

The on-going construction of the crusher station for the Overburden Out of Pit Crushing and Conveying System (OPCC). The project was 68% complete at the end of June 2012 and we invested US\$35.7 million during 2Q12, which brought total investment to date to US\$150.3 million. This project is on track to commence in early 2013. (see page 13 for more details of this project)

Quarterly Activities Report

Second Quarter of 2012

For the Three Months Ending June 30th, 2012

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Update from Adaro Indonesia's Daily Mining and Hauling Report as of July 23rd 2012

Description	Units	YTD Performance up to July 23 rd 2012
Coal mining	Mt	26.12
Coal hauling	Mt	26.11
Overburden removal	Mbcm	179.07

Jakarta, July 31st 2012

Dear Capital Market Participants,

Welcome to Adaro Energy's Quarterly Activities Report that we issue one month after the end of each quarter. We plan to release our 1H12 financial press release to accompany our 1H12 financial statements and notes (limited review) on August 31st 2012.

Below are some highlights of the second quarter for 2012:

- Despite the challenging market conditions, we remained on track to deliver on our long term strategies to grow and create value. Our response to economic down turns is not to get distracted but to focus on our core business, in areas such as continued operational excellence, customer satisfaction, cost reduction, improved efficiency, cash preservation and maintaining a strong financial structure.
- Our production volume was flat y-o-y at 12.05 million tonnes bringing 1H12 production volume to 23.01 million tonnes. We revised our 2012 annual production guidance down from 50-53 million tonnes to 48-51 million tonnes, due to difficult market conditions. *(page 4-5)*
- We continue to maintain good relationships with our customers and none of our coal shipments have been deferred. *(page 4)*
- 2Q12 had a low volume of rainfall, especially in May, and a normal number of rain days. *(page 8)*
- We are on track to achieve our overburden removal target for this year as overburden removal increased 26% y-o-y to a record 87.29 million bank cubic meters (Mbcm). *(page 5,6)*
- We are carefully monitoring our spending to preserve cash and help maintain margins. We will continue with our investments to improve efficiency and create reliable, safe, long-term growth; however, our current acquisition program is largely complete. *(page 5-6)*
- In 2Q12, we spent a total of US\$52.2 million for infrastructure projects (i.e. overburden crushing and conveying system, 2x30 MW mine-mouth power plant and Kelanis capacity expansion). *(page 12-14)*

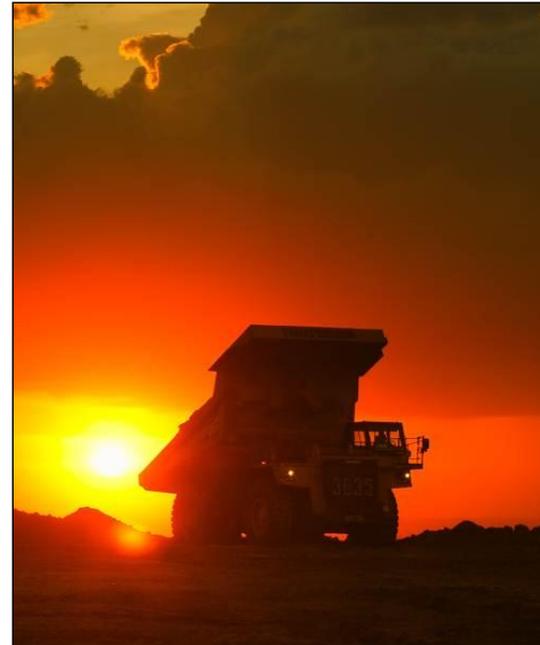
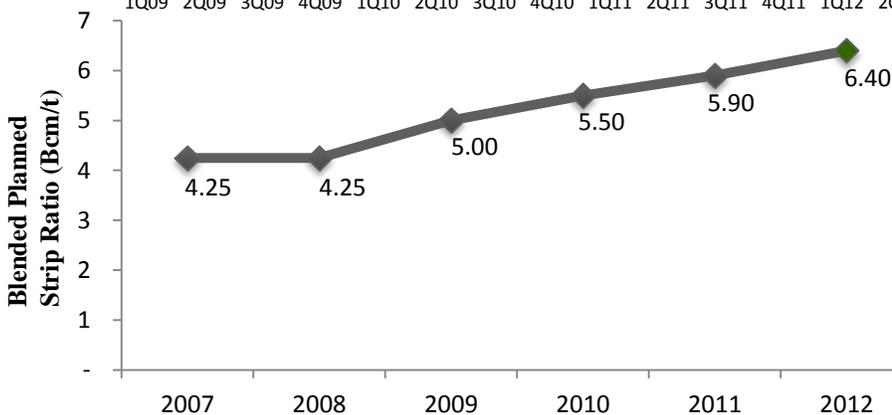
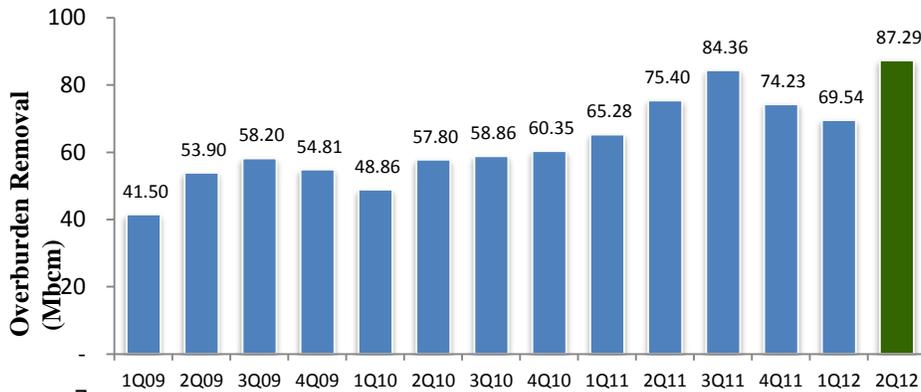
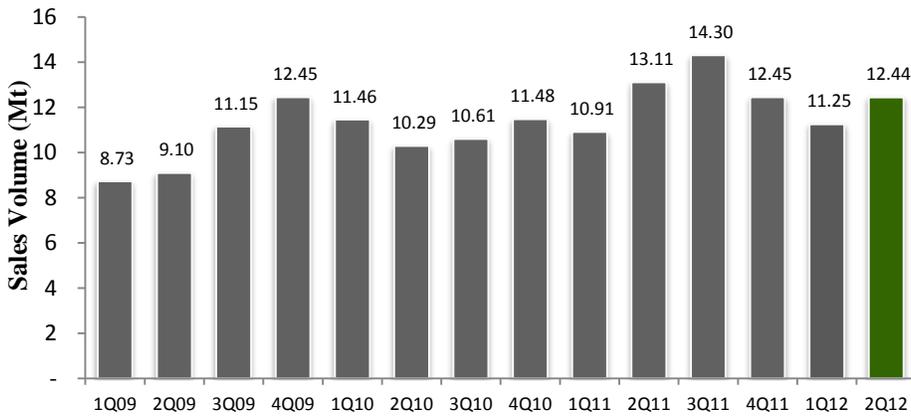
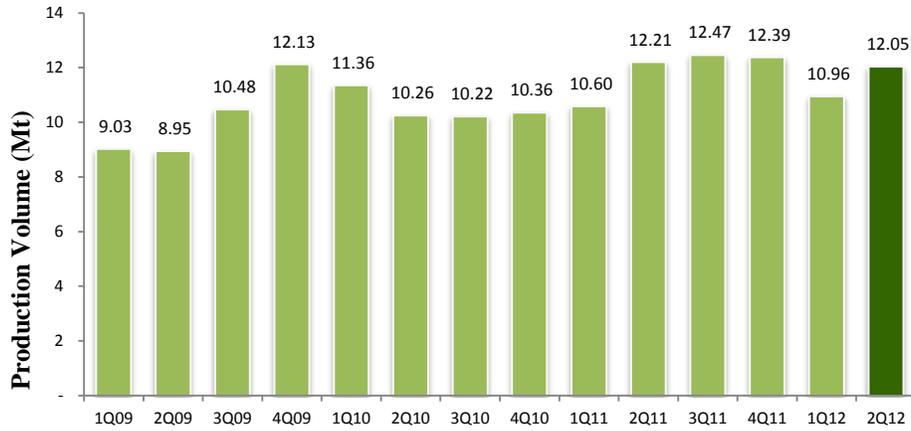
Please do not hesitate to contact us should you have any questions or require additional information.

Yours truthfully,



Cameron Tough
Head of Investor Relations
PT Adaro Energy, Tbk.

HISTORICAL QUARTERLY PERFORMANCE



We revised down our production guidance for 2012 to 48 to 51 million tonnes from 50 to 53 million tonnes.



All of our sales volume for this year has been contracted and the bulk of it has been priced based on fixed price and index-linked contracts.

BUILDING A BETTER AND MORE EFFICIENT ADARO ENERGY

We revised our production guidance down for 2012 to 48 to 51 million tonnes from 50 to 53 million tonnes due to difficult market conditions. During 2Q12, we continued to focus on operational excellence, lowering costs, satisfying our customers and implementing our strategies.

We produced a flat year-over-year (y-o-y) growth of 12.05 million tonnes with production from the E4000 (Wara) mine increasing 55% y-o-y to 2.07 million tonnes. All of our sales volume for this year has been contracted and the bulk of it has already been priced based on fixed price and index-linked contracts. None of our coal is sold on the spot market. Our pricing strategy remains the same: selling our coal at a competitive price and in accordance with prevailing Indonesian regulations on the Indonesian coal reference price or “Harga Batubara Acuan” (HBA). We continued to maintain good relationships with our customers and none of our coal shipments were deferred. To provide more options to our customers, we introduced a new product, E4500, which is a blend between E5000 (Tutupan) and E4000 (Wara). We sold 0.51 million tonnes of E4500 to two customers in Korea and Indonesia.

We are on track to achieve our overburden removal target of 321.15 million bank cubic meter (Mbcm) for this year as overburden removal increased 26% y-o-y to a record 87.29 Mbcm. The normal weather conditions and our investment in new and larger heavy equipment contributed to this increase. We achieved a record daily overburden rate of ~1,000,000 bcm for the entire month of May.

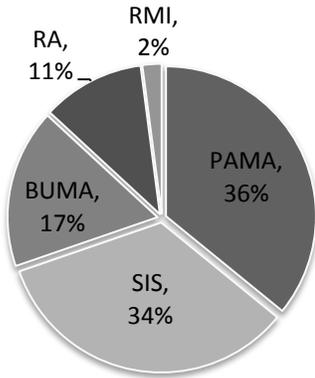
		<i>Actual</i>	<i>Quarter on Quarter</i>		<i>Year on Year</i>	
	Units	2Q12	1Q12	% Change	2Q11	% Change
Production volume	Mt	12.05	10.96	10%	12.21	-1%
E5000 (Tutupan)	Mt	9.72	9.09	7%	10.53	-8%
E5000 (Paringin)	Mt	0.25	0.22	13%	0.34	-26%
E4000 (Wara)	Mt	2.07	1.65	26%	1.34	55%
Sales volume	Mt	12.44	11.25	11%	13.11	-5%
E5000 (Tutupan + Paringin)	Mt	9.68	9.04	7%	10.78	-10%
E4500	Mt	0.51	0.17	200%	0.00	100%
E4000 (Wara)	Mt	1.77	1.65	7%	1.37	29%
Coaltrade's third party sales	Mt	0.48	0.39	22%	0.96	-50%
Overburden removal	Mbcm	87.29	69.54	26%	75.40	16%
Blended Planned Strip Ratio	Bcm/t	6.40	6.40	-	5.90	8%

<i>Year to Date: 1H12 vs. 1H11</i>				
	Units	1H12	1H11	% Change
Production volume	Mt	23.01	22.81	1%
E5000 (Tutupan)	Mt	18.81	19.73	-5%
E5000 (Paringin)	Mt	0.47	0.54	-14%
E4000 (Wara)	Mt	3.73	2.54	47%
Sales volume	Mt	23.69	24.02	-1%
E5000 (Tutupan + Paringin)	Mt	18.72	19.74	-5%
E4500	Mt	0.69	-	100%
E4000 (Wara)	Mt	3.42	2.60	32%
Coaltrade's third party sales	Mt	0.87	1.69	-49%
Overburden removal	Mbcm	156.83	140.68	11%

We believe the recent coal price weakness is not driven by lack of demand, but by excess of supply. While we are experiencing volatility in the industry, we believe the long-term fundamentals for coal remain intact. Certain analysts have said that seaborne thermal coal import growth in Asia is across all ranks of coal. Increased amounts of sub-bituminous and lignite coal (which both are considered low rank coals) are being consumed in most countries, but especially in China and India. In part, this is due to close proximity to Indonesia where coal of all ranks, but especially of low rank, can be produced at low cost. To the low cost of production is added relatively low ocean freight costs making Indonesian coal of all ranks competitive with most global coals. Underpinned by the economic growth in Asia, the import demand for low-rank thermal coal is expected to grow significantly. According to BP Statistical Review of World Energy June 2012, the world's proved reserves of coal in 2011 were sufficient to meet 112 years of global production, by far the largest reserves-to-production (R/P) ratio for any fossil fuel, which compares with oil at 54.2.

We are carefully monitoring our spending to preserve cash and help maintain our margins; however, we will continue with our investments to support our long-term growth such as maintaining a planned strip ratio of 6.4x as well as investing in heavy equipment and infrastructure projects to improve efficiency and lower costs. After investing US\$744 million for acquisitions of coal deposits and a logistics company over the past two and a half years, we have now largely completed our current acquisition program.

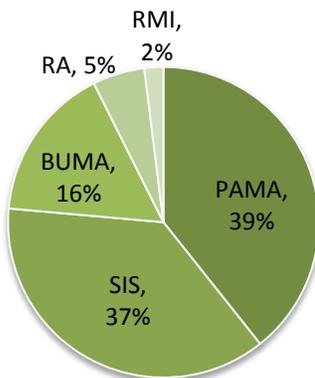
Mining and Hauling



In 2Q12, we continued to operate within our planned strip ratio and focus on removing the overburden to expose the coal. As a result, we achieved a record overburden removal of 87.29 Mbcm during the quarter (26% q-o-q and 16% y-o-y).

During the quarter, PT Pamapersada Nusantara (PAMA), was responsible for 36% of AI’s coal production. Adaro Energy’s (AE) subsidiary, PT Saptaindra Sejati (SIS), produced 34%, compared to 28% in 2Q11. PT Bukit Makmur Mandiri Utama (BUMA), PT Rahman Abdijaya (RA) and PT Rante Mutiara Insani (RMI) were responsible for 17%, 11% and 2%, respectively.

Overburden Removal



PAMA conducted 39% of AI’s overburden removal. SIS was responsible for 37%, compared to 31% in 2Q11. BUMA, RA and RMI produced the remainder with 16%, 5% and 2%, respectively. The average overburden removal per day was 868 Kbcm, 1,010 Kbcm and 998 Kbcm in April, May and June, respectively. We achieved a record daily overburden rate of +1,000,000 bcm for the entire month of May.

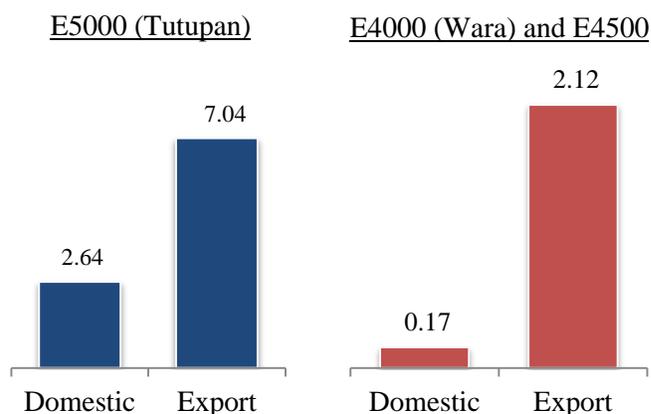
Stripping Ratio

Despite current weakness in coal price, AI held the blended stripping ratio at 6.4x. The blended stripping ratio in 2011 was 5.9x.

Inventory

AI had inventory of 0.86 million tonnes at the Kelanis river terminal at the end of 2Q12, compared with 0.74 million tonnes at the end of the same period in 2011.

Sales Volume



In 2Q12, we exported 73% or 7.04 million tonnes of E5000 and sold the remaining 2.64 million tonnes domestically. We exported 93% or 2.12 million tonnes of E4000 and E4500 and sold the remaining 0.17 million tonnes domestically.

	Units	Actual	Quarter on Quarter		Year on Year	
		2Q12	1Q12	% Change	2Q11	% Change
Coal Transported	Mt	12.05	10.96	10%	12.21	-1%
Coal Sold	Mt	11.96	10.86	10%	12.15	-2%
Blended Planned Strip Ratio	Bcm/t	6.4	6.4	0%	5.9	8%

Year to Date: 1H12 vs. 1H11				
	Units	1H12	1H11	% Change
Overburden	Mbcm	156.83	140.68	11%
Coal Transported	Mt	23.01	22.81	1%
Coal Sold	Mt	22.82	22.33	2%
Blended Planned Strip Ratio	Bcm/t	6.4	5.9	8%
Inventory	Mt	0.86	0.74	17%

Barging and Shiploading

In 2Q12, the total volume of barging and shiploading was flat y-o-y and slightly increased quarter-over-quarter (q-o-q). The change in total barging and shiploading is similar with the change in production volume as we aim to maintain our operational efficiency and keep inventory levels at the Kelanis River Terminal tight.

	Units	Actual	Quarter on Quarter		Year on Year	
		2Q12	1Q12	% Change	2Q11	% Change
Floating Cranes	Mt	7.50	6.89	9%	7.40	1%
Self Geared	Mt	1.15	1.05	9%	1.39	-17%
IBT	Mt	0.73	0.36	104%	0.58	28%
Barges	Mt	2.50	2.62	-5%	2.77	-10%
Total	Mt	11.88	10.92	9%	12.13	-2%

Vessel Waiting Times

The average waiting time per vessel in April, May and June was 1.58, 1.03 and 0.8 days, respectively. We recorded despatch in May and June 2012 and demurrage in April 2012.

Rainfall and Pit Dewatering

The AI mine site experienced low volume of rainfall during 2Q12, especially in May, with a normal number of rain days. The volume of rainfall in 2Q12 of 445 mm was 53% less compared to last year and 45% less compared to the five-year average. The number of rain days of 47 days was within the normal range of our historical five-year average.

<i>Volume of Rainfall at the Tutupan Mining Area</i>						
	Units	2Q12	2Q11	% Change	5-yr average 2Q	% Change
Apr	mm	242	325	-26%	376	-36%
May	mm	77	413	-81%	246	-69%
Jun	mm	126	217	-42%	180	-30%
Total	mm	445	955	-53%	802	-45%

<i>Number of Rain days at the Tutupan Mining Area</i>						
	Units	2Q12	2Q11	% Change	5-yr average 2Q	% Change
Apr	days	20	21	-5%	19	5%
May	days	15	15	0%	12	25%
Jun	days	12	10	20%	12	0%
Total	days	47	46	2%	43	9%



COAL MINING CONTRACTOR: PT Saptaindra Sejati (SIS)

In 2Q12, both SIS's overburden removal and coal getting increased 29% and 16% to 53.48 Mbcm and 6.51 million tonnes, respectively. The increase was mainly due to the arrival and new larger-sized heavy equipment that boosted SIS's performance. SIS invested US\$58.3 million in capital expenditure for heavy equipment and other infrastructure during 2Q12. This brought SIS's total investment for heavy equipment to date to US\$84.5 million. SIS utilizes larger than 150 tonnes class dump trucks specifically for AI due to the scale of AI mining operations.

	Units	Actual	Quarter on Quarter		Year on Year	
		2Q12	1Q12	% Change	2Q11	% Change
Overburden Removal	Mbcm	53.48	41.80	28%	41.56	29%
Adaro	Mbcm	32.07	24.61	30%	23.66	36%
Others	Mbcm	21.42	17.19	25%	17.90	20%
Coal Getting	Mt	6.51	5.29	23%	5.59	16%
Adaro	Mt	4.18	3.51	19%	3.71	13%
Others	Mt	2.33	1.78	31%	1.88	24%

<i>Year to Date: 1H12 vs. 1H11</i>				
	Units	1H12	1H11	% Change
Overburden Removal	Mbcm	95.28	76.59	24%
Adaro	Mbcm	56.68	42.80	32%
Others	Mbcm	38.61	33.78	14%
Coal Getting	Mt	11.80	10.48	13%
Adaro	Mt	7.69	6.87	12%
Others	Mt	4.11	3.61	14%

 **BARGING AND SHIPLOADING CONTRACTOR: PT Maritim Barito Perkasa (MBP)**

In 2Q12, coal barged increased 26% to 4.68 million tonnes mainly due to additional investment in barges and tugs by MBP. As of the end of June 2012, MBP invested US\$9.7 million to purchase two barge sets and four units of tug boats to support its growth. Total coal loaded increased 63% to 4.17 million tonnes due to increase coal volume from Adaro.

	Units	<i>Actual</i>	<i>Quarter on Quarter</i>		<i>Year on Year</i>	
		2Q12	1Q12	% Change	2Q11	% Change
Total Coal Barged	Mt	4.68	3.92	19%	3.71	26%
Adaro	Mt	4.47	3.85	16%	3.20	40%
Others	Mt	0.20	0.07	190%	0.51	-60%
Total Coal Loaded	Mt	4.17	3.06	36%	2.56	63%
Adaro	Mt	4.17	3.06	36%	2.56	63%
Others	Mt	0.00	-	0%	0.01	-47%

<i>Year to Date: 1H12 vs. 1H11</i>				
	Units	1H12	1H11	% Change
Total Coal Barged	Mt	8.60	7.06	22%
Adaro	Mt	8.32	6.13	36%
Others	Mt	0.27	0.94	-71%
Total Coal Loaded	Mt	7.23	5.53	31%
Adaro	Mt	7.23	5.46	32%
Others	Mt	0.00	0.07	-96%



COAL TERMINAL: PT Indonesia Bulk Terminal (IBT)

In 2Q12, total coal loaded increased 14% to 1.40 million tonnes mainly due to the increase coal volume from Adaro. The number of vessel loaded also increased 11% to 20 vessels.

	Units	Actual		Quarter on Quarter		Year on Year	
		2Q12	1Q12	% Change	2Q11	% Change	
Total Coal Loaded	Mt	1.40	1.03	36%	1.23	14%	
Adaro/Coaltrade	Mt	0.74	0.36	102%	0.58	27%	
Third party	Mt	0.66	0.66	0%	0.65	2%	
No of vessels loaded		20	16	25%	18	11%	

Year to Date: 1H12 vs. 1H11

	Units	1H12	1H11	% Change
Total Coal Loaded	Mt	2.43	2.05	18%
Adaro/Coaltrade	Mt	1.10	1.01	9%
Third party	Mt	1.33	1.04	28%
No of vessels loaded		36	30	20%



COAL MARKETING: Coaltrade Services International Pte Ltd (Coaltrade)

In 2Q12, Coaltrade total coal sales decreased 14% to 0.94 million tonnes, due to softening demand.

	Units	Actual		Quarter on Quarter		Year on Year	
		2Q12	1Q12	% Change	2Q11	% Change	
Total coal sales	Mt	0.94	1.14	-17%	1.09	-14%	
Coal purchased from Adaro	Mt	0.46	0.75	-38%	0.13	257%	
Others	Mt	0.48	0.39	22%	0.96	-50%	

Date: 1H12 vs. 1H11

	Units	1H12	1H11	% Change
Total coal sales	Mt	2.08	2.37	-12%
Coal purchased from Adaro	Mt	1.21	0.67	80%
Others	Mt	0.87	1.69	-49%

SAFETY AND ENVIRONMENT

Occupational Health and Safety

Safety performance during 2Q12 was better compared to previous quarter with LTIFR of 0.32 (LTIFR in 1Q12 was 0.33). During 1H12, there were 8 Lost Time Incident (LTI) including one fatality with total incidents of 195. Total headcount was 23,480 with total man hours work in the first half of 2012 of 31,333,050 hours. We also started conducting a safety performance improvement program at maintenance facilities as our five-year historical data indicates that LTI and fatality risks are relatively high in maintenance related jobs. To reduce safety incidents, we train our workers to increase awareness of safety risk and develop control systems of inspection check lists in all maintenance facilities throughout AI's mining area.

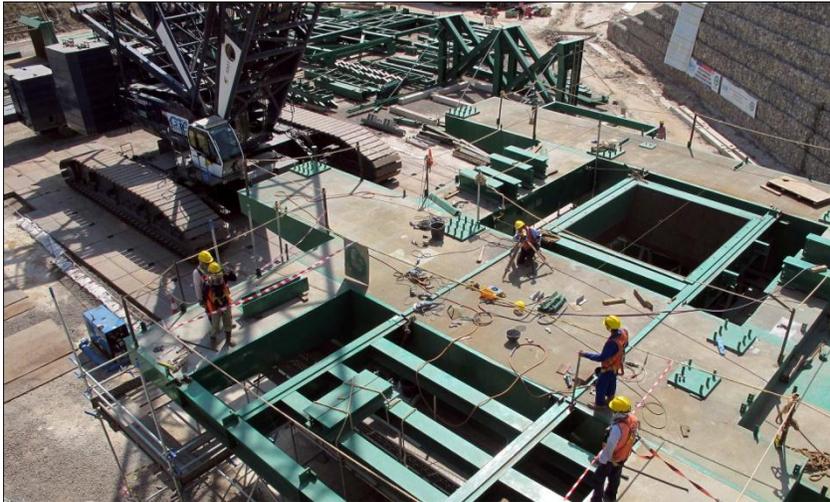
	1H12		1H11
	Actual	Plan	Actual
LTI	10	7.5	11
LTIFR	0.32	0.3	0.47

Environment

AI rehabilitated 59 hectares during the quarter, resulting in total rehabilitation of 1,274 hectares. The land affected by mining is reclaimed progressively with replanting of trees and plants undertaken as soon as the land development is ready. Water run-off from disturbed areas is closely monitored and treated in settlement ponds before it is used to develop irrigated areas for more intensive farming or sent to water courses. We aim to ensure that environmental impact is minimised by carrying out a comprehensive environmental management plan to meet international standards as well as Indonesian government regulations.

	2Q12	Project to Date
Rehabilitation (ha)	59	1,274
Land Disturbed - Mine (ha)	82	2,805
Land Disturbed - Other (ha)	291	6,502
Net Land Disturbed (ha)	314	8,032

PROGRESS REPORT ON OUR PROJECT DEVELOPMENT



1 Overburden Out of Pit Crushing and Conveying System (OPCC)

The project was 68% complete at the end of June 2012 as the work on conveyor frame placement and construction for the crusher station continued to make progress.



2 2x30 MW Mine-mouth Power Plant

The plant was 92.8% complete as at the end of June 2012 and on final stages of installation and testing before establishing connection to PLN electricity system.



3 Capacity Expansion at Kelanis River Terminal

Two SSI workers install a belt scale at one of the conveyors. The project was 57% complete at the end of June 2012. We invested US\$7.9 million during 2Q12, which brought total investment to US\$32.5 million.

1 Overburden Out of Pit Crushing and Conveying System (OPCC)

The US\$212 million OPCC system will help offset the projected increase in overburden haulage costs using trucks at the Tutupan mine and reduce our dependency on oil. We estimate this system will be commissioned in early 2013 to transport up to 34 million bank cubic meters (Mbcm) of overburden each year, or equivalent to 100 overburden dump trucks, at a savings of US\$1-1.20 per bcm. The system will consist of two 7,000 tonnes per hour (tph) crushing stations and a 12,000 tph 7.7 kilometer conveyor system, which includes a 2.4 kilometer transportable conveyor along with a mobile stacking and spreading conveyor. It was 68% complete at the end of June 2012 as the work on the conveyor frame placement and construction for the crusher station continued to make progress. In addition, the majority of mechanical equipment and engineering works, designed by FLSmidth, have arrived at the site via the Kelanis River Terminal. We invested US\$35.7 million during 2Q12 mostly for design, material and construction, which brought total investment to US\$150.3 million. We remain on track to start commissioning in early 2013.

2 2x30 MW Mine-mouth Power Plant

The US\$160 million plant will be operated by our wholly owned subsidiary PT Makmur Sejahtera Wisesa (MSW) to help reduce our dependency on oil as it will be fuelled by approximately 300,000 tonnes of E4000 (Wara) coal each year. The plant is projected to be commissioned in late 2012 to power the OPCC and support Adaro Indonesia's mining operations by providing reliable inexpensive electrical power. The plant was 92.8% complete at the end of June 2012 and on final stages of installation and testing before establishing a connection to the PLN electricity system. We invested US\$8.6 million during 2Q12, which was mostly an installment payment to the contractors, PT Punj Lloyd Indonesia and PT Punj Lloyd Pte Ltd Singapore, as well as to build power transmission lines, bringing the total investment to US\$140.4 million.

3 Capacity Expansion at Kelanis River Terminal

The US\$55 million capacity expansion project at Kelanis River Terminal is to increase annual terminal throughput capacity from approximately 55 million tonnes to more than 70 million tonnes by the end of 2012. We used two local contractors for this project. The scope of the project includes installation of an additional three-stage crushing facility, which will increase in-loading capacity to 10,500 tonnes per hour (tph), upgrade our barge-loading system to increase capacity to 14,000 tph and upgrade the Kelanis terminal's electrical power capacity to 25 MW. In addition to the capacity expansion project, we will also install an operations and control building, replace coal sampling equipment to enhance quality control and add a coal reclaim bulldozer fleet. The project was 57% complete at the end of June 2012. During 2Q12, the

contractors continued to do mechanical, civil and structural steel works for all the seven hoppers as well as the power station. They installed transformer 2MVA and completed the construction of control room building and power house building. We invested US\$7.9 million during 2Q12, which brought total investment to US\$32.5 million.

4

Investing in Larger Sized Heavy Equipment to Support Our Long-term Growth

We began investing larger sized equipment last year to maximize productivity, improve efficiency and minimize accident risk. In 2011, we invested US\$276 million to purchase several 200 tonne class and 150 tonne class of Caterpillar, Komatsu and Hitachi dump trucks, as well as several 350 to 400 tonne class Komatsu and Hitachi face shovels. We had a total of 1,131 units of heavy equipment for both overburden removal and coal extraction at the end of 2011, which was a 24% increase y-o-y. During 2Q12, we invested US\$35 million to purchase 200 tonne class and 150 tonne class of Hitachi and Komatsu as well as a hydraulic excavator and grader, which brought total investment to US\$80 million for 2012.



A snapshot of a 200 tonne class Hitachi Dump Truck

We invested a total of US\$276 million last year in larger sized equipment to maximize productivity, improve efficiency and minimize accident risk.

PROGRESS REPORT ON OUR BUSINESS DEVELOPMENT



1 Development Progress from Our South Sumatra Investments

A map showing the location of our investment in South Sumatra (MIP, SMS and BEE).

This investment is part of our strategy to replicate the proven success of Adaro Indonesia's business model in South Kalimantan to create long-term, sustainable value from Indonesian coal.



PT Mustika Indah Permai (MIP)

During 2Q12, we continued to build orders to sell Ultima, which is the brand name of MIP's coal, to end users in Indonesia, China, India, Taiwan, Thailand, The Philippines and Vietnam.



PT. Servo Meda Sejahtera (SMS)

A construction work at South Lematang bridge was almost finished. The construction of the haul road was 87% complete at the end of June 2012 and we plan to start commercial operations in September 2012.

The work at Muara Lematang port was 99% complete as the work on the barge loading conveyor, genset and electrical work continued to make good progress.

1**Development Progress from Our South Sumatra Investments**

PT Mustika Indah Permai (MIP)

During 2Q12, we continued to build orders to sell Ultima, which is the brand name of MIP's coal, to end users in Indonesia, China, India, Taiwan, Thailand, The Philippines and Vietnam. We will utilize our own mining and hauling contractor, SIS, to mine and transport the coal. As of the end of June 2012, SIS has placed some heavy equipment at the site. We plan to spend approximately US\$50 million for the capital expenditure, excluding heavy equipment, and split it evenly over 2012 and 2013 using Adaro Energy's cash holdings.

On March 22nd 2012, we announced the Joint Ore Reserves Committee (JORC) Compliant Coal Resources and Reserves for MIP with total estimated resources of 286.4 million tonnes and reserves of 272.6 million tonnes. We are aiming to produce coal at MIP by the end of 2012 and to ramp up to three to four million tonnes per year by 2014 and up to ten million tonnes per year in five years from the time operations commence. PT MIP is 75% owned by Adaro Energy.

PT Servo Meda Sejahtera (SMS)

During 2Q12, we continued to make progress in land clearing, cut & fill and graveling process along the haul road. The construction of the haul road was 87% complete while the bridges were 79% complete at the end of June 2012. The work at Muara Lematang port was 99% complete as the work on the barge loading conveyor, genset and electrical work continued to make good progress. We had trial operations for one barge as of the end of June 2012 and we plan to start commercial operations in September 2012. Our investment in MIP and SMS is part of our strategy to replicate the proven success of Adaro Indonesia's business model in South Kalimantan to create long-term, sustainable value from Indonesian coal. PT SMS is 35% owned by Adaro Energy.

2**P.T. Lahai Coal (IndoMet Coal) Awards Key Early Works Contract**

P.T. Lahai Coal (IndoMet Coal) has awarded PT Thiess Contractor Indonesia (Thiess Indonesia) a key contract as part of its planned early infrastructure development works. Under the contract, Thiess Indonesia will provide bulk earthworks, drainage, civil structures and associated port earthworks for the development of the Muara Tuhup port and access road infrastructure in Central Kalimantan. Equipment mobilization has commenced. Government approvals are in place for the commencement of initial road works and associated infrastructure. P.T. Lahai Coal is a subsidiary company of IndoMet Coal, a joint venture between BHP Billiton (75%) and PT Adaro Energy (25%). Read the Press Release from Thiess Indonesia: <http://www.thiess.co.id/index.cfm/1,121,620,0,html/Thiess-Indonesia-Awarded-Infrastructure-Contract-for-IndoMet-Coal>

CORPORATE DEVELOPMENT

President Director and CEO, Mr. Garibaldi Thohir, Delivers Speech at Bali Coaltrans 2012

On June 4th 2012, Mr. Garibaldi Thohir delivered a speech titled, “Adaro Energy: Adding Value by Building Power.” He said Indonesian coal producers can add additional value and increase their contribution to the national development by building power generation facilities. He also stated that Indonesian coal mining is difficult and complex and to ensure success, coal miners must integrate vertically from pit to power and adopt a more direct and well-thought out



AE's President Director and Chief Executive Officer, Mr. Garibaldi Thohir, explains the coal operations at IBT port terminal to the Minister of Energy and Mineral, Mr. Jero Wacik, at Adaro's booth during Coaltrans 2012.

Adaro's CSR Program Received Recognition in “Asia Responsibility Entrepreneurship Award (AREA) – Southeast Asia”

Adaro's cataract eradication program received a health promotion award from Enterprise Asia, a non-profit organization based in Malaysia. Adaro was selected as the winner with more than 100 corporate social responsibility programs in South East Asia also participated in this competition. The award was presented on June 29th 2012 at Marina Bay Sands hotel, Singapore.

AI's GM Operations, Priyadi, after receiving health promotion award from Enterprise Asia



Adaro Indonesia Received the Best Work Planning Award “Rencana Kerja Anggaran Belanja (RKAB)”

AI received this award as it ranked the best on all categories including permits, production and marketing for the period of 2011. The award was given by Directorate of Coal Business Development, Directorate General of Mineral and Coal - the Ministry of Energy and Mineral Resources. The award was presented by Director of Coal Business Development, Mr. Edi Prasodjo, to AI’s GM Operations, Priyadi, on June 20th 2012. There were 48 Contract of Work (CCoW) companies that participated on this competition.

One of Adaro’s employees gives an explanation on the geology of the Tutupan seams to a group of investors hosted by AE’s Investor Relations team on July 3rd 2012.



Winner of the Perception Survey “Lucky Draw”

At the end of 2011, Adaro Energy’s IR team conducted our annual online perception survey of capital market participants. We generated 126 responses and learned valuable insights as to how Adaro is perceived by the markets and what we can do to improve. To encourage participation in the survey we promised to hold a lucky draw to select on individual survey participant to join a minesite tour to our main operation in South Kalimantan. On July 31, 2012, in our Jakarta offices, our IR summer intern selected one IP address from a bowl containing small prints out of

each of the 126 IP addresses that participated in our survey. This random selection process resulted in the winning IP address: **203.210.83.2**.

The user of this IP address when filling out our survey is entitled to collect the prize of a one day site visit, starting from Jakarta, to Adaro Indonesia's operation in South Kalimantan, to be held on September 4th, 2012. Congratulation to the winner, and please kindly inform us by email to investor.relations@ptadaro.com before August 17 to claim your prize.

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