



Press Release

ANTAM'S CONTRACTORS COMPLETED FINAL PLANT TEST OF FENI III AT END OF DECEMBER

Antam advocates prudent approach to maintain stability.

Total production of ferro-nickel to likely increase 90% to 14,000 tonnes.

Antam anticipates production levels of between 20,000 to 22,000 tonnes in 2007

For Immediate Release

Jakarta, January 22nd, 2007 – PT Antam Tbk (ASX - ATM; JSX, SSX - ANTM) announced today it has been informed by the turnkey, or Engineering, Procurement and Construction (EPC) contractors, which built Antam's new FeNi III smelter that they have completed the final plant test of FeNi III, which took place from December 27th, 2006 until January 1, 2007. The plant test will be followed by the hand-over of the new smelter to Antam after finalization of legal documentation which will occur shortly. The smelter is run by the EPC contractors until commercial operations are declared.

The commissioning period of FeNi III was delayed by a number of months, largely due to a leak from the metal tap hole of the smelter that occurred July 1st, 2006. The leak caused a four month shutdown, longer than the three months Antam initially expected and announced on July 5, 2006.

After the metal tap hole was repaired, Antam's contractors switched on FeNi III on October 12th, 2006. This was one month later than expected due to the delayed delivery of refractory bricks from Austria. On October 31st, 2006, the smelter, which has a full power load of 42 megawatts (MW), had reached 24MW and the first (post-leak) metal tap occurred. On November 7th, 2006 the furnace had been ramped up to 38MW, when, due to aberrations related

to silica content in metal levels, the furnace power load was lowered to 10MW. For the following 8 weeks the furnace was ramped up and then lowered as the EPC contractors attempted to adapt and alter the various parameters, such as the composition of the ore feed, which can affect the stability of the furnace. Since mid-November the furnace has been operating at an average power load of 36MW. While this level is not high enough to declare commercial operations and release the EPC contractors as per the contract, at 85% of capacity, it is both a stable and profitable level of production. Antam has consulted third-party ferronickel experts and is advocating a prudent, step-by-step approach to achieving full capacity.

Antam will likely produce 14,000 tonnes of nickel contained in ferronickel in 2006, which is 90% more than in 2005, despite not achieving commercial operations. FeNi III may produce 3,000 tonnes in 2006, while FeNi I and FeNi II will probably produce 5,000 tonnes and 6,000 tonnes respectively. FeNi I and FeNi II are both under the complete control of Antam's engineers. Next year, Antam anticipates production levels of between 20,000 to 22,000 tonnes of nickel contained in ferronickel. The range is required to allow for potential further set backs with FeNi III and also due to the as yet undetermined time required for maintenance to FeNi I, which was last overhauled at the end of 1998. Antam is anticipating a 6 week shutdown at the beginning of

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2007 for FeNi I, which has a capacity of over 400 tonnes per month, but the conditions inside the furnace may require a longer shutdown.

Antam is assessing what options it has as regards the performance of its EPC contractors, but for the time being the priority is on achieving the commercial operation of FeNi III in order to release the EPC contractors and take over the management of the smelter.

The US\$320 million FeNi III project includes a new smelter and power plant and will more than double Antam's contained nickel in ferronickel capacity from 11,000 tonnes to 25,000 tonnes per year.

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