

Media Update

15 August 2022

Investment Minister Sends Off Freeport Indonesia Copper Concentrate Shipment

Timika – On Monday (15/9), Investments Minister/ Head of Investments Coordination Agency (BKPM) Bahlil Lahadalia sent off the vessel Ajkwa with a cargo of PT Freeport Indonesia (PTFI) copper concentrate from Amamapare Port in Mimika, Central Papua. The vessel's departure was part of an activity to transport copper concentrate to the first smelter built by PTFI and a Japanese consortium in Gresik, East Java in 1966 that is currently operated by PT Smelting.

A feeder vessel, Ajwa was carrying 8,600 tons of copper concentrate to be loaded onto the vessel Naziha moored in deep waters around 19 km from the dock. Naziha would be holding 26,000 tons of copper concentrate to be transported to PT Smelting, and this shipment of concentrate would be the 32nd made to PT Smelting since January 2022.

"The facilities in Amamapare Port that include a dewatering plant and concentrate storage, a dock for loading concentrate, a power plant, and a cargo dock play a vital role in PTFI's copper concentrate supply chain management. As a world-class mining company, PTFI remains committed to not only conducting safe and sustainable production, but also to good governance towards realizing a sustainable supply chain management," **PTFI President Director Tony Wenas** who was accompanying Minister Bahlil at Amamapare Port said.

The Amamapare Port area is where a 110 kilometer-long pipeline transporting copper concentrate slurry from PTFI's ore mill ends. Upon arriving at the port, the ore concentrate slurry undergoes a dewatering process and is stored in a silo for subsequent shipping to a smelter.

Currently, 40% of the copper concentrate produced by PTFI is shipped to the PT Smelting smelter in Gresik. And in commitment to meeting government regulation, PTFI is in the process of developing a second smelter at the Gresik Special Economic Zone (KEK), in Java Integrated Industrial and Port Estate (JIPE). PTFI has set a target to complete this smelter construction which achieved 36.2% progress at the end of July 2022, by the end of 2023, to be followed by the pre-commissioning and commissioning stages, and subsequently to begin operating in May 2024. "When our new smelter begins operating, PTFI will be able to process all of its copper concentrate in the country. We fully recognize that this achievement will lead to all lines of PTFI operation providing increasingly significant multiplier effects for the nation and state," **Tony** stated.

Investment Minister Bahlil Lahadalia voiced his appreciation of PTFI commitment to consistently offer added value through its various operational activities. Bahlil expressed the hope that the multiplier effects afforded by PTFI will serve to accelerate realization of balanced development in Indonesia, including equitable prosperity for the people and introduction of foreign investment to regions across Indonesia, including Papua. “The vessel Ajkwa I have just sent off carries not just copper concentrate, but also brings the hope of generating multiplier effects from copper smelting that will continue to benefit the people. Meanwhile, the government is confident that engagement of local workers in Amamapare Port and smooth production and supply chain processes at PTFI will continue to benefit the communities surrounding the PTFI operating area in Papua,” **Bahlil said.**

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