



REPUBLIK INDONESIA

Indonesia's Mineral Potentials and Mining Laws

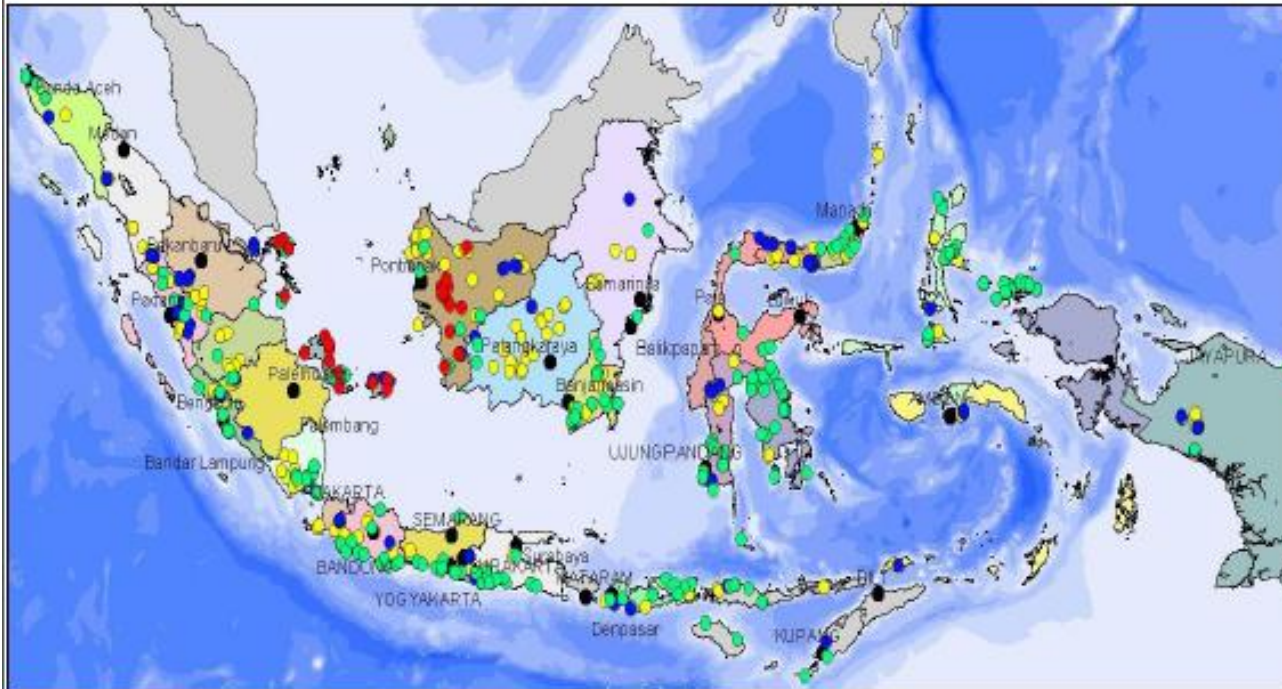
The 11th international Conference on Mining, Materials and Petroleum Engineering
11-13 November 2013, Centara Duangtawan Hotel, Chiang Mai, THAILAND

**MINISTRY OF ENERGY AND MINERAL RESOURCES THE REPUBLIC OF INDONESIA
AGENCY OF R&D FOR ENERGY AND MINERAL RESOURCES
R&D CENTRE FOR MINERAL AND COAL TECHNOLOGY
2013**



Energy and Mineral Resources for the People's Welfare

MINERAL POTENCY



- Ferro and Associates : Fe, Nickel, Cobalt, Chromit , Mangan, Molibdenum, Titanium
- Precious Metal : Gold, Silver, Platinum
- Base Metal : Zinc, Cupper, Tin, Lead, Mercury
- Light and Rare metal : Bauxite, Monasit

(Source : Geological Agency, 2011)

NO	COMMODITY	RESOURCE (MILLION TON ORE)	RESERVE (MILLION TON ORE)
1	Copper	4.925	4.161
2	Bauxite	551	180
3	Nickel	2.633	577
4	Iron Sand	1.649	5
5	Iron Lateritic	1.462	106
6	Iron Primary	563	30
7	Iron Sediment	18	-
8	Mangan	11	4
9	Gold Alluvial	1.455	17
10	Gold Primary	5.386	4.231
11	Silver	3.406	4.104
12	Zinc	577	7
13	Tin	354	0,7
14	Lead	363	1,6

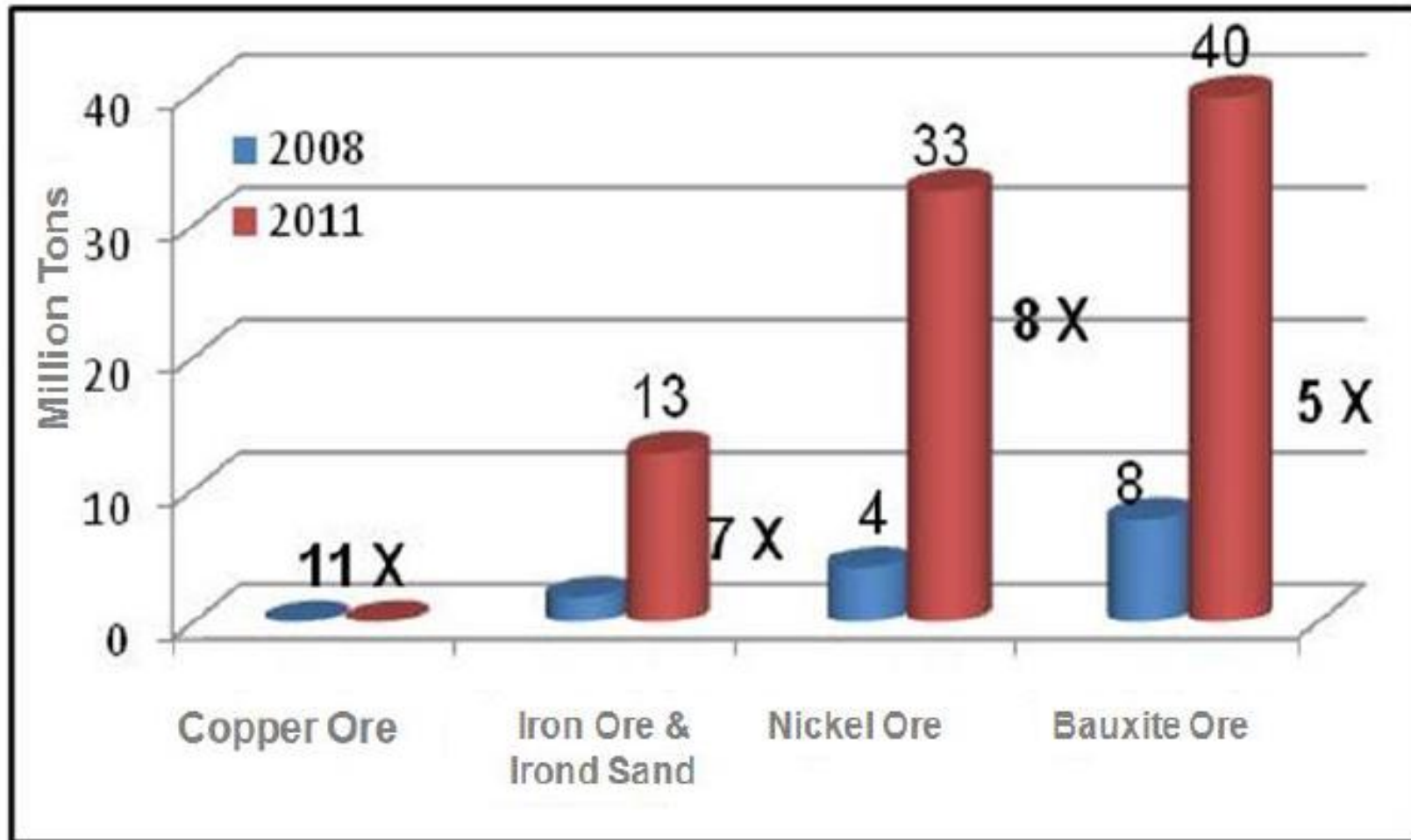
Indonesia is a renowned market for resource extraction, seen as even more attractive than for instance, South Africa, Australia and Canada in terms of mineral prospectivity, as per Pricewaterhouse Coopers. The country is home to a biodiversity that is only second to Brazil. Rich with natural reserves, Indonesia has become a commodities powerhouse and a leading commodities exporter in a number of resources.

PRODUCTION OF MINERAL (2008-2013)

No	Commodity	Unit	2008	2009	2010	2011	2012	2013 ^{*)}
1	Copper Concentrate	Thousand Tons	655	999	878	543	447	545
2	Gold	Tons	64	104	104	76	66	88
3	Tin	ThousandTons	72	60	48	42	95	100
4	Nickel Ore	MillionTons	10	6	7	33	37	37
5	Bauxsite	Million Tons	9	5	16	40	29	30
6	Iron Ore	Million Tons	4.5	5	4	13	10	11

Note : *) plan 2013

EXPORT INCREASE OF ORE MINERAL (2008-2011)



Constitution

UUD

Legislation

LAW

Article 33 of the Indonesia's 1945 Constitution



Law No. 4/2009 Regarding Mineral and Coal Mining
(to replace Law No. 11/1967)



REGULATION (FRAMEWORK)

**GOVERNMENT
REGULATION**

1. Government Regulation No 22/2010 Regarding Mining Zone
2. Government Regulation No 23/2010 Regarding Mineral and Coal Enterprises Activity
3. Government Regulation No 55/2010 Regarding Supervising and Controlling Mining Activity
4. Government Regulation No 78/2010 Regarding Reclamation and Post mining

**PRESIDENT
REGULATION**

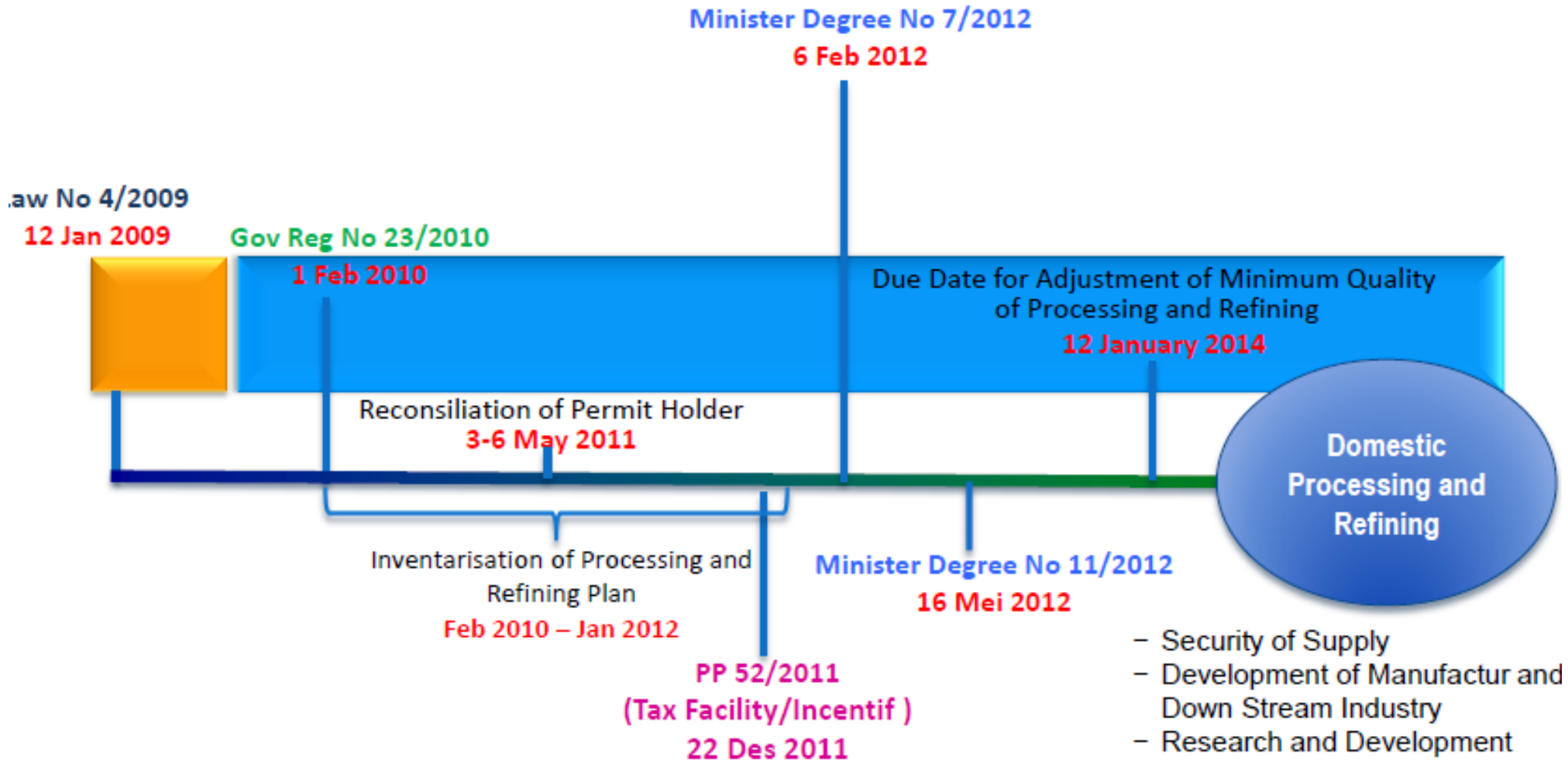
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**MINISTER
REGULATION**

1. Minister Regulation No 28/2009 Regarding Service Mining Company
2. Minister Regulation No 34/2009 Regarding DMO Obligation for Mineral and Coal
3. Minister Regulation No. 17/2010 Regarding Mineral and Coal Price and Sales
4. Ministry Regulation No. 12/2011 Regarding Procedure of Determination Mining Business Area and Mining Area Information System
5. Mnister Decree No.0617.K/32/MEM/2011 regarding Coal Pricing for PLN's Power Plants Operation
6. Minister Decree No.1991.K/30/MEM/2011 regarding Determination of Domestic Coal Demand and Minimum Procentage of Domestic Coal Sales Year 2012
7. Minister Regulation No. 7/2012 amanded by No. 11/2012 regarding Mineral Value Added through Mineral Processing and Refining

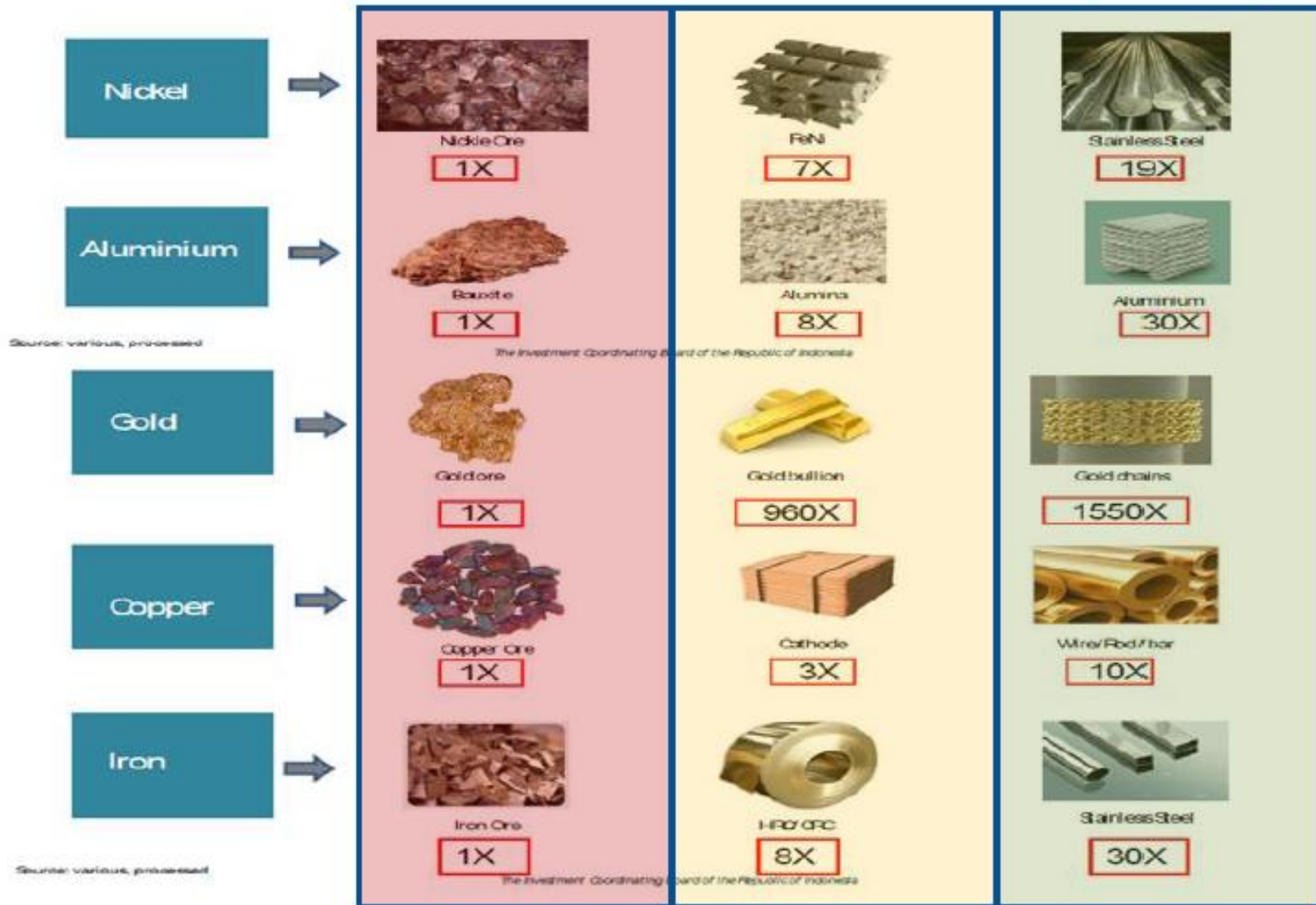


POLICY STRATEGY OF MINERAL

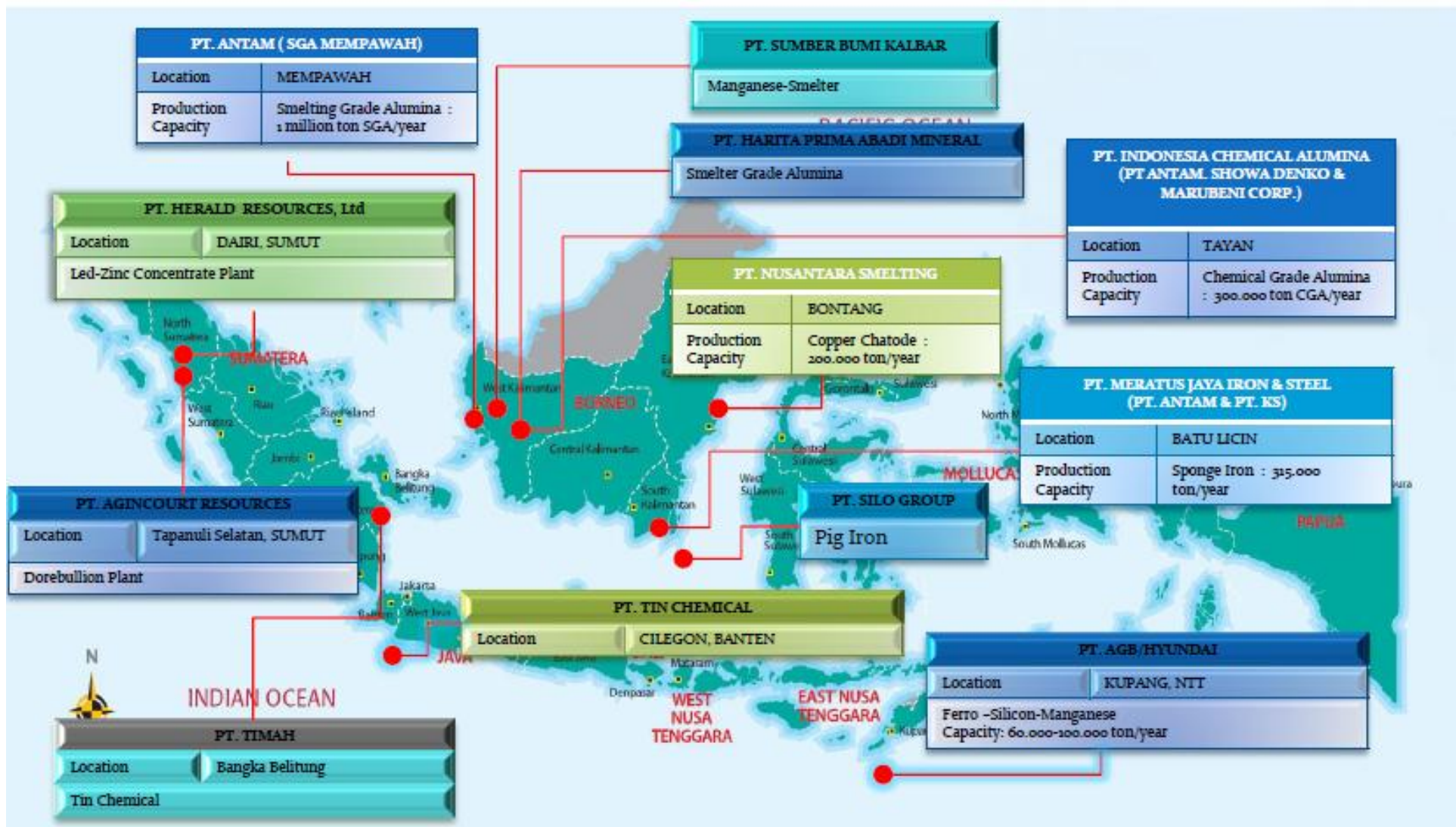


MINERAL INVESTMENT OPPORTUNITY

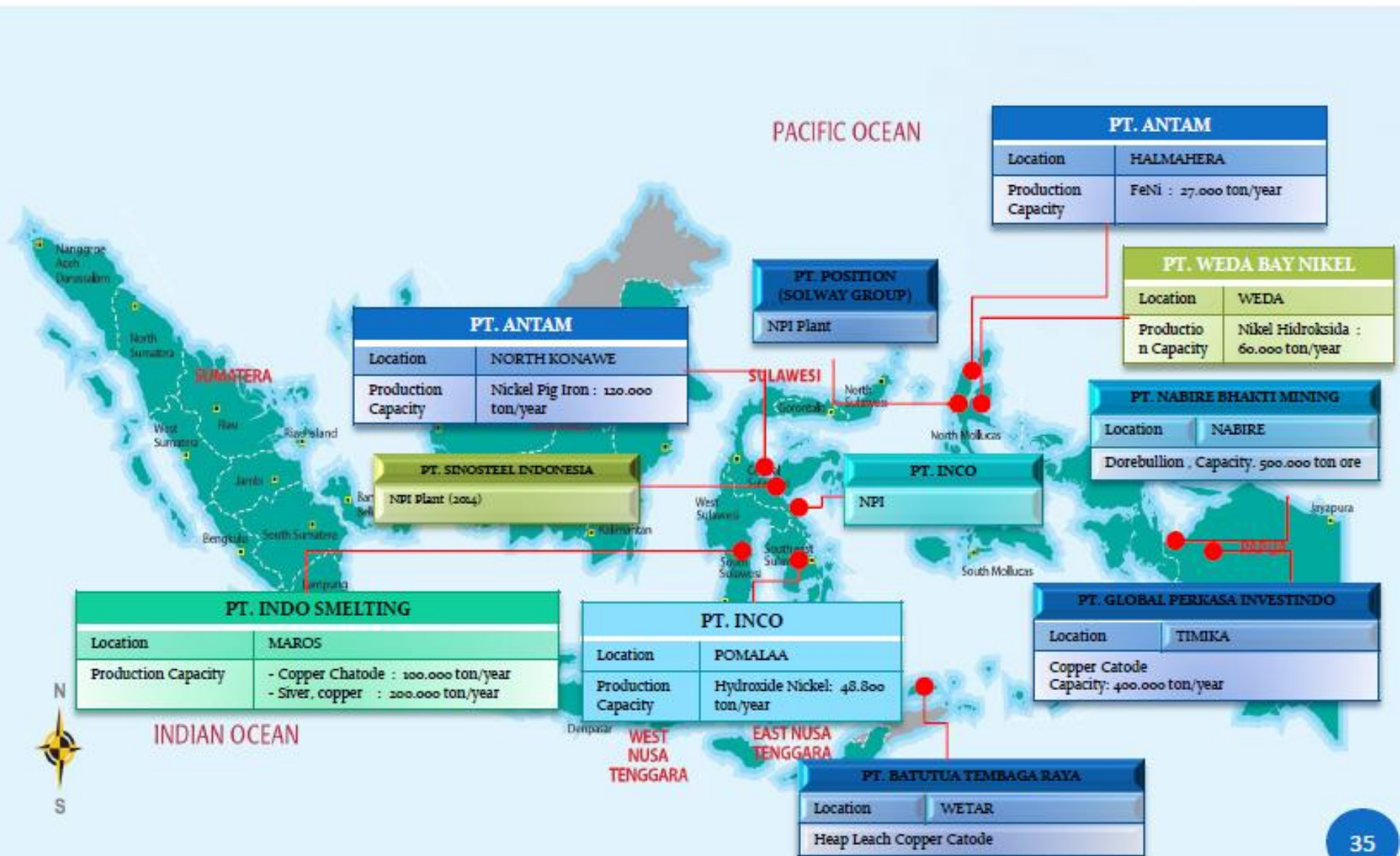
Mineral Processing and Refining



SMELTER DEVELOPMENT PLAN



SMELTER DEVELOPMENT PLAN



Environmental Protection

- The Government of Indonesia has issued The Reclamation and Post Mining Regulation
- The mining authorization holders had obliged to carry out reclamation and post mining activities
- Reclamation and post mining activities must be carry out to restore the function of an environment in accordance with the local condition of the entire mining area
- The holder of an exploration mining authorization must submit reclamation plan and post mining activities plan to the relevant Government
- The mining authorization hoder must also provide a reclamation activities guarantee and a post mining activities guarantee
- Even though the mining authorization holder has provided the required reclamation activities guarantee and the post mining activities guarantee, The mining authorizaion holder is stil required to perform the reclamation and post mining activities

R&D

- Bauxite upgrading
- Redmud utilization for water purification (PAC) and geopolymer brick
- Ferro nickel sponge (pyrometallurgy)
- Nickel salt (Hydrometallurgy)
- Rare earth metal (Ce, Y, La, Nd, and Pr) from tin sand and zircon sand
- Nano fuel cell and nano manganese di oxide for battery
- Mineral processing Costume plant system (base metal)



Thank you

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