



FOR IMMEDIATE RELEASE

Agritrade Resources Inks Agreement with PT Pertamina for Exclusive Rights to Coal Hauling Road

- **Appointed exclusive operator and manager of 60-kilometre coal hauling road**
- **Strengthens pit to port supply chain and boosts long-term cost savings**

Hong Kong, 10 October 2012, Wednesday – Agritrade Resources Limited (“Agritrade” or the “Company”, stock code 1131.HK), owner of a 2,000-hectare coal mine in Central Kalimantan, Indonesia and one of the few Indonesian coal mining companies listed in Hong Kong, is pleased to announce that its indirect non-wholly owned subsidiary PT Megastar Indonesia (“Megastar”) has entered into an agreement with oil and gas company PT Pertamina (“Pertamina”) for the exclusive rights to operate and manage a 60-kilometre road (the “Pertamina Road”) for a period of 10 years beginning 1 October 2012 and ending 30 September 2022.

Situated in the heart of the coal mining district in Central Kalimantan, Indonesia, the Pertamina Road forms the major coal hauling route between Simpang Bahalang and Telang Port, and serves as the preferred road for the expedient transportation of coal from the area’s mines for exporting.

As operator and manager, Agritrade will improve the current condition of the road by flattening, stoning and widening it allowing heavier trucks with larger weigh loads to use the road which will lead to a significant increase of transportation capacity. These improvements will ensure larger loads, reduced transportation times and lower fuel costs as more coal can be transported per trip. Furthermore, as the main thoroughfare for the local area, the Pertamina Road is a vital transportation link for neighbouring coal mines which require the road to be properly maintained for coal hauling.

To maximise production efficiency, Agritrade will also continue to invest in upgrading other existing infrastructure facilities to further reduce production and transportation time, thereby lowering costs and boosting profitability.

Mr Ng Xinwei, Chief Operating Officer of Agritrade Resources Limited, commented, “As sole operator and manager of the Pertamina Road, Agritrade will not only enjoy guaranteed access at any given time, but will also benefit from long-term cost savings through increased transportation efficiency. Furthermore strategic benefits will ensure from the necessary repeated use of the road. With this agreement, Agritrade is well-positioned to further strengthen our integrated pit to port supply chain for the smooth transportation of SEM coal to our customers.”

“We are thankful to Pertamina, one of Indonesia’s most renowned corporations, for the opportunity to operate and manage the Pertamina Road and look forward to a long and rewarding partnership with them.”

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About Agritrade Resources Limited

Agritrade Resources Limited (“Agritrade” or the “Company”) is listed on the Main Board of the Hong Kong Exchange. In 2010, the Company successfully acquired and has since been operating PT Senamas Energindo Mineral (“SEM”), a 2,000-hectare coal mine in Central Kalimantan, Indonesia. The Company produces its own brand of SEM coal, a sub-bituminous, low-sulphur, low-pollutant thermal coal with calorific value (as received basis) of 3,700 kcal/kg in its raw form. Currently, 1,200 Ha of the 2,000 Ha mining concession has been explored under the Australasian JORC (Joint Ore Reserves Committee) review by DMT Geosciences Limited. The Company prudently estimates at least 100 million tonnes of reserves for the entire 2,000 Ha mining concession. Together with its subsidiaries, Agritrade provides integrated supply chain solutions including coal origination, processing and logistics services.

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