



DISCLOSURE ON MATERIAL FACTS

This is to announce that PT Toba Bara Sejahtra Tbk (“**Company**”) through its Subsidiary has signed an agreement on 14th July 2016 with details as follows:

Name of Public Company : PT Toba Bara Sejahtra Tbk
 Business : Coal Mining through its Subsidiaries
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1.	Date of Event	14 July 2016
2.	Type of Information or Material Fact	Obtaining an important contract
3..	Description of Information or Material Fact	<p>a. Parties involved in entering the contract</p> <p>(i) PT Gorontalo Listrik Perdana (GLP), 60%-owned subsidiary of the Company; and</p> <p>(ii) PT PLN (Persero) (PLN), state-owned power utility engaged in the production and provision of electricity.</p> <p>b. Nature of relationship of the parties involved in entering the contract</p> <p>The Board of Directors, Board of Commissioners and the shareholders of the Company and of GLP do not have affiliations with the Board of Directors, Board of Commissioners, and the shareholders of PLN.</p> <p>c. Type of contract</p> <p>The Power Purchase Agreement (PPA), whereby GLP will develop a coal-fired power plant (CFPP) located in the North Gorontalo Regency, Gorontalo Province, Indonesia, and sell the electricity generated to PLN for a period of 25 years. Upon completion of the PPA, GLP will transfer the CFPP to PLN.</p>

		<p>d. Contract value 2x50 MW for a period of 25 years.</p> <p>e. Reason for obtaining the contract As part of the Company's business development in the power sector, the Company and other consortium members namely PT Toba Sejahtra dan Shanghai Electric Power Construction (consortium) participated in PLN tender process for a coal-fired power plant project (CFPP) of Sulbagut-1, 2x50 MW in Gorontalo. The consortium, which has been appointed by PLN as the winner of the tender, has established GLP as the company that will undertake the power plant project.</p>
4.	Impact of event, information, or material fact to operational activities, law, financial condition or business continuation of Public Company	Signing of PPA will not impact operational activities that are currently on-going, and in the long run, will increase the revenue for the Company as well as strengthen its financial position.
5.	Other information	Afer signing the PPA, GLP will undergo the process of meeting the Financing Date and Commercial Operation Date as per the PPA contract.

Jakarta, 18 July 2016
PT Toba Bara Sejahtra Tbk
The Board of Directors