



# QUARTERLY REPORT PT ANTAM (PERSERO) TBK

For the Three-Month Period Ended June 30, 2011  
ARBN - 087 423 998  
Share Code : ASX: ATM; IDX: ANTM



*Ferronickel III Smelter, Pomalaa*



*Gold Processing Plant, Pongkor*



*Coal Mine, Sarolangun*

## HIGHLIGHTS

**In the first half of 2011, ferronickel production rose 6% over the same period last year to 9,838 tonnes of contained nickel in ferronickel (TNi).**

**In the first half of 2011, production of nickel ore grew by 15% over the same period last year to 3,909,479 wet metric ton (wmt).**

**Gold sales in first semester of 2011 grew by 6% over the same period in 2010 to 3,611 Kg.**

**Coal production at Sarolangun mine reached 215,150 ton in first half of 2011.**

**Construction of Tayan Chemical Grade Alumina (CGA) Project Begins**

FOR FURTHER INFORMATION PLEASE CONTACT:

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## CORPORATE INFORMATION

### Board of Commissioners

Wisnu Askari Marantika	President Commissioner
Irwan Bahar	Commissioner
Mahmud Hamundu	Independent Commissioner
Hikmahanto Juwana	Independent Commissioner
Sri Mulyanto	Commissioner
Bambang Permadi Soemantri Brodjonegoro	Commissioner

### Board of Directors

Alwin Syah Lubis	President Director
Djaja M. Tambunan	Finance Director
Winardi	Operations Director
Tato Miraza	Development Director
Achmad Ardianto	Human Resources Director
Denny Maulasa	General Affairs and Corporate Social Responsibility Director

### Share Information

- Antam's largest public shareholder after the Government of Republic of Indonesia is PT Jamsostek (Persero) - JHT with a 1.8% ownership.
- As at June 30, 2011, Antam's market capitalization stood at Rp19.8 trillion.
- Antam's share price hovered within the Rp2,000 to Rp2,400 range during from April-June 2011.
- Antam's average share price at the Indonesia Stock Exchange (IDX) during April-June 2011 was Rp2,203.
- The average price of Antam's shares at the Australia Securities Exchange (ASX) during April-June 2011 was AU\$1.3075 per CDI.

### Top 10 Shareholders:

1. PT JAMSOSTEK (PERSERO) - JHT
2. SSB OBIH S/A ISHARES MSCI EMERGING MARKETS INDEX FUND
3. PT JAMSOSTEK (PERSERO) - Non JHT
4. PT TASPEN (PERSERO) - THT
5. CITIBANK NEW YORK S/A DIMENSIONAL EMERGING MARKETS VALUE FUND
6. BBH BOSTON S/A VANGRD EMG MKTS STK INFD
7. RD BNP PARIBAS EKUITAS
8. Reksa Dana Schroder Dana Prestasi Plus
9. Dana Pensiun Pertamina
10. GIC S/A Government of Singapore

## PRODUCTION VOLUME

Commodity	Unit	2Q10 (Apr -Jun 2010)	1H10	2Q11 (Apr-Jun 2011)	1H11	2Q11/2Q10 (%)	1H11/1H10 (%)
Ferronickel	TNi	4,841	9,252	5,002	9,838	3	6
High Grade Nickel Ore	wmt	921,071	1,832,256	816,544	1,725,986	(11)	(6)
Low Grade Nickel Ore	wmt	911,622	1,561,080	1,084,787	2,183,493	19	40
Total Nickel Ore	wmt	1,832,693	3,393,336	1,901,331	3,909,479	4	15
Gold	kg	701	1,382	653	1,241	(7)	(10)
Silver	kg	5,253	10,130	4,975	9,365	(5)	(8)
Bauxite	wmt	49,988	49,988	-	-	0	0
Coal	ton	-	-	215,150	215,150	N/A	N/A

### PRODUCTION AND SALES

During the first half of 2011, Antam's unaudited sales rose by 13% to Rp4.9 trillion inline with higher sales of gold and nickel ore. The increase was also due to higher commodity prices. Ferronickel and nickel ore were the largest contributor with 65% contribution or Rp3.1 trillion of value. Meanwhile, sales of gold, silver and precious metals refinery contributed 33% of Antam's 1H11 sales.

During the second quarter of 2011 (April-June 2011), Antam's sales amounted to Rp2.9 trillion, or a 9% increase compared with the same period of 2010.

Antam's financial statements for the first semester of 2011 is currently being audited by

Public Accountant Firm Purwantono, Suherman and Surja, member firm of Ernst & Young Global and will be available on 30 September 2011 at the latest.

### FERRONICKEL

Antam recorded ferronickel production volume of 9,838 tonnes of nickel contained in ferronickel (TNi) in the first half of 2011 (1H11), up by 6% compared with the same period of 2010 (1H10). During 1H11 all of Antam's ferronickel plants operated at optimum capacity. Ferronickel production in 1H11 was 55% of the year's production target of 18,000 TNi. Ferronickel production volume during the second quarter of 2011 (April-June 2011) (2Q11) reached 5,002 TNi, or a 3% increase com-

pared with the same period last year (2Q10).

In 1H11 ferronickel sales volume amounted to 9,072 TNi or reached 49% of annual target of 18,500 TNi as several of Antam's ferronickel were on transit in the second quarter of 2011. Antam's 1H11 ferronickel sales volume includes the 2,128 TNi which was hijacked off the Somalia coast and have been delivered to Antam's customers. In 2Q11, ferronickel sales reached 6,863 TNi, a 15% decrease over the same period in 2010.

In line with the high demand of ferronickel and a 20% increase in nickel price during 1H11 to US\$11.29 per lb, Antam's revenue from ferronickel sales grew by 7% to Rp1.96 trillion.

## NICKEL ORE

In 1H11, nickel ore production increased by 15% compared with the same period of 2010 to 3,909,479 wet metric tonnes (wmt), comprising of 1,725,986 wmt of high grade nickel ore and 2,183,493 wmt of low grade nickel ore. The rise in the production of nickel ore was followed by a 5% increase in the sales of the commodity to 2,869,064 wmt due to high demand. 1H11 nickel ore production was 51% of 2011 production target of 7.65 million wmt, whilst the nickel ore sales volume in 1H11 was 49% of 2011 sales target of 5.86 million wmt.

Total nickel ore production in 2Q11 rose by 4% to 1,901,331 wmt, Nickel ore sales volume amounted to

1,242,258 wmt or a 13% decrease over the same period in 2010.

Due to higher sales volume and price, Antam's revenue from the sales of nickel ore in 1H11 grew by 7% compared with 1H10 to Rp1.19 trillion.

## GOLD

Gold production volume during 1H11 amounted to 1,241 kg, comprising of 974 kg of gold mined from the Pongkor mine and 267 kg gold from the Cibaliung mine.

1H11 gold production was 10% lower than 1H10 due to lower gold grades at the Pongkor mine. In 1H11 the average grade of the gold ore at Pongkor reached 8.58 gram per ton (gpt) compared with 10.09 gpt in 1H10. Antam's gold production in 2Q11 low-

ered by 11% to 653 kg.

As Antam is yet to mine the planned gold veins, management decides to lower Cibaliung gold production to around 1 ton. As such, Antam estimates gold production in 2011 of around 3 ton.

Gold sales volume reached 3,611 kg during 1H11 or a 6% increase compared with 1H10. Meanwhile, sales volume of gold during the second quarter of 2011 amounted to 1,881 kg or a 39% increase compared with 2Q10.

In line with higher sales volume and average selling price of gold by 27% compared with 1H10 to US\$1,472.81 per troy ounce, Antam's revenue from gold reached Rp1.49 trillion or a 28% increase over 1H10.

## SALES VOLUME

Commodity	Unit	2Q10 (Apr-Jun 2010)	1H10	2Q11 (Apr-Jun 2011)	1H11	2Q11/2Q10 (%)	1H11/1H10 (%)
Ferronickel	TNi	8.080	9.743	6.863	9.072	(15)	(7)
High-Grade Nickel Ore	wmt	921.071	1.832.256	550.442	1.305.823	(40)	(29)
Low-Grade Nickel Ore	wmt	498.957	889.241	691.816	1.563.241	39	76
Total Nickel Ore	wmt	1.420.028	2.721.497	1.242.258	2.869.064	(13)	5
Gold	kg	1.355	3.403	1.881	3.611	39	6
Silver	kg	10.412	24.602	7.292	13.973	(30)	(43)
Bauxite	wmt	109.794	136.911	-	130.218	(100)	(5)
Coal	ton	-	42.194	194.263	194.263	N/A	360

## BAUXITE

Although Antam ceased bauxite production at Kijang, bauxite sales from the mine continued. Sales of bauxite inventory at Kijang in the first half of 2011 amounted to 130,218 wmt with an export value of Rp13.8 billion.

## COAL

In line with the acquisition of the Sarolangun coal mine in Jambi, Antam, through its subsidiary, PT Indonesia Coal Resources, produced 215,150 tonnes of coal and sold 194,263 tonnes of the commodity domestically in 1H11, generating to Rp26.2 billion.

## EXPLORATION ACTIVITIES

In 2Q11 (April-June 2011), Antam's Geomin Unit conducted exploration activities focusing on nickel, gold, bauxite, and coal. Antam spent Rp46.5 billion in 2Q11 on exploration activities. During 1H11, Antam spent Rp75.2 billion for exploration activities.

### Nickel

Antam conducted nickel-exploration activities in Buli, North Maluku; Lasolo, Lalindu, Mandiodo, and Tapun-

opaka, Southeast Sulawesi; and Pulau Gag, West Papua.

Nickel exploration activities in Buli, North Maluku covered the Sangaji and Tanjung Buli areas and were designed to upgrade the indicated and measured classifications of the areas' mineral resources and to investigate the depth of Pulau Pakal's bedrock.

In Sangaji, Antam obtained core samples by drilling with a space interval of 25 m and a total drilling depth of 13,930.60 m; and a space interval of 100 m and a total drilling depth of 3,367 meter.

In the Tanjung Buli region, Antam took core samples by drilling with a space interval of 25 m and a total drilling depth of 1,762.60 m, and performed topographic, grid, and geophysical-tracking measurements.

Antam's exploration activities in the Southeast Sulawesi region, which covered the Lasolo, Lalindu, Mandiodo, and Tapunopaka, were designed to upgrade the classification of the nickel ore mineral resources in these regions, to accelerate the mining activities at Tapunopaka as well as to set the stage for mining activities and to prepare the ore feed requirements of Pomalaa's ferronick-

el smelters by enhancing the classification of the regions' mineral resources from inferred to indicated. Core samples were obtained in Mandiodo, Lasolo, and Lalindu by drilling with a space interval of 100 m and a total drilling depth of 1,481.70 m. Core drilling in the Tapunopaka region was performed at a 25-m space interval and a total drilling depth of 5,756.4 m, of which 7,488 core samples were obtained.

The nickel exploration activities in Pulau Gag included core drilling with an interval space of 25 m and a total drilling depth of 6,963.20 m, 12.5 m geological modelling with a total drilling depth of 503.5 m, and sampling.

### Gold

Gold exploration activities were conducted in the region of Muara Manderas, Jambi; Pongkor, and Pandayan, West Java; Cibaliung, Banten, Mao, West Sulawesi; and Oksibil, Papua.

The exploration activities for gold in Muara Manderas were drilling with a total drilling depth of 2,141 m. Antam also conducted Detailed Geological Mapping (DGM), and trenching.

Exploration activities at Pongkor included DGM, core drilling, sterilization-drilling test with a total drilling depth of 6,657.45 m.

Gold exploration activities at Papandayan included Semi-Detailed Geological Mapping (SDGM), DGM, and outcrop measurement.

Exploration activities at Cibaliung include DGM, SDGM, and sampling.

Exploration activities at Mao, Batuisi, and Karosa included DGM, trenching, drilling, and sampling.

At Oksibil, Antam conducted Regional Geological Mapping (RGM) and SDGM covering areas with perimeters of, respectively, 1,039 and 43 hectares and sampling.

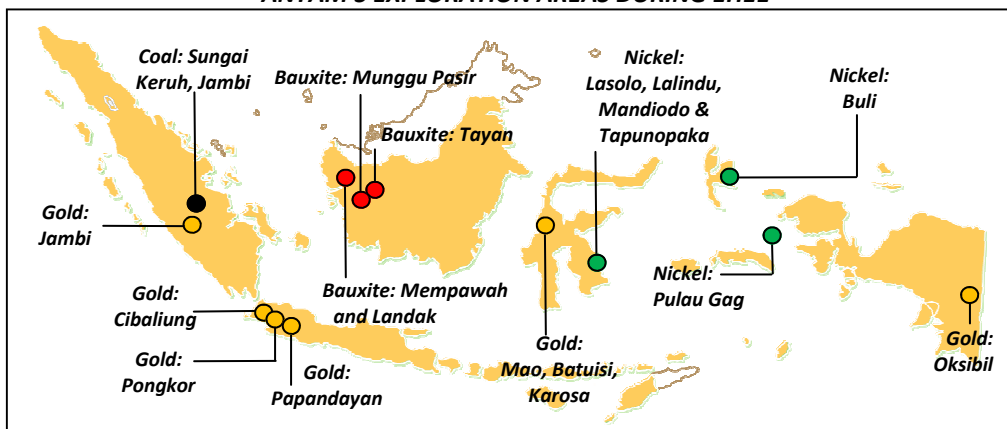
**Bauxite**

Antam’s bauxite exploration activities were conducted in West Kalimantan, which covered the regions of Mempawah, Landak, Tayan, and Munggu Pasir. These activities were grid measurement, test pitting and core sampling.

**Coal**

Coal exploration activities at Jambi included RGM, SDGM, DGM, as well as a 1.37 km track measurement.

**ANTAM’S EXPLORATION AREAS DURING 1H11**



## CORPORATE NEWS

### CONSTRUCTION OF TAYAN CHEMICAL GRADE ALUMINA (CGA) PROJECT COMMENCES

*Left to right: the Head of Indonesia Investment Coordinating Board, the President Director of PT Indonesia Chemical Alumina, the Minister of Industry of the Republic of Indonesia, and the President Director of Antam were observing the Tayan-CGA project landscape model.*



On April 11, 2011, Antam announced the commencement of the construction of the US\$450-million Tayan Chemical Chemical Grade (CGA) project. The Minister of Industry of the Republic of Indonesia, Mr. M.S. Hidayat, officially set the ground breaking ceremony for the project in Tayan, Sanggau Regency, West Kalimantan. The Tayan CGA project will be developed by PT Indonesia Chemical Alumina (ICA), a joint venture company between Antam and Showa Denko K.K. (SDK) of Japan. Antam owns 80% shares of ICA and SDK holds the remaining 20%. The construction of the Tayan CGA project is expected to take 32 months with commercial production in January of 2014. The project will process Antam's bauxite reserves to produce 300,000 tonnes of CGA per annum.

### ANTAM DISTRIBUTES PARTNERSHIP FUNDS TO RED ONION FARMERS OF CIREBON

*Left to right: the Assistant Deputy of Partnership and Development & Environmental Development, Antam's General Affairs & CSR Director and Head of Cooperatives & Micro, Small, and Medium Enterprises at the event.*



On April 15, 2011, Antam's General Affairs and Corporate Social Responsibility Director, Denny Maulasa, joined local farmers at the red onion harvesting festivities at Panggang Sari Village, Losari, Cirebon Regency, West Java. During the event, Antam also distributed Rp500 million of Partnership Fund to support 52 red onion farmers in Cirebon.

## CORPORATE NEWS

### ANTAM INAUGURATES HISTORICAL MONUMENT AND RELIEFS OF BAUXITE MINING HISTORY IN KIJANG



On May 7, 2011, Antam's management and the Government Officials of Riau Islands and Bintan inaugurated the Historical Monument and Reliefs of Kijang Bauxite Mining History at Bintan Regency, Riau Islands. The inauguration reflects Antam's contribution to the communities of Bintan, Riau Islands as part of the island's history. The monument and reliefs were intended to celebrate the legacy to be remembered by many generations.

The monument is represented with a statue of bauxite miner and 18 relief sculptures, illustrating the history of bauxite mining at Bintan. The reliefs start with the sculptures of the discovery of bauxite by the Dutch in 1920, bauxite mining activities from 1935 to 2010, and post-mining activities in 2011.

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#### *Disclaimer:*

*The financial and operational results and information in this report is still under audit process. As such, actual results could differ materially from the materials and information presented in this report.*

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*The content of this report must not be construed as any advice to you, on (a) whether to purchase any of our securities or, (b) if you hold an investment in our securities, the value of your investment or how or whether you can effect any trades relating to your investment.*

*The data on the reserves and resources included in this Report is based on and accurately reflects information that has been compiled by Mr. Trenggono Sutioso. Mr. Sutioso is a permanent employee of the Company 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 JORC Code. However, the reserves and resources information contained in this Report has not been independently verified and any independent verification may produce variation, which may be material.*