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In response to your queries addressed to Mr Arif Perdana Kusumah, who has left our company, we would like to provide some information on our project in Obi Island, North Maluku.

Harita Group, through its subsidiaries, operates Nickel mines and smelter on Obi Island, Maluku Province, Indonesia. In line with Presidential Regulation No. 55 of 2019 on the Acceleration of Battery Electric Vehicle Programs for Road Transportation, the company is constructing nickel processing and refining plant with hydrometallurgical technology using High Pressure Acid Leaching (“HPAL”) which is able to produce mix hydroxide precipitate (“MHP”).

We are in the early stages of feasibility study to use a Deep Sea Tailing Placement (“DSTP”) for the tailings of the HPAL process. The tailings will be placed far below Thermocline at depths of more than 200 meters below sea level (“mbsl”) using a metal chute and will flow following the seabed topography towards a canyon to a depth of more than 1,200 mbsl. Our studies involve the study of deep-sea tailings placement experts, oceanography, biota, hydrometallurgy and social economic impact in cooperation with experts from the U.S. and Australia in order to minimize the environmental impact of the process.

The main reason for DSTP is that the many earthquakes in the area may damage the dam walls if we use a Tailing Storage Facility, which can cause environmental issues, such as the Brumandinho dam disaster that occurred in Brazil on 25 January 2019 and resulted in 270 dead or missing people. Our company recognizes the worries of international communities on DSTP and it will invest in identifying and addressing these risks, not merely once at the onset of the proposed project; it will roll out a significant impact monitoring program.

Harita Group has always shown strong commitment to implement good mining practices by promoting good environmental management and carrying out development and empowerment of communities around the mining area in a sustainable manner.

Thank you for writing to us about your concern and please do not hesitate to contact us if you have further queries.

*Sincerely,
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