



# Press Release

## ANTAM MAKES JOINT BID TO ACQUIRE HERALD RESOURCES

Ministry of State-Owned Enterprises Fully Supports Bid

### For Immediate Release

**Jakarta, January 31<sup>st</sup>, 2008** – PT Antam Tbk (ASX - ATM; IDX - ANTM) is pleased to announce it has made a joint cash offer with Shenzhen Zhongjin Lingnan Nonfemet Co. Ltd to acquire Herald Resources Ltd, an Australian base metals and gold mining company, for A\$2.50 per share, or A\$505 million (US\$448 million). The details of the joint cash offer, which has the support of Herald's management, are detailed in a joint press release made on January 29<sup>th</sup>, 2008 by Antam, Herald and Zhongjin.

After being briefed on the transaction by Mr. Dedi Aditya Sumanagara, Antam's President Director, the Minister of State-Owned Enterprises, Mr. Sofyan Djalil, said "the acquisition of Herald Resources represents a very attractive opportunity for Antam and the Ministry of State-Owned Enterprises, which owns 65% of Antam, is fully supportive of this bid."

One of Herald's main assets is its 80% interest in PT Dairi Prima Mineral, which has a 7<sup>th</sup> Generation Contract of Work with the Government of the Republic of Indonesia for a high grade lead and zinc project in North Sumatra, Indonesia. The remaining 20% of PT Dairi Prima Mineral is held by Antam.

Zhongjin profitably operates a low cost zinc and lead mining and smelting facility in the People's Republic of China.

Initially Antam played a limited role, related to its minority interest in PT Dairi Prima Mineral, but closely followed the progress of the Dairi project, which mostly consists of the

large, high quality, Anjing Hitam deposit. Antam believes there is now an opportunity to create value for its shareholders by taking a larger interest in the project and introducing Zhongjin as an experienced operating partner to potentially add significant value to the current value of the Dairi project. Zhongjin, at its mine in Southern China, operates at greater depths and lower grades than is planned for the Dairi project and is one of the lowest cost zinc and lead producers in the world.

Antam remains optimistic about the long term outlook for commodity prices. As well, significant progress has been made as regards securing the necessary regulatory approvals for the project and everything that can be done has been done. Antam is optimistic it will soon achieve the necessary approvals.

Mr. Sumanagara goes on to say, "the strategic rationale of this move is to generate good returns on investment for our shareholders. The move does not indicate a departure from our stated acquisition strategy, and we are still very much focused on acquiring gold assets in Indonesia. The investment surpasses our minimum return thresholds, increases the diversity of our assets and will create good value for our shareholders. Additionally, Antam has recently acquired a new exploration area near the Dairi project. The area shares the same geological characteristics and we may be able to add this area to the joint venture in the future."

### FOR MORE INFORMATION PLEASE CONTACT:

**Bimo Budi Satriyo**

(Corporate Secretary)

Tel : (6221) 780 5119

Fax : (6221) 781 2822

Email : [corsec@antam.com](mailto:corsec@antam.com)

Website: [www.antam.com](http://www.antam.com)

PT Antam Tbk.



# Press Release

Antam intends to fund the offer through a combination of cash and new and existing debt facilities. Antam's credit rating was recently upgraded by Moody's to Ba3 due to its strengthening financial profile. Antam's current financial structure allows the firm to comfortably make this investment and not jeopardize current gold acquisition planning.

###