



INDOMINING

COMPANY PROFILE PT INDOMINING





Content

- 1 About **PT Indomining**
- 2 Year 2012 Highlights
- 3 Company **Overview**
- 4 **Mining** Operation
- 5 **Reserves** & Resources (**JORC**)
- 6 Production Report

About PT Indomining

PT Indomining (Indomining) ranks among one of Indonesia's major competitive producers of thermal coal

The primary purpose of the Company is to explore and develop its mine resources, principally coal, within its concession area in Sangasanga East Kalimantan covering a mining area of 683 hectares.

PT Indomining ("IM") is a limited liability coal company that established in 2005. The Company is a 99.99% owned coal producing subsidiary of PT Toba Bumi Energi ("TBE"), of which it is a wholly owned subsidiary of PT Toba Bara Sejahtera Tbk, one of the major competitive producers of thermal coal that is a member of the Toba Sejahtera Group.

The primary purpose of the Company is to explore and develop mine resources, principally coal, within its concession area in Sangasanga East Kalimantan covering a mining area of 683 hectares. The company has replaced their Mining Right Permit and obtained the Production Operation Mining Permit ("IUP") from the Regent of Kutai Kartanegara with IUP No.540/1410/IUP-OP/MB-PBAT/VI/2010. A life-of-mine plan has been completed for the concession, allowing for the efficient long-term planning of production quality and capacity.

IM has commenced first commercial production in 2007 with total production was 197 thousand MT whereas in 2011 IM coal production reached around 1.4 million MT per annum.

The Environmental Impact Assessment Report ("AMDAL") was completed and submitted in February 2007 and these report has been accepted and approved by the Ministry of the Environment.

IM's coal reserve data has been validated in accordance with JORC standard (an independent Australian consultant) and has been proven to be sufficient for long term production. Mining operations is surface, open-pit, using larger equipment to optimize economics of scale.

Majority of the Mining activities from removal of Overburden and extraction of coal are outsourced to a combination of established local and foreign contractors to manage performance risk. After extraction, coal is transported to ROM stockpile for crushing and quality testing. IM coal has inherently low ash and therefore does not require washing. Crushed coal is stored at the main stockpile, and sent to the port using an overland conveyor for loading. The barges are then sent to Samarinda anchorage for transshipment activities.



THE COMPANY SEEKS TO MANAGE
OPERATIONS EFFECTIVELY & EFFICIENTLY,
IMPROVE PEOPLE DEVELOPMENT,
AND **CREATING WORKING**
ENVIRONMENT IN ACCORDANCE
WITH THE VISION AND MISSION OF THE
COMPANY

YR2012 Highlights

Expanding infrastructure facilities by enlarging CPP,
building employee housing & sport facilities.

ZERO ACCIDENT

More than **5 million hours** lost time injury free

21.5MT

Proved and probable reserves
that **validated by JORC**



INDOMINING MINING OPERATION

In order to run its business, the Company has 4.7KM overland conveyor for transporting coal from ROM stockpile to jetty



COMMUNITY DEVELOPMENT

Indomining has committed to support community development by establishing Bioethanol Factory. The factory is expected produce fuel that uses cassava as a raw material



ENVIRONMENT

Indomining has nursery area to develop its sustainable reforestation and reclamation

CSR

Indomining has concern with surrounding stake holders, such as financial assistance for kindergarten and elementary school to improve education and welfare for students



Company Overview

PT Indomining established in 2005 strives to be one of the best managed coal company

COMPLIANCE & GOOD CORPORATE GOVERNANCE

Indomining has complied with various regulation and has been audited with unqualified opinion by a big four accounting firm

AWARDS

Indomining has acquired "Blue Level" Award from Governor of East Kalimantan for environmental management



MARKETING AND SALES

The company is supported by marketing department to deliver the best coal quality to the customer



QUALITY CONTROL

A number of quality control safeguards are placed to ensure that the coal production is homogeneous and consistent in quality with the guaranteed specifications



7 Mining Operation

Indomining operates an open-pit mining concession with multiple coal seams.

The bulk of operations, including stripping and extractions, are outsourced to reputable third-party mining contractors in order to enhance performance and efficiently utilize capital. Indomining works very closely with its contractors to implement safe and efficient procedures. Safety drills and safety talks are regularly held among other activities.

Total reserves and resources have been validated in accordance with JORC standards

(by PT SMG Consultants). A life-of-mine plan has been established for the concession, allowing for efficient long-term planning of production quality and capacity. Throughout every step, the Company strives to comply with all regulations including ensuring that environmental requirements have been properly met.

Following extraction, the coal is transported to the ROM stockpile where it is crushed and tested for quality. Washing is not required as Indomining coal contains relatively low ash levels. The crushed coal is then stored at the main stockpile until it is **sent using an overland conveyor that stretches 4.7 km at a rate of 900 tonnes per hour to the port, or approximately 4.5 million tonnes per year**, where it is loaded onto 300 ft barges and sent to Samarinda Anchorage for transshipment activities. Indomining owns its own crusher and jetty, all of which have adequate capacity to handle its plan increases in production.



Indomining coal is rigorously checked during the production process to ensure quality. The Company's integrated supply chain ensures that every step of production takes place under its control up to and including barge loading at the jetty

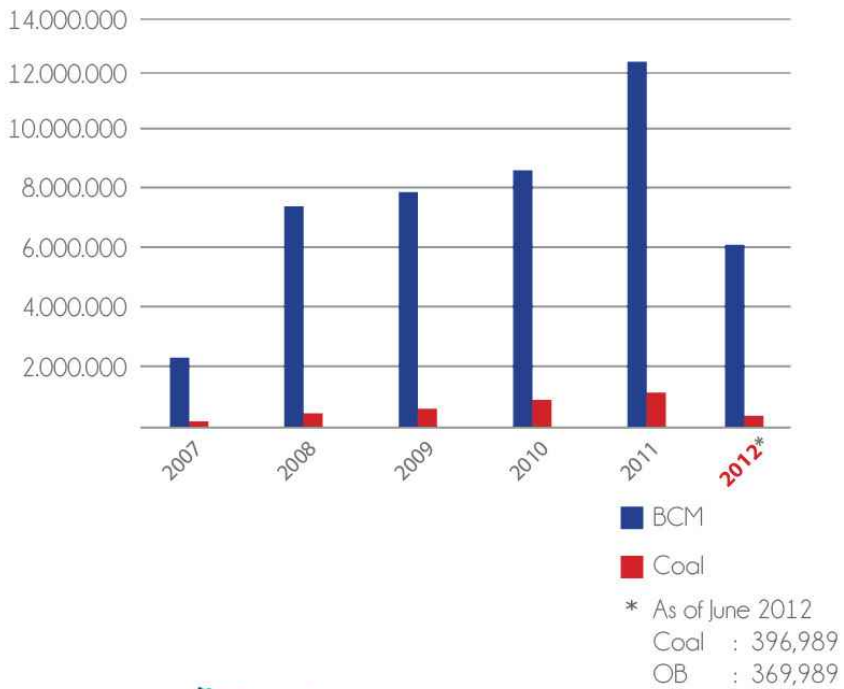
Reserves & Resources (JORC)



JORC report was completed by PT SMG Consultants as of first quarter of 2012 with estimated total coal resources of 37 million tonnes and total coal reserves of 21.5 million tonnes.

TOTAL COAL RESOURCES (MILLION MT)	37.1
MEASURED	23.7
INDICATED	9.5
INFERRED	3.9
COAL RESERVES (MILLION MT)	21.5
PROVEN	11.4
PROBABLE	10.1

Production Report





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