
23 December 2024

Asiamet Resources Limited
("Asiamet", "ARS" or the "Company")

BKM Copper Project: Capital Cost Estimate Reduced by US\$58 Million
Well Positioned for Project Financing in 2025

Following the completion of engineering design and cost estimation (as announced 14 November 2024), Asiamet is pleased to announce an updated capital cost estimate for its BKM Copper Project ("BKM" or the "Project"), located in Central Kalimantan, Indonesia. The completed programme of works has delivered a significant reduction in front-end construction capital, providing a robust platform for project financing discussions in early 2025.

HIGHLIGHTS:

- **Total pre-production capex estimate reduced by \$US58m to US\$176.9m.** Previously US\$235.4m for the May 2023 BKM feasibility study.
- **Robust contingencies and allowances:** Revised capex estimate includes US\$22m in project contingency and a further US\$10m allowance has been made for project scope growth.
- **Streamlined design and layout reduce project complexity:** Site design improvements, updated material flows, and a shift to a target copper cathode production rate of 10-11ktpa seek to significantly reduce project execution risk.
- **Lower funding hurdle:** Significantly reduced upfront capital cost reduction positions BKM well for project financing in 2025.
- **Operational enhancements deliver stronger fundamentals:** Revised mine plan (compared to 25 June 2024) increases ore processed to 28.9Mt at a strip ratio of 0.72, for total copper cathode production of 124,500t over a 13.3-year mine life.
- **Path to advancement:** With core project design and key development partners now established, an updated feasibility study report will be finalised and published in early 2025. Project financing discussions based on the updated feasibility study results will be advanced thereafter.

Darryn McClelland, Chief Executive Officer of Asiamet, commented:

"This is a pivotal achievement for Asiamet. Through detailed planning and collaboration with key engineering and execution partners, we have successfully reduced pre-production capex costs by US\$58m while maintaining project integrity.

The updated and lower capital cost estimate reflects a more advanced and reduced-risk project configuration. This will enable us to progress project financing discussions in 2025.

Our upcoming deliverables include an updated feasibility study report which will be released in early 2025 prior to engagement with financiers.

The global demand for copper remains strongly aligned with the energy transition and electrification themes. With limited new copper industry supply forecast to come online over the next 3-5 years and a fully optimised BKM copper project in place, Asiamet is entering a transformative phase.”

FEASIBILITY REPORT RELEASE

Upon the release of an updated feasibility report for the BKM Project in early 2025, Asiamet will host an Investor Meet Company presentation. This presentation aims to provide a comprehensive overview of the project economics, key milestones, and path to financing.

Shareholders are encouraged to register their interest to receive notification of the event and secure their place for the live session: <https://www.investormeetcompany.com/companies/asiamet-resources-limited>.

Further details, including the event date and time, will be announced in due course.

CAPITAL COST ESTIMATE

This BKM Project capital cost estimate incorporates all changes arising from the strategic decision taken by the Company to reduce pre-production capex by relocating the BKM heap leach facility and processing a smaller volume of ore at higher soluble copper grades, to deliver 10-11ktpa copper cathode output compared to 17-18ktpa delivered in the 2023 Feasibility Study. The table below highlights key changes from the 2023 Feasibility Study (see announcement dated 10 May 2023) to the 2024 BKM Stage 1 Optimised Project:

PRE PRODUCTION CAPEX SPENDING (excl. Working Capital)	2024 (US\$m)	2023 (US\$m)	Difference (US\$m)
Mining	\$14.1	\$5.4	\$8.7
Process Plant	\$61.9	\$87.5	-\$25.6
On-Site Infrastructure	\$17.2	\$30.4	-\$13.2
Off-Site Infrastructure	\$4.1	\$14.2	-\$10.1
Field Directs + Freight	\$30.8	\$36.1	-\$5.3
Indirects	\$16.8	\$35.1	-\$18.3
Provision – Growth	\$10.3	\$14.9	-\$4.6
Provision – Contingency	\$21.7	\$11.8	\$9.9
Total Pre-Production Capex	\$176.9	\$235.4	-\$58.5

CAPITAL COST REDUCTION: KEY DRIVERS AND IMPROVEMENTS

Asiamet has achieved an overall approximate US\$58m capital cost reduction through a comprehensive reshaping of the project. Whilst decreases in capex commensurate with the reduction in scale were seen across most areas of the project, three cost areas are of particular significance:

Construction Mobile Equipment – Permanent Fleet

The new capital cost estimate incorporates the use of mining fleet for project construction, a strategic shift aimed at driving long-term cost efficiency. This approach reduces the amount of more expensive short-term rental fleet need for construction leading to cost savings realised in this capital cost estimate. As the project advances, there is potential to expand the mining fleet mobilised early for construction unlocking additional savings.

Mining Area Costs

Mining costs have increased due to the re-assignment of all mine acid rock drainage (“ARD”) management infrastructure. These costs were previously reported under on-site infrastructure in the 2023 feasibility study capital cost estimate. The removal of the reverse osmosis ARD water treatment plant has further reduced costs and simplified the flowsheet.

Contingency

Following recommendation of the Independent Technical Expert (ITE), contingency provisions have been increased from 5% to 15%, ensuring the project has a stronger financial buffer to manage variability in costs related to equipment, materials, freight, and construction activities. This adjustment provides enhanced protection against fluctuations in raw material prices, supply chain challenges, and currency movements, supporting stronger risk management across the Project.

ENHANCEMENTS IN PROJECT DEFINITION

Significant improvements in the Project’s definition and design have enabled a more robust approach to cost forecasting. These refinements have enhanced the Company’s ability to accurately scope and budget major project components. Key areas of improvement include:

Crushing and Agglomeration Circuit:

Detailed design refinements have improved cost definition for key construction inputs, notably concrete and steel. As a result, Asiamet now has greater confidence in forecast material quantities, reducing the risk of cost variation for key structural elements.

Earthworks Planning:

Substantial improvements have been made in earthworks planning, with greater clarity on the placement and sequencing of excavated and fill materials. This more detailed approach to material handling has led to a leaner and more efficient construction schedule, supporting better cost management for one of the most material-intensive parts of the Project.

Project Partner Alignment

A key factor in maintaining project momentum is the continuity of project partners. Asiamet has confirmed that key engineering and design partners, including Rexline Engineering and BGRIMM, will remain engaged throughout the next phase. This strategy avoids the cost and time impact of re-engaging new engineers and contractors, allowing for a relatively seamless progression into Detailed Engineering Design (DED).

PROJECT PHYSICALS

Ongoing optimisation of the Project has refined and improved the final pit design enabled an increase in ore to be mined relative to the physicals reported in the Company's announcement of 25 June 2024. An additional smaller height lift has been designed for the heap leach facility to accommodate the additional ore tonnes.

Project Physical		Dec 24	Jun 24
Ore Mined	Mt	28.9	28.0
Waste Mined	Mt	20.9	20.0
Total Material Mined	Mt	49.8	48.0
Strip Ratio	#	0.72	0.72
Maximum Mining Rate	Mt/yr	5.4	5.5
Maximum Ore Treatment Rate	Mt/yr	2.6	2.6
Soluble Copper Grade	%Cu	0.54	0.55
Ore Stacking/Copper Production	Years	13.3	12.8
LOM Cathode Produced	Kt	124.5	122.4
Average Cathode Production	ktpa	10.1	10.1

All metrics for the Project remain in line with an additional 2kt of copper cathode production delivered. These updates are the result of strategic planning and design adjustments, further positioning Asiamet as a cost-competitive, mid-tier copper producer.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014, as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended.

ON BEHALF OF THE BOARD OF DIRECTORS

Darryn McClelland, Chief Executive Officer

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FORWARD-LOOKING STATEMENT

This announcement 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.