



# NEWS RELEASE

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## Adaro to Commence Building Aluminum Smelter at Indonesia's Green Industrial Park

**Jakarta, 22 December 2021** – PT Adaro Energy Tbk (Adaro), through PT Adaro Aluminium Indonesia, has signed a Letter of Intention to Invest (LoI) for a total amount of US\$728 million to build an aluminum smelter at the world largest Green Industrial Park Indonesia being developed by PT Kalimantan Industrial Park Indonesia. Adaro's Vice President Director, Ario Rachmat represented the company at the signing witnessed by the President of Indonesia Joko Widodo, which took place on Tuesday, 21 December 2021 at Bulungan regency, North Kalimantan province. Also witnessing the signing were the Coordinating Minister for Maritime and Investment Affairs Luhut Binsar Pandjaitan, the Minister of Industry Agus Gumiwang Kartasasmita, the Minister of Investment/Head of the Investment Coordinating Board Bahlil Lahadalia, the Cabinet Secretary Pramono Anung, the Chairman of Konsorsium Indonesia Garibaldi Thohir, the Governor of North Kalimantan province Zainal Arifin Paliwang, and the Regent of Bulungan Syarwani.

Adaro's Vice President Director, Ario Rachmat declared, “Adaro is committed to transform its businesses through green initiatives in the long term, therefore we make investment to build aluminum smelter to support the government's industrial downstream program. Through this investment, we hope to contribute to lowering the imports of aluminum, to create processing activities and adding value to alumina, as well as to increase tax revenue for the country. We also hope that having an aluminum industry in North Kalimantan will attract more investments and create job opportunities for the Indonesian people.”

To carry out this project, Adaro will team up with domestic as well as international partners who have the track record, experience, cutting-edge technology and comprehensive knowledge of the aluminum industry.

Ario added, “We are optimistic that global demand for aluminum products will keep rising, particularly for cable, battery, and chassis. We also expect that, going forward, other industries, which require aluminum, such as solar panel and electric vehicle, can be produced in this facility.”

“In the next phase of production and development, Adaro's aluminum smelter will utilize new and renewable energy generated from hydro power plant with modern, environmentally friendly standards of construction, and solar power plant,” concluded Ario.

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