

Investment Proposal: Coal Mine in East Kalimantan, Indonesia

Executive Summary

This is a unique opportunity to acquire a coal mining with substantial reserves and existing export licenses in East Kalimantan, Indonesia. The asset is primed for development and ready for a capable operator to capitalize on the strong market demand for coal.

The asset's readiness for production, robust infrastructure, and favorable market conditions positions it for substantial and immediate returns

Asset Highlights

- **Location:** Paser Regency, East Kalimantan, Indonesia
- **Land Area:** 39,010 hectares
- **Reserves:** Estimated between 600 million and 1 billion metric tons
- **Licenses:**
 - IUP OP (Production Operation Mining Business License) granted since December 3, 2019 (30-year term with 2x10 year extension options)
 - RKAB (Work Plan and Budget) approved, allowing for substantial coal sales
 - Export License in place
- **Status:** Ready for immediate development and production

Investment Opportunity

The current owner is seeking a qualified and experienced coal mining enterprise to take over the operation and bring it to production. This presents a turnkey opportunity for the right investor:

- **Secure asset base** with significant coal reserves and all necessary licenses.
- **Favorable market conditions** with strong demand for coal both domestically and internationally.
- **Potential for high returns** given the scale of the reserves and existing infrastructure.
- **Full support** from the current owner to facilitate a smooth transition and operational start-up.

Financial Considerations

- **Asking Price:** IDR 1,550,000,000,000 (negotiable) = USD 102 million USD
- **Final price** is subject to negotiation between the buyer and seller.
- **Brokerage:** A total of 5% (five percent) of the final sale price is reserved for brokerage fees, to be split equally between to buyer's and seller's agents. The seller will be responsible for paying the entire brokerage fee.

Investment Rationale

- **Proven Reserves:** Extensive coal reserves ensure long-term production capacity and revenue generation.
- **Complete Licensing:** Fully licensed operation eliminates development delays and regulatory risks.
- **Production-Ready:** Infrastructure in place enables immediate production and market entry.
- **Strong Market:** Growing domestic and international demand for coal supports attractive pricing.
- **Export License:** Opportunity to capitalize on global markets and maximize profitability.
- **Government Support:** Favorable policies and streamlined processes for foreign investment.

Financial Projections

- Detailed financial projections will be provided upon serious inquiry, incorporating production estimates, market prices, and operating costs.
- Significant potential for substantial returns on investment given the asset's production capacity and market demand.

Next Steps

Interested parties are invited to conduct due diligence and engage in discussions with the current owner to explore this opportunity further. Full support will be provided to foreign investors throughout the acquisition process

Previous pre-qualification: This suggests that the seller is looking for serious buyers who have already demonstrated financial capability and genuine interest.

Contact: Mr. S. Snak – Seller's appointed Mandate + 55 11 97167.6227
apoio@apoio.net

Confidentiality: Interested parties will be required to sign a confidentiality agreement to access detailed information and financial projections

Note: This proposal is tailored for an Indonesian audience, highlighting the specific regulations (IUP OP, RKAB) relevant to coal mining operations in the country. The emphasis on government support and smooth transition aims to attract foreign investors.

Conclusion

This coal mine presents a rare opportunity to enter the Indonesian coal market with a fully licensed, production-ready asset. Its significant reserves, favorable market conditions, and government support create an ideal investment platform for immediate and long-term success.