

BRMS proposed higher share price in the Private Placement plan to retire its debt

Jakarta, 22 June 2020

Please find the latest press release by PT Bumi Resources Minerals Tbk (“BRMS” or “the Company”). We refer to the previous press release issued by BRMS on the 26th of May 2020 about the Company’s Private Placement plan to retire its debt (via debt to equity conversion).

BRMS has just issued additional information to the Company’s Disclosure about the Private Placement plan to retire its debt (via debt to equity swap scheme). Such additional Information Disclosure was already submitted to the capital market regulators (OJK and IDX) on the 19th of June 2020. The additional information consists of the proposed **HIGHER SHARE ISSUANCE PRICE of Rp 84** (previously Rp 50).

Consequently, within the proposed transaction, BRMS will issue 8,685,302,932 new shares (B series) at Rp 84 per share. The new shares will be subscribed by one of the Company’s lenders, Wexler Capital Pte. Ltd. (“Wexler”), under the Debt to Equity Swap scheme. This is in the effort to repay the \$ 52 million (around Rp 729 billion) outstanding debt to Wexler.

After the completion of the Private Placement and the debt to equity swap transactions, BRMS is expected to realize the following potential benefits:

1. BRMS’ balance sheet will be deleveraged and will show increased capital. This will result in an improved Debt to Equity ratio from previously 0.2x to 0.1x after the transaction.
2. The reduced debt (down by \$52 million) will give BRMS better liquidity and opportunity to optimize its capital structure for the future project financing.

After the transaction, the minority shareholders’ shares in BRMS (public shareholders with less than 5% individual share) will only be diluted by 1.5%. BRMS plans to seek the shareholder’s approval for such transaction in the Extraordinary General Meeting of the Shareholders on the 24th of June 2020.

BRMS Management stated, “We are happy with the proposed higher share issuance price of Rp 84 in this Private Placement plan for the following reasons. First, the higher share price will add more value to the shareholder’s interest. This is true as we believe that our gold, copper, and zinc mining projects in Sulawesi and Sumatera have much more value than the current stock price.”

“Second, after the completion of the private placement and the debt to equity swap transactions, our Company’s liquidity and debt to equity ratio will improve from previously 0.2x to 0.1x. And third, with the proposed higher share issuance price and less number of new shares issued, the minority shareholder’s share in BRMS is only diluted by 1.5%.”

Financial Highlights Per 31/Dec/2019	Before Private Placement & Debt to Equity Swap	After Private Placement & Debt to Equity Swap
Short Term Loan	\$ 53,995,367	\$ 1,512,420
3 rd Party Payables ^(a)	\$ 52,262,673	\$ 52,262,673
Equity	\$ 520,323,795	\$ 572,806,742
Debt to Equity ratio	0.2 x	0.1 x

(a) \$31.4 m payable to ANTAM (to acquire 20% share in PT Dairi Prima Mineral's zinc project and \$ 20.3 m payable to PT Adiprotek Envirodunia (contractor in PT Citra Palu Minerals' gold project)

Share (%) in BRMS Per 31/Dec/2019	Before Private Placement & Debt to Equity Swap	After Private Placement & Debt to Equity Swap
BUMI	35.73%	31.36%
Biofuel Indo Sumatra	11.26%	9.88%
Wexler Capital Pte Ltd	9.79%	20.82%
1 st Financial Company Ltd	22.86%	20.07%
Fountain City Investment Ltd	8.02%	7.04%
Public shares (Minority Shareholders)	12.34%	10.83%
Total	100%	100%

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- **For any question relating to this release, please contact:** Herwin Hidayat – Director & Investor Relations PT Bumi Resources Minerals Tbk. at +628118606531. Other related Company information can be found at www.bumiresourcesminerals.com.

Sincerely,
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