



# *PT Bayan Resources Tbk*

*Revised 2020 Guidance*



# Executive Summary

**2020 started with another challenging quarter as although water levels improved compared to 4Q19 levels, they remained below expectations. Tabang suspended their mining operation from 25 March 2020 until 14 May 2020 due to safety concerns over COVID-19. Based on YTD result as at March 2020 and taking into account current market conditions we have revised our 2020 Guidance.**

- **Total 2020 production is Budgeted to be in the region 26 million MT with sales anticipated to be in the range of 30 to 31 million MT.**
- **ASP is anticipated to drop to be in the range of US\$ 39-40/MT based on the benchmark reference price (NEWCASTLE) being on average US\$ 57.8/MT for 2020.**
- **Revenue forecast to be in the region of USD 1.2 billion.**
- **Cash costs anticipated to be in the range of US\$ 34-35/MT (include COGS, Royalties and SGA).**
- **EBITDA forecast to be between USD 150 million to USD 180 million.**
- **Capex is Budgeted to be in the range of US\$ 75 to 90 million.**

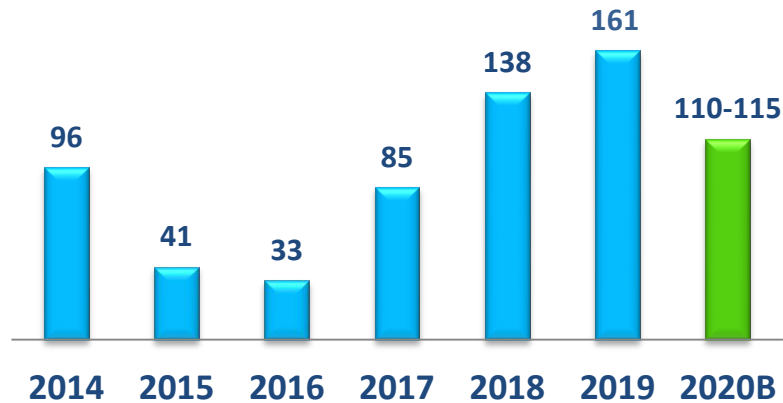




# Overburden Removal Volume (OB)

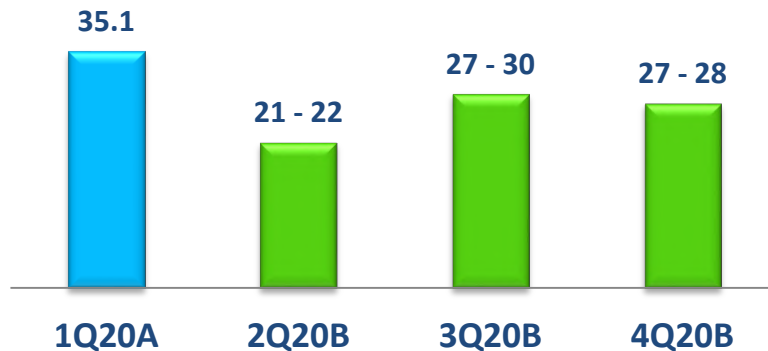
## Overburden Removal

(million BCM)



## Quarterly Overburden Removal

(million BCM)



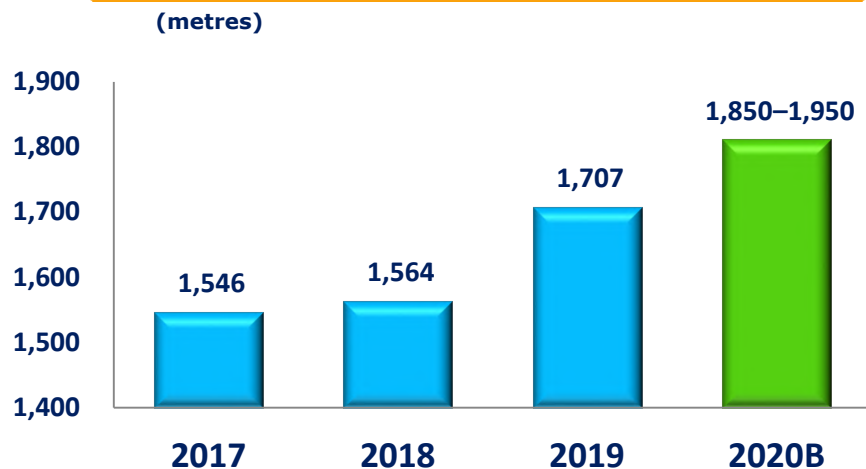
(in million BCM)	OB	
	2019	2020B
Gunungbayan Pratamacoal - Block II	6	Nil
Perkasa Inakakerta	10	6 to 7
Teguh Sinarabadi / Firman Ketaun Perkasa	44	34 to 36
Tabang Concessions	78	54 to 55
Wahana Baratama Mining	24	16 to 17
<b>Total</b>	<b>161</b>	<b>110 to 115</b>

➤ **FY20 Overburden Removal volume is Budgeted to decrease principally due to the suspension at Tabang in the 1Q & 2Q and changes in the mine plan at Tabang and Wahana for the remainder of the year.**

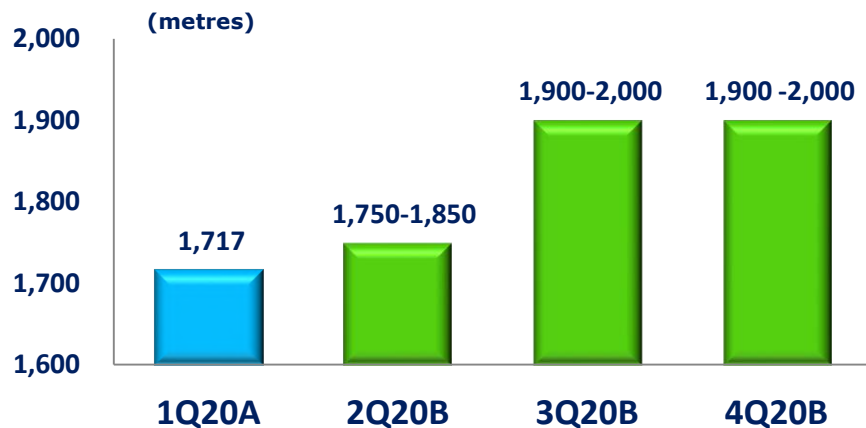


# Overhaul Distance (in Mtr)

## Overhaul Distance



## Quarterly Overhaul Distance



(in Metres)	Overhaul	
	2019	2020B
Gunungbayan Pratamacoal - Block II	1,200	Nil
Perkasa Inakakerta	1,591	2,500 - 2,600
Teguh Sinarabadi / Firman Ketaun Perkasa	2,158	2,250 - 2,350
Tabang Concessions	1,378	1,400 - 1,500
Wahana Baratama Mining	2,114	2,200 - 2,300
<b>Total</b>	<b>1,707</b>	<b>1,850 - 1,950</b>

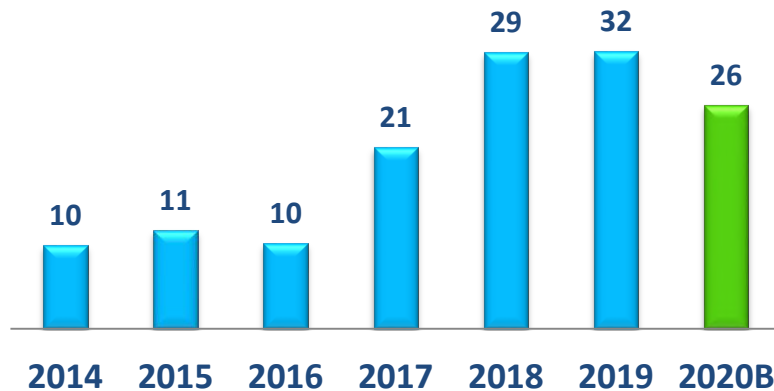
- **FY20 Overhaul distance is Budgeted to remain as previously forecast although the Company will attempt to reduce distances to minimize costs.**



# Coal Production

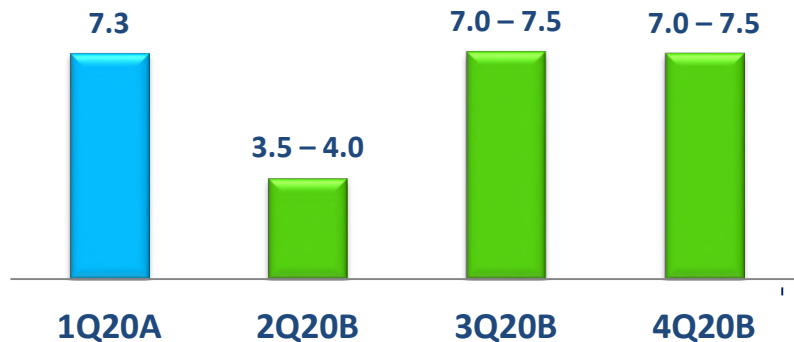
## Coal Production

(million MT)



## Quarterly Coal Production

(million MT)



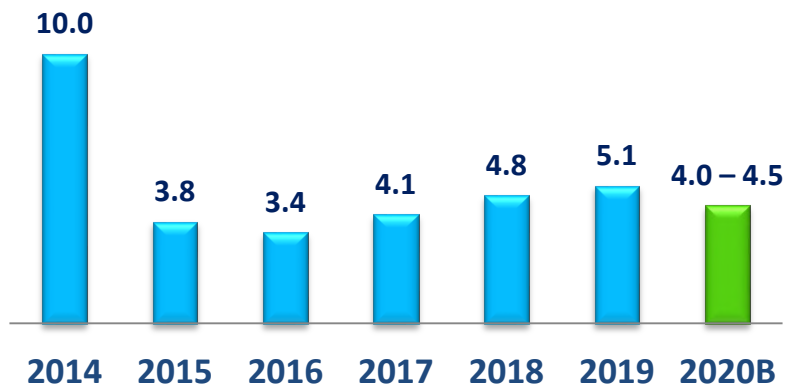
(in million MT)	Coal Production	
	2019	2020B
Gunungbayan Pratamacoal - Block II	0.4	Nil
Perkasa Inakakerta	1.3	1.2
Teguh Sinarabadi / Firman Ketaun Perkasa	3.4	3.2
Tabang Concessions	25.2	20
Wahana Baratama Mining	1.5	1.4
<b>Total</b>	<b>32</b>	<b>26</b>

- **FY20 Production Volume is anticipated to drop due to Tabang suspending operations from 25 March 2020 until 14 May 2020 due to safety concerns over COVID-19 and high inventory levels carried over from 2019.**

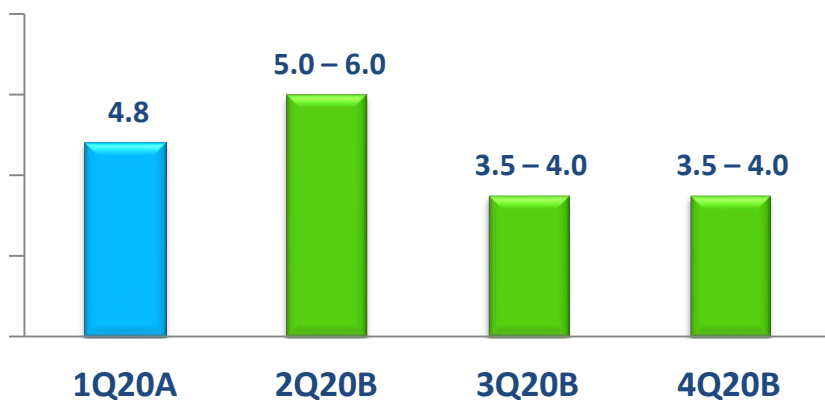


# Weighted Average Strip Ratio (SR)

## Weighted Average Strip Ratio



## Quarterly Weighted Average SR



Weighted Average SR (:1)	Weighted Average SR	
	2019	2020B
Gunungbayan Pratamacoal - Block II	12.7	Nil
Perkasa Inakakerta	7.8	6.0 to 6.5
Teguh Sinarabadi / Firman Ketaun Perkasa	13.2	11.0 to 12.0
Tabang Concessions	3.1	2.4 to 2.6
Wahana Baratama Mining	15.4	11.0 to 12.0
<b>WEIGHTED AVERAGE SR</b>	<b>5.1</b>	<b>4.0 to 4.5</b>

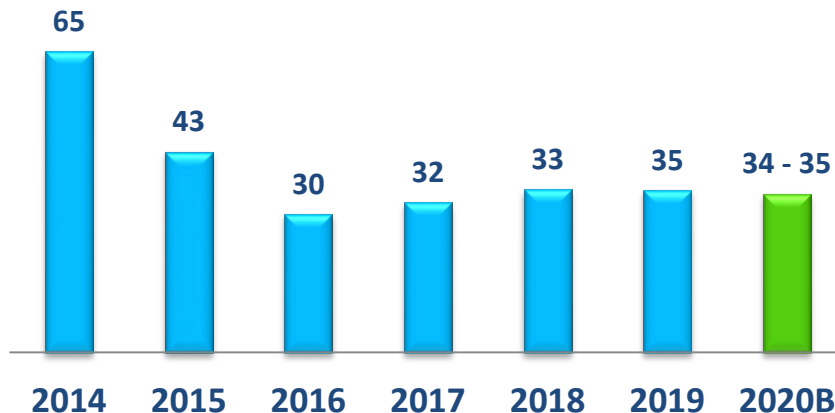
➤ **FY20 Weighted Average Strip Ratio anticipated to be within the same range although Company is targeting to lower stripping ratios at Tabang and Wahana due to changes in the mining sequence.**



# Cash Costs

## Average Cash Costs per MT(\*)

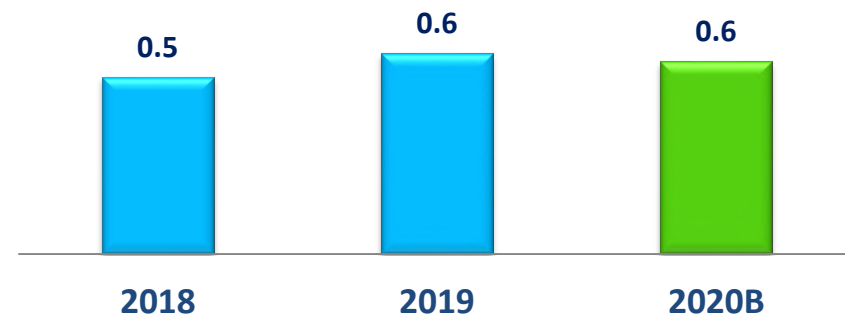
(US\$ / MT)



\*(1) Average cash costs include barging, royalty, and SGA

## Sing Gas Oil Price(\*)

(US\$ / liter)



- Published by Engie Singapore, including PBBKB and VAT
- Converted from barrels to liter.

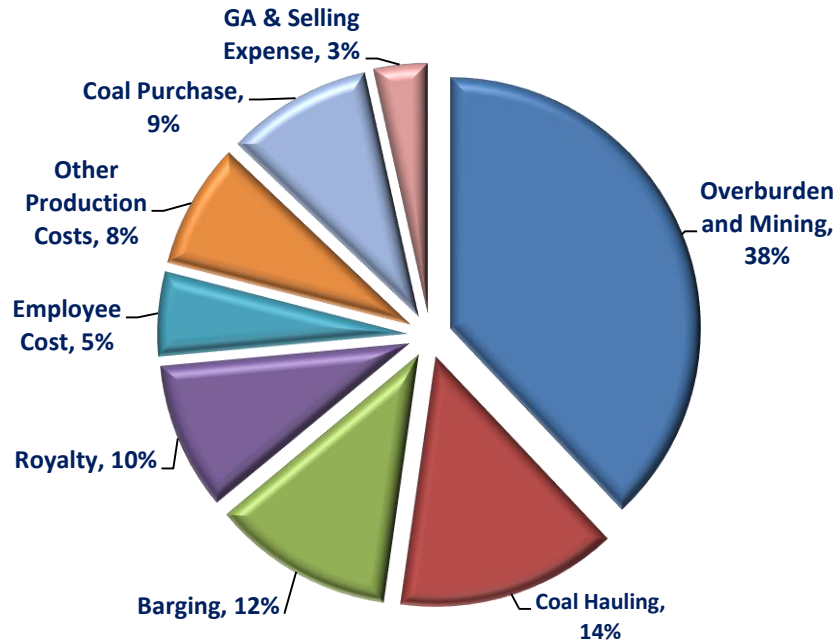
- **FY20 Average Cash Costs are anticipated to be higher than previously forecast and be in the region of US\$ 34 to 35/MT due to:**
- **Lower sales volumes.**
  - **Additional standby costs**
  - **Fixed fuel position.**



# Cash Costs

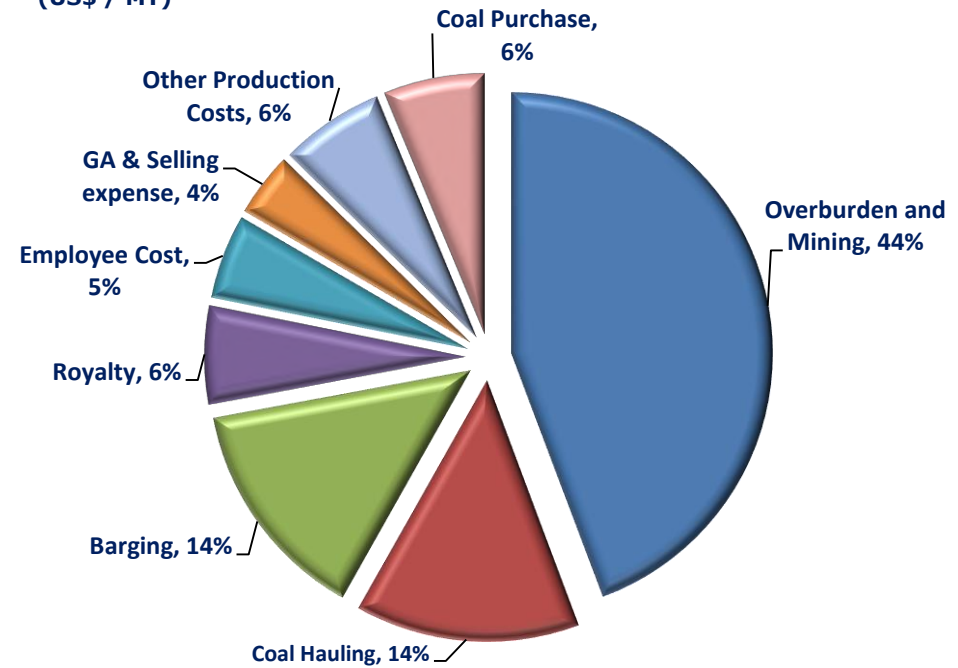
## Cash Cost per Expense – 2019

(US\$ / MT)



## Cash Cost per Expense – 2020B

(US\$ / MT)



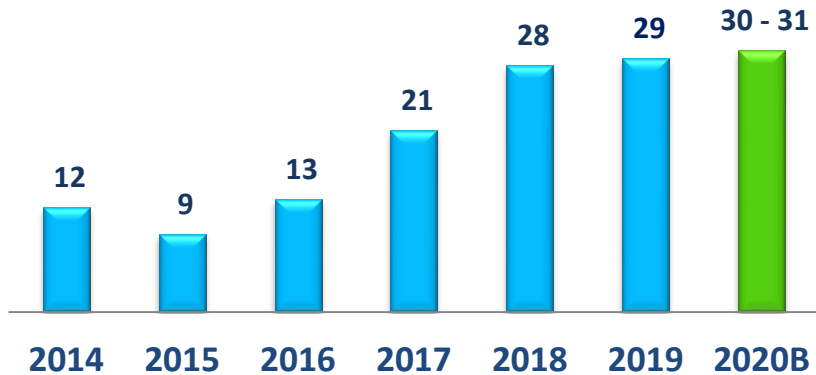




# Coal Sales

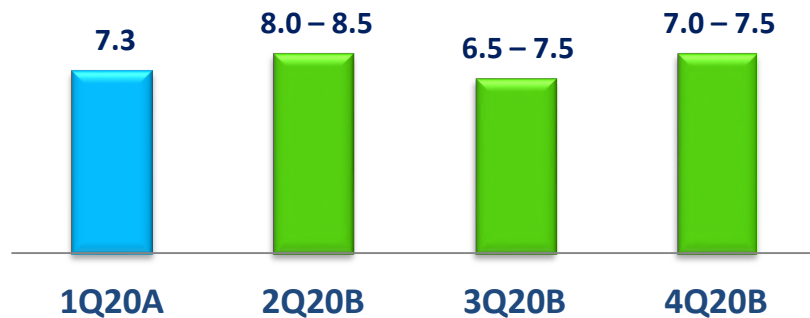
## Coal Sales Volume

(million MT)

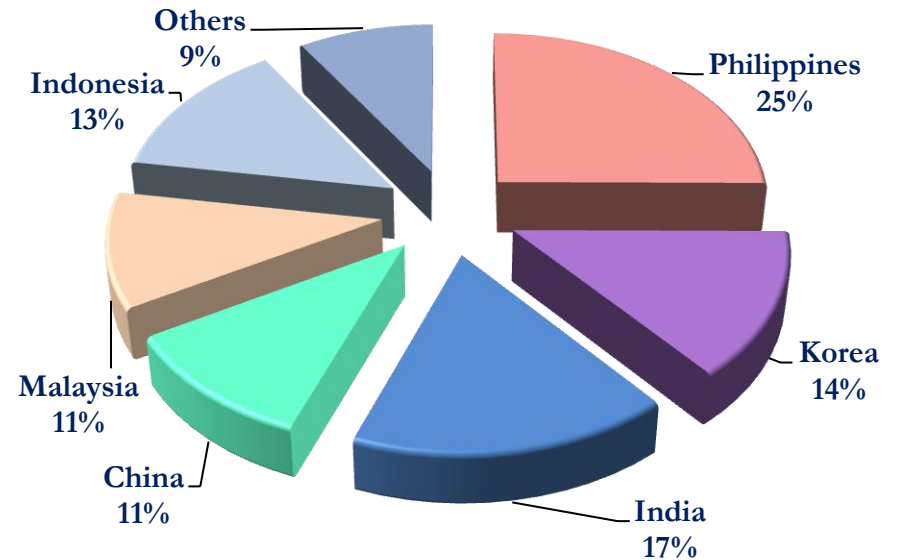


## Quarterly Coal Sales

(million MT)



## Geographic Distribution – 1Q20A

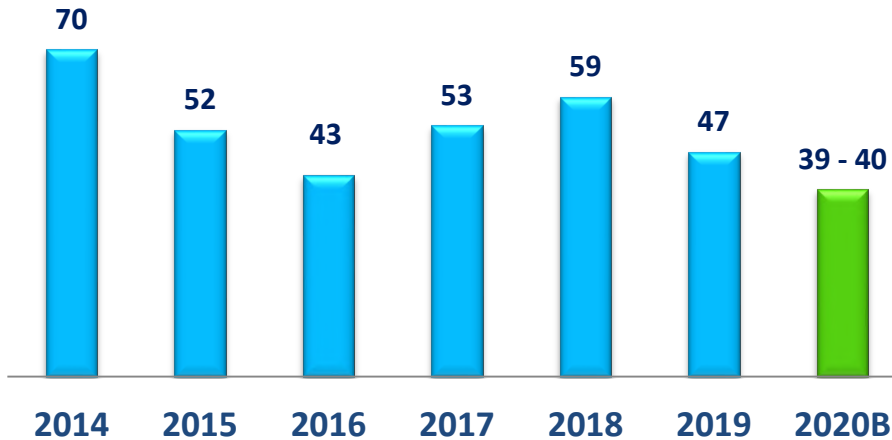


➤ **FY20 Budgeted Sales Volume is anticipated to be in the range of 30 to 31 million MT. This is primarily a result of the suspension of operations at Tabang and the currently over supplied international market.**

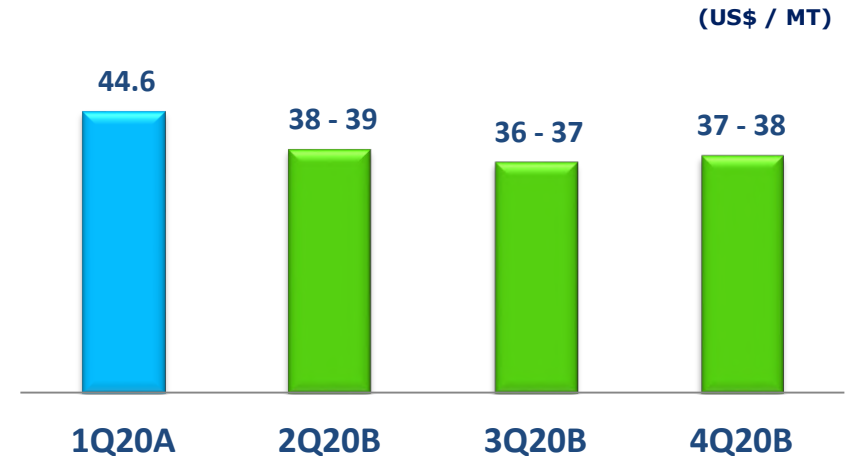


# Average Selling Price (ASP)

Average Selling Price(\*1)



Quarterly Average Selling Price(\*1)

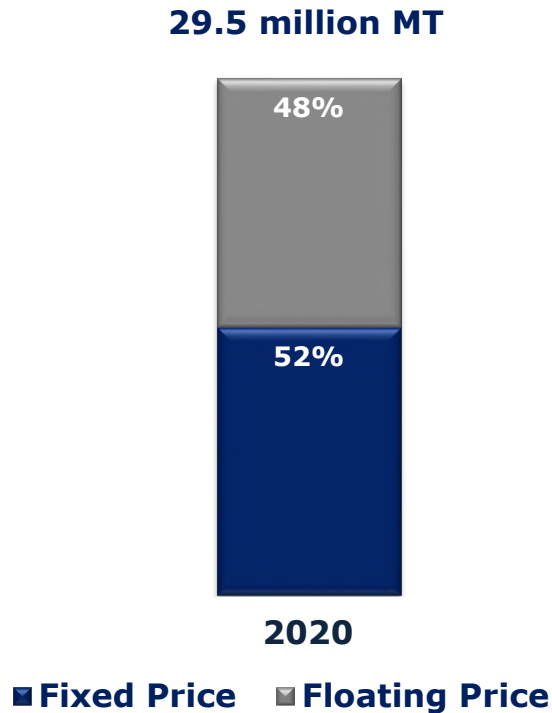


- **FY20 ASP is anticipated to be in the region of US\$ 39 to 40/MT;**
- **Based on the benchmark reference price (NEWCASTLE) being on average US\$ 57.8/MT in 2020 due to continued challenging market conditions.**

\* (1) ASP includes coal and non-coal sales



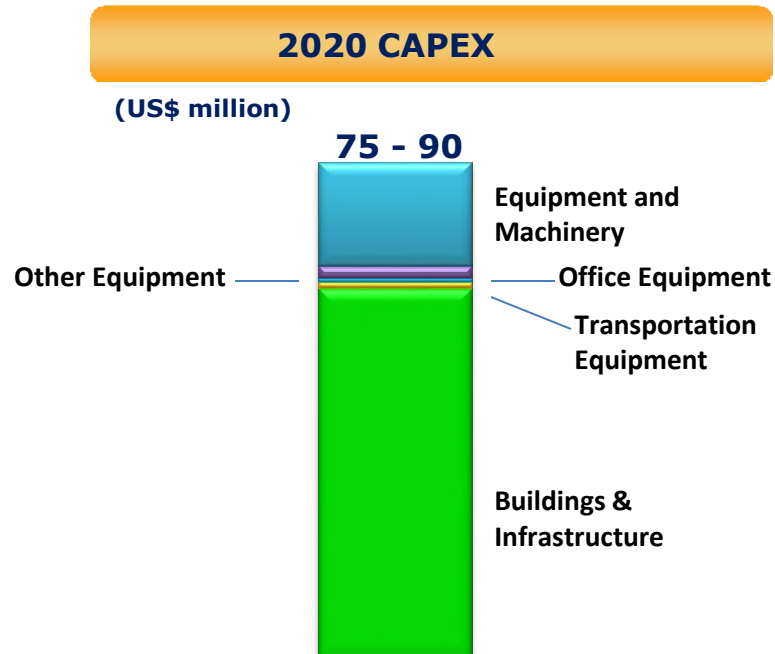
# Committed and Contracted Sales (2020)



- As at end of April 2020 committed and contracted sales were 29.5 million MT for 2020 with an average CV of 4,625 GAR kcal/kg.
- Full year 2020 Fixed Price element with an average CV of 4,613 GAR kcal/kg of US\$ 41.8/MT.
- Currently oversupplied market is anticipated to continue until end of 2020.
- Currently very difficult to add additional profitable spot sales.



# Capital Expenditure (2020)



- Overall 2020 capex reduced to reflect current progress to date on major projects.
- Anticipate an accelerated spend in 2H20 on 100 Km Coal Haul Road once full Pinjam Pakai permit received.
- Reflects minor postponements of non-critical replacement capex.



# Appendix

PT Gunungbayan Pratamacoal	GBP		
PT Perkasa Inakakerta	PIK		
PT Teguh Sinarabadi	TSA		
PT Firman Ketaun Perkasa	FKP		
PT Wahana Baratama Mining	WBM		
PT Fajar Sakti Prima	FSP	}	Tabang
PT Bara Tabang	BT		
PT Brian Anjat Sentosa	BAS		
PT Tiwa Abadi	TA	}	North Pakar
PT Tanur Jaya	TJ		
PT Dermaga Energi	DE		
PT Silau Kencana	SK	}	South Pakar
PT Orkida Makmur	OM		
PT Sumber Api	SA		
PT Bara Sejati	BS		
PT Apira Utama	AU		
PT Cahaya Alam	CA		
PT Mamahak Coal Mining	MCM	}	Mamahak
PT Bara Karsa Lestari	BKL		
PT Mahakam Energi Lestari	MEL		
PT Mahakam Bara Energi	MBE		





# Appendix

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Kangaroo Resources Limited	KRL
PT Dermaga Perkasapratama	DPP
PT Indonesia Pratama	IP
PT Muji Lines	Muji
PT Bayan Energy	BE
PT Metalindo Prosestama	MP
PT Sumber Aset Utama	SAU
PT Karsa Optima Jaya	KOJ



# Disclaimer

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*This presentation contains forward-looking statements based on assumptions and forecasts made by PT. Bayan Resources Tbk management. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and speak only as of the date they are made. We undertake no obligation to update any of them in light of new information or future events.*

*These forward-looking statements involve inherent risks and are subject to a number of uncertainties, including trends in demand and prices for coal generally and for our products in particular, the success of our mining activities, both alone and with our partners, the changes in coal industry regulation, the availability of funds for planned expansion efforts, as well as other factors. We caution you that these and a number of other known and unknown risks, uncertainties and other factors could cause actual future results or outcomes to differ materially from those expressed in any forward-looking statement.*

# Thank You

For more information, please contact :  
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