

**Location:**

Melak, East Kalimantan

Value:

US\$841 Million

Client:

Bayan Resources

Contract Type:

Total mining services
Schedule of rates for overburden removal and coal delivered to the client's load-out facility

Duration:

October 2008 to September 2013

Description of Works

In October 2008, Thiess Indonesia secured a 5 year, US\$841 Million contract for the development and operation of a greenfield coal mine located near Melak in East Kalimantan, owned by Bayan Resources Group.

The coal mine is divided into the two different mine concessions, Teguh Sinar Abadi (TSA) and Firman Ketaun Perkasa (FKP).

Thiess' Role

As the first contract with the client, Thiess' scope of works on site includes:

- Mine planning
- Overburden removal
- Coal mining
- Coal loading and transportation from the mine site to the port

Works also include site infrastructure development such as construction of a 100 person staff accommodation camp, equipment maintenance workshop, office complex, fuel storage facilities and construction of explosives magazines.

Project Delivery

Current target production is staged at 2 million tonnes of coal in the first year, ramping up to 4 million tonnes of coal in year 3 with 40 million BCM of overburden movement per annum.

With the consent of the mine owner, TCI's intention is to fast-track the Project, and to produce coal in excess of minimum targets.