



Press Release

ANTAM CLARIFIES NEWS STORIES ON GROWTH PROJECTS AND MINING LICENSES ISSUES

For Immediate Release

Jakarta, 3 April 2009 – PT Antam Tbk (ASX-ATM; IDX-ANTM) makes this announcement with regards to news reports published recently concerning Antam's project pipeline and mining licenses issues in several regions.

Growth Projects

Recent news reported that Antam plans to develop a number of growth projects which may incur significant project costs. Antam wishes to clarify that list of projects pipeline was delivered by Antam's Development Director, Mr. Tato Miraza, during the Canadian Mining Mission to Indonesia event recently. Most of the projects are still preliminary and based on long term views. Hereforth, the information on project costs as well as the project feasibilities may change from time to time. Antam's presentation during the Canadian Mining Mission to Indonesia was intended to attract prospective foreign investors as Antam's strategic partners in developing the Indonesian mining industry.

From the list of growth projects, Antam is currently focusing on the development of the Chemical Grade Alumina (CGA) Tayan project, the development of the Pomalaa Coal Fired Power Plant, the development of the Cibaliung gold project as well as other strategic acquisitions. Other projects remain

preliminary at this stage.

Antam's President Director, Alwin Syah Loebis said:

"We continue to look at all the opportunities to grow in order to deliver solid returns to our shareholders. Nonetheless, we remain very prudent and place scale of priorities on our projects. More work still needs to be done to assess our growth projects and we will choose the best investments for our shareholders."

In terms of development of the CGA Tayan project, Antam is currently continuing discussions with its Japanese partners as well as with the prospective EPC contractor and banks for project financing. For the development of the Pomalaa coal fired power plant, Antam has recently appointed the consortium of PT Navabharat Indonesia and PT Indika Energy Tbk. as potential partners.

The Cibaliung gold mine is currently under care and maintenance pending shareholders approval of ARC Exploration as the previous owner of the project.

Mining Licenses Issues

Inline with Antam's intention to grow and deliver solid returns to its shareholders and stakeholders, including the local community, Antam had initiated several joint venture projects with international strategic partners to develop Indonesia mineral

FOR MORE INFORMATION PLEASE CONTACT:

Bimo Budi Satriyo

(Corporate Secretary)

Tel : (6221) 780 5119

Fax : (6221) 781 2822

Email : corsec@antam.com

Website: www.antam.com

deposit. Regrettably, two of Antam's joint venture projects, a stainless steel project with Tsingshan Holding Group of China at Obi, South Halmahera, and a stainless steel project with Jindal Stainless Limited of India at North Konawe, Southeast Sulawesi, currently face challenges due to mining licence issues.

Antam's President Director, Alwin Syah Loebis, said:

"Our intention is to grow and bring positive impact not only to Antam, but also towards the local community, the Indonesian investment climate and the national economy, currently face challenges due to the mining licence issues. However, we will continue talks with related parties as well as legal process to solve these issues and are hopeful for a win-win solution."

The joint venture project with Tsingshan Holding Group of China was to develop the low grade nickel ore deposits at Obi island and to build an integrated ferronickel and stainless steel SS 300 facility with a capacity of 300,000 tons per year. Antam had signed a joint venture agreement with Tsingshan on 31 October 2007.

The operations at Obi island is based on a total area of 9,528 hectares and valid for 30 years since 10 March 1998 until 10 March 2028. Antam has spent Rp75 billion for exploration activities at Obi.

Antam has paused the project due to the withdrawal of the license by the South Halmahera Regional Government through the issuance of the South Halmahera Regent Decree No. 71 year 2008.

Following the collapse of discussion between Antam and the South Halmahera Government, Antam has since filed a petition at the Ambon Administrative Court and by 28 January 2009, the Ambon Administrative Court has rejected Antam's petition. Antam has appealed the decision to the High Administrative Court at Makassar and currently awaits its decision.

The joint venture project with Jindal Stainless Limited of India was to develop the nickel and iron ore deposit at Mandiodo, North Konawe regency, Southeast Sulawesi. For the first stage of the project, Antam and Jindal had planned to build a 20,000 tonnes per year nickel in ferronickel and approximately 250,000 tonnes per annum stainless steel facilities. The estimated project cost was approximately US\$700 million. Antam subsequently formed a joint venture, PT Antam Jindal Stainless Indonesia, to develop this project with Antam owned 55% of the company.

Antam's operations at Mandiodo is valid until April 2010. Unfortunately, North Konawe Regent issued a decree of a portion of Antam's area to another company. The decree caused reduction and overlapping over Antam's concession. Antam has spent Rp60billion for exploration and mining preparation activities at Mandiodo.

Antam also faces a mining licence issue at Tapunopaka-Bahubulu, North Konawe, Southeast Sulawesi. Following the issuance of the North Konawe Regent Decree dated 17 March 2008, Antam's exploitation area was reduced. Furthermore, the issuance of

North Konawe decree of a portion of Antam's area to another company resulted in an overlapping issue over the concession.

Antam has since filed a petition at the Kendari Administrative Court on 4 June 2008 and on 28 October 2008 Antam won the petition. The North Konawe government has appealed the decision to the Makassar High Administrative Court on 18 November 2008 and currently awaits the decision. As a State Owned Enterprise, Antam will take appropriate legal actions to retain its rights if necessary.

At the end of 2008, Jindal Stainless Limited informed Antam of its intention to withdraw from the project due to global economic crisis. Coupled with the above mining licence issue has created additional uncertainty to the project.

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