



Press Release

ANTAM PREPARES FOR CONSTRUCTION OF ELECTRIC SMELTING FURNACE (ESF) NO. 4 OF THE EXPANSION OF POMALAA FERRONICKEL PLANT PROJECT

ANTAM Switches Off ESF-1; ESF-1 Has Been Successfully Operated since 1976

2013 Ferronickel Production Target of 18,000 TNi Remains Unchanged

For Immediate Release

Jakarta, July 5th, 2013 - PT ANTAM (Persero) Tbk (ASX - ATM; IDX - ANTM; ANTAM) announces today the company has started the preparation of the construction of Electric Smelting Furnace Number 4 (ESF-4). As part of the preparation, ANTAM today has switched off the operations of ESF-1, which has been successfully operated since 1976. ANTAM's 2013 ferronickel production target of 18,000 tons of nickel contained in ferronickel (TNi) remains unchanged despite the switch off. As at the end of May 2013, ANTAM's ferronickel production reached 8,488 TNi or 47% of 2013 internal target.

The construction of the ESF-4 marks the replacement of ESF-1 which is part of ANTAM's FeNi I plant in Pomalaa. The furnace has an installed capacity of 18MW with ferronickel production capacity of 5,500 TNi per year. ANTAM's ESF-4 will have an installed capacity of 38MW with ferronickel production capacity of around 9,450 TNi per year. The development of ESF-4 will utilise a modern and environmentally friendly technology. Currently ANTAM is tendering the local Engineering, Procurement and Construction (EPC) works for the project. Construction of ESF-4 is estimated to take a maximum of 22 months.

Coupled with the construction of ESF-4, ANTAM is currently building the Ore Preparation Line-4 which will support the operations of ESF-4. Construction of the Ore Preparation Line-4 has started since May 1st, 2013 and is built by a consortium of Kawasaki Heavy Industries, Ltd. and PT Wijaya Karya (Persero) Tbk. Construction of the Ore Preparation Line-4 is estimated to take 27 months.

Inline with development of ESF-4 and Ore Preparation Line-4, ANTAM expects annual ferronickel production at Pomalaa may increase to 25,000-27,000 TNi from previous production levels of 18,000-20,000 TNi with the assumption of 1.9% nickel ore feed.

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