



NEWS RELEASE FROM ADARO ENERGY

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Adaro, Komatsu, and United Tractors Launch Bio Diesel Fuel Pilot Project in Indonesia

Jakarta, 31 May 2011 --- PT Adaro Energy Tbk (President Director: Garibaldi Thohir) ("Adaro"), Komatsu Ltd. (President & CEO: Kunio Noji) ("Komatsu"), and PT United Tractors Tbk (President Director: Djoko Pranoto) ("UT") have launched Bio Diesel Fuel*¹ ("BDF") Pilot Project in Indonesia ("the Project"). This pilot project is considered a worthwhile and do-able project that could be further developed. However, further study on this pilot project still needs to be done to gain commercial acceptance. The Project aims to ultimately achieve sustainable environmentally friendly mining operations in the mining concession area of PT Adaro Indonesia ("AI"), Adaro's wholly owned subsidiary.

The launching took place at Adaro's mining concession area and was attended by the Minister of Energy and Mineral Resources, Dr. Darwin Saleh, the Ambassador of Japan for Indonesia, Yoshinori Katori, the Governor of South Kalimantan province, the Director General of Mineral and Coal, the Deputy Minister of Environment for Control of Contaminated Environment, a number of municipalities, and the Board of Commissioners and Directors of Adaro, Komatsu, and UT.

Adaro's President Director Garibaldi Thohir stated, "This Project represents Adaro's commitment to be a responsible partner that prioritizes safety and environmental preservation, and supports community and national development by achieving sustainable environmentally friendly mining operations within Adaro's mining concession area."

In March this year, the construction of a BDF refinery plant (production capacity: 1.2 tons/day) and an analysis laboratory to ensure the quality of BDF were completed at the Adaro coal mine, and the production of European Standard (EN 14214)-based BDF from Jatropha*² has begun. After confirming the performance of an engine using the refined BDF on bench test, the project staff members began test operations of a Komatsu-made HD785 dump truck (payload: 90 tons) which is deployed at the mine.

This project calls for the production of BDF from Jatropha and other plants at the Adaro coal mine in Kalimantan, Indonesia, and the use of BDF as the fuel to run Komatsu-made HD785 dump trucks in operation at the mine. AI plans to outsource



the Jatropha and other plants from outside of its operational areas of the mine, to build a BDF supply-chain capable of sustainable local production and consumption, and expects to achieve mine operations with less environmental impact than that of the current mine operations. UT, as the Komatsu distributor in Indonesia, takes responsibility of product support for the Komatsu Dump Trucks fueled by the BDF.

The three partner companies intend to continue to promote this project in order to operate dump trucks on a scale of 100 units in and after 2012. Given that 20% of the currently used mineral diesel fuel will be replaced with BDF to operate them, approximately 8,000 tons of BDF will be used annually and contribute to the reduction of approximately 20,000 tons of CO₂ emissions which are roughly equivalent to 10% of CO₂ emissions generated by Komatsu manufacturing plants in Japan.

Notes:

*1 BDF is an alternative fuel to mineral diesel oil, produced from vegetable oil or waste food oil. Popular feedstock plants are soybeans, rapeseed and palm. It is regarded that BDF will not increase the amount of CO₂ in the air because the feedstock plants absorb CO₂ from the air while they are growing.

*2 Jatropha is considered as one of ideal feedstock plants that produces oil from its inedible seeds and grows even on dry and less fertile soil.

[PT Adaro Energy Tbk]

Corporate name: PT Adaro Energy Tbk

Date of establishment: July 28, 2004

Head office: Jakarta, Indonesia

President Director: Garibaldi Thohir

Share Capital: Rp 3,198.6 billion (as of 31 December 2010)

Net sales: FY10: Rp 24.7 trillion

Line of business: Integrated Coal Mining through Subsidiaries

Number of employees: 6,242 (consolidated as of 31 December 2010)



[Komatsu Ltd.]

Corporate name: Komatsu Ltd.

Date of establishment: May 13, 1921

Head office: Tokyo, Japan

President & CEO: Mr. Kunio Noji

Common stock: ¥ 67,870 million (consolidated, as of 31 March 2011)

Net sales: FY10: ¥ 1,843,127 million

Line of business: Manufacture and sale of construction and mining equipment, utilities and industrial machinery

Number of employees: 41,059 (consolidated, as of 31 March 2011)

[PT United Tractors Tbk]

Corporate name: PT United Tractors Tbk

Date of establishment: October 13, 1972

Head office: Jakarta, Indonesia

President Director: Djoko Pranoto

Share Capital: Rp 831,7 billion (as of 31 December 2010)

Net sales: FY10: Rp 37.3 trillion

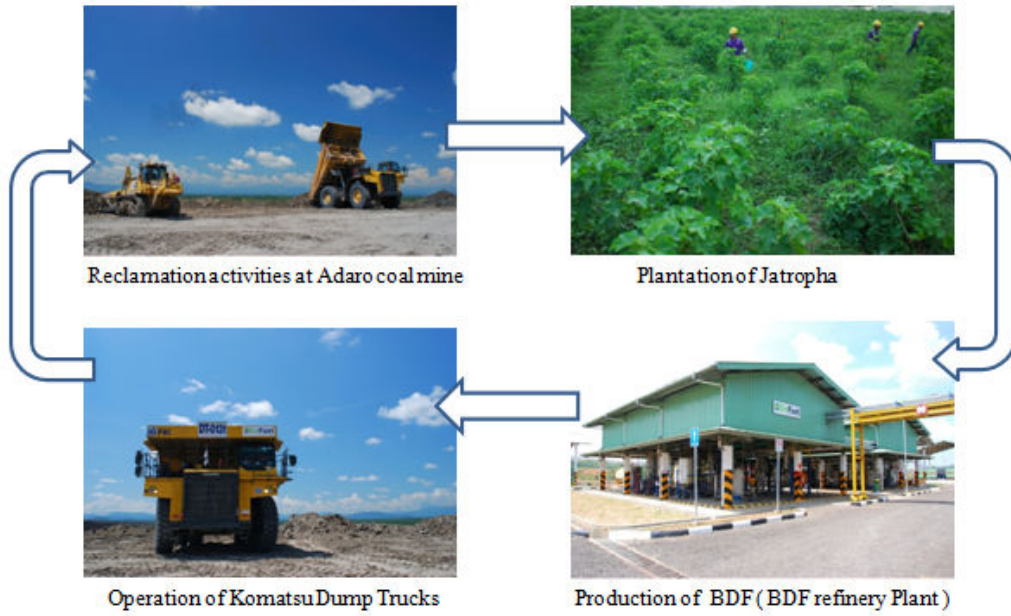
Line of business: Heavy equipment distribution, mining contracting & mining

Number of employees: 18,776 (consolidated, as of 31 December 2010)

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[Reference material]

Flow of the project



The HD785 dump truck in test operation