Jakarta, 6 July 2022 – PT Indonesia Batu Prima Energi (IBPE), a subsidiary of PT MNC Energy Investments Tbk (IATA or the Company), held a First Cut of Mining ceremony attended by the Company’s Board of Directors on 2 July 2022 to celebrate the start of production in its 15,000 Ha concession located in Babat Supat, Musi Banyuasin Regency, South Sumatra.

IBPE, with an area of 15,000 Ha, is one of the largest concessions owned by the Company. The concession has not yet reached its full potential as we are still in the exploration process on most of its minable area. I believe that IBPE will boost the Company’s production significantly, as well as convince investors that the Company still has the potential to grow further with higher production outputs planned for the years ahead.

- Leader DS Daeli, Director of IBPE

The concession is divided into 3 mining blocks with several pits:
IATA, through IBPE, has signed a 5-year contract with the contractor on 9 June 2022 to start the production with a target of 500 thousand MT for the first year, from July to December 2022. Within 5 years, the Company targets a total output of 7.5 to 8 million MT or 1.5 million MT in the second year and 2 million MT each year for the rest of the contract (Year 3-5), from Corundum, Beryl, and Amethyst Pits.

IBPE exports about 75% of its coal production to countries such as India, China, Vietnam, and Thailand, while the remaining 25% is sold domestically to fulfill its Domestic Market Obligation (DMO).

Corundum and Beryl Pits are the 2 mines to be mined in the first 2 years. While mining operations in Amethyst Pit will begin in the third year, along with newer pits that are being and will be prepared, considering the mining area of 15,000 Ha has not been fully explored and much more of the area still requires The Indonesian Joint Committee for Mineral Reserves (KCMI) verification process.

Currently, IBPE already has sufficient mining infrastructures built and set up, with pits and disposal areas in the mines, hauling roads that span 2 to 5 Km from pits to port, a weighbridge, and an office for necessary administrative tasks.

In addition to IBPE, the Company’s other 2 mines, held through PT Bhumi Srijaya Perdana Coal (BSPC) and PT Putra Muba Coal (PMC), are already in production with an output of 2.5 million MT in 2021. Meanwhile, PT Arthaco Prima Energy (APE) is also targeting to start producing this year. The Company is in the preparation stage by committing to constructing a hauling road and port to support APE’s production process.

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