
Indonesia investors eyeing BHPB coal project - Report

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Reuters reported that about four Indonesian investors are interested in taking over a coal project owned by BHP Billiton Ltd.

A senior government mining official said that BHP Billiton said on June 9 month that it had decided not to go ahead with the Haju trial coal mine in Central Kalimantan province on Borneo island because it did not fit with its long-term investment strategy.

Mr Bambang Setiawan director general of mining, coal and geothermal at the energy ministry said that "There are about four companies that are interested. We asked them to negotiate directly with BHP Billiton."

Mr Setiawan did not name the firms but said they were local investors.

Haju was stage one of the Maruwai coal project, the 100% BHP Billiton owned metallurgical coal deposit, in Central Kalimantan which was expected to produce 1 million tons of metallurgical coal used for steel making per year. In June last year, the firm announced it would invest USD 100 million to develop the project which was expected to start producing in the middle of this year. The firm has said it will gradually lay off 450 workers and 250 contractors involved in the project.

(Sourced from Reuters)

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