



Press Release

**ANTAM AND
PT INALUM (PERSERO)
SIGN MEMORANDUM
OF UNDERSTANDING
WITH ALUMINUM
CORPORATION OF
CHINA TO DEVELOP
SMELTER GRADE
ALUMINA REFINERY**

For Immediate Release

Jakarta, December 16, 2015 – PT ANTAM (Persero) Tbk (ASX: ATM; IDX: ANTM; ANTAM) and PT Indonesia Asahan Aluminium (Persero) (INALUM) are pleased to announce that they have signed a Memorandum of Understanding with Aluminum Corporation of China to develop and operate a Smelter Grade Alumina Refinery (SGAR). The SGAR is to be located in Mempawah, West Kalimantan. Aluminum Corporation of China, as a strategic partner, will bring its technology expertise and financing capability to the SGAR project.

ANTAM's President Director, Tedy Badrujaman, said, **"The signing of the MoU is the next step following the agreement between ANTAM and INALUM to set up a joint venture company in October this year. The development of SGAR Mempawah reflects our downstream business commitment as well as synergy between Indonesian State-owned Enterprises."**

The MoU is the basis for related parties to undertake studies related to the technical, economical, legal and commercial feasibility of the project.

The production capacity of SGAR is estimated at 2 million tons of SGA per year which will be developed in stages and will require bauxite ore feed of 6 million wet metric tons (wmt) per year. The capacity of the first stage of the SGAR is estimated at 1 million tons of SGA per year. The construction of the additional capacity of 1 million tons of SGA will commence when the operations of the first phase of the plant is positive. INALUM expects to acquire alumina feed for its aluminum plant through the development of SGAR.

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