

PRESS RELEASE

For immediate release

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MBMA Utilizes Residual Ore to Support Electric Vehicle Battery Raw Material Supply Chain

Jakarta, Indonesia – PT Merdeka Battery Materials Tbk (IDX: MBMA), strengthens the implementation of circular economy practices in the electric vehicle battery raw material supply chain through the development of the Acid Iron Metal (AIM) processing facility.

The AIM facility was developed by PT Merdeka Tsingshan Indonesia (MTI), a joint venture between MBMA and Eternal Tsingshan Group Limited. This step is part of MBMA's strategy to support the development of the electric vehicle industry while increasing the efficiency of mineral resource utilization within the Merdeka Group.

Teddy Oetomo, President Director of PT Merdeka Battery Materials Tbk, said the company aims to ensure that business growth continues in line with environmental stewardship and more optimal resource utilization.

"The development of the electric vehicle industry needs to be supported by an increasingly efficient and responsible supply chain. Through the operational integration we are building, MBMA wants to encourage these practices gradually," said Teddy.

The AIM facility utilizes pyrite ore residue from the Wetar Copper Mine processing operations, operated by a subsidiary of PT Merdeka Copper Gold Tbk (BEI: MDKA), MBMA's parent company, to produce sulfuric acid and steam used as raw materials in the Mixed Hydroxide Precipitate (MHP) production process at the High Pressure Acid Leach (HPAL) plant.

Through this integration, MBMA applies circular economy principles by optimizing the utilization of mining materials while supporting the efficiency of the national electric vehicle battery raw material supply chain.

In addition to developing a circular economy, MBMA also continues to strengthen environmental management in all of the company's operational areas. By the end of 2025, all MBMA operational entities have obtained ISO 14001:2015 certification for environmental management systems.

MBMA also formed Energy Management Teams at two subsidiaries, PT Sulawesi Cahaya Mineral (SCM) and MTI, to support the implementation of energy efficiency and emission reduction in a more integrated manner.

MBMA's sustainability commitment also received recognition from various independent institutions throughout 2025. MBMA maintained its Gold Rank in the Asia Sustainability Reporting Rating (ASRRAT) 2025, obtained "Verified" status in the 2025 Indeks Integritas Bisnis Lestari (INSTAR) with the highest score in the basic materials sector, and improved its Sustainalytics ESG Risk Rating to 34.07 from 35.20 previously.

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For more information:

Tom Malik

Corporate Communications

PT Merdeka Copper Gold Tbk / PT Merdeka Battery Materials Tbk

Selular +62 811 158 711

E-mail: tom.malik@merdekacoppergold.com

About PT Merdeka Battery Materials Tbk

PT Merdeka Battery Materials Tbk (IDX: MBMA) is a leading Indonesian company specializing in the mining and processing of strategic minerals essential for electric vehicle (EV) batteries. Established in 2019, the Company is committed to supporting the global transition to clean energy through sustainable and innovative practices. As a majority-owned subsidiary of PT Merdeka Copper Gold Tbk (IDX: MDKA), MBMA leverages extensive industry expertise to deliver high-quality battery raw materials.

MBMA's integrated operations are strategically located in Central and Southeast Sulawesi, Indonesia, and comprise several key assets:

- Sulawesi Cahaya Mineral (SCM) Mine: Recognized as one of the world's largest laterite nickel resources, the SCM Mine contains approximately 13.8 million tonnes of nickel and 1.0 million tonnes of cobalt within a 21,100-hectare concession area.
- Rotary Kiln-Electric Furnace (RKEF) Smelters: Consisting of eight RKEF lines with a total installed capacity of up to 88,000 tonnes of nickel per annum, processing saprolite ore from the SCM Mine into nickel pig iron (NPI), a key input for stainless steel and battery production.
- Nickel Matte Converter: Processes low-grade nickel matte produced by RKEF smelters into High Grade Nickel Matte (HGNM) with nickel content exceeding 70%, a critical feedstock for battery precursors and Class 1 nickel.
- Acid Iron Metal (AIM) Plant: A modern processing facility that treats high-grade pyrite sourced from MDKA's Wetar Copper Mine to produce acid and steam for HPAL operations, while also recovering metals such as copper, gold, and iron.
- High-Pressure Acid Leach (HPAL) Plants: Designed to process limonite ore into mixed hydroxide precipitate (MHP), a valuable intermediate for EV battery materials. MBMA operates two HPAL plants within the Indonesia Morowali Industrial Park (IMIP) with a combined installed capacity of 55,000 tonnes of MHP, and is currently developing a third HPAL facility with an installed capacity of 90,000 tonnes of MHP.
- Indonesia Konawe Industrial Park (IKIP): Developed in partnership with Tsingshan Group, IKIP is an industrial park focused on battery materials, located within the SCM concession area. It aims to attract downstream industries and establish a comprehensive battery materials ecosystem.

Through these assets, PT Merdeka Battery Materials Tbk is committed to advancing the EV battery value chain, promoting sustainable development, and delivering long-term value to its stakeholders.

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