NEWS RELEASE FROM ADARO ENERGY

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Adaro Indonesia To Issue US$800 Million, 7.625% Guaranteed Senior Notes Due 2019

Jakarta, October 15th, 2009 – PT Adaro Energy Tbk (IDX:ADRO) is pleased to announce that its indirectly wholly-owned subsidiary, PT Adaro Indonesia ("**Adaro**") has set the pricing of its US$800 million, 7.625% Guaranteed Senior Notes due 2019 (the "**Notes**") to be issued by Adaro and guaranteed by Adaro's ultimate parent company, PT Adaro Energy Tbk (the "**Parent Guarantor**").

Credit Suisse, DBS Bank Ltd. and UBS AG are the Joint Bookrunners for the offering of the Notes.

The Notes are expected to be issued on 22 October 2009 and to mature on 22 October 2019. The Notes will bear interest at a fixed rate of 7.625% per annum payable semi-annual and will be issued in denominations of US$100,000 and integral multiples of US$1,000 in excess thereof.

The net proceeds of issuance of the Notes will be used by Adaro for capital expenditure and general corporate purposes.

Approval in principle has been received from the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for the listing and quotation of the Notes on the SGX-ST.

The Notes and the guarantee of the Notes are being offered only to qualified institutional buyers under Rule 144A of the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and to persons outside the United States under Regulation S of the Securities Act.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities. The securities to which this announcement relates have not been, and will not be, registered under the Securities Act, and may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. There will be no public offering of the securities in the United States.

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