

Media Update

15 September 2022

Freeport Earns Recognition for Realized Investment in East Java

Surabaya - PT Freeport Indonesia (PTFI) has received First Rank recognition from East Java for Realized Investment Achievement under the Foreign Investment category. A certificate of merit was personally presented by East Java Governor Khofifah Indar Parawangsa to PTFI Deputy President Director Jenpino Ngabdi during the East Java Investment Week 2022 sequence of events in Surabaya (14/9).

The recognition is attributable to PTFI investment in building a new smelter in the JIPE Special Economic Zone (KEK) in Gresik, East Java for a total amount of approximately Rp 43 trillion. The new smelter will have a capacity of 1.7 million DMT of copper concentrate per year, and will be PTFI's second smelter, with the first smelter built in 1996 in conjunction with Mitsubishi to establish the company PT Smelting.

PTFI President Director Tony Wenas says smelter construction progress as of late July 2022 had achieved 36.2 percent of the target, with investment spent amounting to USD 1.2 billion. By the end of 2022, 50% progress will have been achieved and the project is slated for completion in late 2023, to be followed by the pre-commissioning and commissioning stages and operation commencing in May 2024.

"When PTFI's new smelter begins operating, PTFI will be enabled to refine all of its copper concentrate in the country. Subsequently, industries will move in a more downstream direction, with cable plants, electric car manufacturing, and other activities allowing for utilization of PTFI products from its smelter to increase value addition. Certainly, this recognition provides PTFI with more motivation to continue making positive contributions to the nation and state of Indonesia," Tony stated.

East Java Governor Khofifah Indar Parawangsa in her address said investment and economic growth in East Java in fact leads out from synergy generated among all entities.

"The zeal for investment in East Java is evidenced in the high investment performance recorded by Central statistics Agency BPS in the second quarter of 2022. Throughout that period, realized

investment in East Java rose by 69.2% (y-o-y). This realized investment even exceeded the national figure of 35.5% (y-o-y)", Khofifah divulged.

She added, investment performance in the second quarter consisted of a 198.1% surge in foreign investment (PMA), with domestic investment (PMDN) rising by 34.1%.

In closing her address, Khofifah conveyed her appreciation to the entities that have contributed to investment and economic growth in East Java.

Photo	Caption
	<p>East Java Governor Khofifah Indar Parawangsa (center) presents a Certificate of Merit for Realized Investment in the Foreign Investment category to PTFI Deputy President Director Jenpino Ngabdi (right) during East Java Investment Week 2022, in Surabaya (14/9).</p>
	<p>An aerial photo of PTFI's new smelter development project in late July 2022. The smelter will have a capacity of 1.7 million DMT copper concentrate per year with investment amounting to US\$ 3billion.</p>
	<p>Minister of Energy and Mineral Resources Arifin Tasrif (second from right) is accompanied by PT Freeport Indonesia Tony Wenas President Director during a working tour of PTFI's new smelter project in the JIPE Special Economic Zone (KEK) in East Java on 29 July 2022. Arifin expressed</p>



appreciation for PTFI smelter development progress in the field.

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