

# PT Archi Indonesia Tbk

## Investor Presentation Update – 1H21

*Published Date: 03 Aug 2021*



**IMPORTANT: You must read the following before continuing. In accessing the presentation (this “presentation”), you agree to be bound by the following terms and conditions.**

The materials in this presentation have been prepared by PT Archi Indonesia Tbk (the “Company” or “Archi”) and are general background information about Archi’s consolidated business performances as at the date of this presentation and are subject to change without prior notice.

This information is given in summary form and does not purport to be complete. Information in this presentation, including if there is any forecast on operational/financial information, should not be considered as advice or a recommendation to investors or potential investors in relation to holding, purchasing or selling securities or other financial products or instruments, as well as does not take into account their particular investment objectives, financial situation or needs. Before acting on any information, readers should consider the appropriateness of the information having regard to these matters, any relevant offer document and in particular, readers should seek independent financial advice.

This presentation may contains certain non-GAAP measures, including All in Sustaining Costs (“AISC”) and Earnings Before Interests Tax Depreciation and Amortization (“EBITDA”), that are not audited, not included in the Company’s audited financial statements and not presented in accordance with Indonesian Financial Accounting Standards. The measures have been used by management as a supplemental measure of the Company’s performance. Although these measures are either contained in or fully reconcilable to line items on the Company’s financial statements and/or based on management accounts, they may not be equivalent to similarly named measures used by other companies, and should not be considered as a measure comparable to income statement items for the year in the financial statements.

This presentation may contain certain statistical data and analyses (the “Statistical Information”) which have been prepared in reliance upon information furnished by the Company and/or third party sources for which the Company has either obtained or is in the process of obtaining the necessary consents for use. Numerous assumptions were used in preparing the Statistical Information, which assumptions may or may not appear herein. As such, no assurance can be given as to the Statistical Information’s accuracy, appropriateness or completeness in any particular context, nor as to whether the Statistical Information and/or the assumptions upon which they are based reflect present market conditions or future market performance. Moreover, any information from third party sources contained in these materials may not be used or relied upon by any other party, or for any other purpose, and may not, directly or indirectly, be reproduced, disseminated or quoted without the prior written consent of such third party.

This presentation may contain forward looking statements including statements regarding our intent, belief or current expectations with respect to Archi businesses and operations, market conditions, results of operation and financial condition, capital adequacy, specific provisions and risk management practices. Readers are cautioned not to place undue reliance on these forward-looking statements; past performance is not a reliable indication of future performance. The Company does not undertake any obligation to publicly release the result of any revisions to these forward-looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events.

The Company disclaims any responsibility or liability whatsoever arising which may be brought or suffered by any person as a result of acting in reliance upon the whole or any part of the contents of this report and neither Archi and/or its affiliated companies and/or their respective employees and/or agents accepts liability for any errors, omissions, negligent or otherwise, in this report and any inaccuracy herein or omission here from which might otherwise arise.



PT Archi Indonesia Tbk (“Archi”) is the 2<sup>nd</sup> largest<sup>(1)</sup> pure-play gold producer in Southeast Asia

**US\$240mm of EBITDA**

for 2020, with a strong EBITDA Margin of 61.1%

**US\$393mm of Revenue**

for 2020, up from US\$347mm for 2018, at a CAGR of 6.4%

**Lowest Cost Curve Quartile<sup>(2)</sup>**

with a 2020 AISC<sup>(3)</sup> of US\$823/oz

**207koz of Gold Production**

for 2020, up from 61koz for 2011, at a CAGR of 14.6%

**3.9Moz of Gold Ore Reserves**

and 5.5Moz of mineral resources as of 2020

**Significant Expansion Upside**

supported by multiple development initiatives and c.40,000 ha of largely untapped concession area

**Over 10 Years**

of operational experience with excellent ESG credentials

**Efficient Operation**

enabled by metallurgical simplicity, friendly topographical terrain, established infrastructure, skilled workforce and attractive location

Archi Indonesia

Note: (1) According to CRU Report, in terms of gold production in 2019.

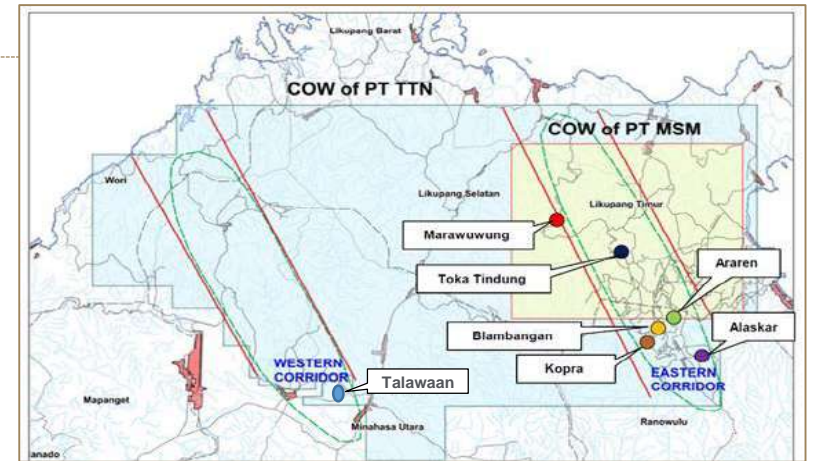
(2) According to CRU Report, based on 2019 global AISC index.

(3) All-in Sustaining Cost (“AISC”) as defined by the World Gold Council and calculated in terms of all costs which are required in the mining cycle from the exploration stage up and including the provisions to support the mine closure stage.

# Asset Overview

<b>Asset / Project</b>	Toka Tindung Gold Mine
<b>Operating Companies</b>	PT Meares Sopotan Mining (“PT MSM”) & PT Tambang Tondano Nusajaya (“PT TTN”); both are wholly-owned subsidiaries of PT Archi Indonesia Tbk
<b>Location</b>	North Sulawesi, Indonesia
<b>Mine Life</b>	c. 22 years with expansion (as of end 2020)
<b>Operation History</b>	Commenced mining operations in 2009, first gold pour in 2011

<b>Mineral Resources</b>	5.5 Moz (as of end 2020)
<b>Ore Reserves</b>	3.9 Moz (as of end 2020)
<b>Contract of Work</b>	Contract of Works (“CoWs”), expires on 2041 (extendable as IUPK for another 2x10 years)
<b>Mining Method</b>	Open Pit (with future prospect of underground mining)
<b>Processing Plant Capacity</b>	4.0 Mtpa



# Key Highlights – 1H 2021 (30<sup>th</sup> June 2021)

- 1 Consolidated revenues was 9% higher at US\$142.4mn, compared to US\$130.1mn in the same period last year, supported by higher average gold selling price of US\$1,802 per oz compared to US\$1,656 per oz.
- 2 EBITDA was 5% higher at US\$75.5mn, net profit recorded 24% higher at US\$32.6mn compared to same period last year.
- 3 Ore processed reached 1.75mn tons, 3% higher compared to 1.70mn tons in the same period last year. Average gold head grade of ore processed lower from 1.81 g/t to 1.66 g/t. Consequently, gold production was 6% lower at 81.6 koz compared to 86.4 koz in the same period last year.
- 4 Promising results from the ongoing exploration program at the high grade Bima gold deposit in Western Corridor.
- 5 Total net debt was at US\$314.2mn, reflecting debt to equity (“DER”) ratio of 1.7x, a significant improvement compared to 4.1x as at 31<sup>st</sup> December 2020.
- 6 Capex during 1H 2021 amounted to US\$76.2mn. All capex spending was funded from internal cash.
- 7 Company listed its shares on Indonesia Stock Exchange (“IDX”) main trading board on the 28<sup>th</sup> June 2021.

**Company is expected to achieve gold production of 138 koz – 148 koz in 2H 2021, bringing total gold production to 220 koz – 230 koz for the full year 2021 based on the current mine, reflecting 5% – 10% growth in the gold produced YoY.**



## Lower gold produced mainly due to lower average gold head grade, despite higher ore processed

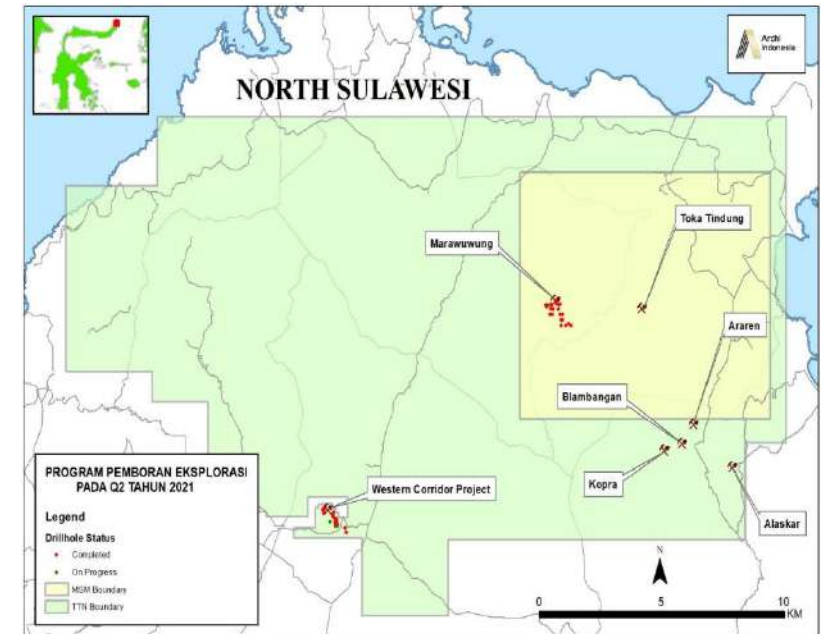
- ❑ Total material mined during 1H 2021 increased significantly, due to higher waste removal from a higher grade gold Araren Pit transitioning from stage 3 to the new stage 5. Therefore, total ore mined decreased from 2.3 mn tons to 1.9 mn tons.
- ❑ This resulted in an increase of stripping ratio from 3.3x to 10.2x compared to the same period last year. Strip ratio is expected to normalize as Araren stage 5 Pit moves into production in 2H 2021.
- ❑ Processed higher volume of ore at lower average gold head grade of 1.66 g/t, resulting in lower gold produced of 81.6 koz compared to 86.4 koz in 1H 2020.
- ❑ In 2H 2021, we expect to start mining ores from Araren stage 5 Pit, which contains higher grades of ores.
- ❑ Based on current mine plan, target gold production of 138 koz – 148 koz in 2H 2021, bringing total gold production to 220 koz – 230 koz for the FY 2021, reflecting 5% – 10% growth over FY 2020.

<i>Operational Data</i>	<i>UoM</i>	<b>FY 2019</b>	<b>FY 2020</b>	<b>1H 2020</b>	<b>1H 2021</b>
Ore Mined	<i>mn tons</i>	3.5	5.0	2.3	1.9
Waste Mined	<i>mn tons</i>	15.5	18.6	7.6	19.5
Material Mined	<i>mn tons</i>	19.0	23.6	9.9	21.4
Strip Ratio	<i>x</i>	4.4	3.7	3.3	10.2
Ore Processed	<i>mn tons</i>	3.30	3.44	1.70	1.75
Avg. Gold Head Grade	<i>g/t</i>	2.75	2.12	1.81	1.66
Gold Recovery Rate	<i>%</i>	89.3	87.7	87.2	87.2
Gold Produced	<i>koz</i>	261.3	206.8	86.4	81.6



During 1H 2021, the Company continued to intensify its exploration activities, both in the Eastern and Western Corridor, in order to accelerate the finding of new Mineral Resources and Ore Reserves.

- ❑ Toka Tindung Gold Mine's deposits are classified as low sulphidation epithermal gold and silver deposits, with more "free" or native gold and better gold recovery rates compared to other types of deposits.
- ❑ During 1H 2021, Archi predominately mined Toka Pit (a large tonnage lower grade deposit) and the Kopra Pit (medium grade). In addition, completed mining of remaining tonnage in the high grade Araren stage 3 Pit, whilst developing a new mining area at the Alaskar Pit.
- ❑ In Araren stage 5 Pit requires 5 months of waste mining prior to accessing high grade gold. This pre-stripping commenced in March and will be completed by August 2021. Araren stage 5 high grade gold will be the major source of ore to be processed in 2H 2021.
- ❑ Excitement came with the continuing success from the exploration drilling in the Bima gold deposit at Western Corridor, which is located approximately 15km west of the Toka Pit. Five diamond drill rigs have been in operation there since September 2020 and at the time of this announcement, they have completed 80 diamond drill holes amounting to 22,800 metres.
- ❑ These drillings have returned 33 intersections above a nominal cut-off of 20 gram metres, which represents a nominal minimum width of 4 metres at grade of 5 g/t gold.
- ❑ As of December 2020, the deposit in Western Corridor contained an Indicated and Inferred Mineral Resource of 2.2 Mt at 7 g/t of gold, for a potential of 493 koz of gold produced. These latest results, and additional drilling underway, are expected to significantly increase the Mineral Resources for 2021.

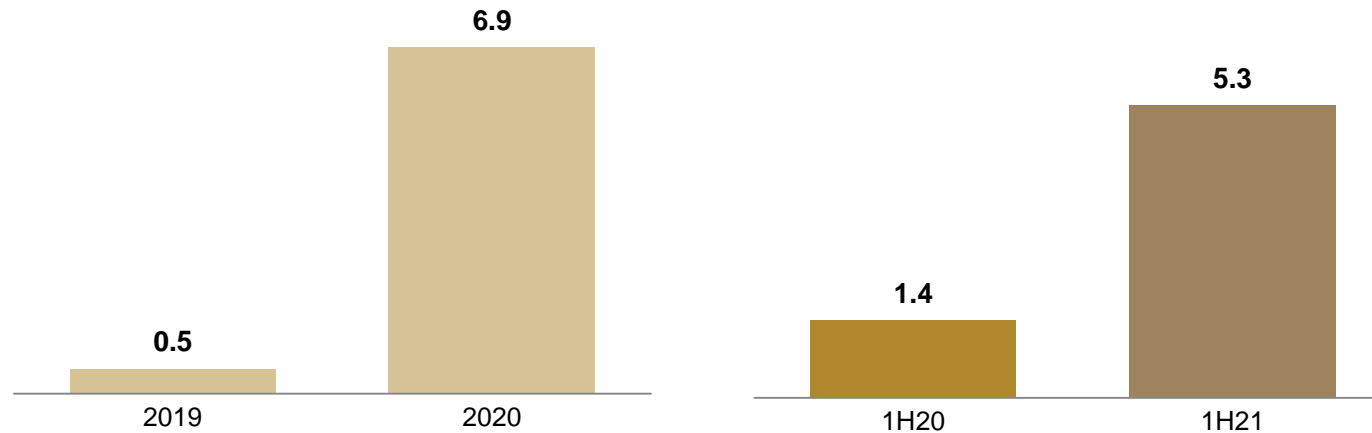


## Continuous good performance in the gold minting bar business to penetrate domestic retail market

- ❑ In 2019, Archi has started to penetrate downstream business by establishing a 51%-owned JV company, PT Elang Mulia Abadi Sempurna (“EMAS”), which its main business to produce and sell gold minted bars under brand name “Lotus Archi” directly to domestic retailer market.
- ❑ In 1H 2021, PT EMAS recorded US\$5.3mn of revenue, 288% higher compared to the same period last year, which reflects c.4% of the Company’s total consolidated revenue for the period.

### PT EMAS Total Revenue

(US\$ mn)





# Consolidated Profit & Loss Statement – 1H 2021

## Selected Key Items

In US\$ million, unless stated otherwise	For the year ended 30 <sup>th</sup> June		
	2021	2020	% chg
<b>Revenue</b>	<b>142.4</b>	<b>130.1</b>	<b>9</b>
Cost of goods sold	(81.8)	(64.9)	26
<b>Gross profit</b>	<b>60.6</b>	<b>65.1</b>	<b>(7)</b>
Selling, general & administrative expenses	(4.4)	(7.3)	(40)
Other income / (expenses)	6.1	(1.2)	618
<b>Income from Operations</b>	<b>62.2</b>	<b>56.6</b>	<b>10%</b>
Finance income / (costs)	(10.9)	(12.4)	(11)
Share of profit in associates	0.5	-	100
<b>Profit before income tax expenses</b>	<b>51.8</b>	<b>44.3</b>	<b>17</b>
Income tax expenses	(19.2)	(18.0)	6
<b>Net profit</b>	<b>32.6</b>	<b>26.2</b>	<b>24</b>
<b>EBITDA<sup>(1)</sup></b>	<b>75.5</b>	<b>71.7</b>	<b>5</b>

Higher revenue and profitability as results from higher average gold selling price

- ❑ Archi's consolidated revenues of 1H 2021 was at US\$142.4mn, an increase of 9% compared with US\$130.1mn of 1H 2020.
- ❑ Increase in revenue was mainly driven by higher average gold selling price of US\$1,802 per oz, an increase of 9%.
- ❑ Archi's EBITDA of 1H 2021 was at US\$75.5mn, an increase of 5% compared with US\$71.7mn of 1H 2020.
- ❑ Net profit increased by 24% to US\$32.6 mn.
- ❑ Increase in profitability was mainly driven by 9% higher average gold selling price and 16% lower mining costs from US\$3.35 per ton to US\$2.83 per ton. Absolute mining costs were higher due to short term increase in stripping ratio due to opening Araren stage 5 Pit.

Note: The financial results for the six months' period ended 30th June 2021 and 2020 have been prepared in accordance with Indonesian Financial Accounting Standards and are unaudited.

(1) EBITDA refers to profit for the year before finance costs, finance income, income tax expense, depreciation and amortization.



# Consolidated Statement of Financial Position – 30<sup>th</sup> June 2021

## Selected Key Items

<i>In US\$ million, unless stated otherwise</i>	<b>As at 30<sup>th</sup> Jun 2021</b>	<b>As at 31<sup>st</sup> Dec 2020</b>	<b>% chg</b>
Cash and cash equivalents <sup>(1)</sup>	16.1	40.2	(60)
Inventories - current	35.5	31.2	14
Other current assets	86.8	30.6	184
<b>Total current assets</b>	<b>138.4</b>	<b>101.9</b>	<b>36</b>
Inventories – non current	93.9	89.1	5
Fixed assets	174.6	143.1	22
Mine properties	222.0	196.7	13
Exploration and evaluation assets	55.4	48.9	13
Other non-current assets	29.4	20.5	43
<b>Total assets</b>	<b>713.7</b>	<b>600.2</b>	<b>19</b>
Short term bank loans	19.6	2.3	752
Trade payables	36.9	8.3	343
Current maturities of long term liabilities	68.2	68.6	(1)
<b>Total current liabilities</b>	<b>178.1</b>	<b>126.0</b>	<b>41</b>
Non-current liabilities	293.1	326.4	(10)
<b>Total liabilities</b>	<b>524.5</b>	<b>505.9</b>	<b>4</b>
Non-controlling interest	0.05	0.02	166
<b>Total equity</b>	<b>189.2</b>	<b>94.3</b>	<b>101</b>

### Healthy balance sheets position with low debt to equity (“DER”) level

- Approximately US\$65mn of gross IPO proceeds received at the end of June 2021, with c.US\$60mn recorded as restricted cash toward debt reduction.
- Higher fixed assets and mine properties mainly from higher capex spending on mine development for Araren stage 5 Pit, plant expansion project, exploration activities and land acquisitions.
- Increased in short term bank loans due to additional working capital loans drawdown in March 2021.
- Higher trade payables were mainly due to significant increase in mine development and exploration activities.
- Total net debt<sup>(2)</sup> was at US\$314.2mn on 30<sup>th</sup> June 2021, calculated as total interest bearing debts of US\$380.9mn reduced by restricted cash in relation to Debt Service of US\$66.7mn.
- In early July 2021, the Company had paid a portion of the long term bank loan amounted to US\$59.3 mn from the IPO proceeds. Therefore, Archi’s debt to equity (“DER”) ratio is now at 1.7x, a significant improvement compared to 4.1x as at 31<sup>st</sup> December 2020.

Note: The financial position as at 30th June 2021 have been prepared in accordance with Indonesian Financial Accounting Standards and are unaudited. The financial position as at 31st December 2020 has been prepared in accordance with Indonesian Financial Accounting Standards and audited in accordance with the auditing standards established by the Indonesian Institute of Certified Public Accountants.

(1) Cash and cash equivalents were excluding restricted cash in relation to Debt Service amounted to US\$66.7 mn,

(2) Net Debt is calculated as the total balance of interest bearing debt reduced by current restricted cash in relation to Debt Service.

# Consolidated Statement of Cash Flow – 1H 2021

## Selected Key Items

In US\$ million, unless stated otherwise	For the year ended 30 <sup>th</sup> June		
	2021	2020	chg
Net cash flows provided from operating activities	64.4	14.7	49.7
Net cash flows used for investing activities	(75.7)	(20.1)	(55.5)
Net cash flows used for financing activities	(12.7)	(2.9)	(9.8)
<b>Net increase / (decrease) in cash &amp; cash equivalents</b>	<b>(23.9)</b>	<b>(8.3)</b>	<b>(15.6)</b>
Net effect of foreign exchange rate changes	(0.1)	0.03	(0.1)
Cash on hand and in banks at the beginning of the period	40.2	48.4	(8.2)
<b>Cash on hand and in banks at the end of the period</b>	<b>16.1</b>	<b>40.2</b>	<b>(24.1)</b>

### Strong liquidity to support sustainable operations and capital expenditures requirements

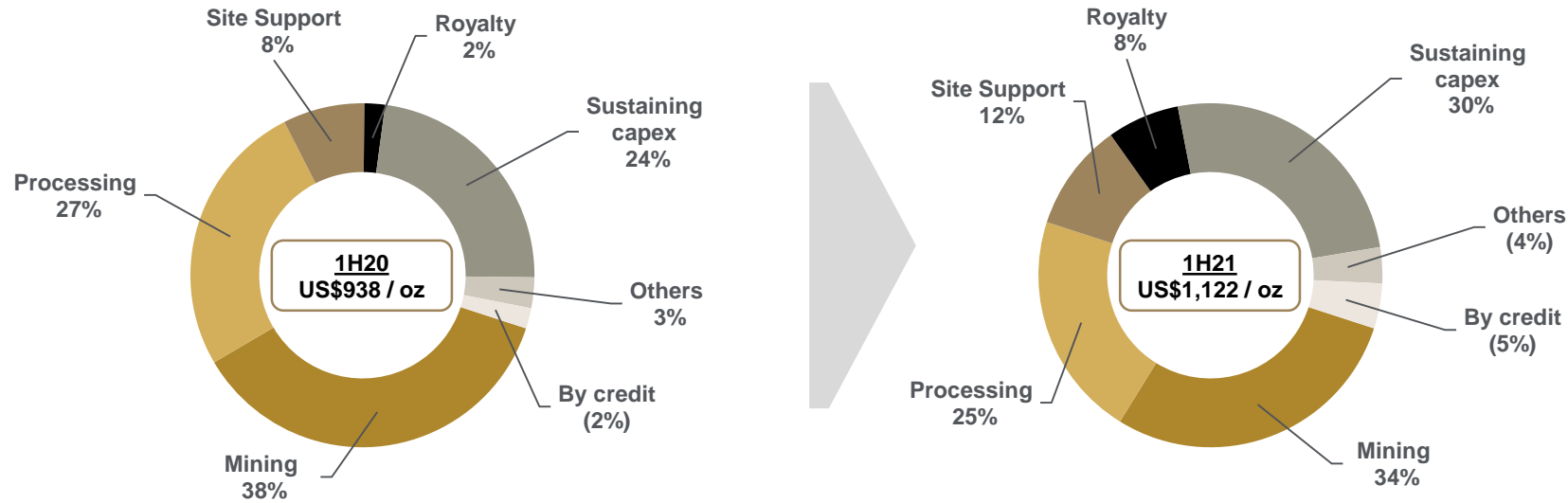
- ❑ Cash flows provided from operating activities of 1H21 was US\$64.4mn, primarily comprising cash receipts from customers of US\$146.6mn, partly offset by cash paid to contractors and suppliers of US\$35.0mn and corporate income tax payment amounted US\$18.8mn.
- ❑ Cash flows used for investing activities of 1H21 was US\$75.7mn, mainly used for capex spending for mine development activities on the Araren stage 5 Pit, plant expansions, as well as land acquisitions in the Western Corridor area.
- ❑ Cash flows used in financing activities of 1H21 was US\$12.7mn, primarily for repayment of bank loans amounted to US\$34.1mn, partially offset with additional working capital loan of US\$17.5mn.
- ❑ Overall, as at 30th June 2021, the Company's cash and cash equivalents were at US\$16.1mn. This cash balance excluded restricted cash in relation to Debt Service amounted US\$66.7mn, which include IPO proceeds, of which US\$59.3mn has been used in early July for reduction of long term debt.



# AISC and Cost Reduction Initiatives

## All-in Sustaining Costs<sup>(1)</sup> in 1H 2021 increased to US\$1,122 / oz due to higher absolute mining costs

- ❑ In 1H 2021, total absolute mining costs was higher due to higher stripping ratio resulting from pre-stripping of new Araren stage 5 Pit. However, mining costs per ton was lower by 16%. We expect the stripping ratio to normalize in 2H 2021.
- ❑ Processing costs increased due to lower average gold head grade of total ore processed during the period.



## Implemented Cost Reduction Programs to Further Reduce Operating Cost Profile

- ❑ Upgraded mining fleets used by mining contractors
- ❑ Appointed new mining contractors on better terms: through associate company PT Geopersada Mulia Abadi (PT GMA)
- ❑ Increased Processing Plant capacity to 4.0 Mtpa in 2021 and 5.6 Mtpa by end 2022
- ❑ Opting for cheaper power sources, secured through PLN as the main energy supplier

Note: (1) All-in sustaining cost ("AISC") as defined by the World Gold Council and calculated in terms of all costs which are required in the mining cycle from the exploration stage up and including the provisions to support the mine closure stage.



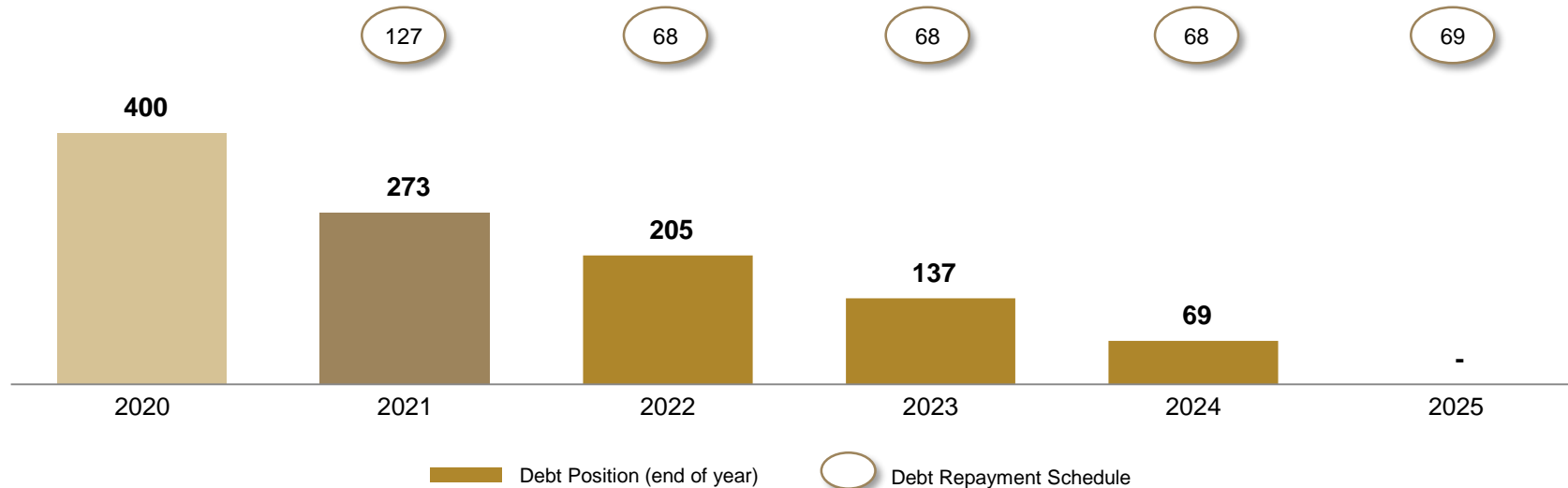
# Debt Repayment Schedule

## Existing Debt

	Outstanding Balance (as at 30 <sup>th</sup> June 2021)	Interest Rate	Tenor (Years)	Maturity Date	Covenants
<b>Conventional Facility and MMQ</b> <i>(excl. amortized costs)</i>	US\$367mn <sup>(1)</sup>	LIBOR / JIBOR + 4.00% <sup>(1)</sup>	5.0	2025	<ul style="list-style-type: none"> <li>Total debt/EBITDA &lt; 3.0x</li> <li>DSCR &gt; 1.1x</li> <li>Project life coverage ratio<sup>(2)</sup> &gt; 1.25x</li> <li>Ore reserve tail ratio<sup>(3)</sup> &gt; 20%</li> </ul>

## Repayment Schedule

(US\$ mn)



Note: (1) In early July 2021, a portion of Debt amounted to US\$59.3mn had been paid from the IPO proceeds.  
 (2) Project life coverage ratio = Remaining free cash flow up to Life of Mine (LOM) + ending cash balance for the period / net debt.  
 (3) Ratio is based on JORC Compliant Ore Reserves / Ore reserves at the Maturity date up LOM.



# Corporate Action(s)

On the 28<sup>th</sup> June 2021, PT Archi Indonesia Tbk officially listed its shares on the main trading board of the Indonesian Stock Exchange (“IDX”) through an Initial Public Offering (“IPO”) scheme.

- ❑ Archi’s stocks are traded on IDX main board with ticker code “ARCI”.
- ❑ Sold 3,725,250,000 of common stocks, representing 15.00% from issued and paid-up capital of the Company after the IPO, at initial price of Rp750 per share.
- ❑ Archi appointed PT Citigroup Sekuritas Indonesia, PT Credit Suisse Sekuritas Indonesia, PT Mandiri Sekuritas, PT BNI Sekuritas, and PT UOB Kay Hian Sekuritas as the joint-lead underwriters.





# Appendix



# Key Investment Highlights

- 1 The 2<sup>nd</sup> Largest Pure-play Gold Producer in Southeast Asia, with 10 years of Proven Operation Track Record
- 2 Strong and Proven Exploration Track Record Supports Significant Development Potential and Exploration Upside
- 3 Structurally Low Cost Base with Proven Track Record of Efficient and Uncomplicated Operations
- 4 Strong and Sustainable Free Cash Flow Generation Even at Low Gold Prices
- 5 Strong Sponsorship from a Reputable Indonesian Conglomerate with a Track Record of Building World-class Operations and Creating Shareholders' Value
- 6 Highly Experienced Key Senior Management
- 7 Strong ESG Commitment with Established Policies





# Mineral Resources & Ore Reserves

Resources and Reserves<sup>(1)</sup>: 3.9 Moz gold reserves and 5.5 Moz gold resources as of 31 December 2020

Category		Tonnage (Mt)	Gold Grade (g/t)	Contained Gold (Koz)	Silver Grade (g/t)	Contained Silver (Koz)
Reserves	Proven	18.2	1.1	667	2.6	1,521
	Probable	80.1	1.3	3,218	2.6	6,597
	<b>TOTAL</b>	<b>98.3</b>	<b>1.2</b>	<b>3,884</b>	<b>2.6</b>	<b>8,118</b>
Resources	Measured	19.7	1.1	696	2.0	1,583
	Indicated	97.2	1.3	3,942	3.0	7,969
	Inferred	28.8	1.0	890	2.0	1,401
	<b>TOTAL</b>	<b>145.8</b>	<b>1.2</b>	<b>5,528</b>	<b>2.0</b>	<b>10,953</b>

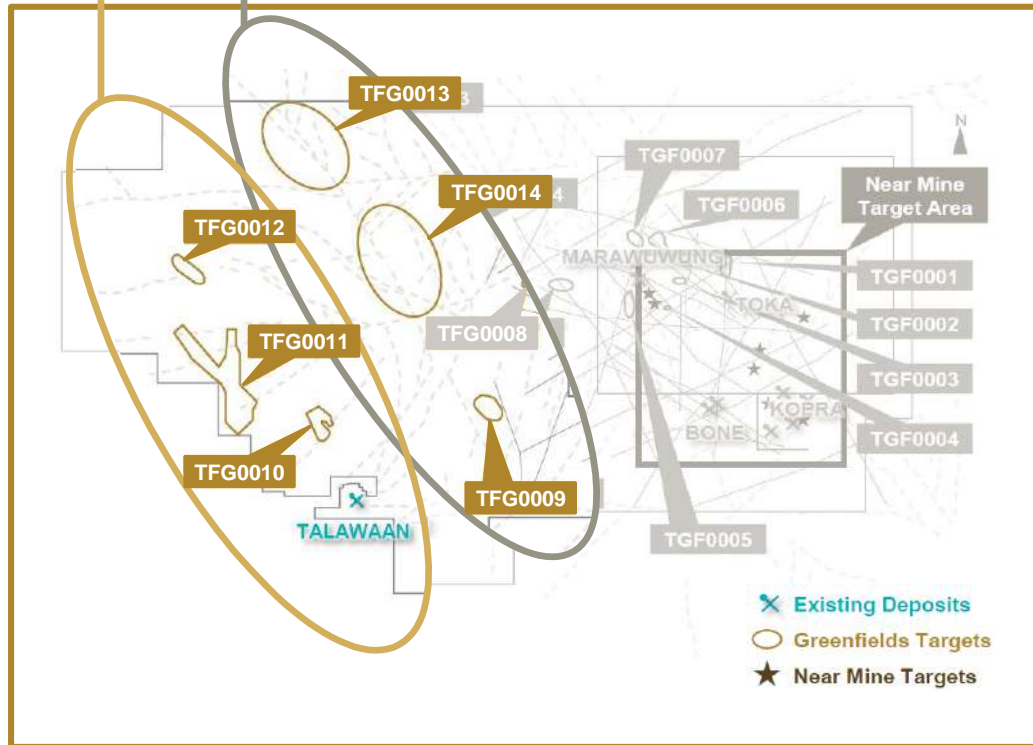
Deposit	Contained Ore Reserves		Ore Reserves Grade		Mining Companies
	Gold (Koz)	Silver (Koz)	Gold (g/t)	Silver (g/t)	
Toka	1,124	2,336	0.8	1.6	MSM
Marawuwung	331	465	0.9	1.3	MSM
Alaskar	146	532	3.0	11.0	TTN
Araren	1,448	2,583	2.0	3.6	MSM & TTN
Talawaan	215	325	7.6	11.5	TTN
Kopra	459	1,506	1.5	4.9	TTN
Stockpile	161	371	0.8	1.7	MSM & TTN
<b>Total Ore Reserves</b>	<b>3,884</b>	<b>8,118</b>	<b>1.2</b>	<b>2.6</b>	

Note: (1) Based on Toka Tindung Gold Mine Mineral Resources and Ore Reserves Reports, prepared and verified by SRK Consulting (Australasia) Pty Ltd.



# Growth Strategy – Exploration

Exploration Targets	Low Range			High Range		
	Tonnage (Mt)	Grade (g/t Au)	Ounces (Koz)	Tonnage (Mt)	Grade (g/t Au)	Ounces (Koz)
Near mine	40	1.5	2,000	54	2.7	4,800
Talawaan	23	2.9	2,100	36	3.6	4,200
Greenfields	36	1.1	1,200	83	1.6	4,000
<b>TOTAL</b>	<b>100</b>	<b>1.7</b>	<b>5,300</b>	<b>173</b>	<b>2.4</b>	<b>13,000</b>



- External consultants have identified a potential multi-million ounces target range for growth within the CoWs concession areas of Toka Tindung Gold Mine.
- In addition, the resource to reserve conversion ratio is lower than its historic level, providing immediate drill targets for additional reserves in 2021 and 2022.
- The exploration budget is sufficient to make new discoveries and bring them into production.
- With a 22 year mine life<sup>(1)</sup>, Archi has the time to repeat the success of the past few years.
- *\*ENMINTECH notes that the potential quantity and grade of the exploration targets are conceptual in nature. There has been insufficient exploration completed in the areas of the exploration targets and it is uncertain if further exploration will result in the estimation of a mineral resource.*

Note: (1) SRK reserves validation case using mining and stockpiles in later years



# Growth Strategy – Processing Plant

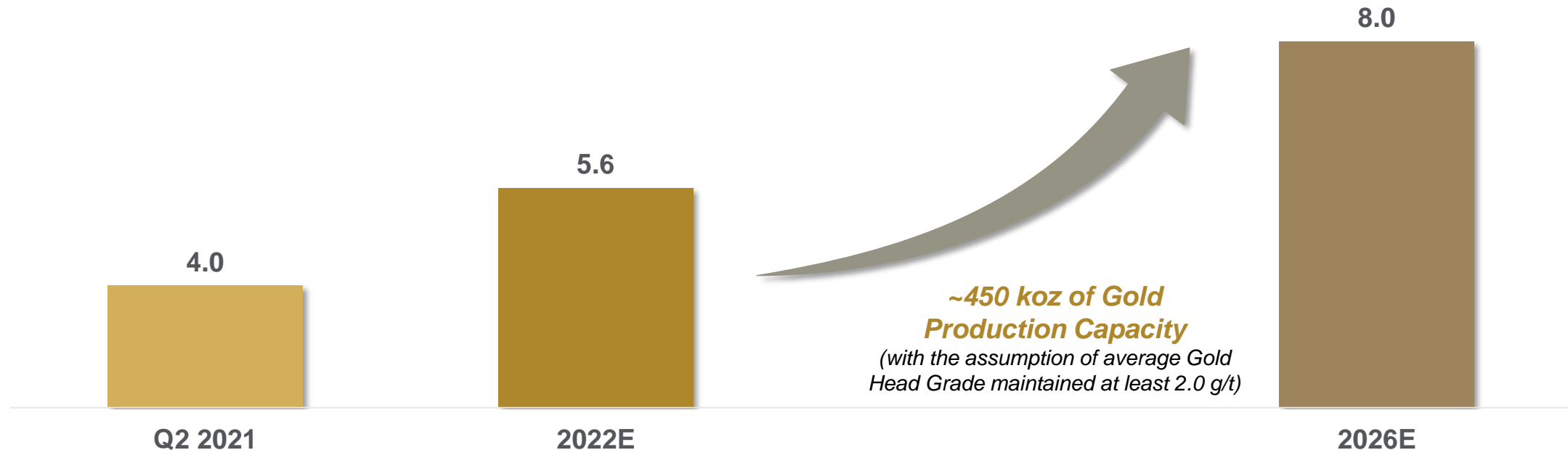
Upgrade and expansion of the Processing Plant to enable higher processing throughput to become a centralized plant to process ores from both the Eastern Corridor and the Western Corridor.

2021 - 2022

2022 - 2025

Upgrade and expand the Processing Plant capacity to **5.6Mtpa** by end 2022.

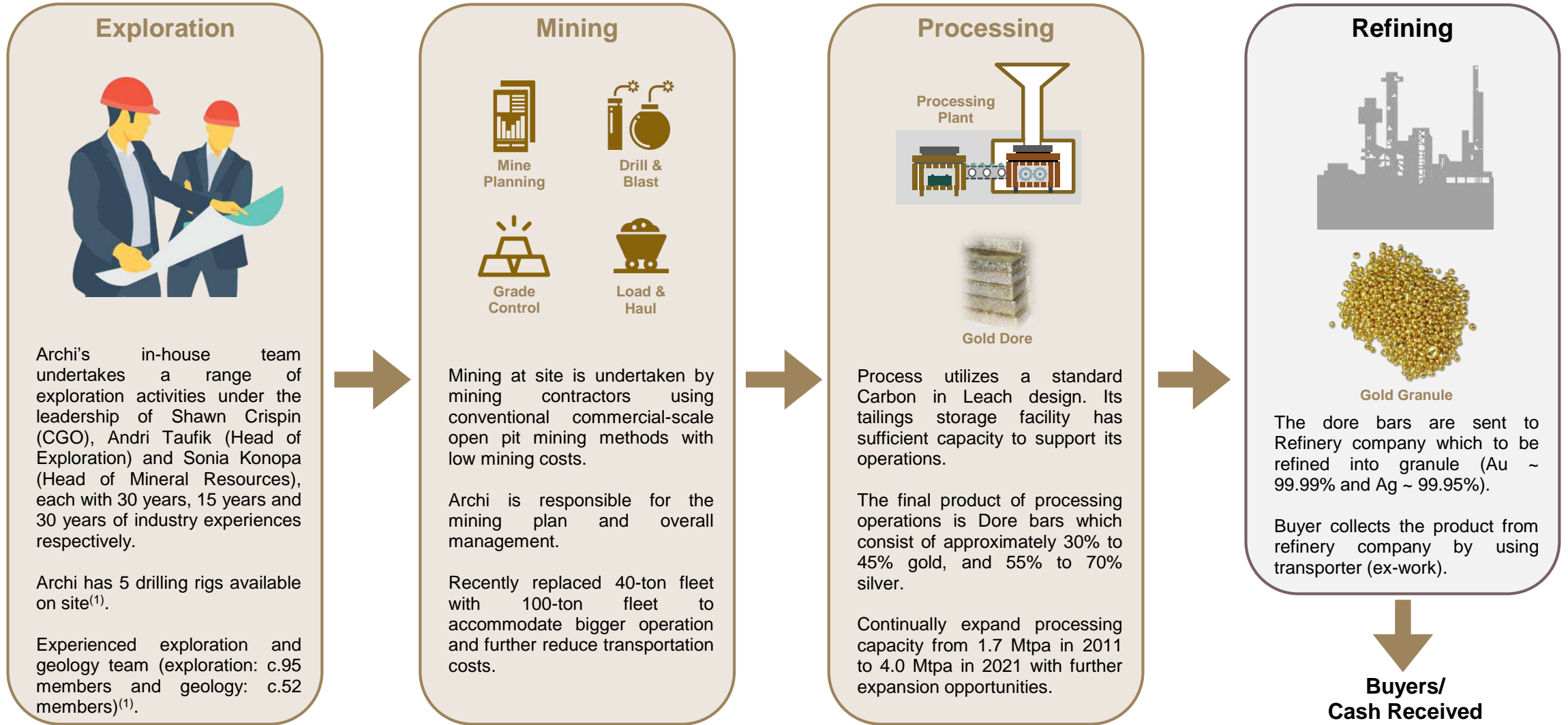
By end of 2025<sup>(1)</sup>, the Processing Plant will be able to process up to **8.0Mtpa** of throughput to cater both the Eastern Corridor and the Western Corridor.



Note: (1) Processing Plant capacity of 8.0 mtpa is expected by end of 2025, full impact will be reflected in 2026 operation.



# Business Overview



Established exploration, mining and processing activities with no fatality incidents

Note: (1) Data as of 30 Jun 2021.



# Strategy to Mitigate Covid-19 Pandemic

Archi has adopted anti-pandemic measures and implemented health and safety guidelines for all its employees to mitigate the impact of COVID-19.

## Impact of COVID-19 on Archi's Operations

- ❑ The COVID-19 pandemic has affected and may continue to affect Archi's ability to continue doing business with its customers, suppliers, contractors, and other parties.
- ❑ The COVID-19 impact on 2020 production was around 50 koz, and insignificant impact YTD June 2021.
- ❑ Examples of COVID-19's impact on Archi's business:



Redesigning and refurbishment of the secondary mill electrical control system was postponed from Q1 2020 to Q4 2020



In early March 2020, Archi's foreign suppliers were unable to commission projects for process control and pebble crushers due to travel restrictions



Mobilization of the mining fleet of 100-tons trucks owned by our associate company, PT GMA, was delayed from Q3 2020 to Q4 2020



The regulatory approval for river diversion for the Araren pit was delayed from Q1 2020 to Q1 2021

- ❑ Nonetheless, there has not been any significant disruptions to Archi's operations as a result of COVID-19 to date

## Measures to Mitigate Impact of COVID-19

- ❑ Archi has spent a significant amount of effort and resources in 2020 and YTD June 2021 as a result of COVID-19 to implement countermeasures, preventative measures and other self-imposed health and safety practices to comply with regulations and HSE standards



Telecommuting



Limiting face-to-face meetings



Restricting domestic and overseas business travel



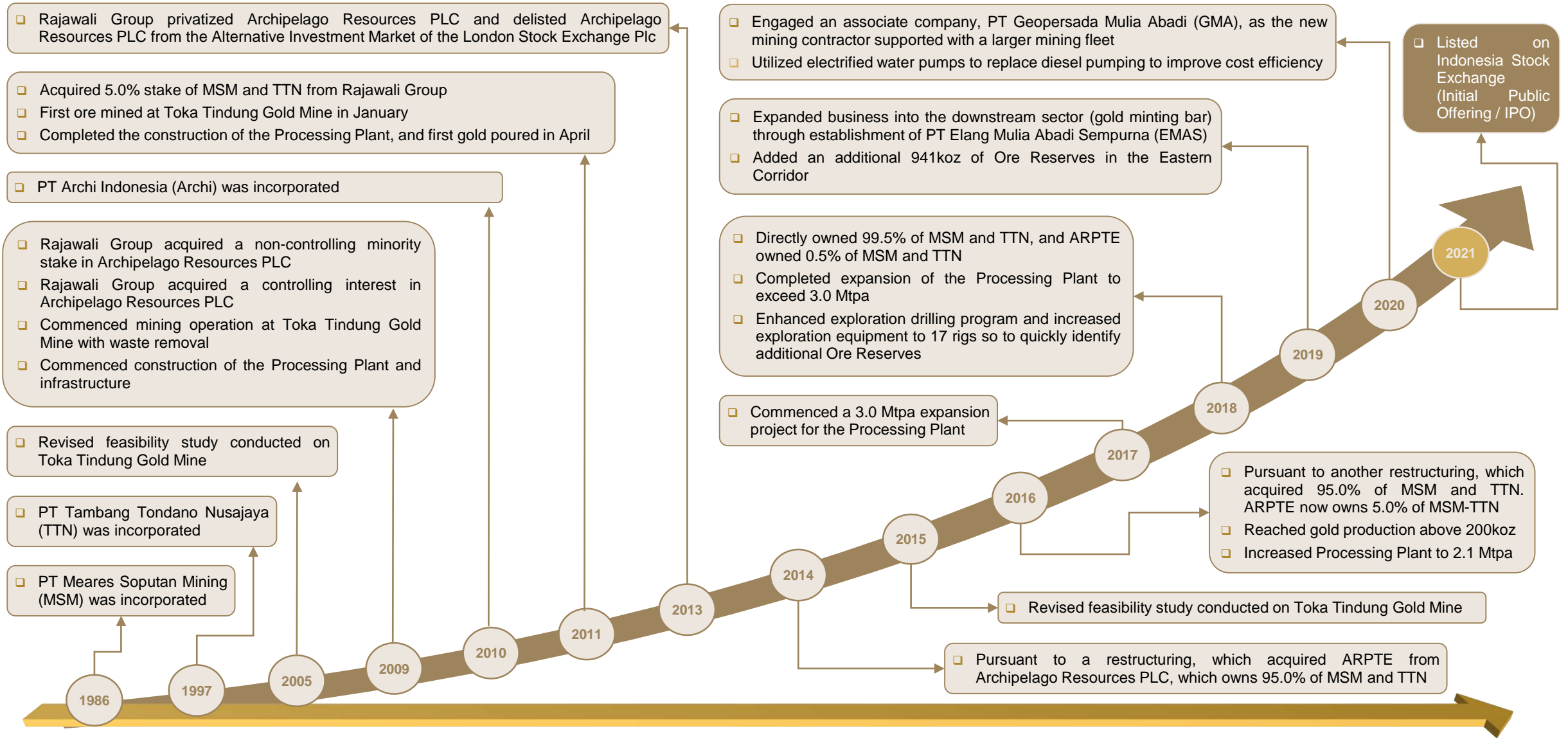
Implementing quarantines and 100% PCR testing for FIFO employees or external contractors prior to visits to mining sites



Conducting regular COVID-19 tests, health and safety checks

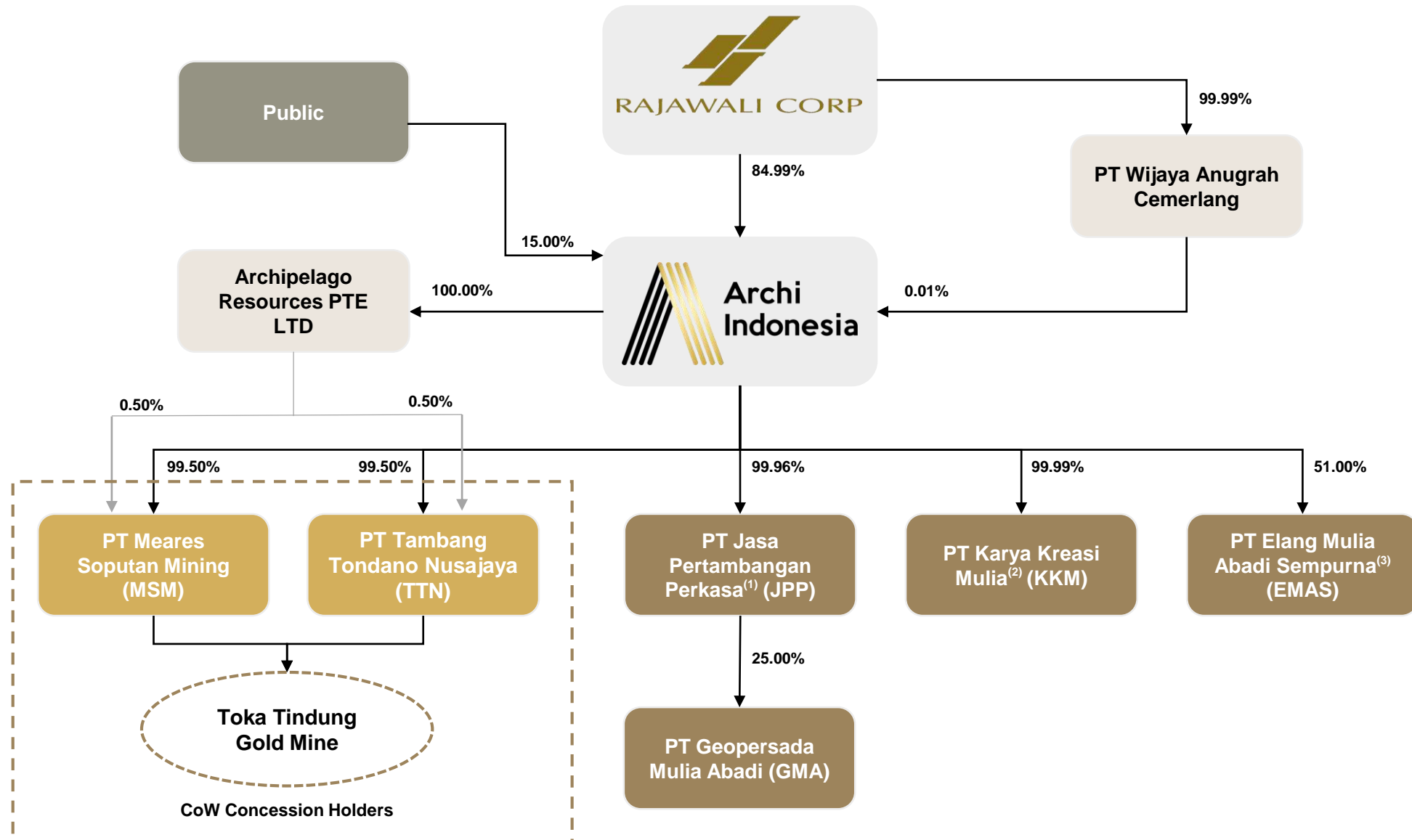


# Key Milestones



Note: Information as of 30 June 2021.

# Shareholding Structure



Note: (1) Holding company of mining services, which holds 25.00% of PT GMA, our mining contractor.  
 (2) Commenced operations in 2018, providing general management and support services in the areas of tax, legal and accounting exclusively for Archi, PT MSM and PT TTN.  
 (3) A joint venture company incorporated in April 2019 to produce minted gold bars for which we hold 51.0%.



# Key Management

## Board of Commissioners



**Rizki Indra Kusuma**  
President Commissioner

- Appointed as Commissioner in 2020
- Currently Managing Director Legal of PT Rajawali Corpora
- Previously served as a lawyer at DNC Law Firm and Makarim & Taira S Law Firm



**Abed Nego**  
Commissioner

- Appointed as Commissioner in November 2016
- Currently Chief Financial Officer of PT Rajawali Corpora
- Previously served as Director of Finance at PT Rajawali Corpora and in various roles in the Rajawali Group



**Ali Abbas Badre Alam**  
Commissioner

- Appointed as Commissioner in 2021
- Currently Managing Director of Investment and Performance Management of PT Rajawali Corpora
- Previously served as Managing Director Co-Head APAC Financing in Credit Suisse, A.G. Singapore and Hong Kong and also Assistant Manager Investment Banking in Citibank Pakistan



**Dr. Ir. Bambang Setiawan**  
Independent Commissioner

41

- Appointed as Independent Commissioner in February 2021
- Currently Independent Commissioner at PT Golden Energy Mines Tbk, PT Jogja Magasa Iron, PT Kalimantan Surya Kencana and PT Thiess Contractors Indonesia
- Previously worked as General Director of Mineral and Coal, Ministry of Energy and Mineral Resources



**Hamid Awaluddin**  
Independent Commissioner

10

- Appointed as Independent Commissioner in February 2021
- Currently President Commissioner at PT Delta Dunia Makmur and PT Surya Esa Perkasa Tbk and also President Director at PT Adimitra Barata Nusantara
- Previously worked as Special Advisor at Tambang Emas Australia

## Board of Directors and Key Management



**Ken Crichton**  
President Director / CEO

35

- Appointed as CEO in May 2021
- Currently Managing Director Mining of PT Rajawali Corpora
- Previously President Director at Thiess Contractor Indonesia and Leighton Contractor Indonesia, Head of Operations at the Lihir Gold Mine of Newcrest, and had various roles with BHP



**Rudy Suhendra**  
Vice President Director / Deputy CEO

- Appointed as Deputy CEO in November 2019
- Worked with Archi Indonesia since 2016 as Chief Financial Officer
- Held several positions in PT Eagle High Plantation Tbk
- Previously worked as an external auditor at PwC Indonesia



**Shawn David Crispin**  
Director / CGO

30

- Appointed as Chief Geologist Officer in May 2021
- Over 30 years' experience in mining and exploration.
- Previously held senior management positions in Martabe Gold Mine and Ok Tedi Mine



**Adam Jaya Putra**  
Director / CFO

- Appointed as Chief Financial Officer in November 2019
- Employed at PT Rajawali Corpora since 2010 with the latest position as Investment Director
- Previously worked at financial institutions including MUFG and Nikko Securities



**David Sompie**  
Director / CCO

25

- Appointed as Chief Corporate Officer in early 2019
- Has worked as President Director of PT Newmont Minahasa Raya from 2011. Previously served different roles in PT Newmont Minahasa Raya
- Marine Engineering from UNSRAT
- Position in NMR as Environmental Manager



○ Number of years experience in respective industry.



Archi will make continuous efforts on sustainable operations and strive to maintain its position as an ESG leader, as recognized by various industry bodies and the Indonesian government.



# ESG Practice Assessment

## ESG Assessment Results at Toka Tindung Gold Mine

- On January 2021, Archi engaged voluntarily with PT Lorax Indonesia<sup>(1)</sup>, an independent environmental consultant company, to assess ESG practice in Toka Tindung Gold Mine.
- The assessment results came out that Toka Tindung Gold Mine received **Outperform** rating in Social aspects, while **Exceed** rating in the Environment and Governance aspects.
- The assessment was done by comparing Toka Tindung Gold Mine with the other operating mining companies in Indonesia.

ENVIRONMENTAL		SOCIAL		GOVERNANCE	
Sub-Categories	Score	Sub-Categories	Score	Sub-Categories	Score
Environmental Management System & Technical Competency	<b>Outperform</b>	Safety Management & Employee Education	<b>Exceed</b>	ESG Reporting	<b>Improvement Opportunity</b>
Land Use & Biodiversity	<b>Outperform</b>	Community Relations	<b>Outperform</b>	Board of Directors	<b>Exceed</b>
Energy Use & Green House Gases Emissions	<b>Improvement Opportunity</b>	Local Employment & Procurement	<b>Outperform</b>	Management Compensation	<b>Outperform</b>
Water Use	<b>Exceed</b>	Employee Relations & Diversity	<b>Outperform</b>	Anti-Corruption Policy	<b>Exceed</b>
Tailings & Waste Management	<b>Exceed</b>				
Mine Closure Plan	<b>Exceed</b>				
<b>Exceed</b>		<b>Outperform</b>		<b>Exceed</b>	

<b>Outperform</b>	Complied with Indonesia Law & Mining Regulation and International Best Practice; Positioned in the Top 20 Percentile of Mining Companies in Indonesia
<b>Exceed</b>	Complied with Indonesia Law & Mining Regulation and International Best Practice; Positioned in the Top 50 Percentile of Mining Companies in Indonesia
<b>Improvement Opportunity</b>	Complied with Indonesia Law & Mining Regulation and International Best Practice; Positioned in the Bottom 50 Percentile of Mining Companies in Indonesia

Note: (1) PT Lorax Indonesia ("Lorax") is part of Lorax Environmental Services Ltd, an independent environmental consulting firm based in Vancouver, Canada.





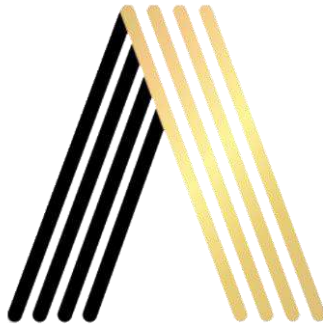
## Social & Cultural

- ▣ Biodiversity conservation
- ▣ Forest conservation
- ▣ Worship facilities construction



## Health

- ▣ Health post centre
- ▣ 1,000-days life program
- ▣ Covid-19 prevention



## Education

- ▣ Scholarship education
- ▣ Teacher training
- ▣ Public library



## Economy

- ▣ Micro economy development
- ▣ Sustainable integrated farming



## Infrastructure

- ▣ Clean water project
- ▣ Public facility construction



Basic foods donation in response to Covid-19 pandemic



Conservation of Mangrove and Coral Reefs in near-mine areas



Integrated chicken poultry cultivation as part of animal husbandry programs



Development of corn seed production for independent group



Rice field cultivation program for villages



Integrated health service (Posyandu) activities





Archi  
Indonesia

# Thank You

For further information,  
please contact: [corsec@archimining.com](mailto:corsec@archimining.com) ;  
or visit : [www.archiindonesia.com](http://www.archiindonesia.com)

