

Type: REGULATION (PER)

By: THE MINISTER OF ENERGY AND MINERAL RESOURCES

Number: 27 YEAR 2013

Date: SEPTEMBER 13, 2013 (JAKARTA)

Title: PROCEDURES AND DETERMINATION OF SHARES DIVESTMENT PRICE, AND CHANGES OF CAPITAL INVESTMENT IN THE SECTOR OF COAL AND MINERAL MININGS

BY THE GRACE OF GOD ALMIGHTY

THE MINISTER OF ENERGY AND MINERAL RESOURCES OF THE REPUBLIC OF INDONESIA,

Considering:

- a. whereas in order to implement the provision in Article 99 of Government Regulation Number 23 Year 2010 regarding the Implementation of Coal and Mineral Mining Business Activities as amended by Government Regulation Number 24 Year 2012, it is necessary to arrange the procedures and determination of shares divestment price;
- b. whereas in the implementation of Coal and Mineral Mining Business Activities changes in capital investment for business sector may occur so as it is necessary to be given a guideline for the implementation of capital investment change concerned;
- c. whereas based on consideration as intended in letters a and b, it is necessary to stipulate a Regulation of Minister of Energy and Mineral Resources on the Procedures and Determination of Shares Divestment Price including the Changes of Capital Investment in the Sector of Coal and Mineral Mining ;

In view of:

1. Law Number 32 Year 2004 regarding Regional Governments (State Gazette of the Republic of Indonesia Year 2004 Number 125, Supplement to State Gazette of the Republic of Indonesia Number 4437) as have been amended twice most recently by Law Number 12 Year 2008 (State Gazette of the Republic of Indonesia Year 2008 Number 59, Supplement to State Gazette of the Republic of Indonesia Number 4844);
2. Law Number 25 Year 2007 regarding Capital Investment (State Gazette of the Republic of Indonesia Year 2007 Number 67, Supplement to State Gazette of the Republic of Indonesia Number 4724);
3. Law Number 40 Year 2007 regarding Limited Liability (State Gazette of the Republic of Indonesia Year 2007 Number 106, Supplement to State Gazette of the Republic of Indonesia Number 4756);

4. Law Number [4 Year 2009](#) regarding Coal and Mineral Mining (State Gazette of the Republic of Indonesia Year 2009 Number 4, Supplement to State Gazette of the Republic of Indonesia Number 4959);
5. Government Regulation Number 38 Year 2007 regarding Allocation of Governmental Affairs among Government, Regional Government of Provinces, and Regional Governments of Regencies/Municipalities (State Gazette of the Republic of Indonesia Year 2007 Number 82, Supplement to State Gazette of the Republic of Indonesia Number 4737);
6. Government Regulation Number [23 Year 2010](#) regarding the Implementation of Coal and Mineral Mining Business Activities (State Gazette of the Republic of Indonesia Year 2010 Number 29, Supplement to State Gazette of the Republic of Indonesia Number 5111) as amended by Government Regulation Number [24 Year 2012](#) (State Gazette of the Republic of Indonesia Year 2012 Number 45, Supplement to State Gazette of the Republic of Indonesia Number 5282);
7. Presidential Decree Number 59/P Year 2011 dated 18 October 2011;
8. Regulation of Minister of Energy and Mineral Resources Number 18 Year 2010 regarding Organization and Working Procedures of Ministry of Energy and Mineral Resources (Official Gazette of the Republic of Indonesia Year 2010 Number 552) as has been amended by the Regulation of Minister of Energy and Mineral Resources Number [22 Year 2013](#) (Official Gazette of the Republic of Indonesia Year 2013 Number 1022);

HAS DECIDED:

To Stipulate:

REGULATION OF MINISTER OF ENERGY AND MINERAL RESOURCES ON PROCEDURES AND DETERMINATION OF SHARES DIVESTMENT PRICE, AND CHANGES OF CAPITAL INVESTMENT IN THE SECTOR OF COAL AND MINERAL MININGS

## CHAPTER I GENERAL PROVISION

### Article 1

Referred to herein as:

1. Shares divestment shall be a total of foreign shares that must be offered for sale to Indonesian Participant.
2. Business License of Production Operation Mining hereinafter referred to as IUP Production Operation shall be a business license which is given after the implementation of Exploration IUP is accomplished to undertake the activities of Production Operation stages.
3. Business License of Special Mining Production Operation hereinafter referred to as IUPK Production Operation, shall be a business license which is given after the implementation of IUPK Exploration is accomplished to undertake the

activities of Production Operation stages in business area of special mining license.

4. Domestic Capital Investment hereinafter referred to as PMDN shall be investment activities to carry out business in the territory of the Republic of Indonesia carried out domestic investors by using domestic capital.
5. Domestic Capital Investment shall be an Individual Indonesian Citizen, Indonesian Business Entities, of the Republic of Indonesia, or an area which is conducting capital investment in the area of the Republic of Indonesia.
6. Foreign Capital Investment, hereinafter referred to as PMA, shall be the activities of investment to carry out business in the territory of the Republic of Indonesia by Foreign Investors both utilizing Foreign Capital totally or join with domestic investors.
7. Foreign Capital shall be a capital owned by foreign country, individual or foreign citizen foreign enterprise, foreign legal entity and/or Indonesian Legal Entity which partial or total capital is owned by foreign party.
8. Central Government hereinafter referred to as Government, shall be the President of the Republic of Indonesia who holds the power of the State Government of the Republic of Indonesia as intended in Constitution of the Republic of Indonesia, Year 1945.
9. Provincial Government shall be the governor and regional apparatus of a province as organizing elements in provincial area.
10. Regional Government in Regencies/Municipalities shall be the regent/mayor and regional apparatus as organizing elements of Regional Governments in Regencies/Municipalities.
11. State Owned Enterprises hereinafter abbreviated as BUMN, shall be a BUMN that involves in a mining sector in accordance with Laws and Regulations.
12. Regional Owned Enterprises hereinafter abbreviated as BUMD, shall be a BUMD that involves in a mining sector in accordance with Laws and Regulations.
13. National Private Enterprises shall be an incorporated business entity with capital or shares ownership is 100 percent (one hundred percent) in domestic.
14. Independent Appraisal is an appraisal company which is not associated with bank and debtor to carry out assessment activities based on Ethic Code of Indonesian Appraisers and other provisions set forth by Board of Indonesian Appraisers and has a business license from relevant authorities.
15. Business License of Mining Exploration hereinafter referred to as IUP Exploration, shall be a business license given to undertake the activities stages of general investigation, exploration, and feasibility study.
16. Mining Business License for Special Exploration hereinafter referred to as IUPK Exploration, shall be a business license given to undertake the activities stages of general investigation, exploration, and feasibility study in the area of special mining business license.

17. Mining Business License for Special Production Operation to process and/or to refine hereinafter referred to as IUP Production Operation special for processing and/or refining shall be a business license which is given to company to purchase, transport, process and refine including the selling of mineral mining commodity or coal of its processing result.
18. Mining Business License for Special Production Operation to transport and selling hereinafter referred to as IUP Production Operation special for transportation and sales, shall be a business license which is given to company to purchase, transport, and selling the commodities of mineral mining or coal.
19. Mining shall be a part of mining business activities to produce mineral and/or coal and its associated minerals.
20. Minister shall be the minister who organizes governmental affairs in mineral mining and coal sectors.
21. Director General shall be the Director General who implements duty and responsible for the formulation and implementation of policy and technical standardization in mineral and coal sectors.
22. Director General shall be the Director General who has duty to formulate and implement the policy and technical standardization in mineral and coal sectors.

## CHAPTER II SHARES DIVESTMENT

### Part One General

#### Article 2

- (1) Holder of IUP Production Operation and IUPK Production Operation in frame of Foreign Capital Investment, after 5 (five) Years of operation must undertake shares divestment periodically, so as in 10 (ten) years the shares owned by Indonesian participant shall be at least 51 % (fifty one percent).
- (2) Production period as intended in paragraph (1) is calculated since mining stage of Production Operation.
- (3) Shares divestment of Indonesian Participant as intended in paragraph (1) gradually shall not be less than following percentages:
  - a. In year six 20% (twenty percent);
  - b. In year seven 30% (thirty percent);
  - c. In year eight 37% (thirty seven percent);
  - d. In year nine 44 % (forty four percent); and
  - e. In year ten 51 % (fifty one percent), from the entire shares.

- (4) Indonesian Participant as intended in paragraph (1) consists of:
- a. Government;
  - b. Provincial Government;
  - c. Regional Government in Regencies/Municipalities;
  - d. State Owned Enterprises (BUMN);
  - e. regional owned Enterprises (BUMD); or
  - f. National Private Business Entities.
- (5) National Private Business Entities as intended in paragraph (4) sub-paragraph f shall be a private limited liability company.
- (6) Holders of IUP Production Operation and IUPK Production Operation who will carry out shares divestment and its affiliation are prohibited to lend fund to Indonesian Participant to buy shares divestment.
- (7) In the event that Holders of IUP Production Operation and IUPK Production Operation on the 5 (fifth) years after production, own shares of at least 51 % (fifty one percent) Domestic Investors shall not require to implement shares divestment.
- (8) In the event that there is an increase in capital amount by Holders of IUP Production Operation and IUPK Production Operation after the implementation of shares divestment, the shares of Indonesian Participant as intended in paragraph (4) may not be diluted to be smaller than the total of shares in accordance with the divestment obligation as intended in paragraph (3).
- (9) In the event that Holders of shares of Indonesian Participants as intended in paragraph (4) do not use the rights to buy shares from capital increase as intended in paragraph (8), holders of IUP Production Operation or IUPK Production Operation must offer their shares to other Indonesian Participants by still taking into consideration the composition of shares ownership of Indonesian Participants in accordance with the shares divestment obligation.

### Article 3

Holders of IUP Production Operation and IUPK Production Operation are prohibited from mortgaging shares for divestment.

### Article 4

Shares of holders of IUP Production Operation and IUPK Production Operation which are sold through Indonesian Capital Market are not a part of shares divestment obligation.

## Part Two Divestment Procedures

### Article 5

Holders of IUP Production Operation and IUPK Production Operation must make offer of shares divestment to Indonesian Participant within a period no later than 90 (ninety) calendar days since 5 (five) years production gradually to:

- a. Government through Minister, Provincial Governments and Regional Governments in Regencies/Municipalities;
- b. State owned Enterprises (BUMN) and regional owned Enterprises (BUMD) and
- c. National Private Business Entities.

#### Article 6

- (1) Government through Minister, Provincial Governments and Regional Governments in Regencies/Municipalities within a period not later than 60 (sixty) calendar days after offering date of shares divestment as intended in Article 5 must give reply in writing on the said offer to Holders of IUP Production Operation or IUPK Production Operation.
- (2) In the event that Government, Provincial Governments and Regional Governments in Regencies/Municipalities express their interest on the offering of shares divestment, Government, Provincial Governments and Regional Governments in Regencies/Municipalities must submit a Letter of Intend to Holders of IUP Production Operation or IUPK Production Operation by including payment mechanism of shares divestment with copies to:
  - a. Governor and Regents/Mayors if Governments state its interest;
  - b. Government and Regents/Mayors if Governor states its interest;
  - c. Government and Governor if Regents/Mayors state its interest.
- (3) Government's statement as intended in paragraph (2) shall be conveyed after obtaining approval from the People's Legislative Council of the Republic of Indonesia.
- (4) Provincial Government Statement of Interest as intended in paragraph (2) shall be submitted after getting approval of Regional People's Legislative Council in Provincial Area.
- (5) Statement of Interest of Regional Government in Regencies/Municipalities as intended in paragraph (2) shall be submitted after getting approval of Regional People's Legislative Council in Regencies/Municipalities.
- (6) In the event that Government, Provincial Governments and Regional Governments in Regencies/Municipalities stated their interest on the offer of shares divestment within offering period of 60 (sixty) calendar date as intended in paragraph (1), then Government is given the priority to buy that shares divestment.
- (7) In the event that Government stated that they have no interest in offering of shares divestment or within a period as intended in paragraph (1) there is no response from Government, and if Provincial Governments and Regional Governments in Regencies/Municipalities declare their interest, then Provincial Governments and Regional Governments in Regencies/Municipalities in

coordination with Minister shall determine the percentage composition of shares divestment that will be purchased.

#### Article 7

- (1) In the event that Government, Provincial Governments and Regional Governments in Regencies/Municipalities stated that they have no interest or within a certain period as intended in Article 6 paragraph (1) there is no response from Government, Provincial Governments and Regional Governments in Regencies/Municipalities, holder of IUP Production Operation or IUPK Production Operation must direct make offer towards shares divestment as intended in Article 5 openly to State Owned Enterprises (BUMN) and Regional Owned Enterprises (BUMD) as initial stage of shares divestment bid implementation to BUMN and BUMD.
- (2) State Owned Enterprises (BUMN) and Regional Owned Enterprises (BUMD) within a period not later than 60 (sixty) calendar days after the date of shares divestment offering as intended in paragraph (1) must give reply in writing on said offering to the holders of IUP Production Operation or IUPK Production Operation.
- (3) In the event that State Owned Enterprises (BUMN) and Regional Owned Enterprises (BUMD) stated their interest on the offering of shares divestment, BUMN or BUMD must submit a Letter of Intend to Holders of IUP Production Operation or IUPK Production Operation completed with:
  - a. Price bid on shares divestment in a sealed envelope.
  - b. Establishment deed of BUMN or BUMD which has been legalized by the authorized official;
  - c. Profile of BUMN or BUMD;
  - d. Letter of Sincerity to take responsibility in developing mining business activities of mineral and coal implemented by Holders of IUP Production Operation or IUPK Production Operation; and
  - e. Taxpayer Registration Number (NPWP).
- (4) Opening of bid envelope on shares divestment is executed on the 60 (sixtieth) day after offering date as intended in paragraph (1) and must be attended by all bidders.
- (5) Holders of IUP Production Operation or IUPK Production Operation shall determine tender winner based on highest bid and by taking into consideration the requirements as intended in paragraph (3) sub-paragraph b up to sub-paragraph e.
- (6) In the event that State Owned Enterprises (BUMN) and Regional Owned Enterprises (BUMD) which submit Letter of Intend as intended in paragraph (2) is 1 (one) only, tender will still go on.

#### Article 8



- (1) In event that State Owned Enterprises (BUMN) and Regional Owned Enterprises (BUMD) stated that they have no interest or within a period of time as intended in Article 7 paragraph (2) there is no reply from BUMN or BUMD, Holders of IUP Production Operation or IUPK Production Operation must conduct the offering of shares divestment as intended in Article 5 openly to National Private Business Entities as the initial stage of shares divestment tender implementation to National Private Business Entities.
- (2) National Private Business Entities within a period not later than 30 (thirty) calendar days after offering date as intended in paragraph (1) must give a reply in writing on the said bid to Holders of IUP Production Operation or IUPK Production Operation.
- (3) In the event that National Private Business Entities stated that they have interest on shares divestment bid, National Private Business Entities must submit Letter of Intent to Holders of IUP Production Operation or IUPK Production Operation completed with:
  - a. Price bid on shares divestment in a sealed envelope.
  - b. Establishment deed of National Private Business Entities that testifies the entire domestic capital which has been legalized by the authorized official;
  - c. Profile of National Private Business Entities;
  - d. Letter of Sincerity to take responsibility in developing mining business activities of mineral and coal implemented by Holders of IUP Production Operation or IUPK Production Operation; and
  - e. Taxpayer Registration Number (NPWP).
- (4) Opening of bid envelope on shares divestment is executed on the 30 (thirtieth) day after offering date as intended in paragraph (1) and must be attended by all bidders.
- (5) Holders of IUP Production Operation or IUPK Production Operation shall determine tender winner based on highest bid and by taking into consideration the requirements as intended in paragraph (3) sub-paragraph b up to sub-paragraph e.
- (6) In the event that National Private Business Entities which submit Letter of Intent as intended in paragraph (2) is 1 (one) only, tender will still go on.

#### Article 9

In event that shares divestment of Holders of IUP Production Operation or IUPK Production Operation as intended in Article 5 up to Article 8 fails to be implemented, shares divestment process must be repeated and accumulated in accordance with the responsibilities based on shares divestment procedures as intended in Article 5 up to Article 8.

### Part Three Procedures of Shares Divestment Payment

#### Article 10



- (1) Payment and submission of shares divestment is implemented within a period not later than 90 (ninety) calendar days after the Letter of Intent's date of Government, Provincial Government or regional Governments in Regencies/Municipalities and set out in Deed of Sales and Purchase of shares divestment signed by both parties.
- (2) Payment and submission of shares divestment is implemented within a period not later than 90 (ninety) calendar days after the determination of tender winner for BUMN, BUMD, or National Private Business Entities and set out in Deed of Sales and Purchase of shares divestment signed by both parties.
- (3) Payment and submission of shares divestment as intended in paragraph (1) and paragraph (2) must be included in minutes of meeting signed by both parties.

#### Article 11

- (1) Holders of IUP Production Operation and IUPK Production Operation must submit report of implementation of shares divestment to Minister through Director General with copies to governor and regents/mayors.
- (2) Report as intended in paragraph (1) must be completed with minutes of meeting and deed of sales and purchase of shares divestment which have been approved and signed by both parties.

#### Article 12

Holders of IUP Production Operation and IUPK Production Operation who finished implementing shares divestment must submit a composition of shares change to Minister through Director General with copies to governor and regents/mayors.

### Part Four Determination Procedures of Shares Divestment Price

#### Article 13

- (1) Shares divestment price from Holders of IUP Production Operation or IUPK Production Operation offered to Indonesian Participant is determined based on *replacement cost* on investment of Holders of IUP Production Operation or IUPK Production Operation.
- (2) *Replacement cost* on investment of Holders of IUP Production Operation or IUPK Production Operation as intended in paragraph (1) is in form of *replacement cost* on cumulative total of investment cost issued since Exploration stage up to the year of shares divestment obligation reduced:
  - a. accumulate depreciation and amortization which are based on economical and beneficial age from different groups of properties conforming to influence of inflation; and
  - b. financial obligation up to end of year at the time of shares divestment obligation dues.
- (3) Shares divestment price as intended in paragraph (1) and paragraph (2) become:

- a. highest price for offering to Government, Provincial Government and Regional Governments in Regencies/Municipalities;
- b. highest price as intended in sub-paragraph a is the basic price for offering to BUMN, BUMD, and National Private Business Entities by way of tender.

#### Article 14

Shares Divestment Price offered to Indonesian Participants as intended in Article 13 can be calculated by Independent Evaluator.

### CHAPTER III CHANGES IN CAPITAL INVESTMENT

#### Part One General

#### Article 15

- (1) Changes in capital investment can be implemented after receiving approval of Minister, governor, or regents/mayors In accordance to their authorities.
- (2) Changes in capital investment as intended in paragraph (1) consist of:
  - a. change of investment and financial source;
  - b. change of status of PMA companies to PMDN or from PMDN to PMA;
  - c. change in Articles of Association;
  - d. change of Board of Directors and Commissioners; and
  - e. change in shares ownership

#### Part Two Change of Investment and Financial Source

#### Article 16

- (1) Application for the change of investment and financial source as intended in Article 15 paragraph (2) sub-paragraph a shall be applied by Holders of IUP Exploration, IUPK Exploration, IUP Production Operation, IUPK Production Operation, IUP Production Operation special for processing and/or refining, or IUP Production Operation special for transportation and sales to:
  - a. Minister through Director General;
  - b. Governor, or
  - c. Regents/mayors,

In accordance to their authorities based on format as set out in Enclosure IA which is an inseparable part from this Minister's Regulation

- (2) Application for the change of investment and financial source as intended in paragraph (1) must attach:
  - a. base/reason of changes and source of financing
  - b. proof of fixed contribution payment settlement (*dead rent*) for holders of IUP Exploration, IUPK Exploration, IUP Production Operation, and IUPK Production Operation;
  - c. proof of contribution settlement on production for the last 2 (two) years for holders of IUP Production Operation and IUPK Production Operation;
  - d. proof of payment settlement on production contribution for Holders of IUP Exploration or IUPK Exploration which have temporary license to conduct transportation and sales, and Holder of IUP Production Operation special for processing and/or refining that make use of associated minerals;
  - e. Financial report of the last 2 (two) years which has been audited by a public accountant;
  - f. loan agreement document; and
  - g. copy of IUP Exploration, IUPK Exploration, IUP Production Operation, or IUPK Production Operation which have been registered at Directorate General and declared *clear and clean*.

#### Article 17

- (1) In the event that application to change investment and financial source as intended in Article 16 is complete, Director General, governor, or regents/mayors In accordance to their authorities to carry out research and evaluation.
- (2) Governor or regents/mayors In accordance to their authorities shall assign technical agency in provinces or technical agency in Regencies/Municipalities who is in charge of mineral and coal mining's to conduct research and evaluation.
- (3) Based on result of research and evaluation as intended in paragraph (1), minister, governor, or regents/mayors In accordance to their authorities shall determine to give approval or refuse the change of investment and financial source.
- (4) Granting or rejection of approval application for the change of investment and financial source as intended in paragraph (3) shall be determined within a maximum period of 14 (fourteen) working days from the day of application acceptance completely and correctly.
- (5) Provision on granting approval format for the change of investment and financial source as intended in paragraph (4) is attached in Attachment IB which is an inseparable part from the Minister's Regulation.

- (6) In the event that the application for a change of investment and financial source is rejected, the said rejection must be submitted in writing to applicant included the reason of rejection.

Part Three  
Change of Status of PMA Company to PMDN Company or  
from PMDN Company to PMA Company

Article 18

- (1) Application to change status from PMA Company to PMDN Company or from PMDN Company to PMA Company as intended in Article 15 paragraph (2) sub-paragraph b is submitted by Holders of IUP Exploration, IUPK Exploration, IUP Production Operation, IUPK Production Operation, IUP Production Operation special for processing and/or refining, or IUP Production Operation special for transportation and sales to Minister through Director General based on format as set out in Enclosures IIA and IIB, which are inseparable parts of this Minister's Regulation..
- (2) The change of status from PMDN Company to PMA Company for IUP Exploration and IUPK Exploration can be carried out only if the ownership of Foreign Capital is not more than 75% (seventy five percent).
- (3) The change of status from PMDN Company to PMA Company for IUP Production Operation and IUPK Production Operation can be carried out only if the ownership of Foreign Capital is not more than 49% (forty nine percent).
- (4) Application to change status from PMA Company to PMDN Company or PMDN Company to PMA Company as intended in paragraph (1) must include:
- a. base or reason of status change from PMA Company into PMDN Company or PMDN Company to PMA Company;
  - b. result of decision of Shareholders Meeting before set forth in notarial deed;
  - c. activities result report of feasibility study which proves that at least 2 (two) prospect areas have been found in Exploration activities for Holders of IUP Exploration or IUPK Exploration;
  - d. proof of payment settlement of fixed contribution (*dead rent*) during the last 2 (two) years for holders of IUP Exploration, IUPK Exploration, IUP Production Operation, and IUPK Production Operation;
  - e. proof of payment settlement of production contribution for the last 2 (two) years for Holders of IUP Production Operation and IUPK Production Operation;
  - f. proof of payment settlement of production contribution for Holders of IUP Exploration or IUPK Exploration which have temporary license to carry out transportation and sales, and Holders of IUP Production Operation special for processing and/or refining that utilize associated minerals;
  - g. financial report of the last 2 (two) Years which has been audited by a public accountant;

- h. sales and purchase plan;
- i. company's establishment deed of new shareholder candidates;
- j. Identity Card and Taxpayer's Registration Number for new shareholder candidates of Indonesian Citizens or passport for new shareholder candidates of Foreign Citizen if there is a change in shares ownership to an individual person;
- k. profile of new shareholder candidates;
- l. recommendation of governor and/or regents/mayors In accordance to their authorities for the change of company's status from PMDN into PMA for IUP which is issued by governor or regents/mayors; and
- m. copy of IUP Exploration, IUPK Exploration, IUP Production Operation, or IUPK Production Operation which have been registered at Directorate General and declared as *clear and clean*.

#### Article 19

- (1) In the event that application to change status from PMA Company to PMDN Company or from PMDN Company to PMA Company as intended in Article 18 is already complete, Director General shall make research and evaluation.
- (2) Based on the result of research and evaluation as intended in paragraph (1), Minister shall give a decision whether to accept or refuse approval for the change of company's status from PMA Company to PMDN Company or from PMDN Company to PMA Company.
- (3) Awarding or refusal of application for approving the change of status from PMA Company into PMDN Company or PMDN Company into PMA Company as intended in paragraph (2) shall be determined within a maximum period of 14 (fourteen) working days, calculated since the acceptance date of application which is complete and correct.
- (4) Provision of decision's format for giving approval on the change of status of PMA Company to PMDN Company or PMDN Company to PMA Company as intended in paragraph (3) set out in Enclosure IIE and Enclosure IID which become inseparable part of this Minister's Regulation.
- (5) In the event that application to change company's status from PMA Company to PMDN Company or PMDN Company to PMA Company is refused, such refusal must be conveyed in writing to applicant included with the reason of refusal.
- (6) Holders of IUP Exploration, IUPK Exploration, IUP Production Operation, IUPK Production Operation, IUP Production Operation special for processing and/or refining or IUP Production Operation special for transportation and sales are prohibited to convey application to change status from PMA Company to PMDN Company or PMDN Company to PMA Company to Coordination Board of Capital Investment (BKPM) before obtaining approval from Minister as intended in paragraph (2).

- (7) Holders of IUP Exploration, IUPK Exploration, IUP Production Operation, IUPK Production Operation, IUP Production Operation special for processing and/or refining, or IUP Production Operation special for transportation and sales that take violation as intended in paragraph (6) then should not be considered as a change in the status of PMA Company to PMDN Company or PMDN Company to PMA Company.

#### Article 20

Minister must inform governor or regents/mayors In accordance to their authorities after granting approval on the change of status of PMA Company to PMDN Company for WIUP which is located on cross-border of Regencies/Municipalities in 1 (one) province or within 1 (one) Regency/Municipality.

#### Article 21

- (1) In the event that of application to change status from PMDN Company to PMA Company has got approval from Coordinating Board of Capital Investment and ratification of Articles of Association from Ministry of Law and Human Resources, within maximum period of 1 (one) month after the ratification of Articles of Association, Holders of IUP Exploration, IUPK Exploration, IUP Production Operation, IUPK Production Operation, IUP Production Operation special for processing and/or refining or IUP Production Operation special for transportation and sales must submit copy of the said approval and ratification to Minister through Director General for processing change of status of IUP or IUPK.
- (2) In the event that application to change status from PMA Company to PMDN Company has got approval from Coordinating Board of Capital Investment and ratification of Articles of Association from Ministry of Law and Human Resources, within maximum period of 1 (one) month after the ratification of Articles of Association , Holders of IUP Exploration, IUPK Exploration, IUP Production Operation, IUPK Production Operation, IUP Production Operation special for processing and/or refining or IUP Production Operation special for transportation and sales, governor, regents/mayors In accordance to their authorities for processing the change of IUP status.
- (3) In the event that application to change status from PMA Company to PMDN Company has got approval from Coordinating Board of Capital Investment and ratification of Articles of Association from Ministry of Law and Human Resources, within maximum period of 1 (one) month after the ratification of Articles of Association, holders of IUPK Exploration and IUPK Production Operation must submit copy of the said approval and ratification to Minister through Director General to process the change of IUPK status.

#### Article 22

- (1) Minister shall submit IUP document in the context of status change from PMA Company to PMDN Company to governor or regents/mayors In accordance to their authorities to renew its IUP.
- (2) Governor or regents/mayors In accordance to their authorities shall submit the IUP document in frame of status change of PMDN Company to PMA Company to Minister through Director General to renew its IUP.

- (3) Minister, governor, or regents/mayors In accordance to their authorities must issue IUP in frame of status change of PMA Company to PMDN Company or PMDN Company to PMA Company as intended in paragraph (1) and paragraph (2).

Part Four  
Change of Articles of Association

Article 23

- (1) Application for the change of Articles of Association as intended in Article 15 paragraph (2) sub-paragraph c, submitted by holders of IUP Exploration, IUPK Exploration, IUP Production Operation, IUPK Production Operation, IUP Production Operation special for processing and/or refining, or IUP Production Operation special for transportation and sales to:

- a. Minister through Director General;
- b. governor; or
- c. regents/mayors,

In accordance to their authorities based on format as set out in Enclosure IIIA, which is an inseparable Part from this Minister's Regulation.

- (2) Change of Articles of Association as intended in paragraph (1), among others include:

- a. name and domicile of Limited Liability Company;
- b. authorized capital amount;
- c. issued capital and paid up capital; and/or
- d. status of non-publicly limited liability company to publicly limited liability company and vice versa.

- (3) Application for the change of Articles of Association as intended in paragraph (1) must include:

- a. Base or reason for the change of Articles of Association;
- b. result of General Meeting of Shareholders before set out in Notarial Deed;
- c. evidence of payment settlement of *dead rent* during the last 2 (two) years for holders of IUP Exploration, IUPK Exploration, IUP Production Operation, and IUPK Production Operation;
- d. evidence of payment settlement of production contribution for the last 2 (two) years for Holders of IUP Production Operation and IUPK Production Operation;
- e. evidence of payment settlement of production contribution for Holders of IUP Exploration or IUPK Exploration which have temporary license to



execute transportation and sales and Holders of IUP Production Operation special for processing and/or refining to utilize associated minerals;

- f. financial report of the last 2 (two) Years which has been audited by a public accountant;
- g. source and use of authorized capital improvement, issued capital and paid up capital for application to change Articles of Association as intended in paragraph (2) sub-paragraphs b and c;
- h. published prospectus to apply the change of Articles of Association as intended in paragraph (2) sub-paragraph d;
- i. report of feasibility study result which proves that at least 2 (two) prospect areas have been found in Exploration activities for Holders of IUP Exploration or IUPK Exploration to apply the change of Articles of Association as intended in paragraph (2) sub-paragraph d; and
- j. copy of IUP Exploration, IUPK Exploration, IUP Production Operation, or IUPK Production Operation which have been registered at Directorate General and declared as clear and clean.

#### Article 24

- (1) In the event that of application for the change of Articles of Association as intended in Article 23 is already complete, Director General, governor, or regents/mayors In accordance to their authorities shall conduct research and evaluation.
- (2) Governor or regents/mayors In accordance to their authorities shall assign technical department of provinces and regencies/municipalities which is in charge of mineral and coal mining to conduct research and evaluation.
- (3) Based on research and evaluation as intended in paragraph (1), Minister, governor, or regents/mayors In accordance to their authorities shall determine to grant or reject the approval for the change of Articles of Association.
- (4) Granting or rejection of approval for the change of Articles of Association as intended in paragraph (3) is determined within a maximum period of 14 (fourteen) working days, calculated since the acceptance date of application completely and correctly.
- (5) Provision regarding decision format for approval to change Articles of Association as intended in paragraph (4) which is set out in Enclosure 1VB as an integral part from this Minister's Regulation.
- (6) In the event that application for the change of Articles of Association is rejected the said rejection must be conveyed in writing to applicant with the reason of rejection.

#### Part Five Changes in Board of Directors and Commissioners

#### Article 25

- (1) Application for the changes in Board of Directors and Commissioners as intended in Article 15 paragraph (2) sub-paragraph d, is applied by Holders of IUP Exploration, IUPK Exploration, IUP Production Operation, IUPK Production Operation, IUP Production Operation special for processing and/or refining or IUP Production Operation special for transportation and sales to:

- a. Minister through Director General;
- b. governor, or
- c. regents/mayors,

In accordance to their authorities based on the format as listed in Enclosure IVA which is an inseparable part of this Minister's Regulation.

- (2) Application for the change of Board of Directors and Commissioners as intended in paragraph (1) must include:

- a. base or reason for the change of Board of Directors and Commissioners;
- b. result of decision of General Meeting of Shareholders before set out in Notarial Deed;
- c. latest document of Articles of Association;
- d. evidence of payment settlement of *dead rent* during the last 2 (two) years for holders of IUP Exploration, IUPK Exploration, IUP Production Operation, and IUPK Production Operation;
- e. evidence of payment settlement of production contribution for the last 2 (two) years for Holders of IUP Production Operation and IUPK Production Operation;
- f. evidence of payment settlement of production contribution for Holders of IUP Exploration or IUPK Exploration which have temporary license to execute transportation and sales and Holders of IUP Production Operation special for processing and/or refining to utilize associated minerals;
- g. financial report of the last 2 (two) Years which has been audited by a public accountant; and
- h. copy of IUP Exploration, IUPK Exploration, IUP Production Operation, or IUPK Production Operation which have been registered at Directorate General and declared as *clear and clean*.

#### Article 26

- (1) In the event that of application for the change of Board of Directors and Commissioners as intended in Article 25 is already complete, Director General, governor, or regents/mayors In accordance to their authorities shall conduct research and evaluation.

- (2) Governor or regents/mayors In accordance to their authorities shall assign technical department of provinces and regencies/municipalities which is in charge of mineral and coal mining to conduct research and evaluation.
- (3) Based on research and evaluation as intended in paragraph (1), Minister, governor, or regents/mayors In accordance to their authorities shall determine to grant or reject the approval to change Board of Directors and Commissioners.
- (4) Granting or rejection of approval for the change of Board of Directors and Commissioners as intended in paragraph (3) is determined within a maximum period of 14 (fourteen) working days, calculated since the acceptance date of application completely and correctly.
- (5) Provision regarding decision format for approval to change Board of Directors and Commissioners as intended in paragraph (4) which is set out in Enclosure IV B as an integral part from this Minister's Regulation.
- (6) In the event that application for the change of Board of Directors and Commissioners is rejected, the said rejection must be conveyed in writing to applicant with the reason of rejection

## Part Six Changes of Shares Ownership

### Article 27

- (1) Application for the changes of Shares Ownership as intended in Article 15 paragraph (2) sub-paragraph e, is applied by Holders of IUP Exploration, IUPK Exploration, IUP Production Operation, IUPK Production Operation, IUP Production Operation special for processing and/or refining or IUP Production Operation special for transportation and sales to:
  - a. Minister through Director General;
  - b. governor or,
  - c. regents/mayors,

In accordance to their authorities based on the format as listed in Enclosure VA which is an inseparable part of this Minister's Regulation.
- (2) Change of Shares Ownership of PMA to IUP Exploration and IUPK Exploration can be carried out only if the ownership of Foreign Capital is not more than 75% (seventy five percent).
- (3) Change of Shares Ownership of PMA to IUP Production Operation and IUPK Production Operation can be carried out only if the ownership of Foreign Capital is not more than 49% (forty nine percent).
- (4) Change of Shares Ownership as intended in paragraph (1) includes sales, merger and consolidation, taking over or split of shares carried out by Holders of IUP Exploration, IUPK Exploration, IUP Production Operation, IUPK Production Operation, IUP Production Operation special for processing and/or refining, or IUP Production Operation special for transportation and sales.

- (5) Application for the change of Shares Ownership as intended in paragraph (1) must include:
- a. base or reason for the change of Shares Ownership;
  - b. result of decision of General Meeting of Shareholders before set out in Notarial Deed;
  - c. activities result report of feasibility study which proves that at least 2 (two) prospect areas have been found in Exploration activities for Holders of IUP Exploration or IUPK Exploration
  - d. evidence of payment settlement of *dead rent* during the last 2 (two) years for holders of IUP Exploration, IUPK Exploration, IUP Production Operation, and IUPK Production Operation;
  - e. evidence of payment settlement of production contribution for the last 2 (two) years for Holders of IUP Production Operation and IUPK Production Operation;
  - f. evidence of payment settlement of production contribution for Holders of IUP Exploration or IUPK Exploration which have temporary license to execute transportation and sales and Holders of IUP Production Operation special for processing and/or refining to utilize associated minerals;
  - g. financial report of the last 2 (two) Years which has been audited by a public accountant;
  - h. sales and purchase of shares plan;
  - i. Company's establishment deed for the new shareholder candidates;
  - j. Identity Card and Taxpayer Registration Number of the new shareholder candidates of Indonesian Citizens or passport for the new shareholder candidates of Foreign Citizens if there is a change in shares ownership to individuals;
  - k. profile of new shareholder candidates; and
  - l. copy of IUP Exploration, IUPK Exploration, IUP Production Operation, or IUPK Production Operation which have been registered at Directorate General and declared as *clear and clean*

#### Article 28

- (1) In the event that of application for the change of Shares Ownership as intended in Article 27 is already complete, Director General, governor, or regents/mayors In accordance to their authorities shall conduct research and evaluation.
- (2) Governor or regents/mayors In accordance to their authorities shall assign technical department of provinces and regencies/municipalities which is in charge of mineral and coal mining to conduct research and evaluation.

- (3) Based on research and evaluation as intended in paragraph (1), Minister, governor, or regents/mayors In accordance to their authorities shall determine to grant or reject the approval to change Shares Ownership.
- (4) Granting or rejection of application to approve the change of Shares Ownership as intended in paragraph (3) is determined within a maximum period of 14 (fourteen) working days, calculated since the acceptance date of application completely and correctly.
- (5) Provision regarding decision format of approval to change Shares Ownership as intended in paragraph (4) which is set out in Enclosure V B as an integral part from this Minister's Regulation.
- (6) In the event that application for the change of Shares Ownership is rejected, the said rejection must be conveyed in writing to applicant with the reason of rejection

## Part Seven Follow up of Approval to Change Capital investment

### Article 29

Based on approval to change capital investment as intended in Article 17, Article 19, Article 24, Article 26, and Article 28, Holders of IUP Exploration, IUPK Exploration, IUP Production Operation, IUPK Production Operation, IUP Production Operation special for processing and/or refining or IUP Production Operation special for transportation and sales must submit application for the approval, ratification, recording, or other forms to Coordinating Board of Capital Investment and/or Ministry of Law and Human Rights in accordance with Laws and Regulations.

## CHAPTER IV ADMINISTRATIVE SANCTIONS

### Article 30

- (1) Holders of IUP Production Operation or IUPK Production Operation who alleged violation of the provisions as intended in Article 2 paragraph (1), paragraph (4), paragraph (5), paragraph (6), paragraph (8), or paragraph (9), Article 3, Article 4, Article 5, Article 7 paragraph (1), paragraph (4), paragraph (5), or paragraph (6), Article 8 paragraph (1), paragraph (4), paragraph (5), or paragraph (6), Article 9, Article 11 paragraph (1) or paragraph (2), Article 12, or Article 13 paragraph (1) and paragraph (2) or paragraph (3) shall be imposed with the following administrative sanctions:
  - (2) Administrative Sanction as intended in paragraph (1) in form of:
    - a. a written warning;
    - b. temporary termination of activities; or
    - c. revocation of IUP Production Operation or IUPK Production Operation.
  - (3) Administrative Sanction as intended in paragraph (2) is granted by the Minister.

#### Article 31

A written warning as intended in Article 30 paragraph (2) sub-paragraph a is given maximum 3 (three) times, with a period of each written warning a maximum of 1 (one) month.

#### Article 32

- (1) In the event that Holders of IUP Production Operation or IUPK Production Operation who receive a written warning sanction after the time of written warning sanction is expired as intended in Article 31 have not implemented their obligations, shall be imposed with administrative sanction in form of temporary termination of the activities as intended in Article 30 paragraph (2) sub-paragraph b.
- (2) Administrative Sanction in form of temporary termination as intended in paragraph (1) shall be imposed for maximum period of 2 (two) months.

#### Article 33

Administrative Sanction in form of revocation of IUP Production Operation or IUPK Production Operation as intended in Article 30 paragraph (2) sub-paragraph c, shall be imposed to Holders of IUP Production Operation or IUPK Production Operation who fail to conduct their obligations up to the expiry of period for imposing sanction of temporary termination as intended in Article 32 paragraph (2).

### CHAPTER V TRANSITIONAL PROVISION

#### Article 34

- (1) Holders of IUP Exploration and IUP Production Operation who have implemented the change of status to PMA with shares ownership of Foreign Capital more than 49% (forty nine percent) before this Minister's regulation is put into force, shall be still imposed with shares divestment obligation in accordance with the provision of this Minister's Regulation.
- (2) Holders of IUP Exploration and IUP Production Operation who have implemented the change of status to PMA with shares ownership of Foreign Capital more than 49% (forty nine percent) as intended in paragraph (1) may not add total of shares ownership of Foreign Capital up to the imposition of shares divestment obligation in accordance with the provision in this Minister's Regulation.

#### Article 35

Governor or regents/mayors In accordance to their authorities must submit the documents of IVP Exploration, IUP Production Operation, IVP Production Operation special for transportation and sales or IVP Production Operation special for processing and/or refining in frame of PMA issuance before the validity of this Minister's Regulation to Minister with a period of 1 (one) year at latest since the validity of this Minister's Regulation to renew its IVP by Minister in accordance with the provision in this Minister's Regulation.

#### Article 36

- (1) Application for the changes in status of PMA Company to PMDN Company or PMDN Company to PMA Company submitted by Holders of IUP Exploration, IUP Production Operation, IUP Production Operation special for transportation and sales, or IUP Production Operation special for processing and/or refining before the effectiveness of this Minister's Regulation must be processed in accordance with the provision in this Minister's Regulation.
- (2) Governor or regents/mayors must submit application documents to change the company's status from PMA to PMDN or PMDN to PMA as intended in paragraph (1) to Minister not later than 6 (six) months since the validity of this Minister's Regulation to renew its IVP by the Minister in accordance with the provision in this Minister's Regulation.

#### Article 37

Application of Holders of IUP Exploration, IUP Production Operation, IUP Production Operation special for transportation and sales, or IUP Production Operation special for processing and/or refining on the change of investment and financial source, change of Articles of Association and/or change in the Board of Directors and Commissioners which has been submitted before the stipulation of this Minister's Regulation must be processed in accordance with the provisions in this Minister's Regulation.

#### Article 38

At the time this Minister's Regulation is put into force, procedures and stipulation of shares divestment price effective for the Holders of Work Contract and Work Agreement of Coal Mining Business Work must follow the provisions in this Minister's Regulation.

### CHAPTER VI CLOSING PROVISION

#### Article 39

This Minister's Regulation starts into effect from the date of promulgation.

For public cognizance this Minister's Regulation shall be promulgated by publishing it in the Official Gazette of the Republic of Indonesia.

Stipulated in Jakarta  
On 13 September 2013

THE MINISTER OF ENERGY AND MINERAL RESOURCES

Signed

JERO WACIK

Promulgated in Jakarta  
On 13 September 2013

THE MINISTER OF LAW AND HUMAN RIGHTS OF THE REPUBLIC OF INDONESIA,



Signed

AMIR SYAMSUDIN

OFFICIAL GAZETTE OF THE REPUBLIC OF INDONESIA, YEAR 2013 NUMBER 1122

Issued as a true copy  
MINISTRY OF ENERGY AND MINERAL RESOURCES  
Head of Legal Bureau and Public Relation

Signed and stamp

Susyanto

-----  
Note

ATTACHMENT IA  
REGULATION OF MINISTER OF ENERGY AND MINERAL RESOURCES OF THE  
REPUBLIC OF INDONESIA  
NUMBER 27 YEAR 2013  
REGARDING  
PROCEDURES AND DETERMINATION OF SHARES DIVESTMENT PRICE,  
INCLUDING THE CHANGES IN CAPITAL INVESTMENT OF COAL AND MINERAL  
MININGS SECTOR

APPLICATION FORMAT  
OF THE CHANGES IN INVESTMENT AND FINANCIAL SOURCE  
(COMPANY'S LETTER HEAD)

Number : Date...  
Subject : Application for the Approval of Changes in Investment and Financial  
Source of PT "X"

Dear Sir,

\* Minister of Energy and Mineral Resources c.q Director General of Mineral and Coal  
Mining;  
\* Governor; or  
\* Regents/Mayors;  
in  
.....

In relating to the implementation of Changes in Investment and Financial Source of PT  
"X" we hereby ask your approval to make changes in Investment and Financial Source,  
so as its composition becomes as follows:

DESCRIPTION	BEFORE	TO
	VALUE (IDR/USD)	VALUE (IDR/USD)

Type of Investment		
1. ....	.....	.....
2. ....	.....	.....
Total		
Financing Source:		
1. Self capital	.....	.....
2. Loan	.....	.....
• Domestic	.....	.....
• Foreign	.....	.....

As consideration, we attach hereby documents which are related with said matter, as follow:

1. Base or reason for the change of financial source;
2. Evidence of payment settlement of *dead rent* for the holders of IUP Exploration, IUPK Exploration, IUP Production Operation, and IUPK Production Operation;
3. Evidence of payment settlement of production contribution for the last 2 (two) years for Holders of IUP Production Operation and IUPK Production Operation;
4. Evidence of payment settlement of production contribution for Holders of IUP Exploration or IUPK Exploration which have temporary license to execute transportation and sales and Holders of IUP Production Operation special for processing and/or refining in utilizing associated minerals;
5. Financial report of the last 2 (two) Years which has been audited by a public accountant;
6. Loan agreement document; and
7. Copy of IUP Exploration, IUPK Exploration, IUP Production Operation, or IUPK Production Operation which have been registered at Directorate General and declared as *clear and clean*.

Please be acknowledged and thank you for the attention of Minister/Governor/ Regents/Mayors\*.

Applicant,  
 -----)  
 Full Name, Signature, Position,  
 Company's Stamp

Note:

\* In accordance with the authorities

ATTACHMENT IB  
 REGULATION OF MINISTER OF ENERGY AND MINERAL RESOURCES  
 OF THE REPUBLIC OF INDONESIA  
 NUMBER 27 YEAR 2013  
 REGARDING

PROCEDURES AND DETERMINATION OF SHARES DIVESTMENT PRICE,  
INCLUDING CHANGES IN CAPITAL INVESTMENT OF COAL AND MINERAL  
MININGS SECTOR

APPROVAL FORMAT  
FOR THE CHANGES IN INVESTMENT AND FINANCIAL SOURCES

Number : Date:  
Nature :  
Attachment :  
Subject : Approval for the Changes in Investment and Financial Source

To whom it may concern,  
Board of Directors of PT "X"  
At  
.....

In relating to your letter Number ... dated ... of the captioned above, we hereby would like to inform you the following matters:

1. We approve the changes of Investment and Financial Source in accordance with IUP or IUPK Number ... dated ....
2. With the changes of Investment and Financial Source, the composition becomes as follows:

DESCRIPTION	BEFORE	TO
	VALUE (IDR/USD)	VALUE (IDR/USD)
Type of Investment		
1. ....	.....	.....
2. ....	.....	.....
Total		
Financial Source:		
1. Self Capital	.....	.....
2. Loan	.....	.....
• Domestic	.....	.....
• Foreign	.....	.....

Thank you for your kind attention.

Minister of Energy and Mineral Resources  
Mineral/ Governor / Regents/Mayors\*,

(.....)

Copies to:

1. Minister of Finance
2. Minister of Law and Human Rights
3. Chairman of Coordinating Board of Capital Investment
4. Director General of Coal and Mineral Mining

5. Director General of Tax, Ministry of Finance
6. Governor /Regents/Mayors\*

Note:

\* In accordance to their authorities

THE MINISTER OF ENERGY AND MINERAL RESOURCES OF THE REPUBLIC OF INDONESIA,

Signed

JEROWACIK

Issued as a true copy  
MINISTRY OF ENERGY AND MINERAL RESOURCES  
Head of Legal Bureau and Public Relations

Signed

Susyanto

ATTACHMENT IIA  
REGULATION OF MINISTER OF ENERGY AND MINERAL RESOURCES  
REPUBLIC OF INDONESIA  
NUMBER 27 YEAR 2013  
REGARDING  
PROCEDURES AND DETERMINATION OF SHARES DIVESTMENT PRICE,  
INCLUDING CHANGES IN CAPITAL INVESTMENT OF COAL AND MINERAL  
MININGS SECTOR

APPLICATION FORMAT  
CHANGES OF COMPANY'S STATUS FROM PMA TO PMDN  
(COMPANY'S LETTER HEAD)

Number : \_\_\_\_\_ Date ...  
Subject : Application for the Changes of Company's Status from PMA to PMDN

Dear Sir,  
Minister of Energy and Mineral Resources  
c.q Director General of Mineral and Coal Mining  
in  
Jakarta

In relating to the plan of foreign shares transfer to national company, in accordance with the result of General Meeting of Shareholders of PT "X", we hereby ask your approval to Change the Status of PMA Company to PMDN Company.

With said changes, the ownership composition of Shares, Board of Directors and Commissioners shall become as follow:

DESCRIPTION	COUNTRY/ NAME	BEFORE	TO
-------------	------------------	--------	----

		VALUE (IDR/USD)	%	VALUE (IDR/USD)	%
Shareholders:					
1. ....	.....	.....	.....	.....	.....
2. ....	.....	.....	.....	.....	.....
Total			100%		100%
		NAME		NAME	
Structure of Board of Directors:					
President Director		1. ....		1. ....	
Director		2. ....		2. ....	
Structure of Board of Commissioners:					
President Commissioner					
Commissioners		1. ....		1. ....	
		2. ....		2. ....	

As consideration, we hereby attach documents in relating to said matter as follows:

1. Base or reason for the change of company's status from PMA to PMDN;
2. Result of General Meeting of Shareholders before set out in Notarial Deed;
3. Activities result report of feasibility study which proves that at least 2 (two) prospect areas have been found in Exploration activities for Holders of IUP Exploration or IUPK Exploration;
4. Proof of payment settlement of fixed contribution (*dead rent*) during the last 2 (two) years for holders of IUP Exploration, IUPK Exploration, IUP Production Operation, and IUPK Production Operation;
5. Proof of payment settlement of production contribution for the last 2 (two) years for Holders of IUP Production Operation and IUPK Production Operation;
6. Proof of payment settlement of production contribution for Holders of IUP Exploration or IUPK Exploration which have temporary license to carry out transportation and sales, and Holders of IUP Production Operation special for processing and/or refining that utilize associated minerals;
7. Financial report of the last 2 (two) Years which has been audited by a public accountant;
8. Sales and purchase plan;
9. Company's establishment deed of new shareholder candidates
10. Identity Card and Taxpayer's Registration Number for new shareholder candidates of Indonesian Citizens or passport for new shareholder candidates of Foreign Citizen if there is a change in shares ownership to an individual person;
11. Profile of new shareholder candidates; and

12. Copies of IUP Exploration, IUPK Exploration, IUP Production Operation, or IUPK Production Operation which have been registered at Directorate General and declared as *clear and clean*.

Please be acknowledged, and we thank the Minister for his attention.

Applicant,

(-----)

Full name, Signature, Position,  
Company's stamp

ATTACHMENT IIB  
REGULATION OF MINISTER OF ENERGY AND MINERAL RESOURCES  
OF THE REPUBLIC OF INDONESIA  
NUMBER 27 YEAR 2013  
REGARDING  
PROCEDURES AND DETERMINATION OF SHARES DIVESTMENT PRICE,  
INCLUDING CHANGES OF CAPITAL INVESTMENT IN COAL AND MINERAL  
MININGS SECTOR

APPLICATION FORMAT  
CHANGES IN COMPANY'S STATUS FROM PMDN TO PMA  
(COMPANY'S LETTER HEAD)

Number \_\_\_\_\_ Date ....  
Subject : Application for the Change of Status from PMDN Company to PMA Company

Dear Sir,  
Minister of Energy and Mineral Resources  
c.q. Director General of Mineral and Coal Mining  
in  
Jakarta

In relating to national shares transfer to foreign company, in accordance with the result of General Meeting of Shareholders of PT "X", we hereby ask your approval for the Change of Status from PMDN Company to PMA Company.

By the said change, composition of Shares Ownership, Board of Directors and Commissioners become as follow:

DESCRIPTION	COUNTRY /NAME	BEFORE		TO	
		VALUE (IDR/USD)	%	VALUE (IDR/USD)	%
Shareholders:					
1. ....	.....	.....	.....	.....	.....
2. ....	.....	.....	.....	.....	.....
Total			100%		100%

	NAME	NAME
Structure of Board of Directors: President Director Director	1. .... 2. ....	1. .... 2. ....
Structure of Board of Commissioners: President Commissioner Commissioners:	1. .... 2. ....	1. .... 2. ....

As consideration, we hereby attach documents in relating to said matter as follows:

1. Base or reason for the change of company's status from PMDN to PMA;
2. Result of General Meeting of Shareholders before set out in Notarial Deed;
3. Activities result report of feasibility study which proves that at least 2 (two) prospect areas have been found in Exploration activities for Holders of IUP Exploration or IUPK Exploration;
4. Proof of payment settlement of fixed contribution (*dead rent*) during the last 2 (two) years for holders of IUP Exploration, IUPK Exploration, IUP Production Operation, and IUPK Production Operation;
5. Proof of payment settlement of production contribution for the last 2 (two) years for Holders of IUP Production Operation and IUPK Production Operation;
6. Proof of payment settlement of production contribution for Holders of IUP Exploration or IUPK Exploration which have temporary license to carry out transportation and sales, and Holders of IUP Production Operation special for processing and/or refining that utilize associated minerals;
7. Financial report of the last 2 (two) Years which has been audited by a public accountant;
8. Sales and purchase plan;
9. Company's establishment deed of new shareholder candidates
10. Identity Card and Taxpayer's Registration Number for new shareholder candidates of Indonesian Citizens or passport for new shareholder candidates of Foreign Citizen if there is a change in shares ownership to an individual person;
11. Profile of new shareholder candidates;
12. Recommendation from governor and/or regents/mayors In accordance to their authorities for the change of status from PMDN Company to PMA Company for IUP issued by governor or regents/mayors; and
13. Copies of IUP Exploration, IUPK Exploration, IUP Production Operation, or IUPK Production Operation which have been registered at Directorate General and declared as *clear and clean*.



Please be acknowledged, and we thank the Minister for his attention.

Applicant,

(-----)

Full name, Signature, Position,  
Company's stamp

ATTACHMENT IIC  
REGULATION OF MINISTER OF ENERGY AND MINERAL RESOURCES  
REPUBLIC OF INDONESIA  
NUMBER 27 YEAR 2013  
REGARDING  
PROCEDURES AND DETERMINATION OF SHARES DIVESTMENT PRICE,  
INCLUDING THE CHANGE OF CAPITAL INVESTMENT IN COAL AND MINERAL  
MININGS SECTOR

APPROVAL FORMAT  
THE CHANGE OF COMPANY'S STATUS FROM PMA TO PMDN COMPANY

Number : Date ....  
Feature :  
Enclosure:  
Subject : Approval for the Change of Status from PMA Company to PMDN Company

Dear Sir,  
Management of PT"X"  
In

In relating to your letter Number... dated ... of the captioned above, we hereby would like to inform you the followings:

1. We can approve the Change of Status from PMA Company to PMDN Company in accordance with IUP or IUPK Number ... dated ...
2. With the Change of Status from PMA Company to PMDN Company, the composition will be as follows:

DESCRIPTION	COUNTRY/ NAME	BEFORE		TO	
		VALUE (IDR/USD)	%	VALUE (IDR/USD)	%
Shareholders:					
1. ....	.....	.....	.....	.....	.....
2. ....	.....	.....	.....	.....	...
Total			100%		100%
		NAME		NAME	
Structure of Board of Directors:					
President Director					

Director	1. .... 2. ....	1. .... 2. ....
Structure of Board of Commissioners: President Commissioner Commissioners:	1. .... 2. ....	1. .... 2. ....

Thank you for your kind attention,

Minister of Energy and Mineral Resources,

(.....)

Copies to:

1. Minister of Finance
2. Minister of Law and Human Rights
3. Chairman of Coordinating Board of Capital Investment
4. Director General of Mineral and Coal Mining
5. Director General of Tax, Ministry of Finance
6. Governors /Regents/Mayors\*

Note:

\* In accordance to their authorities

ATTACHMENT IID  
REGULATION MINISTER OF ENERGY AND MINERAL RESOURCES OF THE  
REPUBLIC OF INDONESIA  
NUMBER 27 YEAR 2013  
REGARDING  
PROCEDURES AND DETERMINATION OF SHARES DIVESTMENT PRICE,  
INCLUDING THE CHANGE IN CAPITAL INVESTMENT OF COAL AND MINERAL  
MININGS SECTOR

APPROVAL FORMAT  
THE CHANGE OF COMPANY'S STATUS FROM PMDN TO PMA

Number : Date ....  
Feature :  
Enclosure :  
Subject : Approval for the Change of Status from PMDN Company to PMA  
Company

Dear Sir,  
Management of PT"X"  
In  
.....

In relating to your letter Number... dated ... of the captioned above, we hereby would like to inform you the followings:

1. We can approve the Change of Status from PMDN Company to PMA Company in accordance with IUP or IUPK Number ... dated ...

2. With the Change of Status from PMDN Company to PMA Company, the composition will be as follows:

DESCRIPTION	COUNTRY/ NAME	BEFORE		TO	
		VALUE (IDR/USD)	%	VALUE (IDR/USD)	%
Shareholders:					
1. ....	.....	.....	.....	.....	.....
2. ....	.....	.....	.....	.....	.....
Total			100%		100%
		NAME		NAME	
Structure of Board of Directors:					
President Director					
Director		1. ....		1. ....	
		2. ....		2. ....	
Structure of Board of Commissioners:					
President Commissioner					
Commissioners:		1. ....		1. ....	
		2. ....		2. ....	

Thank you for your kind attention,

Minister of Energy and Mineral Resources,

(.....)

Copies to:

1. Minister of Finance
2. Minister of Law and Human Rights
3. Chairman of Coordinating Board of Capital Investment
4. Director General of Mineral and Coal Mining
5. Director General of Tax, Ministry of Finance
6. Governors /Regents/Mayors\*

Note:

\* In accordance to their authorities

The Minister of Energy and Mineral Resources Republic of Indonesia,

Signed

JERO WACIK

Issued as a true copy

MINISTRY OF ENERGY AND MINERAL RESOURCES

Head of Legal Bureau and Human Rights

Signed

Susyanto

ATTACHMENT IIIA  
REGULATION OF MINISTER OF ENERGY AND MINERAL RESOURCES OF THE  
REPUBLIC OF INDONESIA  
NUMBER 27 YEAR 2013  
REGARDING  
PROCEDURES AND SHARES DIVESTMENT PRICE, INCLUDING THE CHANGE IN  
CAPITAL INVESTMENT OF COAL AND MINERAL MININGS SECTOR

APPROVAL FORMAT  
THE CHANGE OF ARTICLES OF ASSOCIATION  
(COMPANY'S LETTER HEAD)

Number :

Date...

Subject : Application for the Approval of the Changes in Articles of Association of PT  
"X"

To whom it may concern,

- \* Minister of Energy and Mineral Resources c.q. Director General of Mineral and Coal Mining;
- \* Governor; or
- \* Regents/Mayors;

In

.....

In relating to the implementation of the Changes in Articles of Association of PT "X" we hereby would like to ask your approval for the Changes in Articles of Association, so as the composition becomes as follows:

DESCRIPTION	BEFORE	TO
Name of Company		

DESCRIPTION	BEFORE		TO	
	VALUE (IDR/US\$)	SHARES (paper)	VALUE (IDR/US\$)	SHARES (paper)
Authorized Capital	-	-	-	-
Paid up and Issued Capital	-	-	-	-
Saving capital	-	-	-	-

DESCRIPTI ON	BEFORE				TO			
	SHARES (paper)	VALUE		%	SHARES (paper)	VALUE		%
		IDR	US\$			IDR	US\$	
Shareholders	-							
- .....	-	-	-	-	-	-	-	-

- .....	-	-	-	-	-	-	-	-
TOTAL	-	-	-	100	-	-	-	100

As consideration, we hereby attach documents in relating to said matter as follows:

1. Base or reason for the change of Articles of Association;
2. Result of General Meeting of Shareholders before set out in Notarial Deed;
3. Proof of payment settlement of fixed contribution (*dead rent*) during the last 2 (two) years for holders of IUP Exploration, IUPK Exploration, IUP Production Operation, and IUPK Production Operation;
4. Proof of payment settlement of production contribution for the last 2 (two) years for Holders of IUP Production Operation and IUPK Production Operation;
5. Proof of payment settlement of production contribution for Holders of IUP Exploration or IUPK Exploration which have temporary license to carry out transportation and sales, and Holders of IUP Production Operation special for processing and/or refining that utilize associated minerals;
6. Financial report of the last 2 (two) Years which has been audited by a public accountant;
7. Source and utilization to increase authorized capital, paid up capital and issued capital to apply Changes in Articles of Association which are related with the change of amount of authorized capital, paid up capital and issued capital;
8. Prospectus which is published to apply changes of Articles of Association in form of changes of status of non-publicly listed Company to publicly listed Company and vice versa;
9. Report of activities result of feasibility study which proves that at least 2 (two) prospect areas have been found in Exploration activities for Holders of IUP Exploration or IUPK Exploration for the application of Changes of Articles of Association in form of non-publicly listed Company to publicly listed Company and vice versa; and
10. Copies of IUP Exploration, IUPK Exploration, IUP Production Operation, or IUPK Production Operation which have been registered at Directorate General and declared as *clear and clean*

Please be acknowledged, and we thank the Minister/Governor/Regents/Mayors for his/her/their attention.

Applicant,

(-----)

Full name, Signature, Position,  
Company's stamp

Note:

\* In accordance to their authorities

ATTACHMENT IIIB  
REGULATION OF MINISTER OF ENERGY AND MINERAL RESOURCES  
OF THE REPUBLIC OF INDONESIA  
NUMBER 27 YEAR 2013  
REGARDING  
PROCEDURES AND DETERMINATION OF SHARES DIVESTMENT PRICE,  
INCLUDING THE CHANGES OF CAPITAL INVESTMENT IN COAL AND MINERAL  
MININGS SECTOR

APPROVAL FORMAT  
THE CHANGE OF ARTICLES OF ASSOCIATION

Number : Date ...  
Nature :  
Enclosure :  
Subject : Approval for the changes of Articles of Association

To whom it may concern,  
Management of PT "X"  
In  
.....

In relating to your letter Number... dated ... of the captioned above, we hereby would like to inform you the followings:

1. We can approve the Change of Articles of Association in accordance with IUP or IUPK Number ... dated ...
2. With the Change of Articles of Association, the composition will be as follows:

DESCRIPTION	BEFORE	TO
Name of Company		

DESCRIPTION	BEFORE		TO	
	VALUE (IDR/US\$)	SHARES (paper)	VALUE (IDR/US\$)	SHARES (paper)
Authorized Capital	-	-	-	-
Paid up and Issued Capital	-	-	-	-
Saving capital	-	-	-	-

DESCRIPTI ON	BEFORE				TO			
	SHARES (paper)	VALUE		%	SHARES (paper)	VALUE		%
		IDR	US\$			IDR	US\$	
Shareholders	-							
- .....	-	-	-	-	-	-	-	-
- .....	-	-	-	-	-	-	-	-
TOTAL	-	-	-	100	-	-	-	100

Thank you for your kind attention.

Minister of Energy and Mineral Resources/  
Governors/ Regents/Mayors\*,

(.....)

Copies to:

1. Minister of Finance
2. Minister of Law and Human Rights
3. Chairman of Coordinating Board of Capital Investment
4. Director General of Mineral and Coal Mining
5. Director General of Tax, Ministry of Finance
6. Governors /Regents/Mayors\*

Note:

\* In accordance to their authorities

THE MINISTER OF ENERGY AND MINERAL RESOURCES REPUBLIC OF  
INDONESIA,

Signed

JERO WACIK

Issued as a true copy  
MINISTRY OF ENERGY AND MINERAL RESOURCES  
Head of Legal Bureau and Human Rights

Signed and Company's Stamp

Susyanto

ATTACHMENT IVA  
REGULATION OF MINISTER OF ENERGY AND MINERAL RESOURCES OF THE  
REPUBLIC OF INDONESIA  
NUMBER 27 YEAR 2013  
REGARDING  
PROCEDURES AND DETERMINATION OF SHARES DIVESTMENT PRICE,  
INCLUDING THE CHANGE IN CAPITAL INVESTMENT OF COAL AND MINERAL  
MININGS SECTOR

FORMAT OF APPLICATION  
FOR THE CHANGE OF BOARD OF DIRECTORS AND COMMISSIONERS  
(COMPANY'S LETTER HEAD)

Number :  
Subject : Changes in Board of Directors and Commissioners

Date ...



To whom it may concern,

\* Minister of Energy and Mineral Resources c.q. Director General of Coal and Mineral;

\* Governors; or

\* Regents/Mayors;

In

.....

In relating to the Result of General Meeting of Shareholders of PT "X" on ... , we hereby ask your approval for the Changes in Board of Directors and Commissioners in accordance with following composition:

DESCRIPTION	NAME	
	BEFORE	TO
Board of Directors: President Director Director	..... .....	..... .....
Board of Commissioners President Commissioners Commissioners	..... .....	..... .....

As consideration, we hereby attach documents in relating to said matter as follows:

1. Base or reason for the change of Board of Directors and Commissioners;
2. Result of General Meeting of Shareholders before set out in Notarial Deed;
3. The latest Articles of Association document;
4. Proof of payment settlement of fixed contribution (*dead rent*) for the last 2 (two) years for Holders of IUP Exploration, IUPK Exploration, IUP Production Operation, and IUPK Production Operation;
5. Proof of payment settlement of production contribution for the last 2 (two) years for Holders of IUP Production Operation and IUPK Production Operation;
6. Proof of payment settlement of production contribution for Holders of IUP Exploration or IUPK Exploration which have temporary license to carry out transportation and sales, and Holders of IUP Production Operation special for processing and/or refining that utilize associated minerals;
7. Financial report of the last 2 (two) Years which has been audited by a public accountant;
8. Copies of IUP Exploration, IUPK Exploration, IUP Production Operation, or IUPK Production Operation which have been registered at Directorate General and declared as *clear and clean*

Please be acknowledged, and we thank the Minister/Governor/Regents/Mayors for his/her/their attention.

Applicant,

(-----)  
Full name, Signature, Position,  
Company's stamp

Note:

\* In accordance to their authorities

ATTACHMENT IVB  
REGULATION OF MINISTER OF ENERGY AND MINERAL RESOURCES OF THE  
REPUBLIC OF INDONESIA  
NUMBER 27 YEAR 2013  
REGARDING  
PROCEDURES AND DETERMINATION OF SHARES DIVESTMENT PRICE,  
INCLUDING THE CHANGE IN CAPITAL INVESTMENT OF COAL AND MINERAL  
MININGS SECTOR

APPROVAL FORMAT  
FOR THE CHANGE OF BOARD OF DIRECTORS AND COMMISISONERS

Number : Date ...  
Nature :  
Enclosure :  
Subject : Approval for the Changes of Board of Directors and Commissioners

To whom it may concern,  
Management of PT "X"  
In  
.....

In relating to your letter Number... dated ... of the captioned above, we hereby would like to inform you the followings:

1. We can approve the Change of Board of Directors and Commissioners in accordance with IUP or IUPK Number ... dated ...
2. With the Change of Board of Directors and Commissioners, the composition will be as follows:

DESCRIPTION	NAME	
	BEFORE	TO
Board of Directors: President Director Director	.....	.....
	.....	.....
Board of Commissioners President Commissioners Commissioners	.....	.....
	.....	.....

Thank you for your kind attention,

Minister of Energy and Mineral Resources/  
Governor/ Regents/Mayors\*

(.....)

Copies to:

1. Minister of Finance
2. Minister of Law and Human Rights
3. Chairman of Coordinating Board of Capital Investment
4. Director General of Mineral and Coal Mining
5. Director General of Tax, Ministry of Finance
6. Governors /Regents/Mayors\*

Note:

\* In accordance to their authorities

THE MINISTER OF ENERGY AND MINERAL RESOURCES REPUBLIC OF  
INDONESIA,

Signed

JERO WACIK

Issued as a true copy  
MINISTRY OF ENERGY AND MINERAL RESOURCES  
Head of Legal Bureau and Human Rights

Signed and Company's Stamp

Susyanto

ATTACHMENT VA  
REGULATION OF MINISTER OF ENERGY AND MINERAL RESOURCES OF THE  
REPUBLIC OF INDONESIA  
NUMBER 27 YEAR 2013  
REGARDING  
PROCEDURES AND DETERMINATION OF SHARES DIVESTMENT PRICE,  
INCLUDING THE CHANGE IN CAPITAL INVESTMENT OF COAL AND MINERAL  
MININGS SECTOR

FORMAT OF APPLICATION  
FOR THE CHANGE OF SHARES OWNERSHIP  
(COMPANY'S LETTER HEAD)

Number :

Date...

Subject : Application for the Changes of Shares Ownership of PT "X"

To whom it may concern,

- \* Minister of Energy and Mineral Resources c.q. Director General of Mineral and Coal Mining;
- \* Governor; or
- \* Regents/Mayors;

In

.....

In relating to the implementation of Shares Ownership Transfer of PT "X" we hereby ask your approval to make changes in Shares Ownership, so as its composition becomes as follows:

DESCRIPTION	BEFORE		TO	
	(IDR/USD)	%	(IDR/USD)	%
Shareholders::				
1 .....	.....	.....	.....	.....
2. ....	.....	.....	.....	.....
3. ....	.....	.....	.....	.....
Total	.....	100%	.....	100%

As consideration, we hereby attach documents in relating to said matter as follows:

1. Base or reason for the changes of shares ownership;
2. Result of General Meeting of Shareholders before set out in Notarial Deed;
3. Report of activities result of feasibility study which proves that at least 2 (two) prospect areas have been found in Exploration activities for Holders of IUP Exploration or IUPK Exploration;
4. Proof of payment settlement of fixed contribution (*dead rent*) during the last 2 (two) years for holders of IUP Exploration, IUPK Exploration, IUP Production Operation, and IUPK Production Operation;
5. Proof of payment settlement of production contribution for the last 2 (two) years for Holders of IUP Production Operation and IUPK Production Operation;
6. Proof of payment settlement of production contribution for Holders of IUP Exploration or IUPK Exploration which have temporary license to carry out transportation and sales, and Holders of IUP Production Operation special for processing and/or refining that utilize associated minerals;
7. Financial report of the last 2 (two) Years which has been audited by a public accountant;
8. Sales and purchase plan;
9. Company's establishment deed of new shareholder candidates
10. Identity Card and Taxpayer's Registration Number for new shareholder candidates of Indonesian Citizens or passport for new shareholder candidates of Foreign Citizen if there is a change in shares ownership to an individual person;

11. Profile of new shareholder candidates;
12. Copies of IUP Exploration, IUPK Exploration, IUP Production Operation, or IUPK Production Operation which have been registered at Directorate General and declared as *clear and clean*.

Please be acknowledged, and we thank the Director General/Governors/Regents/Mayors for his/her/their attention.

Applicant,

(-----)  
Full name, Signature, Position,  
Company's stamp

Note:

\* In accordance to their authorities

ATTACHMENT VB  
REGULATION OF MINISTER OF ENERGY AND MINERAL RESOURCES OF THE  
REPUBLIC OF INDONESIA  
NUMBER 27 YEAR 2013  
REGARDING  
PROCEDURES AND DETERMINATION OF SHARES DIVESTMENT PRICE,  
INCLUDING THE CHANGE IN CAPITAL INVESTMENT OF COAL AND MINERAL  
MININGS SECTOR

APPROVAL FORMAT  
FOR THE CHANGE OF SHARES OWNERSHIP

Number : \_\_\_\_\_ Date...  
Nature:  
Subject: Application for the Changes of Shares Ownership

To whom it may concern,  
Management of PT "X"  
In  
.....

In relating to your letter Number... dated ... of the captioned above, we hereby would like to inform you the followings:

1. We can approve the Change of Shares Ownership in accordance with IUP or IUPK Number ... dated ...
2. With the Change of Shares Ownership, the composition becomes as follows:

DESCRIPTION	BEFORE		TO	
	(IDR/USD)	%	(IDR/USD)	%
Shareholders::				
1 .....	.....	.....	.....	.....
2. ....	.....	.....	.....	.....
3. ....	.....	.....	.....	.....
Total	.....	100%	.....	100%

Thank you for your kind attention.

Minister of Energy and Mineral Resources/  
Governor/ Regents/Mayors\*

(.....)

Copies to:

1. Minister of Finance
2. Minister of Law and Human Rights
3. Chairman of Coordinating Board of Capital Investment
4. Director General of Mineral and Coal Mining
5. Director General of Tax, Ministry of Finance
6. Governors /Regents/Mayors\*

Note:

\* In accordance to their authorities

THE MINISTER OF ENERGY AND MINERAL RESOURCES REPUBLIC OF  
INDONESIA,

Signed

JERO WACIK

Issued as a true copy  
MINISTRY OF ENERGY AND MINERAL RESOURCES  
Head of Legal Bureau and Human Rights

Signed and Company's Stamp

Susyanto

Source: LOOSE LEAF REGULATION OF THE MINISTER OF ENERGY AND  
MINERAL RESOURCES YEAR 2013