



Australian Government
Australian Trade and Investment Commission



PT VALE INDONESIA TBK

CUSTOMER PROFILE – INDONESIA

July 2018



COMPANY BACKGROUND

PT Vale Indonesia TBK (PT Vale) is a subsidiary of Vale, a multi-mining corporation headquartered in Brazil. Vale is a global leader in iron ore production and the largest nickel producer in the world.

PT Vale operates one of the world's largest integrated lateritic nickel mining and processing operations, located near Sorowako on the island of Sulawesi in Indonesia. Established in July 1968 with a licence from the Government to explore, mine, process and produce nickel, PT Vale currently employs 3,200 direct staff and 5,300 contractors across all operations.

www.vale.com/indonesia

MINE OPERATIONS

PT Vale's operations consist of mining and processing ore to nickel in matte product, which is used to make refined nickel. In 2017, the mine produced 76,807 metric tons of nickel in matte, slightly down on 81,117 tonnes in 2015, the mine's highest ever production.

The processing plant includes three oil and coal fired rotary dryers, five oil and coal-fired reduction kilns, four electric furnaces and three Pierce-Smith converters. PT Vale established and maintains the supporting infrastructure, including port facilities and roads to transport and ship the final granulated product. The company also maintains a fuel terminal at Mangkasa Point, which is equipped with fuel pumps and connected to fuel storage tanks at the plant by a 12-inch pipeline.

PT Vale Mine Snapshot

Location	Near Sorowako on the island of Sulawesi in Indonesia	
Type of Mine	Open-pit	
Processing Method	Pyro-metallurgy	
Processing Capacity	80,000 tonnes of nickel matte	
Number of Employees & Contractors	8,500	
Production (2017)	76,807 metric tons of nickel in matte	
Ore Reserves (in million metric tons)	As at 31 December 2017	
	MT	% Grade
Proven	82.7	1.80
Probable	12.4	1.73
Total Reserves	95.1	1.79

Mine Development

- Increase nickel output in Sorowako to 90kt with a multi-year investment program
- Develop a new processing facility in Bahodopi, Central Sulawesi, through a joint venture scheme
- Continue to progress potential development of a new High Pressure Acid Leach (HPAL) processing facility in Pomalaa through a joint venture scheme

PROCUREMENT PRIORITIES

PT Vale is focused on responsible mining practices with safe and sustainable mining operations. The mine's overarching objectives are safety and sustainability, optimum unit cost (\$/tonne) and optimised capacity.

PT Vale is looking for supplier solutions to support its current procurement priorities to:

- reduce inventory costs
- increase logistics and transportation efficiency
- deliver more accurate demand planning
- achieve cost efficiencies and improved productivity.

Please note that due to Austrade's ongoing involvement with PT Vale, Austrade seeks to maintain a unified 'Australia METS' brand and approach in dealing with this company. We encourage companies with relevant products and services to contact Austrade's METS Manager directly for further information and to discuss the process to be included in a response to PT Vale. Refer contact details below.

Supplier success criteria

Being referred by a local company is a strong entry point for businesses looking to expand into Indonesia. Peer reference is a valued endorsement on the quality of work. Establishing a local presence by collaborating with established Indonesian companies or engaging dedicated representation has been highly regarded in the procurement decision process. A local presence enables regular engagement and ongoing follow-up at a minimum. Where service and/or training are critical aspects of the supply, a local presence would be essential. Service, repair and maintenance capability is mandatory for non-standard and sophisticated plant and equipment.

AUSTRADE

The Australian Trade and Investment Commission – Austrade – contributes to Australia’s economic prosperity by helping Australian businesses, education institutions, tourism operators, governments and citizens as they:

- develop international markets
- win productive foreign direct investment
- promote international education
- strengthen Australia’s tourism industry
- seek consular and passport services.

Austrade provides information and advice that can help Australian companies reduce the time, cost and risk of exporting. We also provide a range of services to Australian exporters looking to expand their business in growth and emerging markets, including:

- information and advice on doing business in international markets
- help with overseas market selection

- identification of relevant overseas contacts
- assistance with market entry and expansion
- identification and follow-up of specific international business opportunities.

We also administer the Export Market Development Grants scheme – the Australian Government’s financial assistance program for aspiring and current exporters.

w austrade.gov.au
e info@austrade.gov.au
T 13 28 78 (within Australia)

Austrade Contact

Isaac Court
Resources Manager

E: METSMANAGER@AUSTRADE.GOV.AU

Disclaimer

While care has been taken to ensure the information in this document is accurate, the Commonwealth of Australia represented by the Australian Trade and Investment Commission does not provide warranty or accept liability for any loss arising from reliance on such information.

©Commonwealth of Australia 2018 17-18-107. Published July 2018