

Company Statement

This statement is prepared in response to articles published on the Indonesian Government's prosecution of Heri Budiawan and the assertion that the Tujuh Bukit mine is causing environmental damage.

PT Merdeka Copper Gold Tbk (Merdeka) is a public company listed on the Indonesian Stock Exchange. Merdeka has a controlling interest in PT Bumi Suksesindo (BSI) which is the company that holds the Tujuh Bukit IUP mine license and operates the Tujuh Bukit Gold Mine, located in Banyuwangi Regency, East Java. The Regency of Banyuwangi is a significant shareholder in Merdeka.

The matter reported in the media with respect to allegations of the illegal use of communist symbols by Heri Budiawan is a matter between that individual and the Indonesian Authorities.

The Tujuh Bukit mine has been constructed and is operated to the highest domestic and international standards and is governed by Indonesian mining and environmental law. BSI received all the necessary permits required to operate at Tujuh Bukit and reports compliance with the conditions associated with those permits in a transparent nature.

BSI seeks to comply with the Equator Principles including establishment of a complaints register and resolution process and an independent whistleblowing system that allows issues to be reported anonymously. BSI's environmental performance is reviewed by independent consultants to continually improve internal processes and procedures. At the time of the reported process, BSI was not aware of any specific complaint of environmental damage as reported in the media.

BSI has worked hard with the local communities and enjoys very strong support from the vast majority of our neighbors. BSI employees in excess of 1,600 people at Tujuh Bukit, with over 99% being Indonesian nationals and over 60% residing in the Banyuwangi regency. BSI also contributes to the community through our progressive corporate social responsibility (CSR) programs.

To be quoted:

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