

## NEWS RELEASE

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### **AMENDMENT OF THE POWER PURCHASE AGREEMENT FOR PLTU BATANG SIGNED BETWEEN PLN AND PT BHIMASENA POWER INDONESIA**

**Jakarta, November 4, 2014** - PT Adaro Energy Tbk (IDX: ADRO) (the "Company") announces today that PT Bhimasena Power Indonesia ("BPI"), a company 34 percent owned by PT Adaro Power, a wholly-owned subsidiary of the Company, has signed a Power Purchase Agreement (PPA) amendment with PT PLN (Persero) ("PLN") on 31 October 2014. In the PPA amendment, the time limit was extended to achieve Financial Closure for BPI's 2 x 1,000 MW Coal Power Plant Project in Batang, Central Java ("PLTU Batang"). The amended date, effective since 6 October 2014, was extended to 6 October 2015.

Currently, BPI has acquired 87% of the land required to achieve Financial Closure. PLTU Batang has also received approval for its Environmental Impact Assessment (EIA) and other necessary permits.

Law No. 2 of 2012 on Land Procurement for Development in the Public Interest is expected to be applied by the Government and to be implemented by PLN. It is expected that with the implementation of the law, Financial Closure may be achieved before 6 October 2015.

BPI's President Director, Mohammad Effendi, explains "The signing of the PPA amendment with PLN shows a strong commitment from all related parties to continue the PLTU Batang project. This development also shows the commitment of BPI to contribute to the development of the Batang area and Indonesia as a whole. This project uses the latest technology and will not be harmful to Batang, in fact it will provide significant benefits to the local community and will help prevent a power crisis in Java and Bali."

Furthermore, the Company's President Director, Mr. Garibaldi Thohir, said "This project is part of our vision to be a leading Indonesian mining and energy group and to create maximum sustainable value from Indonesian coal. We are on track to develop our power division and to support community and national development efforts. PLTU Batang will be the largest capacity Independent Power Plant (IPP) in Indonesia and is a strategic project to meet the growing demand for electricity in Java and Bali in 2019. "

PLTU Batang will use the latest technology that offers increased efficiency over conventional boiler designs and has lower environmental impact from all emissions, particularly carbon

dioxide. Adaro Indonesia will supply the majority of the coal requirements and the use of the lower pollutant Envirocoal will add to the power plant's ultra-clean environmental performance.

Advanced steel technology has enabled the use of large ultra-supercritical (USC) boilers, which can burn low calorific value coal as fuel. PLTU Batang will be a showcase of the latest highly efficient and more environmentally friendly power generation technology.

BPI is a joint venture company established by a consortium of three companies of Electric Power Development Co., Ltd. (J-Power), PT Adaro Power, and ITOCHU Corporation.

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