

PT Medco Energi Internasional Tbk. Monthly Newsletter



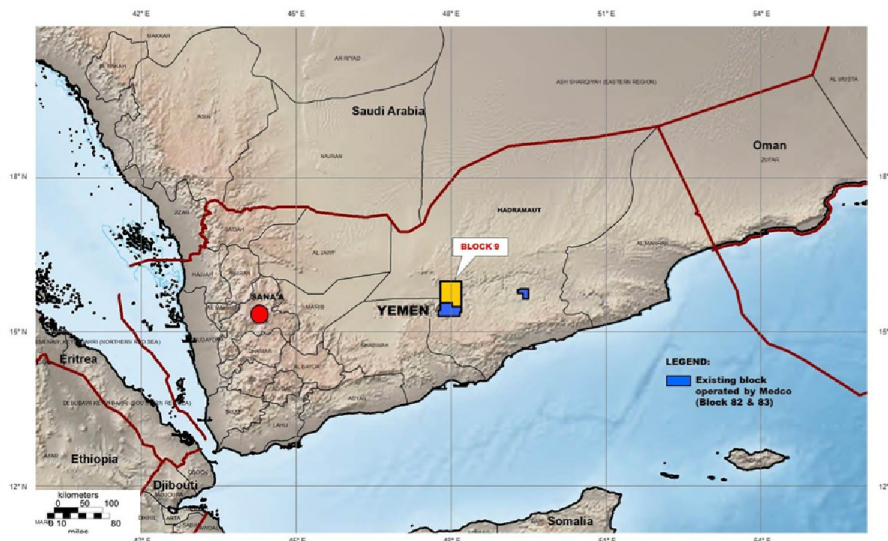
STOCK DATA*

Market Cap. (bn Rp)	: 5,765.1
Highest (12mth)	: 2,650
Lowest (12mth)	: 1,590
Last Price	: 1,730
Free Float	: 37.56%

*as of 30 July 2012

News Release

MedcoEnergi Acquires Interest in Block 9, Yemen. PT Medco Energi Internasional Tbk, through its wholly owned subsidiary, Medco Yemen Malik Ltd., has signed a Sale and Purchase Agreement ("SPA") with Reliance Exploration & Production DMCC ("REPDMMC") to acquire 25% participating interest in Block 9 (Malik) Republic of Yemen on 5th July 2012, with effective economic date of 1st January 2012. MedcoEnergi and REPDMMC are now in the process to reach Completion of the SPA.



Completion of this transaction is conditional upon approval from the Ministry of Oil and Minerals of Yemen. Upon the Completion of this transaction, MedcoEnergi will effectively have 21.25% participating interest (after taking into account a proportionate carried share of Yemen Oil and Gas Company or "YOGC"). Thus, the structure of participating interest ownerships in Block 9 (Malik) Production Sharing Agreement will be as follows:

- Calvalley Petroleum (Cyprus) Ltd- 42.50% (Operator)
- Medco Yemen Malik Ltd. – 21.25%
- Hood Oil Limited – 21.25%
- YOGC – 15.00%

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Block 9 is an exploration and production block located in the province of Hadramaut, Republic of Yemen, about 350 kilometers north-east of the Yemeni capital, Sana'a. The Block, which is located within the Sayun-Masila Basin, has an area of 2,234 square kilometers, in which some of its area has previously been explored. On 25 August 2005, the Government of Yemen has granted the construction license for this Block for the period of 20 years. The license also states that the holders of participating interest of this block (the Contractor) has the right to negotiate for an extension of another 5 years after 2025.

The estimated gross 2P reserves of Block 9 is approximately 58.6 MMBO (as of 1 January 2012) and is envisaged to produce up to approximately 14.5 MBOPD. Discoveries in Block 9 include four oil fields bearing.

Major Projects Report

Senoro Upstream A follow-up commercial Re-Bid was performed for the EPC contract in parallel consultation with BPMIGAS. Site preparation for CPP (Central Processing Plant) and Jetty Site are progressing as well, now approaching 75.8% progress on Filling and Compacting, to be completed in September 2012 before hand over to EPC contractor.

Bid Plan for procurement tender, drilling rigs and OCTG (Oil Country Tubular Goods) have been approved by BPMIGAS in July and bidding process has been started for Q1-2013 spud date target.

Land Acquisition for CPP and jetty areas are nearing completion with the remaining area of 2.000 m² for the storage tank is still being negotiated. For the pipeline's Right of Way (ROW), there is still a remaining 2km to be followed up.

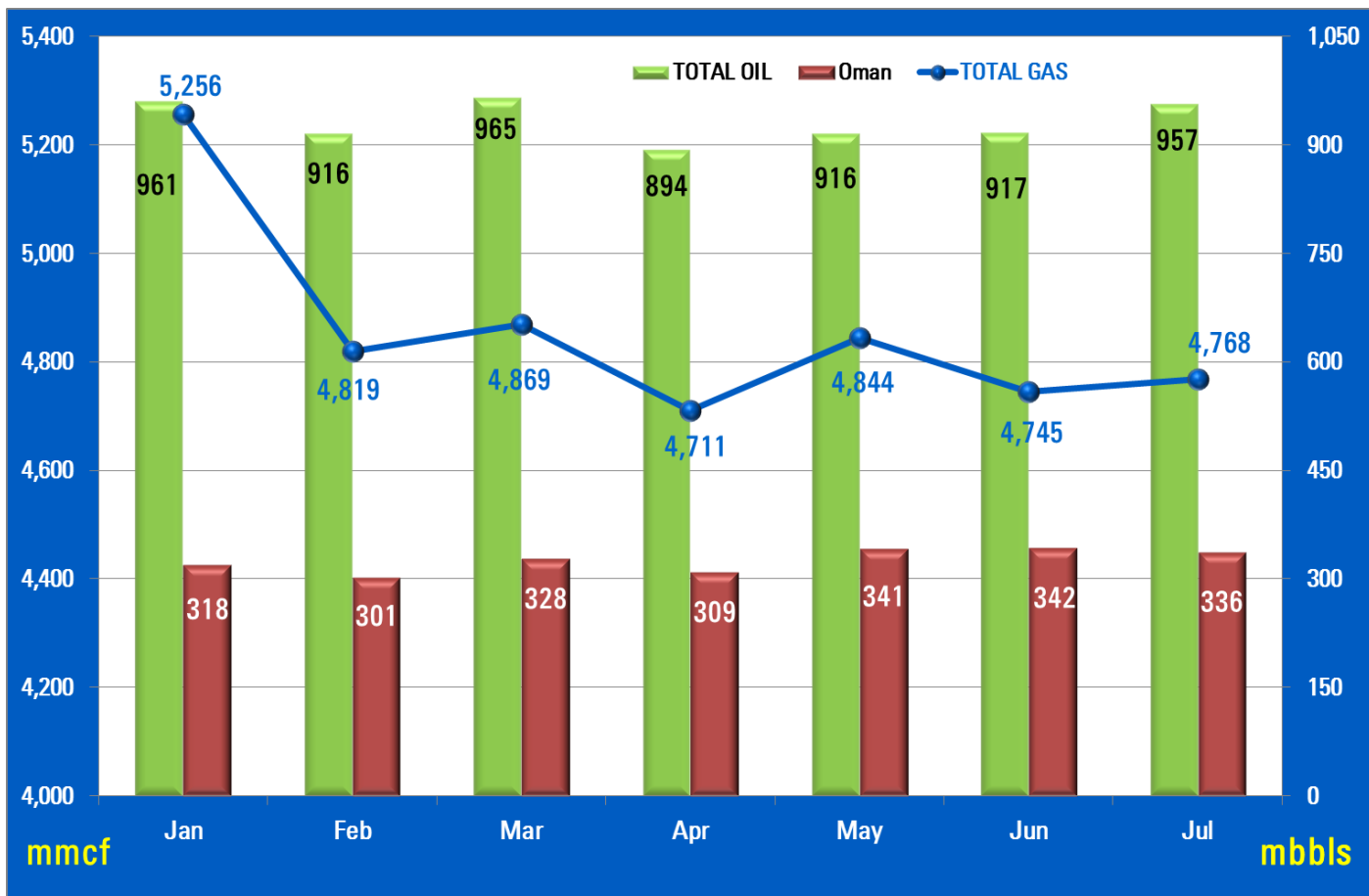
Donggi-Senoro LNG EPC progress for this project is ahead of schedule (52.7% actual vs 44.3% plan) as of July 2012, with good safety records.

Blok A New tender process and discussions with BPMIGAS and PIM are being undertaken. Regarding land acquisition, out of the 144 Ha targeted land area, MedcoEnergi has completed payment for 104.7 Ha or 72.7% of the overall land acquisition. Matang-1 exploration rig tender is still ongoing with targeted spud date in 3Q 2012

Rimau EOR With the start of pre-flush activity in December 2011, the project is now focusing on the completion of the facilities' construction which is targeted in Q3 2012 to allow for Chemical Injection in Mid Q4 2012.

Production Report

Oil Production (mbbls)	2011A	Jan	Feb	Mar	Apr	May	Jun	Jul	YTD 2012
Rimau	6,024.4	520.5	471.5	505.6	490.2	495.8	478.3	479.3	3,441.0
South & Central Sumatra	2,728.4	194.6	202.0	216.0	204.1	219.2	221.1	237.2	1,494.1
Tarakan	873.7	82.4	84.9	102.8	93.6	90.6	87.3	100.4	642.0
Sembakung	812.8	83.0	73.0	71.3	69.3	71.2	68.8	69.6	506.2
Bawean	373.3	51.4	60.3	42.0	10.9	12.9	38.8	47.5	263.8
Tiaka	180.2	13.3	12.2	12.6	12.0	11.8	10.9	11.2	83.9
USA	161.0	15.7	12.2	14.8	14.2	14.4	11.9	12.3	95.4
TOTAL OIL	11,153.8	961.0	916.2	965.0	894.2	915.8	917.0	957.3	6,526.5
Gas Production (mmcf)	2011A	Jan	Feb	Mar	Apr	May	Jun	Jul	YTD 2012
South & Central Sumatra	46,191.2	3,774.9	3,551.6	4,096.3	3,988.5	4,124.9	3,999.3	4,066.3	27,601.8
Lematang	12,739.1	1,262.3	1,100.0	587.8	568.8	574.7	542.1	531.7	5,167.3
Tarakan	1,885.8	160.0	118.9	117.2	91.2	88.4	149.1	144.2	868.8
USA	826.9	58.9	48.7	67.9	62.1	55.8	54.0	26.4	373.8
TOTAL GAS	61,643.0	5,256.1	4,819.2	4,869.2	4,710.6	4,843.8	4,744.5	4,768.4	34,011.7
Service Contract (mbbls)	2011A	Jan	Feb	Mar	Apr	May	Jun	Jul	YTD 2012
Oman	3,481.7	318.3	301.3	327.6	309.1	341.2	341.8	336.2	2,275
Electricity (GWH)	2011A	Jan	Feb	Mar	Apr	May	Jun	Jul	YTD 2012
Power Production - IPP	1,202	111	108	108	91	91	85	103	698
Power Production - O&M	9,520	678	720	819	835	840	786	681	5,359
Downstream	2011A	Jan	Feb	Mar	Apr	May	Jun	Jul	YTD 2012
Fuel Distribution / KL	268,468	36,834	9,821	25,446	22,265	21,552	17,075	8,967	141,960
Ethanol Production / KL	16,098	853	0	85	3,253	1,175	0	1,886	7,252
LPG Production / MT	15,304	1,306	1,188	1,289	1,234	1,275	1,224	1,217	8,733



Exploration Report

Seismic Activities

During the month of July 2012, the Company continued to do 2D seismic surveys in Rimau Block PSC and Senoro Toili Block PSC. Below are the results as of July 2012:

Rimau

Bench Mark Seismic : 28 points (100%)
 Survey Topography : 337.275 km of 400 km (84%)
 Drilling : 13,412 holes of 17,400 holes (77%)
 Recording : 8,405 profiles (48%)

Senoro Toili

2D Marine Survey : complete 401 km (100%)
 Survey Topography : complete 542.8 km (100%)
 Drilling : 6,900 holes (100%)
 Recording : 6,900 profiles (100%)

Drilling Activities

MedcoEnergi drilled one exploration well in Rimau Block PSC namely Tala-3 well with spud date in July 22nd 2012 and total depth of 378 feet of targeted 396 feet (95%).

WTI, Brent, ICP and Realized Oil Price

