



Quarterly Report to Shareholders (ASX: ATM, JSX: ANTM)

For the three months ending 31 March, 2005

ARBN - 087 423 998

FURTHER INFORMATION:

Ashur Wasif (Corporate Secretary)

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PRODUCTION

- Antam produced 1,326 tonnes of contained nickel in ferronickel, a 14% decrease compared to the previous quarter and a 31% decrease compared to the same quarter last year. The reduction was due to the shut down of FeNi II smelter after Antam detected abnormal metal levels measured against reference dimensions in the furnace and higher than normal hearth thermocouple temperatures during the commissioning period after the overhaul of the smelter.
- Production of high grade nickel ore reached 586,328 wet metric tons (wmt), a 29% decrease compared to 4Q04 and a 23% decrease compared to the same period last year. Production of low grade nickel ore, including LGSO, was 31% higher compared to previous quarter to 310,910 wmt.
- Gold production was 49% lower at 563 kg on soft wall conditions and lower gold grades, while silver production reached 4,770 kg.

DEVELOPMENT

- Antam established a subsidiary in Netherlands to support ferronickel marketing
- Antam sends money and personnel to Aceh
- New power generators are switched on
- Antam switches on FeNi II smelting plant
- POSCO and Antam agree to conduct feasibility study of Indonesian ferronickel project
- Antam halts commissioning of FeNi II smelting plant following signs of damaged refractory bricks

EXPLORATION

- Exploration activities for the January quarter began in mid-February 2005, focusing on Antam's main commodities of nickel, gold and bauxite.
- Total exploration expenditure for the January quarter reached Rp7.7 billion.

Ashur Wasif
Corporate Secretary
April 29, 2005

• **Shareholder Sum-Up: 1Q05 Relative Share Price Performance over the Quarter (Arrow indicates comparison to previous quarter).**

During 1Q05 Antam's share price increased **30%** from Rp1730 to Rp2250

Source: *Bloomberg and Antam*

VS. PEERS...

PT Timah	28	▲
PT Inco	11	▲
Inco Ltd	12	▲
Falconbridge	-14	▼
WMC Resources	15	▲
BHP-B Ltd	6	▲
Rio Tinto Plc	11	▲
AngloAmerican	21	▲
Harmony	35	▲
Barrick Gold	21	▲
Newcrest	25	▲
Alumina Ltd	26	▲

VS. INDICES...

LQ45	22	▲
JSE Composite	20	▲
JSE Mining Index	16	▲
ASX All Ordinaries	24	▲
Dow Jones	33	▲
TS Composite	20	▲
NASDAQ	40	▲
Hang Seng	37	▲
S&P 500	32	▲
DAX	28	▲
FTSE	24	▲
FTSE All Share Mine	11	▲

VS.

COMMODITIES...

Gold	30	▲
Nickel	9	▲

Price at end of
Quarter on the ASX:
AUD0.30/CDI

Analyst Recommendations:

Mandiri	Buy	03/30	Danareksa	Hold	03/03
CLSA	Underperform	03/29	Macquarie	Outperform	03/01
Macquarie	Outperform	03/29	DBS Vickers	Buy	03/01
Macquarie	Outperform	03/21	Macquarie	Outperform	02/02
DBS Vickers	Buy	03/18	Danareksa	Hold	01/31
GK Goh	Buy	03/04	BNP Paribas	Underperform	01/14

Shares in Issue	1,907,691,950
Market Capitalization	Rp4,292bn (US\$454m)
Price Range	Rp1730 – Rp2250
Average Price	Rp2045
Trading Volume	691m
Average Daily Volume	13,708,488

Major Shareholder:

Government of Indonesia (65%)

Substantial Shareholders:

OppenheimerFunds, Inc. USA (9.14%)

Interim Dividend Payment Date:

January 10, 2005

Interim Dividend Amount:

Rp19.60/share, AUD0.013577 per CDI

Nickel Price on 03/31/05	US\$7.40/lb
Nickel Price Range	US\$6.38/lb (01/21/05) - US\$7.56/lb (03/18/05)
Gold Price on 03/31/05	US\$428.35/oz
Gold Price Range	US\$412.70/oz (02/08/05) - US\$444.95/oz (03/11/05)
Rupiah on 03/31/05	Rp9,148/US\$
Rupiah Range	Rp9,135/US\$ (01/17/05) – Rp9,515/US\$ (03/29/05)

COMMISSIONERS AND DIRECTORS

Board of Commissioners

Wisnu Askari Marantika	President Commissioner
Supriatna Suhala	Commissioner
S. Suryantoro	Commissioner
Yap Tjay Soen	Independent Commissioner
Irwandy Arif	Independent Commissioner

Board of Directors

D. Aditya Sumanagara	President Director
Alwin Syah Loebis	Operations Director
Kurniadi Atmosasmito	Finance Director
Syahrir Ika	General Affairs and Human Resources Director
Darma Ambiar	Development Director

- Currently our largest shareholder aside from the Government is Oppenheimer Developing Market Fund with 9.14% interest:
 - Antam has 191 foreign and foreign institutional shareholders, which account for 65% of the shares trading on the JSX.
 - Antam is held by 138 foreign institutions, which together have 23% of Antam's shares.
- The top 5 countries of origin for our foreign shareholders in terms of shares held:
 - 1 – USA
 - 2 – United Kingdom
 - 3 – Luxembourg
 - 4 – Netherlands
 - 5 – Singapore

Top 20 Shareholders (eighty percent are foreign investors):

1 - Government of Indonesia	11 – CB London S/A Sticht Pens En Tech (Arrow)
2 - Oppenheimer Developing Market Fund	12 – JPMCB Netherlands Res
3 – SSB PS10 Pacific Select Fund Emerging Mkt.	13 – California State Teachers Retirement System
4 – Investor Bank and Trust Company (West)	14 – Equity Development Securities
5 – Panin Sekuritas	15 – Clearstream Banking SA Luxembourg
6 – MS + Co Inc. Client AC	16 – BOT-Mitsubishi (Lux) S/A BOT Luxembourg
7 – Pertamina Pension Fund	17 – Rainbow Fund LP
8 – UBS AG	18 – BBH Luxembourg S/A Fidelity Funds
9 – CB Intl. PLC (Lux Branch) S/A Pioneer Asset	19 – MS + Co. Int. Ltd. Client AC
10 – CB London S/A Unicredito Italiano	20 – BBH Boston S/A Pioneer Emerging Mkt.

As at April 27, 2005, the Price-to-Earning ratio was 5.14 with a Price-to-Book Value of 1.67. The dividend yield stood at 2.68%. Antam had an EV/EBITDA of 3.37 and Price-to-EBITDA of 3.31.

PRODUCTION & SALES (please refer to accompanying tables)

Antam's total revenues increased 6% to Rp600 billion compared to 1Q04 due to higher prices as sales volumes of most products decreased. The nickel division, which consists of ferronickel and nickel ore, contributed 76% of total sales and remained the largest contributor. Revenue from nickel division rose 4% to Rp458 billion despite lower ferronickel and nickel ore sales. Revenues from the gold division, which includes refinery services, increased by 19% to Rp104 billion, contributing 17% to Antam's revenues.

NICKEL

During 1Q05, Antam produced 1,326 tonnes of contained nickel in ferronickel, a 14% decrease compared to the previous quarter and a 31% decrease compared to the same quarter last year. The reduction was due to the five month overhaul of FeNi II, which ended when pre-heating began February 15, 2005 and was followed with a commissioning period which began after start up on February 22. The decrease was greater than expected as Antam decided to halt the commissioning of FeNi II towards the end of the one month commissioning period, due to abnormal metal levels measured against reference dimensions in the furnace and higher than normal hearth thermocouple temperatures. The higher than normal temperatures were caused by incorrect implementation of load-up procedures, which damaged the bottom refractory bricks. The shut down of FeNi II is expected to last five to six months, with FeNi II beginning commercial operations at the end of August 2005. A preliminary estimate of the repair cost is in the range of US\$3 million to US\$5 million. To offset the loss of production and revenue, Antam will increase its volume of toll smelting with Pamco from 150 tonnes to 600 tonnes, as well as boost its high grade nickel ore sales by 400,000 tonnes. Due to the shut down of FeNi II, Antam has lowered the ferronickel production target, including toll smelting, by 27% to 7,400 tonnes, from 10,150 tonnes. Antam is taking measures to ensure that this does not happen again, such as consulting with Hatch Ltd, which provided the technical advice for the refurbishment, with the new brick supplier and with other nickel companies that have performed a similar refurbishment. Antam will also use a more durable brick as an extra precaution. Management does not foresee any problems with the successful commissioning of the FeNi III expansion.

Exports of ferronickel, amounted to 1,366 tonnes, a 45% decrease compared to the previous quarter and 29% lower compared to the same period last year. Despite higher prices, lower production and sales lowered total ferronickel revenue 42% to Rp183 billion compared to 4Q04 and 18% compared to the same period last year. The average selling price of ferronickel rose 3% compared with previous quarter or 7% compared with the same period last year to US\$6.56 per lb. Ferronickel contributed 30% of Antam's total revenue in 1Q05.

Production of high grade nickel ore decreased 29% to 586,328 wet metric tons (wmt), compared to previous quarter and was 23% lower compared to the same period last year as Antam closed the Gebe nickel mine at the end of the 2004. Antam plans to open a new nickel mine called Mornopo to replace Gebe in the middle of 2005. Production of high grade nickel ore from Gee and Pomalaa decreased by 11% each to 225,886 wmt and 152,348 wmt respectively inline with lower ore feed requirements as FeNi II was shut down for an overhaul. Meanwhile, increased production of Low Grade Saprolitic Ore (LGSO) by 43% compared to previous quarter kept Antam's total limonite production rose by 31% to 310,910 wmt.

In 1Q05, Antam sold 588,681 wmt of high grade, a 22% decrease compared to previous quarter, while limonite sales reached 211,815 wmt, a 50% decrease compared to 4Q04. High grade sales were lower compared with the previous quarter inline with decreased production. Although Antam has ceased mining activity at Gebe, sales of nickel ores will remain until Gebe's nickel ore stock is completely exhausted. Sales of high grade nickel ore from Gebe amounted to 94,484 wmt, a slight decrease compared to previous quarter. Meanwhile, sales of high grade from Pomalaa and Buli were lower inline with decreased production. For limonite, decreased sales were due to reduced shipments of four compared with eight shipments in 4Q04. In 1Q05, LGSO sales from Pomalaa were 54% lower to 91,835 wmt whilst low grade sales from Gebe decreased by 73% to 60,166 wmt. Revenue from nickel ore reached Rp275 billion with saprolite and limonite, which includes LGSO, generating Rp245 billion and Rp30 billion respectively. Nickel ore revenues were 29% lower compared to previous quarter but were 27% higher compared to the same period last year, largely due to higher prices. The average selling price of high grade was only 2% higher compared to 4Q04 at US\$44.99 per wmt but was 41% higher compared to the same period last year. Meanwhile the average selling price of limonite was 9% lower compared to previous quarter but was 24% lower compared to 1Q04 at US\$15.16 per wmt as Antam sold less LGSO and the price of LG from Buli fell 55% due to lower grades. In 1Q05 nickel ore contributed 46% of Antam's total revenue.

GOLD

Gold production in 1Q05 was 49% lower compared with the previous quarter, reaching 563 kg due to the soft wall conditions at the Ciurug veins. The conditions caused Antam to shift excavation to a lower grade area of 7 grams per ton (gpt) compared with previous area of 12.48 gpt. Antam expects to reinitiate mining at the higher grade area after reinforcing the soft wall tunnels. Lower gold production is also due to maintenance on the ball mills at the Pongkor gold factory. Inline with lower gold production, silver production was 44% lower at 4,770 kg.

In 1Q05 Antam sold 679 kg of gold, 38% lower than the previous quarter, due to decreased production. However, Antam's gold sales exceeded production as Antam reduced its inventory. Revenue from gold reached Rp87 billion, or 41% lower compared to 4Q04. Revenue from gold, however, was 18% higher compared to the same period last year inline with higher gold price. In 1Q05, the average selling price of gold reached US\$430.79 per t.oz., 2% lower compared to the previous quarter but 6% higher compared to 1Q04. Revenue from silver was 31% lower compared to 4Q04 at Rp15 billion, largely due to decreased sales volume. During the January quarter, Antam sold 7,083 kg of silver, 34% lower compared with the previous quarter. Decreased silver sales exceeded the higher silver price which rose 4% to US\$6.94 per t.oz. Revenue from precious metals refinery services dropped by 45% compared to 4Q04 to Rp3 billion inline with lower gold production from Pongkor. Revenues from the gold division contributed 17% to total first quarter 2005 revenues.

BAUXITE

Antam's export revenues from bauxite, reached Rp35 billion, a slight increase compared to 4Q04 in line with the higher sales volume. This was despite a lower average sales price of bauxite, which decreased 8% compared to the previous quarter to an average of US\$10.34 per wmt. Bauxite sales volumes increased by 11% compared to 4Q04 to 366,245 wmt exceeding production of 341,545 wmt due to higher demand. Revenues from bauxite contributed 6% to total first quarter 2005 revenues.

IRON SANDS

Due to the low iron content of Antam's iron sands, exports to China which began in the beginning of 2004 did not continue. Revenues from iron sands dropped by 57% compared to the previous quarter to Rp2 billion. Inline with decreased local demand, sales volume of iron sands decreased by 55% compared to 4Q04 to 23,147 wmt with iron sands production reaching 16,217 wmt.

Production and Sales Summary of First Quarter 2005 and 2004

DESCRIPTION		2004			2005	1Q05/4Q04 (%)	1Q05/1Q04 (%)
		12 months	4 th Quarter	1 st Quarter	1 st Quarter		
PRODUCTION VOLUME							
Ferronickel Nickel Ore:	Ton Ni	7,945	1,534	1,929	1,326	(14)	(31)
Saprolite							
- Pomalaa	Wmt	712,117	170,695	130,361	152,348	(11)	17
- Gebe	Wmt	495,899	75,612	116,298	0	(100)	(100)
- Gee	Wmt	986,532	253,217	320,101	225,886	(11)	(29)
- Buli	Wmt	957,872	323,503	192,392	208,094	(36)	8
<i>Total Saprolite</i>	<i>Wmt</i>	<i>3,152,420</i>	<i>823,027</i>	<i>759,152</i>	<i>586,328</i>	<i>(29)</i>	<i>(23)</i>
Limonite							
- LGSO Pomalaa	Wmt	600,293	175,480	178,272	251,096	43	41
- Gebe	Wmt	122,931	62,612	24,011	0	(100)	(100)
- Buli	Wmt	219,832	-	109,004	59,814	N/A	(45)
<i>Total Limonite</i>	<i>Wmt</i>	<i>943,056</i>	<i>238,092</i>	<i>311,287</i>	<i>310,910</i>	<i>31</i>	<i>(0)</i>
Total Nickel Ore	Wmt	4,095,476	1,061,119	1,070,439	897,238	(15)	(16)
Gold	Kg	3,715	1,099	842	563	(49)	(33)
Silver	Kg	27,591	8,482	6,226	4,770	(44)	(23)
Bauxite	Wmt	1,330,827	340,653	289,617	341,545	0	18
Iron Sands							
- Cilacap	Wmt	0	-	-	0	N/A	N/A
- Kutoarjo	Wmt	89,664	13,646	31,658	16,217	19	(49)
- Lumajang	Wmt	0	-	-	0	N/A	N/A
Total Iron Sands	Wmt	89,664	13,646	31,658	16,217	19	(49)

DESCRIPTION		2004			2005	1Q05/4Q04 (%)	1Q05/1Q04 (%)
		12 months	4 th Quarter	1 st Quarter	1 st Quarter		
SALES VOLUME							
Ferronickel	Ton Ni	7,897	2,503	1,927	1,366	(45)	(29)
Nickel Ore:							
Saprolite							
- Pomalaa	Wmt	322,871	86,556	86,406	66,596	(23)	(23)
- Gebe	Wmt	435,068	97,067	94,262	94,484	(3)	0
- Gee	Wmt	834,540	237,410	229,362	219,507	(8)	(4)
- Buli	Wmt	953,860	338,269	162,725	208,094	(38)	28
<i>Total Saprolite</i>	<i>Wmt</i>	<i>2,546,339</i>	<i>759,302</i>	<i>572,755</i>	<i>588,681</i>	<i>(22)</i>	<i>3</i>
Limonite							
- LGSO Pomalaa	Wmt	636,032	198,014	153,817	91,835	(54)	(40)
- Gebe	Wmt	517,922	224,123	46,887	60,166	(73)	28
- Buli	Wmt	219,832	-	109,004	59,814	N/A	(45)
<i>Total Limonite</i>	<i>Wmt</i>	<i>1,373,786</i>	<i>422,137</i>	<i>309,708</i>	<i>211,815</i>	<i>(50)</i>	<i>(32)</i>
Total Nickel Ore	Wmt	3,920,125	1,181,439	882,463	800,496	(32)	(9)
Gold	Kg.	3,853	1,099	658	679	(38)	3
Silver	Kg.	26,205	10,774	5,207	7,083	(34)	36
Bauxite	Wmt	1,326,559	331,263	272,497	366,245	11	34
Iron Sands:							
- Cilacap	Wmt	107,937	1,409	90,488	19,200	1,263	(79)
- Kutoarjo	Wmt	95,041	49,767	231	3,865	(92)	1,576
- Lumajang	Wmt	8,287	0	46	82	N/A	80
Total Iron Sands	Wmt	211,265	51,176	90,764	23,147	(55)	(74)

DESCRIPTION		2004			2005	1Q05/4Q04 (%)	1Q05/1Q04 (%)
		12 months	4 th Quarter	1 st Quarter	1 st Quarter		
SALES PRICE							
Ferronickel Nickel Ore	US\$/Lb	6.23	6.34	6.13	6.56	3	7
<i>Saprolite</i>	<i>US\$/Wmt</i>	42.35	44.22	31.88	44.99	2	41
- Pomalaa	US\$/Wmt	37.66	36.38	28.91	43.02	18	49
- Gebe	US\$/Wmt	40.96	49.53	35.27	42.81	(14)	21
- Gee	US\$/Wmt	46.17	48.14	34.83	48.05	(0)	38
- Buli	US\$/Wmt	41.22	41.96	27.35	43.37	3	59
<i>Limonite</i>	<i>US\$/Wmt</i>	16.47	16.72	19.95	15.16	(9)	(24)
- LGSO Pomalaa	US\$/Wmt	17.28	21.16	17.44	17.59	(17)	1
- Gebe	US\$/Wmt	14.00	12.80	10.65	14.31	12	34
- Buli	US\$/Wmt	19.97	-	27.48	12.30	N/A	(55)
Gold	US\$/T.oz	411.97	438.60	408.28	430.79	(2)	6
Silver	US\$/T.oz	6.64	6.70	6.89	6.94	4	1
Bauxite	US\$/Wmt	11.36	11.26	10.84	10.34	(8)	(5)
Iron Sands	IDR/Wmt	150,120	169,038	97,846	101,732	(40)	4
Exchange rate (for revenue)	IDR/US\$	8,935	9,126	8,523	9,276	2	9

DESCRIPTION	2004			2005		
	12 months	4 th Quarter	1 st Quarter	1 st Quarter	1Q05/4Q04 (%)	1Q05/1Q04 (%)
SALES REVENUE (Rp million)						
EXPORT SALES:						
Ferronickel Nickel Ore Saprolite	970,341	316,786	221,613	182,816	(42)	(18)
- Pomalaa	111,273	31,739	21,211	26,528	(16)	25
- Gebe	160,833	43,306	28,252	37,168	(14)	32
- Gee	341,962	99,010	68,041	97,953	(1)	44
- Buli	352,472	127,497	37,777	83,456	(35)	121
<i>Total Saprolite</i>	<i>966,540</i>	<i>301,553</i>	<i>155,281</i>	<i>245,105</i>	<i>(19)</i>	<i>58</i>
Limonite						
- Gebe	79,459	40,464	4,218	8,072	(80)	91
- Buli	42,975	5,808	25,594	6,892	19	(73)
- LGSO Pomalaa	98,867	38,777	32,037	15,054	(61)	(53)
<i>Total Limonite</i>	<i>221,301</i>	<i>85,049</i>	<i>61,849</i>	<i>30,018</i>	<i>(65)</i>	<i>(51)</i>
Gold	190,329	48,746	25,244	25,171	(48)	(0)
Bauxite	135,344	34,061	24,999	35,089	3	40
Silver	9,944	0	3,964	0	N/A	(100)
Iron sands	20,041	377	12,104	0	(100)	(100)
TOTAL EXPORT REVENUE	2,513,839	786,572	505,054	518,199	(34)	3
DOMESTIC SALES:						
Gold	273,595	99,209	48,185	61,822	(38)	28
Silver	40,212	21,118	6,601	14,595	(31)	121
Ferronickel	1,010	0	509	0	(100)	(100)
Iron sands	10,976	5,131	1,287	2,355	(54)	83
Gold Refining Services	18,029	5,237	3,778	2,854	(45)	(24)
Other	876	158	153	105	(34)	(31)
TOTAL DOMESTIC REVENUE	344,698	130,853	60,512	81,731	(38)	35
TOTAL SALES REVENUE	2,858,538	917,424	565,565	599,930	(35)	6

DESCRIPTION	2004			2005	1Q05/4Q04 (%)	1Q05/1Q04 (%)
	12 months	4 th Quarter	1 st Quarter	1 st Quarter		
EXPORT SALES (Thousand US\$)						
Ferronickel	108,533	35,090	25,954	19,765	(44)	(24)
Nickel Ore						
Saprolite						
- Pomalaa	12,160	3,149	2,498	2,865	(9)	15
- Gebe	17,822	4,807	3,325	4,045	(16)	22
- Gee	38,535	11,428	7,988	10,547	(8)	32
- Buli	39,314	14,195	4,451	9,025	(36)	103
<i>Total Saprolite</i>	<i>107,831</i>	<i>33,579</i>	<i>18,262</i>	<i>26,482</i>	<i>(21)</i>	<i>45</i>
Low grade						
- LGSO Pomalaa	10,989	4,189	3,769	1,615	(61)	(57)
- Gebe	7,248	2,868	499	861	(70)	72
- Buli	4,390	174	2,996	736	323	(75)
<i>Total Limonite</i>	<i>22,627</i>	<i>7,231</i>	<i>7,264</i>	<i>3,212</i>	<i>(56)</i>	<i>(56)</i>
Gold	21,270	5,319	2,949	2,721	(49)	(8)
Bauxite	15,070	3,729	2,954	3,787	2	28
Silver	1,111	0	461	0	N/A	(100)
Iron sands	2,386	0	1,412	0	(100)	(100)
TOTAL EXPORT REVENUES	278,829	84,949	59,256	55,967	(34)	(6)

A NOTE ON NICKEL PRICING:

Sometimes you'll notice slight changes in the nickel prices of the current and previous quarter, in the corresponding quarterly reports (i.e. the price of low grade nickel ore for 1Q02 as reported in the 1Q02 quarterly report is different from as reported in the 2Q02 quarterly report). This is because the latest figures reflect the prices of our nickel products as invoiced to customers in a professional invoice. Later, after the shipment arrives the cargo is re-analyzed for moisture content and nickel grade and the price may increase or decrease in the final invoice.

FOR YOUR REFERENCE:

The nickel ore price is calculated as follows:

- 1 WMT X Ni Content (2.24% to 2.28%) X MC (100-35%) X 2204.62 X LME price/lb X payable nickel (ave. 24%).
- The nickel payable is the discount to the nickel spot price, as the nickel must be extracted from the ore.
- For high-grade the LME price that is used is the average price from the previous quarter.

1 ton of nickel in ferronickel is equivalent to about 75 wmt of ore.

EXPLORATION

COMPETENT PERSON

Where in the following report there are statements that relate to Antam's Mineral Resources or Ore Reserves, they are based on and accurately reflect information that has been compiled by Mr. Trenggono Sutioso. Mr. Sutioso is a member of the Australasian Institute of Mining and Metallurgy and has the appropriate experience to be considered a Competent Person as defined in the Australasian Code for Reporting on Identified Mineral Resources and Ore Reserves.

Exploration activities for the January quarter began in mid-February 2005, focusing on Antam's main commodities of nickel, gold and bauxite. Antam intends to conduct nickel exploration at Halmahera and Obi Island, North Maluku, as well as Bahubulu, Tapunopaka and Mandiodo in Southeast Sulawesi. Gold exploration will be conducted at Pongkor, West Java, Mranggu, East Java and Pasaman, West Sumatra. Meanwhile, bauxite exploration activities will be performed at Wacopek, Riau, and Tayan, West Kalimantan.

Total exploration expenditure for the January quarter reached Rp7.7 billion.

NICKEL

Nickel exploration was conducted in Buli, Halmahera; Southeast Sulawesi and Obi Island. Exploration in Buli included 7,045 metres of infill drilling at Block A, Pakal and Sangaji at a total cost of Rp3.25 billion. Infill drilling at Sangaji is intended to support Antam's fourth ferronickel expansion project.

Antam continued exploration drilling in Southeast Sulawesi at Tapunopaka, Mandiodo and Bahubulu. On these locations, a total of 14,957 metres of drilling was conducted with a total cost of Rp4.1 billion. Drilling activities at Southeast Sulawesi were intended to support ore feed for Antam's existing ferronickel smelters.

Meanwhile, activities at Obi have only reached a preliminary stage in the form of the mobilization of drilling equipment, installation of base camps and initial community development initiatives. The total cost for activities at Obi reached Rp218.2 million.

GOLD

Gold exploration was conducted at Lebong Kandis, Mranggu-East Java and Pongkor-West Java with a total cost of Rp147.5 million. Exploration activities in Mranggu, East Java, were focused on geological data analysis in cooperation with the Bandung Institute of Technology. Antam also continued joint exploration activities using geophysics tests with JOGMEC Japan in Cikotok-Banten.

In Cisono and Cicemet, Banten, regional geological mapping activities covered an area of 862.5 hectares. Antam analysed 18 rock samples, utilized fluid inclusion analysis on 3 samples and X-Ray deflection analysis on 13 samples. The total exploration cost amounted to Rp20.1 million.

Antam conducted exploration activities at Kalamiseng, South Sulawesi with a focus on regional geological mapping activities which are expected to begin at the end of March 2005.

Exploration activities at Pongkor were focused on technical geological analysis. Antam conducted technical geological drilling of 258 metres with a total cost of Rp145.8 million.

BAUXITE

Bauxite exploration was performed at Wacopek, Kijang while activities at Tayan were focused on test pitting with 25 metres x 25 metres grid.

Activities at Wacopek included 13.4 kilometres of grid measurement, test pitting of 443.9 metres and sampling and preparation analysis of 185 samples and 164 samples, respectively. The total cost for bauxite exploration activities reached Rp61.1 million.

DEVELOPMENT - Corporate

Antam established a subsidiary in Netherlands to support ferronickel marketing

On January 3, Antam announced the establishment of a wholly-owned subsidiary in the Netherlands, Antam Europe BV. The establishment process has been planned since early 2004 and is related to Antam's ongoing steps to support and expand ferronickel sales activities in Europe. To consolidate fund raising activities, Antam Finance Limited, a wholly owned subsidiary of Antam located in Mauritius, has assigned to Antam Europe its interest in an existing loan to Antam of US\$195 million. This loan was made in September, 2003 from the proceeds of the US\$ 200 million 7.375% Guaranteed Notes due 2010 issued by Antam Finance for Antam's ferronickel expansion project, FeNi III. The obligations of Antam Finance under the bonds are not affected by the transactions described above.

Antam sends money and personnel to Aceh

On January 20, Antam announced that its operations had not been affected by the tsunami of late last year, which devastated areas of the provinces of Nanggroe Aceh Darussalam (NAD) and North Sumatra. In order to assist with relief efforts, Antam has donated money and sent medicine, doctors and a drill team to search for clean water. Antam extends heartfelt condolences to all the victims of this horrible tragedy.

New power generators are switched on

On February 3, Antam announced it switched on three of six new generators of its third diesel power plant, which is under construction. With a combined capacity of 51MW, the new generators are expected to improve power generation efficiency and consistency. At a total cost of US\$64 million the new third power plant shall power Antam's entire Pomalaa ferronickel facility after the construction of a third smelter is complete in 2006 and will replace those of Pomalaa's first and second power plants, which will now go on standby.

Antam switches on FeNi II smelting plant

Antam announced on February 23 that it switched on the FeNi II ferronickel smelter following the completion of its scheduled full overhaul. The maintenance on FeNi II began September 14, 2004 and included a full relining of the inside walls of the furnace with new refractory bricks and a cooling system upgrade. Pre-heating of the smelter began on February 15, 2005 and the load will gradually be increased and a return to normal operations is expected by mid-March 2005. During the load up period, however, Antam halted the commissioning following signs of damaged refractory bricks.

POSCO and Antam agree to conduct feasibility study of Indonesian nickel project

In March 18, POSCO and Antam issued a joint press release in which both companies had agreed to launch a feasibility study of a joint venture ferronickel project in Indonesia. POSCO and Antam formalized the agreement by signing a Memorandum of Understanding (MOU) in which both companies will form a task force to complete a feasibility study by 2005 to determine the viability of jointly building and operating a ferronickel facility in Indonesia, which will most likely be project financed. The site is likely to be in the vicinity of Antam's Sangaji Prospect Area, Halmahera and will involve construction of a ferronickel facility with an annual production capacity of 30,000 tonnes. If the study indicates the plan is feasible, both companies will work towards building a facility which begins commissioning by the end of 2009.

Antam halts commissioning of FeNi II smelting plant following signs of damaged refractory bricks

On March 28 Antam announced that management decided to halt the commissioning of FeNi II towards the end of the one month commissioning period, due to abnormal metal levels measured against reference dimensions in the furnace and higher than normal hearth thermocouple temperatures. The higher than normal temperatures were caused by incorrect implementation of load-up procedures, which damaged the bottom refractory bricks. The shut down of FeNi II is expected to last five to six months, with FeNi II beginning commercial operations at the end of August 2005. A preliminary estimate of the repair cost is in the range of US\$3 million to US\$5 million.

DEVELOPMENT – Joint Ventures

PT GALUH CEMPAKA (Antam 20%)

BDI Mining Corp. has started mining of the main, Danau Seran, channel at its Cempaka alluvial diamond mine in southeast Kalimantan. Operations in the main channel have so far mined 16,528 bench m³, yielding 584.75 ct of diamonds, with the three largest stones, all of which are white, weighing 10.74 ct, 7.69 ct and 5.97 ct. BDI Anticipates making its first diamond sales during the June quarter.

BDI Mining Corp. has been advised by WWW International Diamond Consultants Limited that the first production parcel of 3,285 carats of rough diamonds from the Company's Cempaka diamond mine in Indonesia has a market value of US\$285 per carat. This valuation reflects the current strength in the world market for rough diamonds and is 52% above the US\$187 per carat sales price that the Company achieved at tender during 2002 for the 4,656 carats of diamonds recovered during bulk testing. WWW International is an internationally recognised diamond consultancy and, with its partners Aboriginal Diamond Group through Diamonds International Canada (DICAN), is the independent diamond valuer to the Canadian Government.

PT SORIKMAS MINING (Antam 25%)

Oropa is pleased to announce the commencement of diamond drilling at its Sihayo gold deposit, North Sumatra, Indonesia.

Oropa intends to complete a number of metallurgical test holes within the Sihayo 1 North Resource envelope as well as drill testing the strike / dip extension of known mineralisation outside the Resource envelope. Mineralisation discovered in recent trenching outside the Resource envelope will also be drill tested.

A detailed site survey plus additional trenching is currently underway at Sihayo 1 North, plus additional test pitting of the Sambung prospect, located approximately 1.5km from Sihayo 1 North.

PT NUSA HALMAHERA MINERALS (Antam 17.5%)

Newcrest Mining Limited has completed an updated estimate of Mineral Resources & Ore Reserves for projects held by it in the Gosowong Province in Indonesia. This update has resulted in two changes to Newcrest's Ore Reserve and Mineral Resource position. They are:

1. At Kencana the previously announced resource of 2.2Moz remains unchanged however an initial Ore Reserve estimate has now been completed and comprises 640,000 tonnes @ 42 grams gold per tonne for 860,000 ounces.
2. The Mineral Resource estimate at Toguraci, which was previously 300,000 ounces, has increased by 165,000 ounces following remodelling of the remaining mineralization. Depletion through mining of 125,000 ounces has resulted in a net increase of 40,000 ounces.

The combined effect of these changes in the Gosowong Province, taking depletion into account, has been to increase the Mineral Resource by a net 40,000 ounces to 2,600,000 ounces and increase the Ore Reserves (included in resources) by 900,000 ounces to 1,200,000 ounces since the last statement released in October 2004. A recent milestone was achieved with 1,000,000 ounces extracted from the Gosowong field since its commencement of production.

PT DAIRI PRIMA (Antam 20%)

Recent sampling on a 100m x 25m grid of the northwest extension of the Maromas A soil geochemical anomaly at Sinar Pagi has now extended this anomaly to a total strike length of 1.5 km with the anomaly remaining open to the northwest. The width of the anomaly ranges up to 500m. The soil sampling was conducted in the C horizon. Metal values within the soils range up to 2.26% Zn and 1.25% Pb, which are significant for this type of sampling. Geologically the anomaly appears to be stratabound and is associated with quartz veining within a carbonate unit. It is planned to move a diamond drill rig to the Sinar Pagi area in the near future to commence testing of this encouraging anomaly, as part of an ongoing exploration program planned for the coming quarter at the Dairi Project.

The Sinar Pagi prospect is located 20km NNW of the high-grade Anjing Hitam deposit, the subject of the recently completed Feasibility Study for a 1mtpa operation producing 220,000t and 100,000t of zinc and lead concentrates annually, and in relation to which discussions with financiers and offtake parties are underway.

PT CIBALIUNG SUMBER DAYA (Antam 16.24%)

Austindo Resources Corporation NL ("ARX") has received advice from ANZ Investment Bank confirming that credit approval has been granted for the provision of project finance facilities in the amount of US\$26 million and associated hedging facilities for the development of the Cibaliung Gold Project.

Drawdown of funds from the bank under the proposed facility will be subject to the completion of loan documentation and satisfaction of conditions precedent. The bank has also agreed to provide additional cost overrun and working capital facilities.

ARX expects to raise additional equity funds in the near future which, together with the project debt facilities, will enable the commencement of construction in the first half of 2005 with first gold production in 2006. Commencement of construction also remains subject to obtaining project development permits and environmental approvals, the process of which is well advanced.

Key project parameters are:

- Mine life of 6 years with a production rate of 220,000 tonnes per annum with recovery of gold and silver by a conventional CIL processing plant;
- Mining will be by conventional underground cut and fill stoping with decline access;
- Annual production of approximately 70,000 ozs gold equivalent;
- Initial capital expenditure of some US\$ 34 million;
- Average life of mine cash operating costs of less than US\$200/oz.