

## **Agreement for the development of a ferronickel production facility in Indonesia**

### **Karlsruhe/Berlin, 04/05/2016**

ANTAM, CRONIMET and FERROSTAAL signed a Project Development Agreement (PDA) on Monday, 18th of April 2016, in order to jointly develop a long-term ferronickel production facility in Pomalaa, Southeast Sulawesi, Indonesia for the manufacturing of nickel pig iron (NPI) over the next few years.

Berlin, 18th of April 2016 - The Project Development Agreement (PDA) was signed at the German-Indonesian Business Forum in Berlin, which was officially opened by the Indonesian President, H.E. Joko Widodo, and the Chairman of the Asia-Pacific Committee of German Business, Mr. Hubert Lienhard. Mr. Günter Pilarsky, Shareholder and President of CRONIMET Holding GmbH, Dr. Klaus Lesker, CEO of Ferrostaal GmbH and Mr. Tedy Badrujaman, President Director of the Indonesian mine and smelter operator PT ANTAM, signed the PDA on behalf of their respective companies in order to jointly develop a long-term production facility in Pomalaa, Southeast Sulawesi, Indonesia, for the manufacturing of nickel pig iron (NPI).

A Letter of Intent (LOI) which was signed by the concerned parties in June 2014, declaring their intention regarding the joint development, will now be extended and strengthened by the Project Development Agreement (PDA).

The aforementioned production plant is expected to produce 130,000 tons of nickel pig iron with approximately 15% Nickel content and will consume 1.85 million wet metric tons (wmt) of nickel ore per year as feedstock. NPI is used for the production of stainless steel.

“Together with ANTAM and FERROSTAAL we have strong partners at our side to further intensify the NPI project. The project is part of the long-term strategy of CRONIMET in order to strengthen our positioning on the Asian markets and increase our vertical integration,” says Günter Pilarsky, Shareholder and President of CRONIMET Holding GmbH.

“Ferrostaal is convinced that the processing of nickel ore will be profitable in Indonesia due to the excellent conditions including its location. Furthermore, we have been working with our partners for a long time on a trusting and efficient basis – the agreement, which has now been signed demonstrates this very clearly. With this project we are pleased to successfully continue the decades of cooperation of our house with partners from Indonesia”, says Dr. Klaus Lesker, CEO of Ferrostaal GmbH.

### **About the CRONIMET Group**

The CRONIMET Group, headquartered in Karlsruhe, is a worldwide specialist for stainless steel scrap, ferroalloys and primary metals. For three decades CRONIMET has been a supplier of raw materials for the industrial production of stainless steel. The focus lies on



Trade & Sales, Recycling and Production & Services. The company founded in 1980 is currently present at 56 locations around the world with a headcount of more than 5,000.

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