



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

For the three months ending 30th June, 2006

ARBN - 087 423 998

FURTHER INFORMATION:

Ashur Wasif (Corporate Secretary)

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PRODUCTION

- Antam produced 4,153 tonnes of contained nickel in ferronickel in 2Q06, a 196% increase over the same period last year.
- Production of saprolite nickel ore increased by 61% to 961,241 wet metric tons (wmt) over 2Q05.
- Limonite production, including LGSO, increased slightly to 154,863 wmt.
- Inline with the redesign of Pongkor gold mine, Antam's gold production decreased by 21% to 815 kg.

DEVELOPMENT

- Antam and partners sign joint venture agreement for the Tayan Chemical Grade Alumina Project.
- Antam distributes cash dividend of Rp286.3 billion or Rp150.05 per share.
- Antam sends money and personnel to Yogyakarta and Central Java.
- Antam continues to focus on gold exploration as Agincourt will acquire a 100% interest in Martabe.

EXPLORATION

- In 2Q06, Antam continued exploration on lateritic nickel, gold and bauxite in Indonesia.
- Total cost for exploration reached Rp21 billion, 15% higher than Rp18.2 billion spent in the same quarter last year.
- **Please note: Antam's financial results for the first half of 2006 will be released by August 31st, 2006.**

Ashur Wasif
Corporate Secretary
27th July, 2006

• **Shareholder Sum-Up: 2Q06 Relative Share Price Performance over the Quarter (Arrow indicates comparison to previous quarter).**

During 2Q06 Antam's share price increased **5.11%** from Rp4,400 to Rp4,625

Source: Bloomberg and Antam

VS. PEERS...

PT Timah	24	▲
PT Inco	-7	▲
Inco Ltd	-15	▼
Falconbridge	-20	▼
BHP-B Ltd	5	▼
Rio Tinto Plc	12	▼
AngloAmerican	8	▼
Harmony	-10	▼
Barrick Gold	4	▼
Newcrest	15	▼
Alumina Ltd	18	▼
Freeport	15	▼

VS. INDICES...

LQ45	7	▲
JSE Composite	7	▼
JSE Mining Index	8	▲
ASX All Ordinaries	4	▼
Dow Jones	5	▼
TS Composite	11	▼
NASDAQ	13	▼
Hang Seng	2	▼
S&P 500	7	▼
DAX	11	▼
FTSE	4	▼
FTSE All Share Mine	7	▼

VS.

COMMODITIES...

Gold	0	▼
Nickel	-25	▼

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

Analyst Recommendations (Released in 2Q06):

CIMB	Outperform	6/21	Merrill Lynch	Buy	4/12
CIMB	Underperform	4/27	Credit Suisse	Outperform	6/20
NC	Buy	6/7	Credit Suisse	Neutral	5/29
NC	Hold	5/12	Credit Suisse	Underperform	5/8
NC	Buy	4/5	Danareksa	Hold	6/5
Merrill Lynch	Neutral	6/9	Trimegah	Buy	4/3

Shares in Issue	1,907,691,950
Market Capitalization	Rp8.82 bn (USD953 mn)
Price Range	Rp3,650 – Rp6,050
Average Price	Rp4,794
Trading Volume	476.9 mn
Average Daily Volume	7,818,180

Major Shareholder:

Government of Indonesia (65%)

Substantial Shareholders:

OppenheimerFunds, Inc. USA (9.12%)

Final Dividend Payment Date:

July 7th, 2006

Final Dividend Amount:

Rp150.05/share,

AUD0.108999 per CDI

Nickel Price on 06/30/06	US\$10.13/lb
Nickel Price Range	US\$7.14/lb (04/04/06) - US\$10.87/lb (05/26/06)
Gold Price on 06/30/06	US\$615.85/oz
Gold Price Range	US\$559.75/oz (06/14/06) - US\$714.80/oz (05/12/06)
Rupiah on 06/30/06	Rp9,263/US\$
Rupiah Range	Rp8,703/US\$ (05/11/06) – Rp9,495/US\$ (06/13/06)

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 9.12% interest
- Antam has 226 foreign and foreign institutional shareholders, which account for 76.91% of the shares trading on the JSX.
- Antam is held by 176 foreign institutions, which together have 26.81% of Antam's shares.
- The top 5 countries of origin for our foreign shareholders in terms of shares held:
 1. USA
 2. UK
 3. Singapore
 4. Netherlands
 5. Luxembourg

Top 20 Shareholders (90% are foreign investors):

1. Government of the Republic of Indonesia	11. GS Lnd Seg AC
2. JP Morgan Chase Bank US Resident (Norbax Inc)	12. JP Morgan Chase Bank UK Residents (Chase NL)
3. Investor Bank and Trust Company (West)	13. MS + Co In Ltd Client AC
4. MS + Co Inc. Client AC	14. BBH Luxembourg S/A Fidelity Funds Emerging
5. SSB PS10 Pacific Select Fund Emerging Mkt.	15. CB London S/A Sticht Pens Met En Tech (Arrow)
6. CB Intl Plc (Lux Branch) S/A Pioneer Asset Mkt.	16. SSB JY64 SSL Co SSB Frank Russell Investment
7. CB London S/A 2S Hauck and Aufhaeuser	17. Investors Bank – Trust Company
8. Pertamina Pension Fund	18. Clearstream Banking S.A Luxembourg
9. CB London S/A 2S Banca Milano	19. UBS WM UK Client Holdings
10. Gov. of Singapore Inv. Corp. Pte Ltd	20. Gov. of Singapore Inv. Corp Pte Ltd

PRODUCTION & SALES (please refer to accompanying tables)

Antam's consolidated second quarter sales revenues rose 108% to Rp1,487 billion from Rp715 billion, resulting in first half consolidated sales revenues of Rp2,050 billion. The increase is largely due to higher sales volumes and prices of ferronickel, as the new smelter FeNi III began to produce nickel during commissioning, and high grade nickel ore due to output from the new Mornopo mine. In the first half of 2006, the nickel segment which consists of ferronickel, high grade nickel ore, low grade saprolite ore (LGSO) and low grade nickel ore remained the biggest contributor, totaling Rp1,724 billion or 84% of Antam's consolidated net sales. Meanwhile, the gold segment, which includes sales from gold, silver and precious metals refinery services contributed 12% of net sales, at a value of Rp237 billion.

NICKEL

Antam's ferronickel production increased 196% to 4,153 tonnes of nickel contained in ferronickel including production from the new FeNi III smelter, which had yet to reach commercial operations but was operating at or near full capacity from about the middle of May. In 2Q06, Antam's FeNi I and FeNi II smelter produced 942 and 1,428 tonnes respectively. Production at the FeNi II smelter improved following an overhaul and cooling system upgrade that was completed late last year. There was no toll smelting activity in 2Q06. Production of ferronickel in the first half of 2006 increased 151% to 6,859 tonnes. As part of an agreement with PT Inco, in the first half of 2006, Antam used 518,323 wmt of nickel ore from PT Inco's East Pomalaa deposit as ore feed to its ferronickel smelters. Each year, Antam will acquire 1,000,000 tonnes of ore from adjacent reserves, called East Pomalaa, held by PT Inco. The cost of the nickel ore is determined by the international spot price for nickel. The ore is mined and transported by Antam's local contractors.

On July 1st, Antam was informed by the Engineering, Procurement and Construction (EPC) contractors that built Antam's new FeNi III smelter that a leak from the metal tap hole of the smelter will require a shutdown for repairs, lasting around three months. Because of the shutdown, Antam lowered the 2006 production target for nickel contained in ferronickel to 13,000 – 16,000 tonnes from 19,000 tonnes. The wide range allows for the worst case scenario of FeNi III not returning to operations this year, which will be determined once a full incident report is presented to Antam. For more information, please see Antam's press release dated July 5th, 2006.

Ferronickel sales increased 406% in 2Q06 to 4,753 tonnes of nickel contained in ferronickel. Sales volume was higher than production volume as shipments from the previous quarter arrived to European customers. The increase in sales is attributed to the increase in production. Sales increased 175% in the first half of 2006 to 6,329 tonnes. In combination with a higher sales price, which rose 10% to US\$8.01/lb, Antam's ferronickel sales rose 434% to Rp770 billion. In the first half of 2006, ferronickel sales increased 196% to Rp967 billion.

Production of saprolite, or high grade nickel ore, increased 61% to 961,241 wet metric tons (wmt), as Antam ramped up production at the Buli nickel mine. Increased production at Buli offset lower production at Gee and Pomalaa. Production at Buli increased 83% while high-grade production at Gee and Pomalaa decreased 6% and 14% respectively compared to the same quarter last year. Antam's total

high grade production for the first half of 2006 amounted to 1,633,011 wmt, a 38% increase compared to the same period last year.

In 2Q06, production of limonite, which includes LGSO and low grade nickel ore, increased slightly of 2% to 154,863 wmt. In the first half of 2006, Antam produced 376,845 wmt of limonite, a 19% decrease compared to the same period last year. Antam aims to produce 3.15 million wmt of saprolite and 950,000 wmt of limonite this year.

Combined saprolite sales increased 30% to 1,011,076 wmt, increasing first half sales 15% to 1,572,887 wmt. As with ferronickel, Antam's sales of saprolite exceeded production of 961,241 wmt as ore shipped in the previous quarter arrived to the Japanese customers. Consolidated saprolite sales revenue increased 33% to Rp447 billion. In the first half of 2006, saprolite revenues rose 15% to Rp666 billion. The weighted average realized high grade nickel ore price rose 7% to US\$48.32 per wmt.

Limonite sales increased 3% to 206,882 wmt in 2Q06, due to higher low grade ore sales from Gebe. Antam sold 104,362 wmt of low grade and 102,520 wmt of LGSO in 2Q06. Despite a tepid increase in sales volumes, limonite sales revenues rose 106% to Rp69 billion, as the average selling price rose 121% to US\$38.56 per wmt. In the first six months of 2006, limonite sales amounted to Rp92 billion, a 45% increase compared to the same period last year.

The provisional cash cost of production of ferronickel rose from US\$3.80 per pound (lb) at the end of the first half of 2005 to US\$4.00 per lb at the end of the first half of 2006. The 5% increase is largely attributed to higher fuel prices, which rose 114% from Rp1,768 per litre to Rp3,791 per litre at the end of the first half of 2006. Fuel accounts for about half of the cash cost of producing ferronickel. Meanwhile, the cash cost of saprolite increased 34% to US\$18.88 per wmt with limonite cash cost amounted to US\$6.01 per wmt. Antam is currently planning to reduce the cash cost of its energy-intensive ferronickel operations by switching to less expensive natural gas by mid-2008 from the more costly diesel. Antam is also exploring the possibility of hydropower in the medium to long term.

GOLD

As Antam implements the redesign of the Pongkor gold mine, production fell 21% to 815 kg, from gold ore production of 98,127 wmt. Due to softer than expected wall conditions and lower than expected grades, Antam has optimized the design of the Pongkor mine in order to improve safety and the extraction rate. Antam estimates the construction of new stopes will last until first quarter 2007 and cost Rp3 billion. Meanwhile, production of silver, a by-product of gold, decreased 13% to 7,028 kg. Gold production in the first half of 2006 decreased 20% to 1,280 kg with silver 17% lower at 10,631 kg. During the first half of 2006, the average gold grade reached 9.83 grams per ton (gpt). Due to positive initial results as the redesign plan is implemented, Antam has increased the gold production target for 2006 from 2,300 kg to 2,500 kg.

Gold sales decreased 33% to 766 kg, while silver increased 5% to 4,343 kg. Revenues from gold decreased by a lesser 8%, to Rp138 billion, due to the higher sales price. The average selling price of gold rose 44% to US\$611.82 per troy ounce (t.oz) compared to the same quarter last year. Combined gold, silver and refinery services, which makes up the gold segment, decreased 3% to Rp158 billion.

Inline with the sharp reduction in gold production, during the first half of the year, the provisional cash cost of producing gold rose 44% to US\$285.22 per t.oz.

BAUXITE

Although sales volumes decreased 9% to 335,841 wmt, Antam's export revenues from bauxite increased 13% to Rp43 billion, a 13% increase compared to 2Q05 due to a higher average selling price. The bauxite sales price increased 29% to US\$13.96 per wmt due to higher demand. Revenues from bauxite contributed 3% to Antam second quarter 2006 revenues. During 1H06 the provisional cash cost of producing bauxite was 39% higher compared to the same period last year at US\$9.42 per wmt.

HEDGE BOOK

Antam's Corporate Policy Manual states that healthy financial management drives growth and value creation and must reflect good risk management practices and balanced management of assets and liabilities. Antam's diverse portfolio of commodities provides a natural hedge against commodity price fluctuations. However, Antam will conduct selective and prudent hedging activities in nickel, gold and foreign exchange, if necessary, primarily to protect revenues and budget.

Antam is not currently considering further gold hedging. Like in 2005, in the second half of 2006, Antam will begin hedging nickel sales using a product known as a zero cost collar, whereby Antam sells a call option (giving buyer the right to buy nickel at a pre-determined price) and buys a put option (giving Antam right to sell at a pre-determined price). The contracts mature each month, and no transaction will occur provided the spot price of nickel does not exceed the price on the call option or fall below the price on the put option. It is called a zero cost collar as the cost of both options is the same. Last year, as the nickel price stayed within range, no options were exercised.

GOLD HEDGE BOOK

As of June 30, 2006, the following contract were outstanding

Description	Period	t.oz	kg	Avg Rate (USD)	Amount (USD)
Gold/USD Forward	Calendar'05	0	0.00	0.00	0
Gold/USD Forward	Calendar'06	0	0.00	0.00	0
		0	0.00	0.00	0
Production of year 2005 (revised budget)		119,536	3,717.99		
% hedging 2005		0%	0%		
Production of year 2006		96,902	3,014.00		
% hedging 2006		0%	0%		

The following profits were realized in 2Q06:

PROFIT & LOSS

HEDGING GOLD/USD FOR PERIOD APRIL - DECEMBER 2006

Description	Value Date	t.oz	Avg.Sales Price/t.oz (US\$)	Avg.Buyback Price/t.oz (US\$)	ITM/OTM (-) in US\$
Gold/USD Forward	April	1,000	441.00	616.25	-175,250.00
Gold/USD Forward	May	1,000	441.00	626.90	-185,900.00
Gold/USD Forward	June	1,000	441.00	629.70	-188,700.00
Gold/USD Forward	July	1,000	441.00	641.00	-200,000.00
Gold/USD Forward	Aug	1,000	441.00	632.50	-191,500.00
Gold/USD Forward	Sep	1,000	441.00	635.50	-194,500.00
Gold/USD Forward	Oct	1,000	441.00	638.50	-197,500.00
Gold/USD Forward	Nov	1,000	441.00	641.50	-200,500.00
Gold/USD Forward	Dec	1,000	441.00	644.50	-203,500.00
Total		9,000	441.00	634.03	-1,737,350.00

Production and Sales Summary of Second Quarter 2006 and 2005

DESCRIPTION		2005		2006			2Q06/ 1Q06 (%)	2Q06/ 2Q05 (%)	1H06/ 1H05 (%)
		2 nd Quarter	6 Months	1 st Quarter	2 nd Quarter	6 Months			
PRODUCTION VOLUME									
Ferronickel	Ton Ni	1,404	2,730	2,706	4,153	6,859	53	196	151
Nickel Ore:									
Saprolite									
- Pomalaa	Wmt	116,793	269,141	196,363	100,459	296,822	(49)	(14)	10
- Gee	Wmt	272,878	498,764	194,922	255,184	450,106	31	(6)	(10)
- Buli	Wmt	208,432	416,526	213,773	381,107	594,880	78	83	43
- Mornopo	Wmt	-	-	66,712	224,491	291,203	237	-	-
<i>Total Saprolite</i>	<i>Wmt</i>	<i>598,103</i>	<i>1,184,431</i>	<i>671,770</i>	<i>961,241</i>	<i>1,633,011</i>	<i>43</i>	<i>61</i>	<i>38</i>
Limonite									
- LGSO Pomalaa	Wmt	148,790	399,886	221,982	154,863	376,845	(30)	4	(6)
- Buli	Wmt	3,000	62,814	-	-	-	-	(100)	(100)
<i>Total Limonite</i>	<i>Wmt</i>	<i>151,790</i>	<i>462,700</i>	<i>221,982</i>	<i>154,863</i>	<i>376,845</i>	<i>(30)</i>	<i>2</i>	<i>(19)</i>
Total Nickel Ore	Wmt	749,893	1,647,131	893,752	1,116,104	2,009,856	25	49	22
Gold Ore	Wmt	107,875	210,805	73,034	98,127	171,162	34	(9)	(19)
Gold Grade	gpt	12.11	11.09	8.95	10.01	9.56	12	(17)	(14)
Gold	Kg	1,033	1,596	466	815	1,280	75	(21)	(20)
Silver	Kg	8,046	12,816	3,603	7,028	10,631	95	(13)	(17)
Bauxite	Wmt	358,914	700,459	318,325	357,224	675,549	12	0	(4)
Iron Sands	Wmt	5,684	21,901	-	-	-	-	(100)	(100)

DESCRIPTION		2005		2006			2Q06/ 1Q06 (%)	2Q06/ 2Q05 (%)	1H06/ 1H05 (%)
		2 nd Quarter	6 Months	1 st Quarter	2 nd Quarter	6 Months			
SALES VOLUME									
Ferronickel	Ton Ni	939	2,305	1,576	4,753	6,329	201	406	175
Nickel Ore:									
Saprolite									
- Pomalaa	Wmt	201,049	267,645	86,404	197,419	283,823	128	(2)	6
- Gebe	Wmt	86,809	181,293	-	-	-	-	(100)	(100)
- Gee	Wmt	283,559	503,066	194,922	255,184	450,106	31	(10)	(11)
- Buli	Wmt	208,432	416,526	213,773	381,107	594,880	78	83	43
- Mornopo	Wmt	-	-	66,712	177,366	244,078	166	-	-
<i>Total Saprolite</i>	<i>Wmt</i>	<i>779,849</i>	<i>1,368,530</i>	<i>561,811</i>	<i>1,011,076</i>	<i>1,572,887</i>	<i>80</i>	<i>30</i>	<i>15</i>
Limonite									
- LGSO Pomalaa	Wmt	153,963	245,798	51,762	102,520	154,282	98	(33)	(37)
- Gebe	Wmt	47,310	107,476	99,267	104,362	203,629	5	121	89
- Buli	Wmt	-	59,814	-	-	-	-	-	(100)
<i>Total Limonite</i>	<i>Wmt</i>	<i>201,273</i>	<i>413,088</i>	<i>151,029</i>	<i>206,882</i>	<i>357,911</i>	<i>37</i>	<i>3</i>	<i>(13)</i>
Total Nickel Ore	Wmt	981,122	1,781,618	712,840	1,217,958	1,930,798	71	24	8
Gold	Kg	1,151	1,830	412	766	1,178	86	(33)	(37)
Silver	Kg	4,148	11,232	5,893	4,343	10,236	(26)	5	(9)
Bauxite	Wmt	370,003	736,248	371,995	335,841	707,836	(10)	(9)	(4)
Iron Sands	Wmt	69	23,216	-	-	-	-	(100)	(100)

DESCRIPTION		2005		2006			2Q06/ 1Q06 (%)	2Q06/ 2Q05 (%)	1H06/ 1H05 (%)
		2 nd Quarter	6 Months	1 st Quarter	2 nd Quarter	6 Months			
SALES PRICE									
Ferronickel Nickel Ore	US\$/Lb	7.27	6.85	6.13	8.01	7.54	31	10	10
<i>Saprolite</i>	US\$/Wmt	45.17	45.09	41.88	48.32	46.02	15	7	2
- Pomalaa	US\$/Wmt	49.97	48.24	39.09	51.66	47.83	32	3	(1)
- Gebe	US\$/Wmt	44.68	43.70	-	-	-	-	(100)	(100)
- Gee	US\$/Wmt	50.19	49.25	43.68	50.78	47.71	16	1	(3)
- Buli	US\$/Wmt	33.91	38.64	41.64	46.88	45.00	13	38	16
- Mornopo	US\$/Wmt	-	-	41.00	44.16	43.30	8	-	-
<i>Limonite</i>	US\$/Wmt	17.46	16.28	14.23	38.56	28.29	171	121	74
- LGSO Pomalaa	US\$/Wmt	18.33	18.06	16.45	23.68	21.26	44	29	18
- Gebe	US\$/Wmt	14.62	14.44	13.08	53.17	33.62	306	264	133
- Buli	US\$/Wmt	12.30	12.30	-	-	-	-	(100)	(100)
Gold	US\$/T.oz	425.37	427.38	550.87	611.82	590.48	11	44	38
Silver	US\$/T.oz	7.25	7.06	4.71	12.48	8.01	165	72	13
Bauxite	US\$/Wmt	10.78	10.56	13.00	13.96	13.45	7	29	27
Iron Sands	IDR/Wmt	105,086	105,086	-	-	-	-	(100)	(100)
Exchange rate (for revenue)	IDR/US\$	9,548	9,420	9,304	9,107	9,205	(2)	(5)	(2)

DESCRIPTION	2005		2006			2Q06/ 1Q06 (%)	2Q06/ 2Q05 (%)	1H06/ 1H05 (%)
	2 nd Quarter	6 Months	1 st Quarter	2 nd Quarter	6 Months			
SALES REVENUE (Rp million)								
EXPORT SALES:								
Ferronickel	144,117	326,933	197,027	769,800	966,827	291	434	196
Nickel Ore								
Saprolite								
- Pomalaa	95,720	122,248	31,912	95,167	127,079	198	(1)	4
- Gebe	37,100	74,268	-	-	-	-	(100)	(100)
- Gee	135,707	233,660	78,806	118,507	197,313	50	(13)	(16)
- Buli	67,599	151,055	82,445	162,284	244,729	97	140	62-
- Mornopo	-	-	25,163	71,330	96,493	183	-	-
<i>Total Saprolite</i>	<i>336,126</i>	<i>581,231</i>	<i>218,326</i>	<i>447,289</i>	<i>665,615</i>	<i>105</i>	<i>33</i>	<i>15</i>
Limonite								
- Gebe	6,557	14,629	15,395	46,694	62,089	203	612	324
- Buli	-	6,892	-	-	-	-	-	(100)
- LGSO Pomalaa	26,775	41,829	7,992	21,892	29,884	174	(18)	(29)
<i>Total Limonite</i>	<i>33,333</i>	<i>63,351</i>	<i>23,387</i>	<i>68,586</i>	<i>91,973</i>	<i>193</i>	<i>106</i>	<i>45</i>
Gold	22,585	47,756	19,450	58,932	78,382	203	161	64
Bauxite	38,118	73,207	44,937	43,040	87,977	(4)	13	20
Silver	338	338	286	3,721	4,008	1,199	1,002	1,087
TOTAL EXPORT REVENUE	574,616	1,092,815	503,414	1,391,368	1,894,782	176	142	73
DOMESTIC SALES:								
Gold	127,487	189,309	48,436	79,505	127,942	64	(38)	(32)
Silver	8,894	23,489	8,010	12,048	20,058	50	35	(15)
Iron sands	85	2,440	-	-	-	-	(100)	(100)
Gold Refining Services	3,215	6,069	3,120	3,440	6,559	10	7	8
Other	318	423	265	439	704	65	38	66
TOTAL DOMESTIC REVENUE	139,999	221,730	59,831	95,432	155,263	60	(32)	(30)
TOTAL SALES REVENUE	714,615	1,314,545	563,245	1,486,800	2,050,044	164	108	56

DESCRIPTION	2005		2006			2Q06/ 1Q06	2Q06/ 2Q05	1H06/ 1H05 (%)
	2 nd Quarter	6 Months	1 st Quarter	2 nd Quarter	6 Months			
EXPORT SALES (Thousand US\$)								
Ferronickel Nickel Ore Saprolite	15,053	34,818	21,319	83,933	105,251	294	458	202
- Pomalaa	10,047	12,912	3,377	10,198	13,575	202	2	5
- Gebe	3,878	7,923	-	-	-	-	(100)	(100)
- Gee	14,231	24,778	8,514	12,958	21,473	52	(9)	(13)
- Buli	7,069	16,094	8,902	17,866	26,768	101	153	66
- Mornopo	-	-	2,735	7,833	10,568	186	-	-
<i>Total Saprolite</i>	<i>35,225</i>	<i>61,707</i>	<i>23,529</i>	<i>48,855</i>	<i>72,384</i>	<i>108</i>	<i>39</i>	<i>17</i>
Low grade								
- LGSO Pomalaa	2,823	4,438	852	2,428	3,280	185	(14)	(26)
- Gebe	692	1,553	1,687	5,160	6,847	206	646	341
- Buli	-	736	-	-	-	-	-	(100)
<i>Total Limonite</i>	<i>3,515</i>	<i>6,727</i>	<i>2,538</i>	<i>7,588</i>	<i>10,126</i>	<i>199</i>	<i>116</i>	<i>51</i>
Gold	2,356	5,077	2,114	6,414	8,528	203	172	68
Bauxite	3,990	7,777	4,836	4,687	9,523	(3)	17	22
Silver	35	35	31	418	449	1,243	1,090	1,178
TOTAL EXPORT REVENUES	60,174	116,141	54,367	151,895	206,263	179	152	78

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.

In 2Q06, Antam continued its exploration on lateritic nickel, gold and bauxite in Indonesia. Total cost for exploration reached Rp21 billion, 15% higher than Rp18.2 billion spent in the same quarter last year.

NICKEL

At a total cost of Rp17 billion, Antam conducted nickel exploration in Buli, Halmahera; Southeast Sulawesi and Obi Island.

At a total cost of Rp9 billion, nickel exploration in Buli, Halmahera specifically Pakal, Sangaji and Tj. Buli included topography measurements of 680 hectares (ha), drill grid measurements over 195 km and drilling activities of 38,600 m over grids of 25m, 50m and 100m. Other activities included core samples and the collection of 38,833 preparation samples. Infill drilling of 1,306 m was conducted in Mornopo at P4/P5 using spacing of 12.5 m at a total cost of Rp252 million. Antam also conducted 740.45m of drilling at Gee Island, at a total cost of Rp256 million.

Antam spent Rp4.2 billion on nickel exploration in Southeast Sulawesi at Tapunopaka and Mandiodo with drilling of 6,695 m followed by core descriptions, core samples and 7,264 sample preparations. Other activities included mine design preparation for Tapunopaka and 2,165 m of drilling at a spacing of 12.5m for modeling at Tapunopaka and Mandiodo.

Nickel exploration of Rp3.2 billion at Obi Island included drilling activities of 6.300 m at Kawasi block using 25m and 50m spacing, 6,454 core samples, grid measurements, topography and preparations.

Exploration at Bungku Selatan of Central Sulawesi included regional geological mapping of 9,000 ha, semi-detailed geological mapping of 1,975 ha, rock descriptions and 6 preparation samples. Potential deposits were found at the west of Buleleng area and Bungku Selatan. Total costs reached Rp69.4 million.

Initial exploration activities were conducted at Konawe of Southeast Sulawesi, Central Sulawesi and Seram Island.

GOLD EXPLORATION

Antam conducted Rp 3 billion of gold exploration at Pongkor of West Java, Seblat of Bengkulu, Buladu of Gorontalo and Cikotok of Banten.

Exploration activities at Pongkor included 604 m of geological-technical drilling followed by permeability tests, Piezometer set up, geomechanical analysis and geohydrological analysis at a total cost of Rp144.2 million. Other exploration activities included exploration drilling resulted 1,557 m depth, core description

and core samples at Kubang Cicau vein below L.500 and magnet geophysical track measurement at Ciurug, Nirmala. The total cost amounted to Rp1.42 billion.

Exploration activities at Seblat of Bengkulu conducted particularly at Lebong Kandis, Gunung Husein vein and Air Main including detailed geological mapping of 480 ha, opening of 1,710 m³ followed by collecting 671 samples and 525 m of drilling. Total cost reached Rp1.31 billion.

At Gorontalo, Antam postponed activities and conducted further evaluation as the location is near a protection forest. The total cost incurred in 2Q06 reached Rp135.3 million.

Antam conducted exploration at Muara Manderas of Jambi, including regional geological mapping of 16,000 ha and semi-detailed geological mapping of 1,455 ha at a total cost of 72.4 million.

Antam conducted exploration activities at Tauro/ Toliwang including detailed geological mapping of 85 ha and semi-detailed geological mapping of 500 ha.

Antam also conducted drilling at Batang Asai prospect, S. Tangkui prospect, S. Terung prospect, Salawiat prospect, Awid prospect and Salawit Besar prospect.

Gold exploration at Cikotok, Banten continued in cooperation with a third party. All costs were borne by the third party.

BAUXITE EXPLORATION

Bauxite exploration activities focused at Tayan and Munggu Pasir. Both areas are in West Kalimantan.

Exploration activities conducted at Tayan including grid measurement of 25.22 km, pitting volume of 3,084 m followed by collecting 983 channel samples and 961 sample preparations. Total cost reached Rp603.3 million.

At Munggu Pasir prospect, Antam continued to prepare exploration activities including 50 m spacing test-pitting grid reached 1,239 followed by 447 samples and 433 sample preparations. Total costs reached Rp432.6 million.

The total cost for bauxite exploration reached Rp1 billion.

DEVELOPMENT - Corporate

Antam and partners sign joint venture agreement for the Tayan Chemical Grade Alumina Project

On May 2nd, Antam announced it signed a joint venture agreement on March 31, 2006 to build a Chemical Grade Alumina plant at Tayan, West Kalimantan, Indonesia. Among other things, the agreement is for Antam and its partners to resolve outstanding issues by certain deadlines, to undertake further preparatory work, and to update a Bankable Feasibility Study (BFS) completed in 2003. The joint venture agreement was signed in Tokyo by senior executives of Antam and its international partners, Showa Denko K.K. (SDK), of Japan, Straits Trading Amalgamated Resources Private Limited of Singapore (STAR), and Marubeni Corporation of Japan.

Antam distributes cash dividend of Rp286.3 billion or Rp150.05 per share

On May 30th, Antam announced the results of its Annual General Meeting of Shareholders (AGM), held at The Four Seasons Hotel, Jakarta. Among the resolutions of the AGM, it was resolved to pay a cash dividend in the amount of Rp286.3 billion, or 34% of Antam's net profits after tax for the year ended December 31st, 2005, which is equivalent to Rp150.05 per share.

Antam sends money and personnel to Yogyakarta and Central Java

On June 2nd, Antam announced it sent a voluntary team and logistics to aid victims of the May 27th earthquake in Yogyakarta and surrounding areas in Central Java. Antam has donated Rp1 billion of cash, of which Rp500 million will be distributed through BUMN Peduli (Aid charity of State Owned Enterprises) and Rp500 million of which will be spent on supplies for distribution by Antam's voluntary team.

Antam continues to focus on gold exploration as Agincourt will acquire a 100% interest in Martabe

During the second quarter Antam continued to pursue a gold deposit on the island of Sumatra that was eventually sold by Newmont to Agincourt of Australia. Antam succeeded in becoming one of two short-listed companies, but finally Agincourt was selected as the winning bidder as they offered nearly 50% more than Antam. Antam chose not to raise its bid further as the price offered was Antam's best price based on Antam's risk/reward calculations.

DEVELOPMENT – Joint Ventures

JV	Product	Antam (%)	Partner	Status
PT Nusa Halmahera Minerals	Gold	17.5%	Newcrest (ASX Listed)	Production/ Development
PT Cibaliung Sumber Daya	Gold	10.25%	Austindo (ASX Listed)	Development
PT Sorikmas Mining	Gold	20%	Oropa (ASX listed)	Development
PT Gag Nickel	Nickel	25%	BHP Billiton (LSE/ASX listed)	Development
PT Weda Bay Nickel	Nickel	10%	Weda Bay Minerals (TSE listed)	Development
PT Dairi Prima Minerals	Lead/Zinc	20%	Herald Resources (ASX Listed)	Development
PT Galuh Cempaka	Diamonds	20%	BDI Mining Corp (LSE/AIM Listed)	Production/ Development

PT GALUH CEMPAKA (Antam 20%)

-From BDI Mining Corp Quarterly Press Release for three months ended June 30th, 2006-

Highlights

- Diamond production up by 26% on last quarter
- Significantly higher gold and platinum by-product recoveries

Increased diamond production in the quarter is attributed to the mining of higher grade blocks towards the western reaches of the Danau Seran channel. Despite unusually high rainfall for this time of year, production continues at steady-state. In addition, there have been notable increases in gold and platinum concentrate recoveries over last quarter. This increase is ascribed to the on-going improvements being made to the gold and platinum recovery circuit.

Sales

During the quarter, a total of 13,436.35 carats of gem-quality diamonds were sold at Tender in Antwerp. Of this, 2,883 carats consisted of non-mine production. Total gross diamond sales (run of mine) for the period amounted to US\$2.14M, with by-product sales (including 3,074.94 carats of -2mm diamonds, and 7.2kg of gold and platinum concentrates) totaling US\$375,829. Inventory as at 30 June 2006 was 3,076.30 carats of gem diamonds and 3.4 kg of gold and platinum concentrate.

PT CIBALIUNG SUMBER DAYA (Antam 10.25%)

- From Austindo Resources Corporation NL ASX Announcement on April 13th, 2006-

The Cibaliung Project is being developed by PT Cibaliung Sumberdaya – a joint venture company in which ARX was entitled to an 89.75% interest as at 31 December 2005 and PT Antam Tbk (“Antam”) held 10.25% interest.

Construction of the Cibaliung Gold Project is now advancing. The development is being funded by equity from each of the project partners and project finance in the amount of US\$26 million provided by ANZ Investment Bank. The first drawdown of the bank project finance occurred on 6 April 2006

PT SORIKMAS MINING (Antam 25%)

-From Oropa Limited ASX Announcement on June 27th, 2006-

Oropa announced results from the latest diamond drill hole SAMDD019, completed at its Sambung prospect, Pungkut Gold Project in Indonesia. Drill hole SAMDD019 intersected two mineralised zones with values of:

- 26m @ 2.86g/t Au from 7m (including 11m @ 4.23g/t Au from 8m)
- 19m @ 2.27g/t Au from 48m (including 3m @ 10.07g/t Au from 59m)

PT NUSA HALMAHERA MINERALS (Antam 17.5%)

-From Newcrest Mining Limited Quarterly Report for three months ended June 30th, 2006-

Gold production was 56,067oz at a cash cost of US\$358/oz and a total cost of US\$388/oz. 66,097oz of ore was processed at a head grade of 28.91g/t Au with a gold recovery of 94.2%. Production from the Toguraci pit continued to be adversely impacted by unseasonally high rainfall, discharge of hot artesian water through the pit floor and the impact of an earlier pit wall failure. Kencana underground commenced production during the quarter with mining from two sub levels.

PT WEDA BAY NICKEL (Antam 10%)

-From Weda Mineral Inc News Release on May 2nd, 2006-

Eramet S.A. and Weda Bay Minerals Inc announced that 91,596,890 common shares of Weda Bay, including shares deposited by guaranteed delivery, representing 95.48% of the Weda Bay common shares outstanding on a fully-diluted basis, were deposited to the joint offer by Eramet and 3132752 Nova Scotia Limited to acquire all of the issued and outstanding common shares of Weda Bay for CAD \$2.70 in cash per Weda Bay common share by the expiry time of the offer on May 1, 2006.

PT DAIRI PRIMA (Antam 20%)

-From Herald Resources Release on May 25th, 2006-

Herald Resources Ltd announced that it has mandated Société Générale Australia Branch to provide senior finance facilities to develop the high-grade Dairi zinc/lead project.

The proposed US\$62m of loan facilities will consist of two tranches, namely:

- (1) Project Facility - US\$54m
- (2) Cost Overrun Facility - US\$8m

The above facilities are subject to completion of due diligence, bank credit and joint venture partner approvals. In conjunction with the US\$90m of equity already raised by the Company, Herald is confident that the above facilities will be more than sufficient to fund the estimated project financing requirement of US\$140m.

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