



News Release

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

For Immediate Release

Jakarta, 25 April 2017 - PT ANTAM (Persero) Tbk (ASX - ATM; IDX – ANTM; ANTAM) is pleased to announce it has conducted first piling ceremony of the East Halmahera Ferronickel Plant Development Project (P3FH) in East Halmahera, North Maluku, today, April 25, 2017. The first piling ceremony reflects ANTAM's commitment to supporting Government's mineral downstream program through creation of Indonesia's value added mineral products.

ANTAM's President Director, Tedy Badrujaman said:

"The East Halmahera Ferronickel Plant Development Project (P3FH) reflects the implementation of ANTAM's downstream strategic plan since the company operates its first ferronickel plant (FeNi I) in 1976, FeNi II plant in 1995, FeNi III plant in 2007 and the development of FeNi I plant called Pomalaa Ferronickel Plant Expansion Project (P3FP). For 4 decades ANTAM endeavors to augment the value of its mineral resources. Having said that, today's first piling ceremony is an evidence of such implementation. P3FH will support ANTAM's total annual ferronickel production capacity of 40,500-43,500 tonnes of nickel contained in ferronickel (TNi). As such, the creation of basic metal based industry in Indonesia is near.

P3FH is one of ANTAM's strategic projects in which the Government provided capital. The funding reflects the Government's support in the creation of added value minerals through mineral downstream program.

**FOR MORE INFORMATION
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P3FH has an annual ferronickel production capacity of 13,500 TNi. The unincorporated consortium of PT Wijaya Karya (Persero) Tbk (WIKA) – Kawasaki Heavy Industries, Ltd. (WIKA-KHI) is the engineering, procurement & construction (EPC) contractor of the project. The EPC contract was signed on December 21, 2016. WIKA, a construction-based State-owned Enterprise, has previously been involved in ANTAM's development projects. ANTAM is confident the WIKA-KHI consortium is qualified in completing the P3FH on-time, on-budget and with good quality.



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ANTAM expects the P3FH to be completed by the end of December 2018. The consortium's scope of work includes design works, engineering, procurement, construction, startup, testing and commissioning of the plant. P3FH also includes power plant and other supporting facilities.

Inline with higher trend of global nickel price, ANTAM is confident to increase its profit margin from the nickel business in 2017. This year ANTAM targets 24,100 TNi of ferronickel production or 19% higher than 2016 ferronickel production target. In terms of ferronickel sales, ANTAM targets 24,100 TNi in 2017 or 15% higher than 2016 ferronickel sales of 20,888 TNi.

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