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MAJOR MILESTONE

POWER PURCHASE AGREEMENT SIGNED

The Board of Raya Group would like to announce that it has received confirmation from the Indonesian Minister of Energy and Mineral Resources granting approval to sell electricity to PT PLN (Persero). Raya recently announced it had signed a major Power Purchase Agreement (PPA) for the Sokoria Geothermal Project of which is expected to generate forecast revenue exceeding USD 775,000,000 (seven hundred & seventy five million US Dollars) over the 30 year term of this PPA.

The agreement signed between PT PLN (Persero) the National Electricity Grid in Indonesia and PT Sokoria Geothermal Indonesia (SGI), of which Raya owns 45% and joint venture (JV) partner Bakrie Power 53% is a significant milestone for the company, as it now has a revenue stream that will assist the company with moving to the next phase of project development.

As recently announced by SGI, a "Temporary Electricity Business License" (IUPTLS) has been issued to SGI from the Directorate General of Electricity in relation to the Sokoria project.

Key project and financial details for this approved POWER PURCHASE AGREEMENT are as follows:

Item	Terms
Modules	6 x 5MW
Power Capacity	30 MW (30,000 Kw)
Minimum Tariff	USD 12.5c per kWhr
Transmission Line	70kV interconnect to PLN incomer Ropa - Ende
Term of PPA	30 years

Total minimum revenue expected based on the following agreed formula with PT PLN (Persero) is as follows:

Power (30000kw) x Tariff (USD.125c) x Availability Factor (80%) x hours per year (8760) x PPA Term (30)

Revenue Generated over the term of this PPA based on “Availability Factor” is forecast to be **USD 788,400,000** during the expected operational period.¹

It is important to note that SGI expects to forecast further revenue based on:

1. Annual Tariff Escalation based on “US PPI Increase”
2. An increase to the “Minimum Tariff” with additional “Transmission Power Charge” to be included following completion of transmission study
3. “Exploration Rebate” to be received upon completion of approved “Exploration Works Program”

¹ Whilst Raya Group believes this forecast to be reasonable and achievable based on present knowledge, such forecasts are inherently uncertain, and may not eventuate.

Such statements are best estimates only and based on assumptions about future events and management actions that may not necessarily take place and are subject to significant uncertainties, many of which are outside the control of Raya Group. Those assumptions may or may not prove to be correct or accurate. No representation or warranty is made as to the accuracy of those predictions and assumptions as to future events and future financial performance.

The following timetable provides a summary of key items and indicative dates of the Sokoria project:

Key Item	Indicative Date
Transmission Payment Charge (TPC) Study Completed	Jan 2015
TPC tariff amendment finalized between SGI and PLN	Apr 2015
Exploration period commences	Dec 2015
Exploration period completed	Oct 2016
Request for Adjustment (RFA) to base price after studies	Jan 2017
Notice of Resource Confirmation (NORC) issued	Jan 2017
Notice of Intention to Develop (NOID)	Jun 2017
Transmission line completed	Aug 2018
Commercial Operation Date – Unit 1	Dec 2018
Commercial Operation Date – Unit 2	Dec 2019
Commercial Operation Date – Unit 3	Dec 2020
Commercial Operation Date – Unit 4	Dec 2022
Commercial Operation Date – Unit 5 and 6	2023 - 2024

Commenting on this major milestone Pak Amri Putro and Pak Andri Doni of “Bakrie Power” both said:

“The support of Raya Group and its Directors, the necessary fundamental persistence of all involved in this Joint Venture project have all contributed to this successful outcome. We extend our thanks to both “Bakrie Power” and “Raya Group” shareholders for being patient during this journey which at times has been challenging, we all now look forward to the future with further concerted efforts and focus on the outcome of profitable revenue being generated in the foreseeable future”

PT Sokoria Geothermal Indonesia (SGI) will further refine all financial model requirements; plan further required exploration, and consult with both EPC and potential Funding Partners.

Whilst the company has previously relied on potential funding partners to further develop the Sokoria project, the company is now in a much stronger position to explore all options available for the best commercial outcome for its shareholders.

By Order of the Board

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