

Heads of Agreement signed for the development of 600MW gas power plant in Indonesia

AG&P to build and operate the landmark LNG receiving terminal in South Sulawesi

Manila, August 11, 2017 - PT. Energi Nusantara Merah Putih (ENMP) jointly with the industrial tenants of the Bantaeng Industrial Park (KIBA) has signed a Heads of Agreement (HoA) in Jakarta, outlining the development plan for a 600MW combined-cycle power plant (PLTGU). The partnership is fully supported by the Government of Bantaeng Regency, South Sulawesi. ENMP will work on the landmark project with Philippines-based, Atlantic, Gulf and Pacific Company (AG&P), that specializes in bringing LNG to markets that are currently off-grid with pragmatic, fast-track, standardized infrastructure.

In 2014, following the adoption of Government Regulation on banning the export of unprocessed mineral ore, the Bantaeng Regent, KIBA was formed covering an area of approximately 3,000ha at the initial stage. The KIBA provides special services to industrial tenants and has attracted a sizeable number of domestic and foreign investments, particularly in smelter development within the regency. Consequently, there is robust growth demand for energy that must be met with adequate installed capacity with a reserve margin to meet the fluctuating and non-linear load demands of nickel smelters operating in the KIBA.

ENMP jointly with its subsidiaries PT. Pasifik Agra Energi and PT. Power Merah Putih are responsible for providing prime energy to the KIBA. ENMP and its partners will also strive to develop Bantaeng as the center of LNG distribution for the central and eastern Indonesia region. The LNG terminal and power plant have an estimated total investment of USD980 million.

"The integration of this project will allow the KIBA supporting industries to accomplish the construction of the LNG receiving terminal immediately. This is a crucial part of the 600MW power plant itself, which will start operations by mid-2021," said the President Director of ENMP, Westana H. Wiraatmadja.

Bringing together its in-house expertise, AG&P will focus on the design, engineering, construction and operation of the LNG receiving terminals at KIBA. The modular components of the terminal will be constructed at its state-of-the-art manufacturing facilities in Batangas, South of Manila, Philippines.

"AG&P is thrilled to support this nationally important project in Bantaeng. We look forward in short order to LNG being available for the power plant and to industry and consumers throughout Southern Sulawesi and nearby regions. AG&P will work hard to achieve this goal," said AG&P CFO & Commercial Head, Abhilesh Gupta.

AG&P brings to this important project its outstanding in-house engineering expertise in developing LNG receiving terminals and their supply chains, coupled with its unmatched global track record as a pioneer of high-value modular infrastructure. Currently, the project is in the engineering phase and is expected to reach financial close within one year, followed immediately by the construction of the LNG terminal and power plant.

By encouraging the development of industrial-based areas like the KIBA, Bantaeng will become one of the largest nickel processing centers in the world and will contribute significantly to the economy of Indonesia and South Sulawesi, and particularly the regency itself.

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About PT. Energi Nusantara Merah Putih (ENMP)

PT. Energi Nusantara Merah Putih along with the two subsidiaries, namely PT. Pasifik Agra Energi – Developer LNG Receiving Terminal and PT. Power Merah Putih – Developers of PLTGU is a private company that is in detail engineering level will develop the first project of integrated facilities between LNG Receiving Terminal and PLTGU. This integrated facility is devoted to meet the highly fluctuating electrical characteristics of the smelter with the electric arc furnace technology.

In the future, the facility in Bantaeng will be directed towards the hub for LNG, Gas and CNG distribution for South Sulawesi and its surrounding areas. This LNG receiving facility will be designed as the first station with the ability to receive the first full LNG carrier size in Central and Eastern Indonesia.

ENMP also sees the possibility for the utilization of cold energy generated during the LNG regasification process. This cold energy can be used for various things, such as increasing the efficiency of turbine gas, or for cold storage in the field of fisheries.

With optimization from engineering to construction, ENMP and its partners are confident to deliver the best solutions regarding security, reliability, environmental friendliness and efficiency, and ultimately commercially attractive to all investors.

About AG&P

Based in the Philippines, Atlantic, Gulf & Pacific Company of Manila (AG&P) is a pioneer of high-value modular infrastructure, now at the forefront of the LNG infrastructure revolution providing gas or LNG to customers via integrated LNG receiving terminals and their supply chains. AG&P designs, manufactures, finances, leases, operates and maintains regasification and storage terminals, LNG transportation vessels and demand-stimulated assets. From sourcing gas to last-mile delivery, AG&P is the unique integrator that brings all parties together to deliver projects for lower, pragmatic capital cost.

For more than 117 years, AG&P has been a global leader in infrastructure solutions, delivering cutting-edge modularized products and support services to vessels, projects, and plants for the energy, resources and industrial sectors. AG&P modularizes infrastructure for refineries, LNG export and import facilities, power, petrochemical, and mining plants, building up to 125,000 tons of dense and complex modules each year.

For more information about AG&P's LNG capabilities visit <http://www.agp.ph/>.