

EXECUTIVE SUMMARY

Indonesia is one of the world's largest gold reserves with a total of 3.5 billion tons of ore. The extraction process of gold from the mines into a ready-for-sale product requires a lengthy and complex process. Concisely, the stages of gold manufacturing comprise separation, refinement, and smelting process. Separating the pure materials from impurities involves a leaching process. Currently, the leaching methods in Indonesia use the common sodium cyanide (NaCN), called cyanidation.

Indocyanide will start the business as a manufacturer of the chemical material and become the producer of Indonesia's first sodium cyanide briquettes used by the gold-processing plant. The headquarter is located in the Sovereign Plaza, South Jakarta, while the factory is located in Semare, Kraton district, East Java.

Indocyanide categorize the gold miners into several groups to target desire market. Indocyanide aims for a segment of chemical supplier companies which still have a market rise of USD 21.600.000 from small scale gold miners (Penambang Emas Skala Kecil/PESK) who started to switch their leaching methods from mercury to NaCN. It aligned with the objective and resource possessed by Indocyanide, as well as the aim of the company: to provide sodium cyanide and sustainable gold-mining industrial solutions; and uphold the environmental regulations.

To support the operational process, Indocyanide collaborates with EPC group, which owns the Evonik license for NaCN production, which is the most efficient NaCN briquettes production technology. Indocyanide's operational activities are also supported by other technological platforms such as web creation aiming for public awareness towards the company profile, as well as barcode technology for product packaging and tracking.

Indocyanide to generate positive net profit from year 4 and continuously grow each year, with a 7.4% of RoA and 8.7% of RoE for 20 years of financial projections. By having a positive NPV and the IRR value is higher than WACC, and the business risk is considered as relatively low, Indocyanide business plan is feasible to run with the payback period of 9.14 years.