portfolio and assets. The Company's high-quality copper projects are poised for development and production as copper demand is accelerating.

Potential investors recognise the significant time and investment the Company has made to establish its Mineral Resources and Ore Reserves, the completion of Feasibility Studies and its advancement of a sustainable development platform through a range of Community Development and ESG initiatives. This represents a compelling investment opportunity for interested parties to fast track a new mine development into production.

Together with its corporate advisors, Grant Samuel and Zenith Capital, the Company continues to advance its Corporate Development activities. Asiamet remains committed to maximising value for shareholders through strategic partnerships and corporate initiatives to secure the debt and equity financing required to build the BKM Project.

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

*"It has been an extremely busy start to 2024 and the Asiamet team has been fully engaged in advancing critical operational, project financing, and corporate development initiatives. Notably, significant milestones have been met in the project financing process, with successful completion of bank financial modelling and meeting key requirements in the bank approvals process. Across various operational fronts we have also seen very considerable progress.*

*In our strategy for engineering, procurement and construction workstreams, we have prioritised early engagement with project execution partners, a move aimed at enhancing project delivery efficiency. Details regarding the appointments of BKM's delivery partners will be made over the next few weeks and prior to the end of Q1 2024.*

*Additionally, we also anticipate completing the Biomass Power Station study by the end of Q1 2024. As with any mining project, securing a power source is paramount, and the proposed renewable energy source of Biomass Power Station would also enhance the environmental sustainability of the BKM project. The Company is particularly encouraged by substantial interest from potential partners in financing the power plant, and we look forward to sharing further details in due course.*

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*On the corporate development front, we are experiencing elevated levels of new interest in both our KSK and Beutong assets. Data room due diligence processes and site visits for multiple parties are currently being facilitated.*

*When considering the forecast dynamics of the copper market fuelled by the escalating demand for electrification, our Company's assets are cornerstones of strategic value, comprising advanced projects endowed with high-quality resources/reserves and a path forward to production. Furthermore, our projects hold the potential of diversifying revenue streams through the extraction of other base and precious metals upon reaching full development. The Board and management remain highly committed to delivering value from our asset base for all stakeholders."*

**ON BEHALF OF THE BOARD OF DIRECTORS**

Darryn McClelland, Chief Executive Officer

**-Ends-**

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