

Quarterly Activities Report

First Quarter of 2012

For the Three Months Ending March 31st, 2012

For further information please contact:
 Cameron Tough, Head of Investor Relations
 Devindra Ratarwin, Corporate Secretary
 Tel: (6221) 521 1265
 Fax: (6221) 5794 4685
 Email: cameron.tough@ptadaro.com
investor.relations@ptadaro.com
corsec@ptadaro.com

OPERATIONS SUMMARY

We are on track to achieve our production guidance of 50-53 million tonnes for 2012.

<i>Year on Year</i>	Units	1Q12	1Q11	% Change
Production volume	Mt	10.96	10.60	3%
Sales volume	Mt	11.25	10.91	3%
Overburden removal	Mbcm	69.54	65.28	7%
Blended Planned Strip Ratio	Bcm/t	6.40	5.90	8%

(Please see page 4 for more details)

Jakarta, March 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. The report focuses on our operations, business development, exploration and other activities. The financial statements and notes will be released separately.

Below are some highlights of the first quarter for 2012:

- We are on track to achieve 50-53 million tonnes target for FY2012.
- Our infrastructure projects to improve efficiency and lower cost continued to make good progress (i.e. overburden crushing and conveying system, 2x30 mega-watt (MW) mine-mouth power plant and Kelanis capacity expansion). In 1Q12, we spent a total of US\$35.7 million for these three projects. *(page 11)*
- On March 22nd, 2012, we announced the Australasian JORC Compliant Coal Resources and Reserves estimates for PT Mustika Indah Permai (MIP). As of December 15th, 2011, the total JORC Compliant Coal Resources were estimated at 286.4 million tonnes of which 272.6 Mt are the estimated JORC Compliant Coal Reserves. *(page 13)*
- In March 2012, we received a Letter of Intent (LOI) to construct a coal-fired Independent Power Producer (IPP) project with a total capacity of 200 MW in South Kalimantan. Adaro Power has 65% stake and Korea East West Power, a subsidiary of KEPCO, owns the remaining 35%. *(page 13)*

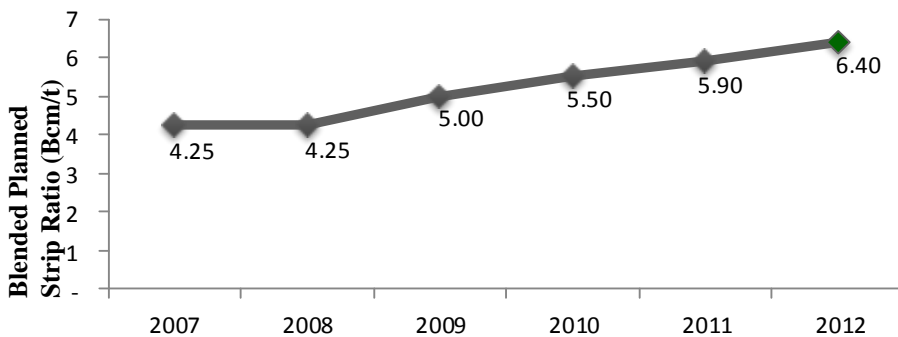
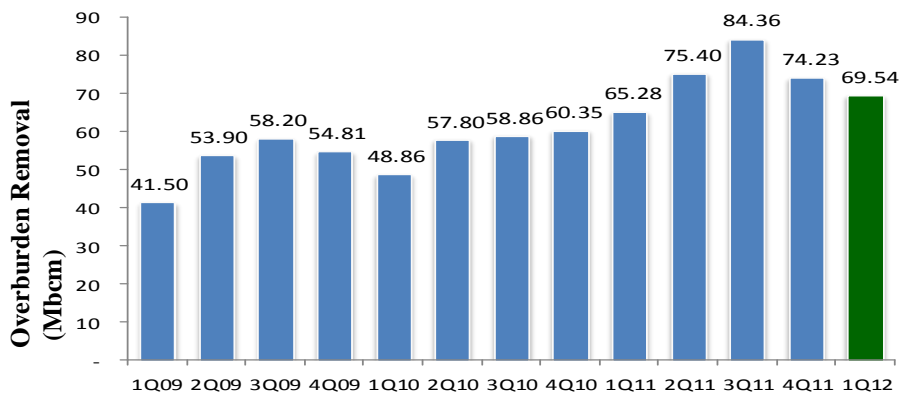
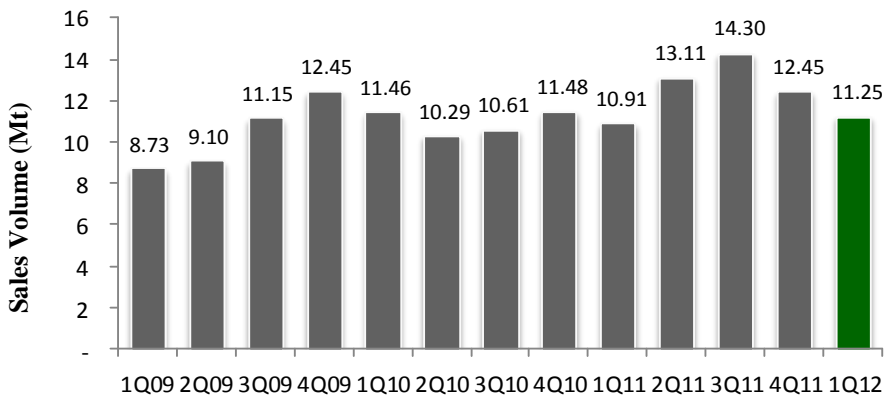
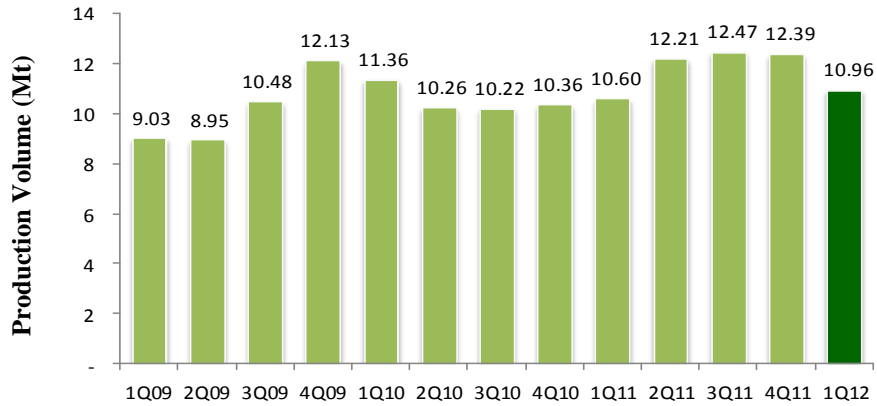
Please do not hesitate to contact us should you have any questions or require additional information.

Yours truthfully,



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

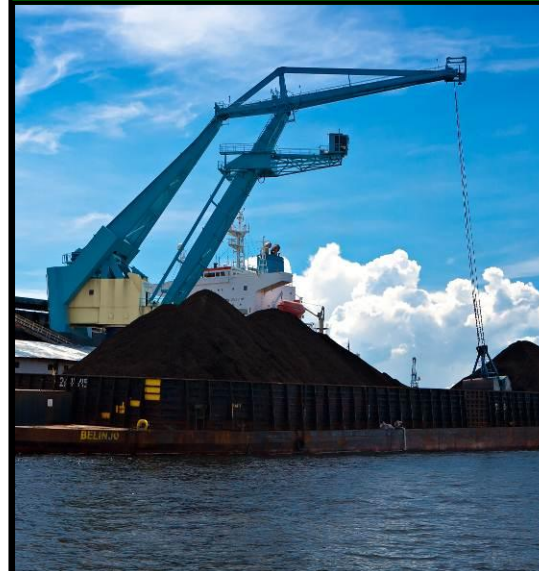
QUARTERLY OPERATIONS SUMMARY



www.adaro.com



In 1Q12, our coal production increased 3% YoY to 10.96 Mt



Meanwhile, our sales volume increased 3% YoY to 11.25 Mt



OPERATIONS ON TRACK

We are on track to deliver our production guidance of 50-53 million tonnes as production volume increased 3% year-over-year (y-o-y) to 10.96 million tonnes. The production during the first quarter is typically below 25% of the full year target due to the continuation of rainy season from the previous year. The major contributor of our growth came from E4000 (Wara) mine as its production volume climbed 38% y-o-y to 1.66 million tonnes, followed by E5000 (Paringin) as its coal production increased 15% to 0.22 million tonnes. The production from E5000 (Tutupan) was relatively flat at 9.09 million tonnes.

Our sales volume increased 3% y-o-y to 11.25 million tonnes with the major contributor coming from E4000 (Wara) as its sales volume climbed 52% to 1.82 million tonnes. The sales volume of E5000 was relatively flat at 9.04 million tonnes while Coaltrade's third party sales decreased 47% to 0.39 million tonnes. In 1Q12, we continue to prioritize and support domestic market as we supplied 23% of our coal to domestically. Our E4000 (Wara) continues to be well accepted by our customers as we exported to China, India and Thailand (*Please see page 6 for more details*).

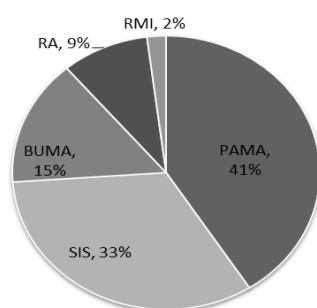
We executed our long-term plan to invest in our Tutupan mine as we excavated the deeper part of the pit resulting in an increase in the planned blended stripping ratio from 5.9x to 6.4x this year. As a result, the overburden removal increased by 7% y-o-y to 69.54 million bank cubic meter.

<i>Year on Year</i>	Units	1Q12	1Q11	% Change
Production volume	Mt	10.96	10.60	3%
E 5000 (Tutupan)	Mt	9.09	9.21	-1%
E 5000 (Paringin)	Mt	0.22	0.19	15%
E 4000 (Wara)	Mt	1.66	1.20	38%
Sales volume	Mt	11.25	10.91	3%
E 5000 (Tutupan and Paringin)	Mt	9.04	8.98	1%
E 4000 (Wara)	Mt	1.82	1.20	52%
Coaltrade's third party sales	Mt	0.39	0.73	-47%
Overburden removal	Mbcm	69.54	65.28	7%

<i>Quarter on Quarter</i>	Units	1Q12	4Q11	% Change
Production volume	Mt	10.96	12.39	-12%
E 5000 (Tutupan)	Mt	9.09	10.78	-16%
E 5000 (Paringin)	Mt	0.22	0.19	15%
E 4000 (Wara)	Mt	1.66	1.42	17%
Sales volume	Mt	11.25	12.45	-10%
E 5000 (Tutupan and Paringin)	Mt	9.04	10.83	-16%
E 4000 (Wara)	Mt	1.82	1.41	30%
Coaltrade's third party sales	Mt	0.39	0.22	77%
Overburden removal	Mbcm	69.54	74.23	-6%

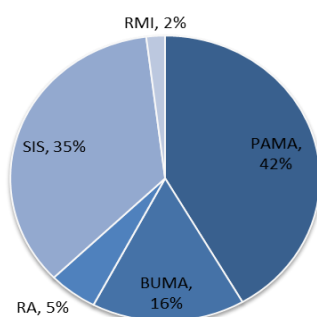
COAL MINING: PT Adaro Indonesia (AI)

Mining and Hauling



In 1Q12, PT Pamapersada Nusantara (PAMA), was responsible for 41% of AI's coal production while Adaro Energy's (AE) subsidiary, PT Saptaindra Sejati (SIS), produced 32%. PT Bukit Makmur Mandiri Utama (BUMA), PT Rahman Abdijaya (RA) and PT Rante Mutiara Insani (RMI) were responsible for 15%, 9% and 2%, respectively.

Overburden Removal



In 1Q12, PAMA conducted 42% of AI's overburden removal, while SIS was responsible for 35%. BUMA, RA and RMI produced the remainder with 16%, 5% and 2%, respectively. The average overburden removal per day was 779 Kbcm, 717 Kbcm and 841 Kbcm in January, February and March, respectively. We also achieved a new record for daily overburden removal of 1,144 Kbcm on March 25th 2012.

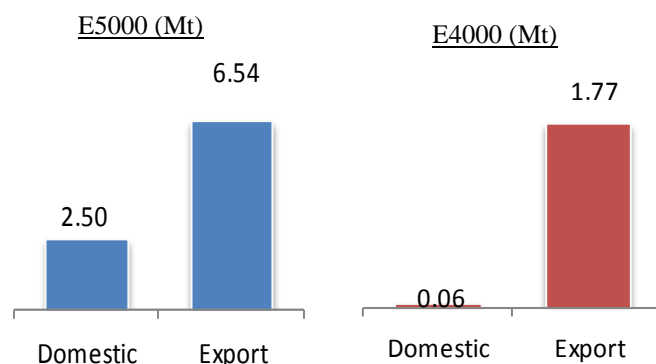
Stripping Ratio

AI increased its blended stripping ratio from 5.9x in 2011 to 6.4x in 2012 due to the robust long-term outlook for coal.

Inventory

AI had inventory of 0.77 million tonnes at the Kelanis river terminal at the end of 1Q12.

Sales Volume



In 1Q12, we exported 72% or 6.54 million tonnes of E5000 and sold the remaining 28% or 2.5 million tonnes domestically. We exported 97% or 1.77 million tonnes of E4000 and sold the remaining 3% or 0.06 million tonnes domestically.

<i>Year on Year</i>	Units	1Q12	1Q11	% Change
Coal Transported	Mt	10.96	10.60	3%
Coal Sold	Mt	10.86	10.18	7%
Blended Planned Strip Ratio	Bcm/t	6.4	5.9	8%
Inventory	Mt	0.77	0.79	-3%

<i>Quarter on Quarter</i>	Units	1Q12	4Q11	% Change
Coal Transported	Mt	10.96	12.39	-12%
Coal Sold	Mt	10.86	12.23	-11%
Blended Planned Strip Ratio	Bcm/t	6.40	5.9	8%
Inventory	Mt	0.77	0.70	10%

Barging and Shiploading

In 1Q12, the total volume of barging and shiploading increased 7% to 10.92 million tonnes due to the increased in production volume.

<i>Year on Year</i>	Units	1Q12	1Q11	% Change
Floating Cranes	Mt	6.89	6.25	10%
Self Geared	Mt	1.05	1.07	-2%
IBT	Mt	0.36	0.43	-16%
Barges	Mt	2.62	2.43	8%
Total	Mt	10.92	10.18	7%

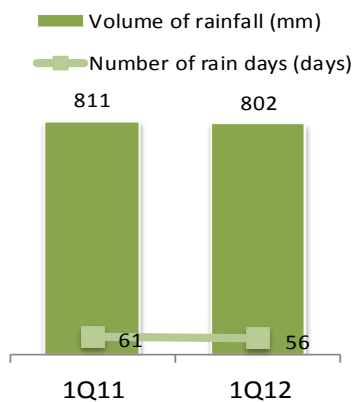
<i>Quarter on Quarter</i>	Units	1Q12	4Q11	% Change
Floating Cranes	Mt	6.89	7.84	-12%
Self Geared	Mt	1.05	1.10	-5%
IBT	Mt	0.36	0.44	-17%
Barges	Mt	2.62	2.91	-10%
Total	Mt	10.92	12.28	-11%

Vessel Waiting Times

The average waiting time per vessel in January, February and March was 0.47, 0.65 and 0.24 days respectively. We recorded despatch in January, February and March 2012.

Rainfall and Pit Dewatering

There was less volume of rainfall during 1Q12, especially in January. The volume of rainfall in 1Q12 was 802 mm. The number of rain days decreased 8% to 56 days compared to the same period of last year.



Volume of Rainfall at the Tutupan Mining Area (mm)

1Q12		1Q11		1Q12 vs. 1Q11
Jan	194	Jan	333	-42%
Feb	250	Feb	198	26%
Mar	358	Mar	280	28%
Total	802		811	-1%

Number of Rain days at the Tutupan Mining Area (days)

1Q12		1Q11		1Q12 vs. 1Q11
Jan	16	Jan	21	-24%
Feb	17	Feb	18	-6%
Mar	23	Mar	22	5%
Total	56		61	-8%

COAL MINING CONTRACTOR: PT Saptaindra Sejati (SIS)

In 1Q12, both SIS's overburden removal and coal getting increased 19% and 8% to 41.8 Mbcm and 5.29 million tonnes, respectively. The increase was mainly due to capital expenditure for the arrival of new larger-sized heavy equipment to boost SIS's performance. SIS spent US\$26.2 million in capital expenditure for heavy equipment and other infrastructure during 1Q12.

<i>Year on Year</i>	Units	1Q12	1Q11	% Change
Overburden Removal	Mbcm	41.80	35.03	19%
Adaro	Mbcm	24.61	19.15	29%
Others	Mbcm	17.19	15.88	8%
Coal Getting	Mt	5.29	4.69	13%
Adaro	Mt	3.51	2.69	19%
Others	Mt	1.78	1.72	3%

<i>Quarter on Quarter</i>	Units	1Q12	4Q11	% Change
Overburden Removal	Mbcm	41.80	43.60	-4%
Adaro	Mbcm	24.61	25.15	-2%
Others	Mbcm	17.19	18.45	-7%
Coal Getting	Mt	5.29	6.00	-12%
Adaro	Mt	3.51	3.97	-12%
Others	Mt	1.78	2.03	-12%



SIS's overburden removal at AI's operations increased 29% YoY to 24.61 Mbcm.



MBP barged 3.85 million tonnes of AI's coal, which is a 31% increase YoY.

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

In 1Q12, coal barged increased 17% to 3.92 million tonnes due to the additional barges and tugs purchased by MBP since 3Q11. Total coal loaded increased 3% to 3.06 million tonnes.

<i>Year on Year</i>	Units	1Q12	1Q11	% Change
Total Coal Barged	Mt	3.92	3.36	17%
Adaro	Mt	3.85	2.93	31%
Others	Mt	0.07	0.43	-84%
Total Coal Loaded	Mt	3.06	2.97	3%
Adaro	Mt	3.06	2.90	5%
Others	Mt	0.00	0.07	-97%

<i>Quarter on Quarter</i>	Units	1Q12	4Q11	% Change
Total Coal Barged	Mt	3.92	4.22	-7%
Adaro	Mt	3.85	3.94	-2%
Others	Mt	0.07	0.28	-75%
Total Coal Loaded	Mt	3.06	3.85	-21%
Adaro	Mt	3.06	3.85	-21%
Others	Mt	0.00	-	

COAL TERMINAL: PT Indonesia Bulk Terminal (IBT)

In 1Q12, total coal loaded increased 25% to 1.03 million tonnes mainly due to the increase in third parties' performance. The number of vessels loaded also increased 33% to 16 vessels.

<i>Year on Year</i>	Units	1Q12	1Q11	% Change
Total Coal Loaded	Mt	1.03	0.82	25%
Adaro/Coaltrade	Mt	0.36	0.50	-28%
Third party	Mt	0.66	0.32	106%
No of vessels loaded		16	12	33%



The third party's coal loaded at IBT increased 69% YoY to 0.66 million tonnes.

<i>Quarter on Quarter</i>	Units	1Q12	4Q11	% Change
Total Coal Loaded	Mt	1.03	0.93	10%
Adaro/Coaltrade	Mt	0.36	0.44	-17%
Third party	Mt	0.66	0.49	35%
No of vessels loaded		16	14	14%

COAL MARKETING: Coaltrade Services International Pte Ltd (Coaltrade)

In 1Q12, total coal sales decreased 10% to 1.14 million tonnes. The decrease was due to lower demand at the beginning of the year.

<i>Year on Year</i>	Units	1Q12	1Q11	% Change
Total coal sales	Mt	1.14	1.27	-10%
Coal purchased from Adaro	Mt	0.75	0.54	39%
Others	Mt	0.39	0.73	-47%

<i>Quarter on Quarter</i>	Units	1Q12	4Q11	% Change
Total coal sales	Mt	1.14	1.64	-30%
Coal purchased from Adaro	Mt	0.75	1.42	-47%
Others	Mt	0.39	0.22	77%



Our LTIFR of 0.33 in 1Q12 is lower compared to the same period of last year



We rehabilitated 71 hectares during 1Q12

SAFETY AND ENVIRONMENT

Occupational Health and Safety

During 1Q12, there were 5 Lost Time Injuries (LTIs) with a resultant Lost Time Injury Frequency Rate (LTIFR) of 0.33. There was one fatality at the mine site.

	1Q12		1Q11
	Actual	Plan	Actual
LTI	5	3	7
LTIFR	0.33	0.3	0.62

Land Rehabilitation

AI rehabilitated 71 hectares during the quarter, resulting in total rehabilitation to date of 1,269 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.

	1Q12	Project to Date
Rehabilitation (ha)	71	1,269
Land Disturbed - Mine (ha)	79	2,728
Land Disturbed - Other (ha)	261	6,328
Net Land Disturbed (ha)	269	7,697



Transporting equipment for the overburden crushing and conveying system



The 2x30MW is 89% complete by the end of 1Q12

PROJECT DEVELOPMENT

Our projects aim to improve the efficiency and cost control of our existing operations, and are our investment for the future. These following projects will help us in maintaining our position as amongst the lowest cost coal mining operations in Indonesia, and help us to operate in a safe and reliable manner so as to ensure dependable coal supplies for our customers.

Overburden Out of Pit Crushing and Conveying System (OPCC)

As our Tutupan mine becomes wider and deeper, one of the major challenges faced in managing the mine has become handling the enormous volume of overburden being stripped and hauled from the mine. Hauling distances have progressively become further, thus it has become more expensive to carry out overburden hauling. The OPCC system will be installed at the Tutupan mine to help offset the projected increase in haulage costs using trucks and will consist of two 7,000 tonnes per hour (tph) crushing stations and a 12,000 tph 7.7 kilometer conveyor system, including a 2.4 kilometer transportable conveyor and mobile stacking and spreading conveyor.

The OPCC system, which will cost in excess of US\$212 million, was well advanced with site civil works and steel fabrication for structures underway, and manufacturing of major equipment in progress. At the end of 1Q12, the project was 49% complete and during the quarter we spent US\$18.55 million, which brought the total spending to the end of the quarter to US\$114.65 million. We expect this system to commence operations in early 2013. Once the system is fully operational, it will be able to transport up to 34 million bank cubic meters (mbcm) of overburden each year, at a savings of US\$1 – US\$1.20 per bcm. The OPCC system will replace up to 100 overburden dump trucks from our hauling fleets.

2X30 MW Mine-mouth Power Plant

The US\$160 million, 2x30 MW mine-mouth power plant will be operated by our wholly owned subsidiary PT Makmur Sejahtera Wisesa (MSW). This power plant will help reduce our dependency on oil by powering the OPCC as well as supporting Adaro Indonesia's mining operations by providing reliable electrical power. The power plant uses Circulating Fluidized Bed (CFB) boilers to allow the plant to burn coal with a wide range of calorific values and moisture. Once this plant is commissioned in late 2012, it will be fuelled by approximately

300,000 tonnes of E4000 (Wara) coal each year. At the end of 1Q12, the plant was 89% complete and during the quarter MSW spent US\$12.7 million, which brought the total spending to US\$131.75 million.

Capacity Expansion at Kelanis River Terminal

Capacity expansion of the Kelanis crushing, stockpiling and barge loading facilities will increase the annual terminal throughput capacity from approximately 55 million tonnes to more than 70 million tonnes. At the end of 1Q12, accumulated spending for this project was US\$24.63 million. The US\$55 million plan includes installation of an additional three-stage crushing facility to six of the existing seven systems, which once completed, will increase in-loading capacity to 10,500 tonnes per hour (tph). We will also upgrade each of our barge-loading systems to increase capacity to 14,000 tph. In addition, a major overhaul and upgrade of the Kelanis terminal's power plant and electrical systems is also underway, which will increase the total installed power to 25 MW. Other infrastructure developments as part of the terminal upgrade include installation of an operations and control building, replacement of coal sampling equipment to enhance quality control, and replacement and additions to the coal reclaim bulldozer fleet.

BUSINESS DEVELOPMENT

2X100 MW Power Plant in South Kalimantan

In March 2012, Adaro Energy received a Letter of Intent (LOI) to construct a coal-fired Independent Power Producer (IPP) project with a total capacity of 200 MW in South Kalimantan. In this project, Adaro Power has 65% stake and Korea East West Power, a subsidiary of KEPCO, owns the remaining 35%. We continue to develop partnership with global blue-chip companies as part of our strategy to create maximum sustainable value from Indonesian coal.

Mustika Indah Permai Completed JORC Compliant Resources and Reserves

On March 22nd, 2012, we announced the Australasian Joint Ore Reserves Committee (JORC) Compliant Coal Resources and Reserves estimates for our subsidiary, PT Mustika Indah Permai (MIP) located in Lahat Regency, South Sumatra. As of December 15th, 2011, the total JORC Compliant Coal Resources for MIP were estimated at 286.4 million tonnes (Mt), of which 272.6 Mt were the estimated JORC Compliant Coal Reserves. The JORC Coal Resource and Reserve Report was prepared by Marston, a Golder Associates company and international mining consultant located in Saint Louis, Missouri, USA.

The JORC study identified elevated sodium in ash content in some seams usually increasing with depth. Marson believes the presence of multiple thick seams with varying levels of sodium in ash contents, the ability to blend product coal from different seams and the overall average level of sodium in ash for the Coal Reserves at 3% will result in a marketable coal product.

We plan to produce coal at MIP by the end of 2012. Coal production will be ramped up to three to four million tonnes per year by 2014 and up to ten million tonnes per year five years from the time operations commence. MIP, along with two other investments we made in South Sumatra, will form the backbone of our strategy to create long term value in South Sumatra and itself is part of the broader strategy of Adaro Energy for diversification into multiple locations and products.

The JORC Coal Resources and Reserves for MIP brought Adaro Energy's consolidated Resources and Reserves, as at the end of 2011, to 4.59 billion tonnes and 1.095 billion tonnes respectively, as shown in the below table.

Adaro Energy Coal Resources and Reserves

Adaro Energy JORC Compliant Coal Resources 2011

Operating Company	Locality	Calculated as at December 31 2011 Using Adjusted 2011 Mine Production & the December 2010 PT Adaro Indonesia JORC Statement						As at December 31 2010 ⁴						Calculated Changes to Adaro Energy's Coal Resources 2011 vs 2010					
		Total Measured, Indicated & Inferred Coal Resources (Mt)	Measured Coal Resources (Mt)	Indicated Coal Resources (Mt)	Inferred Coal Resources (Mt)	Adaro Energy Ownership Equity (%)	Adaro Energy Attributable Total Measured & Inferred Coal Resources (Mt)	Total Measured & Inferred Coal Resources (Mt)	Measured Coal Resources (Mt)	Indicated Coal Resources (Mt)	Inferred Coal Resources (Mt)	Adaro Energy Ownership Equity (%)	Adaro Energy Attributable Total Measured & Inferred Coal Resources (Mt)	Changes to Operating Company Total Measured, Indicated & Inferred Coal Resources 2011 vs 2010 (Mt)	Changes to Operating Company Total Measured, Indicated & Inferred Coal Resources 2011 vs 2010 (%)	Changes to Adaro Energy Attributable Total Measured & Inferred Coal Resources 2011 vs 2010 (Mt)	Changes to Adaro Energy Attributable Total Measured & Inferred Coal Resources 2011 vs 2010 (%)		
PT. Adaro Indonesia ¹	Tutupan	2,408	729	814	865		2,408	2,454	775	814	865	2,454	(46)	-1.9%	(46)	-1.9%			
	North Parangin ²	297	116	96	85		297	298	117	96	85	298	(1)	-0.4%	(1)	-0.4%			
	Wara I	1,301	486	366	449	100	1,301	1,307	492	388	449	1,307	(6)	-0.4%	(6)	-0.4%			
	Wara II	367	133	134	100		367	367	133	134	100	367	-	-	-	-			
	Total South Kalimantan	4,373	1,464	1,410	1,499		4,373	4,426	1,517	1,410	1,499	4,426	(53)	-1.2%	(53)	-1.2%			
PT. Mustika Indah Permai ²	South Sumatra	286	250	36	0.4	75	215	-	-	-	-	286	100%	215	100%				
Total Adaro Energy Coal Resources	Including Kalimantan & Sumatra	4,659	1,714	1,446	1,499	98.4	4,588	4,426	1,517	1,410	1,499	4,426	233.3	5.3%	162	3.7%			

¹ Based on Adaro Indonesia's 2010 JORC Coal Resource and Reserve Statement adjusted by subtracting 53 Mt of in-situ coal produced during 2011

² Based on the JORC Report of PT. Mustika Indah Permai (MIP), dated January 2012.

³ No JORC Coal Resources were declared for North Parangin in 2010 however 1 Mt of coal was mined in 2011

⁴ Small differences between 2010 Resource tonnages in this table and the 2010 Adaro Energy Annual Report based on cumulative rounding errors

Adaro Energy (Equity Adjusted) JORC Compliant Coal Resource Quality (Gross As Received Basis) 2011

Operating Company	Locality	Calculated as at December 31 2011						As at December 31 2010						Calculated Coal Quality Changes to Adaro Energy's Coal Resources 2011 vs 2010					
		Total Moisture %	Ash % (gar)	Volatile Matter % (gar)	Total Sulphur % (gar)	Calorific Value Kcal/kg (gar)	Total Moisture %	Ash % (gar)	Volatile Matter % (gar)	Total Sulphur % (gar)	Calorific Value Kcal/kg (gar)	Total Moisture %	Ash % (gar)	Volatile Matter % (gar)	Total Sulphur % (gar)	Calorific Value Kcal/kg (gar)			
PT. Adaro Indonesia ^{1,2}	Tutupan	27.1	1.9	36.5	0.10	4,922	27.1	1.9	36.5	0.10	4,922								
	North Parangin	29.1	2.8	35.0	0.20	4,948	29.1	2.8	35.0	0.20	4,948								
	Wara I	38.9	2.9	30.4	0.21	3,986	38.9	2.9	30.4	0.21	3,986								
	Wara II	43.4	2.8	29.0	0.20	3,658	43.4	2.8	29.0	0.20	3,658								
	Total South Kalimantan	32.2	2.3	33.9	0.15	4,525	32.2	2.3	33.9	0.15	4,525								
PT. Mustika Indah Permai ^{3,4}	South Sumatra	33.9	5.5	31.1	0.42	4,345													
Total Adaro Energy Coal Resources ⁵	Including Kalimantan & Sumatra	32.3	2.5	33.8	0.16	4,517	32.2	2.3	33.9	0.15	4,525	0.1	0.1	(0.1)	0.01	(6)			

¹ PT. Adaro Indonesia Coal quality estimates are restatements of the 2010 JORC Coal Resource and Reserve study and do not consider the quality effect of 53 Mt of in-situ coal mined in 2011.

² PT. Adaro Indonesia's coal quality samples have been analysed to ASTM standards

³ PT. Mustika Indah Permai's coal quality samples have been analysed to ISO standards

⁴ Elevated sodium in ash levels averaging 3.0% and varying on annual production schedule average from 2% to 4% were estimated in the PT MIP 2012 JORC

⁵ The Adaro Energy coal quality was derived by combining the coal quality parameters of the coal resources of the component operating companies using weight averaging.

Adaro Energy (Equity Adjusted) JORC Compliant Coal Resource Quality (Air Dried Basis) 2011

Operating Company	Locality	Calculated as at December 31 2011						As at December 31 2010						Calculated Coal Quality Changes to Adaro Energy's Coal Resources 2011 vs 2010					
		Moisture in the Analysis Sample (adb)	Ash % (adb)	Volatile Matter % (adb)	Total Sulphur % (adb)	Calorific Value Kcal/kg (adb)	Moisture in the Analysis Sample % (adb)	Ash % (adb)	Volatile Matter % (adb)	Total Sulphur % (adb)	Calorific Value Kcal/kg (adb)	Moisture in the Analysis Sample % (adb)	Ash % (adb)	Volatile Matter % (adb)	Total Sulphur % (adb)	Calorific Value Kcal/kg (adb)			
PT. Adaro Indonesia	Tutupan	17.6	2.1	41.2	0.11	5,563	17.6	2.1	41.2	0.11	5,563								
	North Parangin	16.9	3.3	41.0	0.23	5,799	16.9	3.3	41.0	0.23	5,799								
	Wara I	19.1	3.8	40.3	0.28	5,278	19.1	3.8	40.3	0.28	5,278								
	Wara II	19.3	4.0	41.4	0.28	5,215	19.3	4.0	41.4	0.28	5,215								
	Total South Kalimantan	18.1	2.8	41.0	0.18	5,466	18.1	2.8	41.0	0.18	5,466								
PT. Mustika Indah Permai	South Sumatra	22.2	6.5	36.6	0.49	5,114													
Total Adaro Energy Coal Resources	Including Kalimantan & Sumatra	18.3	3.0	40.8	0.19	5,450	18.1	2.8	41.0	0.18	5,466	0.2	0.2	(0.2)	0.01	(17)			

Quality was not estimated during 2011 and does not account for the 53 Mt of in-situ coal mined in 2011. It is reasonable to assume the remaining qualities are almost identical to those estimated in 2010

PT. Mustika Indah Permai not acquired until 2011

Adaro Energy JORC Compliant Coal Reserves 2011

Operating Company	Locality	Calculated as at December 31 2011 Using Adjusted 2011 Mine Production & the December 2010 PT Adaro Indonesia JORC Statement				As at December 31 2010 ⁴				Calculated Changes to Adaro Energy's Coal Reserves 2011 vs 2010						
		Total Proved & Probable Coal Reserves (Mt)	Proved Coal Reserves (Mt)	Probable Coal Reserves (Mt)	Adaro Energy Attributable Ownership Equity (%)	Adaro Energy Attributable Total Proved & Probable Coal Reserves (Mt)	Proved Coal Reserves (Mt)	Probable Coal Reserves (Mt)	Adaro Energy Equity (%)	Changes to Operating Company Total Proved & Probable Coal Reserves 2011 vs 2010 (Mt)	Changes to Operating Company Total Proved & Probable Coal Reserves 2011 vs 2010 (%)	Changes to Adaro Energy Attributable Total Proved & Probable Coal Reserves 2011 vs 2010 (Mt)	Changes to Adaro Energy Attributable Total Proved & Probable Coal Reserves 2011 vs 2010 (%)			
PT. Adaro Indonesia ¹	Tutupan	510	369	141		510	410	141			552	(42)	(7.6%)	(42)	(7.6%)	
	North Paringin ³															
	Wara I	381	253	98	100	381	289	98	100		386	(5)	(-1.4%)	(5)	(-1.4%)	
	Wara II															
	Total South Kalimantan	891	652	239		891	699	239			938	(47)	(-5.0%)	(47)	(-5.0%)	
	South Sumatra	273	238	35	75	204	-	-	-		273	204	100%	204	100%	
	Total Adaro Energy Coal Reserves Including Kalimantan & Sumatra	1,163	890	274	98.4	1,095	938	239	100		938	226	24.0%	157	16.8%	

¹ Based on Adaro Indonesia's 2010 JORC Coal Resource and Reserve Statement adjusted by subtracting 47 Mt of coal produced during 2011

² Based on the JORC Report of PT. Mustika Indah Permai (MIP) dated January 2012

Adaro Energy (Equity Adjusted) JORC Compliant Coal Reserve Quality (Gross As Received Basis) 2011

Operating Company	Locality	Calculated as at December 31 2011						As at December 31 2010						Calculated Coal Quality Changes to PT Adaro Energy's Coal Reserves													
		Total Moisture %	Ash % (adb)	Volatile Matter % (adb)	Total Sulphur % (adb)	Calorific Value Kcal/kg (adb)	Moisture in the Analysis Sample % (adb)	Total Moisture %	Ash % (adb)	Volatile Matter % (adb)	Total Sulphur % (adb)	Calorific Value Kcal/kg (adb)	Moisture in the Analysis Sample % (adb)	Total Moisture %	Ash % (adb)	Volatile Matter % (adb)	Total Sulphur % (adb)	Calorific Value Kcal/kg (adb)									
PT. Adaro Indonesia ^{1,2}	Tutupan	26.3	2.0	36.5	0.10	5,013	26.3	2.0	36.5	0.10	5,013	26.3	2.0	36.5	0.10	5,013	26.3	2.0	36.5	0.10	5,013	26.3	2.0	36.5	0.10	5,013	
	North Paringin																										
	Wara I	39.2	3.0	30.3	0.20	3,983	39.2	3.0	30.3	0.20	3,983	39.2	3.0	30.3	0.20	3,983	39.2	3.0	30.3	0.20	3,983	39.2	3.0	30.3	0.20	3,983	
	Wara II																										
	Total South Kalimantan	31.6	2.5	33.9	0.14	4,588	31.6	2.5	33.9	0.14	4,588	31.6	2.5	33.9	0.14	4,588	31.6	2.5	33.9	0.14	4,588	31.6	2.5	33.9	0.14	4,588	
	South Sumatra	34.1	5.9	31.1	0.40	4,281	34.1	5.9	31.1	0.40	4,281	34.1	5.9	31.1	0.40	4,281	34.1	5.9	31.1	0.40	4,281	34.1	5.9	31.1	0.40	4,281	
	Total Adaro Energy Coal Reserves ⁵	32.1	3.1	33.4	0.19	4,531	32.1	3.1	33.4	0.19	4,531	32.1	3.1	33.4	0.19	4,531	32.1	3.1	33.4	0.19	4,531	32.1	3.1	33.4	0.19	4,531	

¹ PT. Adaro Indonesia Coal quality estimates are restatements of the 2010 JORC Coal Resource and Reserve study and do not consider the quality effect of 47 Mt of coal produced in 2011

² PT. Adaro Indonesia's coal quality samples have been analysed to ASTM standards

³ PT. Mustika Indah Permai's coal quality samples have been analysed to ISO standards

⁴ Elevated sodium in ash levels averaging 3.0% and varying on annual production schedule average from 2% to 4% were estimated in the PT MIP 2012 JORC statement

⁵ The Adaro Energy coal quality was derived by combining the coal quality parameters of the coal reserves of the component operating companies using weight averaging.

Adaro Energy (Equity Adjusted) JORC Compliant Coal Reserve Quality (Air Dried Basis) 2011

Operating Company	Locality	Calculated as at December 31 2011						As at December 31 2010						Calculated Coal Quality Changes to PT Adaro Energy's Coal Reserves													
		Total Moisture %	Ash % (adb)	Volatile Matter % (adb)	Total Sulphur % (adb)	Calorific Value Kcal/kg (adb)	Moisture in the Analysis Sample % (adb)	Total Moisture %	Ash % (adb)	Volatile Matter % (adb)	Total Sulphur % (adb)	Calorific Value Kcal/kg (adb)	Moisture in the Analysis Sample % (adb)	Total Moisture %	Ash % (adb)	Volatile Matter % (adb)	Total Sulphur % (adb)	Calorific Value Kcal/kg (adb)									
PT. Adaro Indonesia	Tutupan	17.0	2.3	41.1	0.11	5,638	17.0	2.3	41.1	0.11	5,638	17.0	2.3	41.1	0.11	5,638	17.0	2.3	41.1	0.11	5,638	17.0	2.3	41.1	0.11	5,638	
	North Paringin																										
	Wara I	19.4	4.0	40.2	0.25	5,261	19.4	4.0	40.2	0.25	5,261	19.4	4.0	40.2	0.25	5,261	19.4	4.0	40.2	0.25	5,261	19.4	4.0	40.2	0.25	5,261	
	Wara II																										
	Total South Kalimantan	18.0	3.0	40.7	0.17	5,483	18.0	3.0	40.7	0.17	5,483	18.0	3.0	40.7	0.17	5,483	18.0	3.0	40.7	0.17	5,483	18.0	3.0	40.7	0.17	5,483	
	South Sumatra	22.2	7.0	36.7	0.47	5,054	22.2	7.0	36.7	0.47	5,054	22.2	7.0	36.7	0.47	5,054	22.2	7.0	36.7	0.47	5,054	22.2	7.0	36.7	0.47	5,054	
	Total Adaro Energy Coal Reserves	18.8	3.7	40.0	0.23	5,403	18.8	3.7	40.0	0.23	5,403	18.8	3.7	40.0	0.23	5,403	18.8	3.7	40.0	0.23	5,403	18.8	3.7	40.0	0.23	5,403	

Coal quality was not estimated during 2011 to account for the 47 Mt of coal mined in 2011. It is reasonable to assume the remaining qualities are almost identical to those estimated in 2010

PT. Mustika Indah Permai not acquired until 2011

0.8 0.7 (0.7) 0.06 (80)