

Jakarta, October 18, 2016

PRESS RELEASE
Sarulla Operations Ltd Experienced Incident at SIL Site

Sarulla Operations Ltd (“SOL”) experienced an incident at Silangkitang (“SIL”) site, Pahae Jae, North Tapanuli Regency, North Sumatra, Indonesia on October 15, 2016 around 12.05 pm.

During that time, the commissioning team led by Hyundai Engineering & Construction Co., Ltd (“HDEC”), the plant construction contractor, was conducting high-pressure steam testing as part of the commissioning process. While the operators were increasing steam pressure, a steam relief valve was opened, releasing steam to the air, resulting in a very loud noise. This is part of the system protection design and there was no damage to equipment.

Upon hearing the loud noise, the local community surrounding the SIL site spontaneously gathered and breached security gates, then vandalized HDEC office and threw stones at SOL office. SOL has coordinated with the local security authorities (police and army) for prompt reinforcement mobilization in order to evacuate the people and secure the assets. As of now, the condition is under control.

The incident resulted in 5 employees of HDEC injured, while all SOL staffs and other contractors are safely evacuated. The damage is currently being assessed while the investigation by the police is still ongoing. Site operations have been suspended and will be resumed as soon as possible.

For further information please call:
Arga Surawidjaja – Corporate Secretary