



QUARTERLY REPORT PT ANTAM (PERSERO) TBK

For the Three Month Period Ended June 30, 2017
ARBN - 087 423 998
Securities Ticker: ASX: ATM, IDX: ANTM



Pomalaa Ferronickel Plant



Pongkor Gold Processing Plant



Tayan Bauxite Mine

HIGHLIGHTS

Gold was the largest contributor to ANTAM's unaudited revenue in the first half of 2017 (1H17), amounting to Rp1.80 trillion or 57% from the total unaudited net sales of Rp3.17 trillion

Production volume of ferronickel in 1H17 reached 9,327 tons nickel contained in ferronickel (TNi), a 12% increase compared to production volume in the first half of 2016 (1H16) of 8,304 TNi

In the second quarter of 2017 (2Q17), ANTAM commenced export of low grade nickel ore and bauxite ore. During 1H17, ANTAM exported 275,513 wmt of low grade nickel ore with export of bauxite ore reached 128,232 wmt

ANTAM conducted first piling ceremony of East Halmahera Ferronickel Plant Development Project (P3FH)

ANTAM held Annual General Meeting Of Shareholders Financial Year 2016

ANTAM received Mineral and Coal Mining Safety and Environmental Management Award

FOR FURTHER INFORMATION PLEASE CONTACT:

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CORPORATE INFORMATION

Board of Commissioners

Fachrul Razi	President Commissioner
Bambang Gatot Ariyono	Commissioner
Zaelani	Commissioner
Robert A. Simanjuntak	Commissioner
Gumilar Rusliwa Somantri	Independent Commissioner
Anang Sri Kusuwardono	Independent Commissioner

Board of Directors

Arie Prabowo Ariotedjo	President Director
Dimas Wikan Pramudhito	Finance Director
Sutrisno S. Tatetdagat	Development Director
Tatang Hendra	Marketing Director
Hari Widjajanto	Operations Director
Johan N. B. Nababan	Human Capital and Corporate Social Responsibility Director

Share Information

- ANTAM's market capitalization as at June 30, 2017 was Rp16.70 trillion
- ANTAM's share prices on the Indonesia Stock Exchange (IDX) hovered within the range of Rp610-Rp775 per share during April-June 2017
- ANTAM's average share price on the IDX during April-June 2017 was Rp702 per share
- ANTAM's average share price on the Australian Securities Exchange during April-June 2017 was AU\$0.63 per CDI

Top 10 Public Shareholders:

1. PT. ASABRI (PERSERO) - DAPEN TNI
2. BPJS KETENAGAKERJAAN - JHT
3. PT. TASPEN (PERSERO) - THT
4. ASURANSI JIWASRAYA
5. PT. ASABRI (PERSERO) - DAPEN POLRI
6. PT. ASURANSI JIWA ADISARANA WANAARTHA—DESK 1
7. PT. ASABRI (PERSERO) - DAPEN
8. BPJS KETENAGAKERJAAN - JKK
9. BBH BOSTON S/A VANGRD EMG MKTS STK INF
10. BPJS KETENAGAKERJAAN - BPJS



PRODUCTION VOLUME

Commodity	Unit	2Q16 (Apr - Jun) 2016	1H16 (Jan - Jun) 2016	2Q17 (Apr - Jun) 2017	1H17 (Jan - Jun) 2017
Ferronickel	TNi	3,947	8,304	6,392	9,327
High Grade Nickel Ore	Wmt	393,139	644,125	442,523	967,991
Low Grade Nickel Ore	Wmt	-	-	608,845	608,845
Total Nickel Ore	Wmt	393,139	644,125	1,051,368	1,576,836
Gold	Kg/oz	537/17,264	1,015/32,632	411/13,214	1,013/32,568
Silver	Kg/oz	3,934/126,478	7,634/245,433	2,985/95,970	6,531/209,977
Bauxite	Wmt	52,170	105,024	113,785	206,509
Alumina	Ton	21,980	38,315	18,368	41,475

PRODUCTION AND SALES

In the first half of 2017 (1H17), ANTAM's unaudited net sales reached Rp3.17 trillion, with gold as the largest contributor of ANTAM's revenue, amounting to Rp1.80 trillion or 57% of total 1H17 unaudited net sales.

In the second quarter of 2017 (2Q17), ANTAM's unaudited net sales were recorded at Rp1.52 trillion.

FERRONICKEL

The production volume of ferronickel in 1H17 reached 9,327 tons of nickel contained in ferronickel (TNi), a 12% increase compared to production level in 1H16 of 8,304 TNi inline with the completion of roof replacement of the Electric Smelting Furnace-3 (ESF-3) and the optimization of FeNi III ferronickel plant production facilities in March 2017. These works were part of the plant's preventive maintenance to support the optimization of ANTAM's ferronickel production. In 1H17, ANTAM posted ferronickel sales volume of 7,791 TNi.

In 2Q17, ferronickel production volume reached 6,392 TNi or a 62% growth compared to 2Q16. Meanwhile the ferronickel sales in 2Q17 amounted to at 5,229 TNi.

In 1H17, ferronickel sales was the second largest contributor to ANTAM's unaudited net sales, amounting to Rp1.04 trillion or 33% of the total net sales. Unaudited ferronickel sales in 2Q17 amounted to Rp675 billion.

GOLD

In 1H17 ANTAM recorded total gold production volume of 1,013 kg (32,568 oz) from the Pongkor and Cibaliung mines. Meanwhile, ANTAM's gold sales in 1H17 reached 2,788 kg (89,636 oz).

ANTAM continues to increase gold sales through innovation of LM gold products, such as the development of LM jewellery products in combination with batik motif gold bars. In developing gold market, ANTAM signed a Cooperative Agreement with PT Pos Indonesia (Persero) to use Pos Indonesia's network for gold sales.

ANTAM's unaudited net sales of gold in 1H17 amounted to Rp1.80 trillion. Gold was the largest component of ANTAM's 1H17 net sales, contributing 57% of the figure.

In 2Q17, ANTAMs gold production amounted to 411 kg (13,214 oz) with gold sales of 660 kg (21,220 oz), generating Rp643 billion in revenue.

NICKEL ORE

In 2Q17, ANTAM commenced export of low grade nickel ore ($\leq 1.7\%Ni$) inline with the recommendation from the Ministry of Energy and Mineral Resources (MEMR) to export 2.7 million wmt of nickel ore.

Total production of nickel ore in 1H17, which was used as ore feed for ANTAM's ferronickel plant as well as being sold to domestic third party smelter and export market, amounted to 1,576,836 wmt consisting of 967,991 wmt of high grade nickel ore and 608,845 wmt of low grade nickel ore.

In 1H17, ANTAM recorded total nickel ore sales volume of 326,013 wmt in which 50,500 wmt was sold to domestic third party smelter and the remaining 275,513 wmt was exported.

ANTAM's unaudited revenue from nickel ore amounted to Rp146 billion in 1H17.

In 2Q17, ANTAM's total nickel ore production reached 929,413 wmt with sales volume of 275,513 wmt, generating Rp123 billion in revenue.

BAUXITE

In addition to nickel ore, ANTAM has also obtained export license of 850,000 wmt of bauxite ore from the MEMR.

In 1H17, ANTAM recorded bauxite production of 206,509 wmt, an increase of 97% compared to bauxite production in 1H16 of 105,024 wmt.

In 1H17, ANTAM recorded bauxite ore sales volume of 128,232 wmt in which 71,079 wmt was used as ore feed to the Tayan Chemical Grade Alumina plant whilst the remaining 57,153 wmt was sold to the export market. Bauxite sales volume rose 13% compared to the sales figure in 1H16 of 113,972 wmt.

The 1H17 unaudited revenues from the sales of bauxite were recorded at Rp53 billion.

ANTAM's bauxite production in 2Q17 reached 113,785 wmt with bauxite sales volume of 83,295 wmt and generated Rp37 billion in revenue.

ALUMINA

In 1H17, ANTAM through PT ICA produced 41,475 tons of CGA or an 8% increase compared to 1H16 production volume of 38,315 tons. CGA sales volume of 1H17 reached 35,878 tons or a 5% increase compared to 1H16 sales.

In 2Q17, CGA production volume reached 18,368 tons with sales amounting to 12,711 tons of CGA.

SALES VOLUME

Commodity	Unit	2Q16 (Apr - Jun) 2016	1H16 (Jan - Jun) 2016	2Q17 (Apr - Jun) 2017	1H17 (Jan - Jun) 2017
Ferronickel	TNi	5,467	8,092	5,229	7,791
High Grade Nickel Ore	Wmt	217,179	418,229	-	50,500
Low Grade Nickel Ore	Wmt	-	-	275,513	275,513
Total Nickel Ore	Wmt	217,179	418,229	275,513	326,013
Gold	Kg/oz	2,485/79,862	5,392/173,341	660/21,220	2,788/89,636
Silver	Kg/oz	7,727/248,428	11,429/367,455	526/16,911	5,481/176,214
Bauxite	Wmt	66,586	113,972	83,295	128,232
Alumina	Ton	25,568	34,108	12,771	35,878



EXPLORATION ACTIVITIES

ANTAM's exploration activities were focused on gold and nickel in 1H17, with total unaudited preliminary cost of Rp7.92 billion.

As an effort to increase the portfolio of gold reserves and resources, in addition to organic exploration activity, ANTAM partnered with Newcrest Mining Ltd. through a Strategic Alliance Agreement to undertake exploration for gold and copper deposits in several prospective areas in Indonesia.

ANTAM also signed a Memorandum of Understanding (MoU) with the Geological Agency of the MEMR to cooperate in the research and development of geological exploration technology, especially related to metal mineral resources, especially gold.

GOLD

In 1H17, ANTAM conducted gold exploration activities at Pongkor, West Java. In Pongkor, ANTAM conducted core drill analyst, core drill sampling and core drilling. Total unaudited preliminary figure of gold exploration expenditure in 1H17 reached Rp3.21 billion.

NICKEL

Nickel exploration activities in 1H17 were conducted in Pomalaa, Southeast Sulawesi. Exploration activities consisted of, among others, geological mapping, core sampling, core logging, single drilling and grid measurement. Total unaudited preliminary figure of nickel exploration expenditure in 1H17 reached Rp4.71 billion.

CORPORATE NEWS

ANTAM CONDUCTED FIRST PILING CEREMONY OF EAST HALMAHERA FERRONICKEL PLANT DEVELOPMENT PROJECT (P3FH)

On April 25, 2017, ANTAM conducted first piling ceremony of the East Halmahera Ferronickel Plant Development Project (P3FH) in East Halmahera, North Maluku. The first piling ceremony reflects ANTAM's commitment to supporting Government's mineral downstream program through creation of Indonesia's value added mineral products. The annual ferronickel production capacity of P3FH is 13,500 TNi.

The unincorporated consortium of PT Wijaya Karya (Persero) Tbk – Kawasaki Heavy Industries, Ltd. is the engineering, procurement & construction (EPC) contractor of the project.

ANTAM'S EXPLORATION AREAS IN 1H17



ANTAM HELD ANNUAL GENERAL MEETING OF SHAREHOLDERS FINANCIAL YEAR 2016

On May 2, 2017 ANTAM held its Annual Meeting of Shareholders (AGMS) for the Financial Year of 2016.

On the First Agenda of the AGMS, the shareholders approved the Annual Report and ratified the Financial Statement of ANTAM for the Financial Year of 2016, including the Annual Supervisory Report of the Board of Commissioners. The shareholders also ratified the Annual Report of the Partnership and Community Development Program for the Financial Year of 2016. The shareholders also approved there was no distribution of dividend for the Financial Year of 2016 in consideration of the operational needs and financing of supporting infrastructure of ANTAM's projects.

ANTAM's shareholders approved to grant the authority and power to the A-Series Dwiwarna Shareholder to determine the performance incentives for the members of the Board of Commissioners for the Financial Year of 2016 and to determine the 2017 honorarium, allowances, facilities and other incentives for the members of the Board of Commissioners. During the same Agenda, shareholders also approved to grant the authority and power to the Board of Commissioners upon obtaining the prior written approval from the A-Series Dwiwarna Shareholder, to determine the amount of performance incentives for members of the Board of Directors for the Financial Year of 2016 and to determine the 2017 salary, allowances, facilities and other incentives for the members of the Board of Directors.

In the Fifth Agenda of the AGMS, shareholders approved to appoint Public Accountant Firm Tanudiredja, Wibisana, Rintis & Partners, member of PricewaterhouseCoopers Limited to carry out the general audit on the 2017 Consolidated Financial Statements of ANTAM and the Financial Statements of the Partnership and Community Development Programs.

In the Sixth Agenda of the AGMS, shareholders ratified the Realization Report on the Utilization of the Additional Capital Participation of the State for the period of the Financial Year of 2016.

For the Seventh Agenda, shareholders approved the ratification of Regulation of the Minister of State Owned Enterprises (SOE) Number PER-03/MBU/12/2016 on the Amendment to the Regulation of the Minister of SOE Number PER-09/MBU/07/2015 on the Partnership Program and the Community Development Program of State Owned Enterprises.

As for the Eighth Agenda of the AGMS, shareholders approved the delegation of authority and power to the Board of Commissioners to providing approval for each amendment to the Regulation of Pension Fund of ANTAM (Dana Pensiun ANTAM).

In the Ninth Agenda of the AGMS, shareholders approved the amendments and/or adjustments for the standarization of the Articles of Association of Publicly Listed State Owned Entities by restating the Articles of Association of ANTAM, in accordance with the Letter of the Minister of State Owned Enterprises as A-Series Dwiwarna Shareholder.

The shareholders also approved the change of the composition of the board members of ANTAM. The shareholders honorably dismissed Mr. Zaelani as Commissioner, Mr. Laode M. Kamaluddin as Independent Commissioner, Mr. Hikmahanto Juwana as Independent Commissioner, Mr. Tedy Badrujaman as President Director, Mr. Agus Zamzam Jamaluddin as Director and Mr. I Made Surata as Director. The shareholders also reappointed Mr. Zaelani as Commissioner, appointed Mr. Gumilar Rusliwa Somantri as Independent Commissioner, Mr. Anang Sri Kuswardono as Independent Commissioner, Mr. Arie Prabowo Ariotedjo as President Director, Mr. Sutrisno S. Tatetdagat as Development Director and Mr. Tatang Hendra as Marketing Director.

ANTAM COMMENCED EXPORT OF LOW GRADE NICKEL ORE

On May 30, 2017 ANTAM commenced exports of low grade nickel ore ($\leq 1.7\%Ni$) following recommendation of mineral ore export from the MEMR.

The initial export amounted to 165,000 wmt of nickel ore to China. ANTAM has obtained mineral export license of 2.7 million wmt of nickel ore and 850,000 wmt of bauxite ore.

ANTAM RECEIVED MINERAL AND COAL MINING SAFETY AND ENVIRONMENTAL MANAGEMENT AWARD

On June 8, 2017 ANTAM received the Mineral and Coal Mining Safety and Environmental Management Awards of 2015 and 2016. The Minister of Energy and Mineral Resources presented 4 ADITAMA awards, 6 UTAMA awards and 10 PRATAMA awards to ANTAM's business units and subsidiary.

In the Category of Mineral and Coal Mining Safety Management for Holders of Mining Business Permits, Special Mining Business Permits and Special Operations Mining Business Permits for Processing and Refinery in the 2016 period, ANTAM received the Utama Award through its Southeast Sulawesi Nickel Mining Business Unit, the North Maluku Nickel Mining Business Unit and the Bauxite Mining Business Unit. ANTAM also received the Pratama Award through its Logam Mulia Precious Metals Processing and Refinery Business Unit and ANTAM's subsidiary PT Cibaliung Sumberdaya.

In the Category of Mineral and Coal Mining Environmental Management for Holders of the Mineral and Coal Mining Business Permits in the 2016 period, ANTAM received Aditama Award through its Gold Mining Business Unit and PT Cibaliung Sumberdaya. In the same category, ANTAM also received the PRATAMA through its Southeast Sulawesi Nickel Mining Business Unit, the North Maluku Nickel Mining Business Unit and the Bauxite Mining Business Unit.

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