

Press Release



Third Quarter 2018 Production Report

Jakarta, October 15, 2018 – PT Vale Indonesia Tbk (“PT Vale” or the “Company”, IDX Ticker: INCO) announced today that in the third quarter of 2018 (“3Q18”), it produced 18,193 metric tons (“t”) of nickel in matte.

“Production in the third quarter of 2018 was below plan as a result of unplanned maintenance activities to address identified operational issues and also to ensure the safety of our operations,” said Nico Kanter, CEO and President Director of PT Vale. “Due to these unplanned 3Q18 maintenance activities, we are revising our full-year production target to 75,000 t in 2018, down from 77,000 t forecast in 2Q18. We were able to move the planned maintenance schedule from 4Q18 forward to 3Q18, and do not expect any additional major maintenance activities until the end of the year.”

Production Highlights

	<u>3Q18</u>	<u>2Q18</u>	<u>3Q17</u>	<u>9M18</u>	<u>9M17</u>
Nickel in matte production (t)	18,193	18,893	20,163	54,227	57,494

The production volume in 3Q18 was about 4% lower than the production volume realized in 2Q18. On a year-on-year basis, production in the third quarter of 2018 was about 10% lower than production in the third quarter of 2017. In addition, production in 9M18 was 6% lower than production in 9M17, mainly due to a lower average nickel grade in 2018 and the impact of the previously mentioned unplanned maintenance activities in 3Q18.

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