



Press Release

ANTAM SIGNS MOU TO ACQUIRE INTERESTS IN MARTABE GOLD AND SILVER PROJECT

For Immediate Release

Jakarta, July 3, 2008 – PT Antam Tbk (ASX - ATM; IDX - ANTM) is pleased to announce that it has signed a memorandum of understanding (MOU) with Oxiana Limited (ASX: OXR). The basis of the MOU with Oxiana is to cooperate in examining opportunities and form joint ventures or other cooperative ventures for the exploration, development and operation of precious or base metal or bulk commodity projects within Indonesia. The first transaction under the MOU to be considered is for Antam to acquire an interest in Oxiana's Martabe gold and silver project in the Indonesian province of North Sumatra. The Martabe gold project is owned by PT Agincourt Resources, in which Oxiana holds a majority interest.

Antam's new President Director, Alwin Syah Loebis said,

"The execution of the MOU with Oxiana is inline with our intention to keep gold as an important part of our product mix and to offset the depleting reserves of our gold mine at Pongkor. Acquiring gold and diversifying away from nickel are important parts of our main strategy to create shareholder value in the medium term. We are pleased to make this alliance with Oxiana and hope that it may be the starting point for creating other potentially value-creating projects in Indonesia."

Under the MOU, Antam will pur-

chase 10% of the Martabe project for US\$66.5 million as well as have an option to acquire a further 10% of the Martabe project for a further US\$66.5 million, subject to adjustments for movements in the market prices for gold and silver, operating and capital costs and other matters on successful commissioning of the project. Antam is also able to acquire a further 5% of the Martabe project for a consideration based on the market value of the project at the time. This further option is subject to Oxiana approving the expansion of the Martabe project to an annual production rate of not less than 300,000 ounces (9 tons) of gold equivalent production per annum.

The Martabe gold project involves the development the Martabe gold and silver deposit in Northern Sumatra, Indonesia, at an estimated capital cost of US\$310 million. Mining will be via open-pit and is initially based on a resource of 6 million ounces (187 tons) of gold and 60 million ounces (1,866 tons) of silver. Planned annual production from Martabe will be 200,000oz (6 tons) of gold and 2 million ounces (62 tons) of silver. Commissioning and early production is on schedule for late 2009 with the first full year of production in 2010. Initial mine life at Martabe is 9 years with potential for extensions to the deposit in the near mine environment and for the discovery of further deposits in the greater 1600km² Contract of Work area.

Antam had considered investing in Martabe in 2006 but decided to

FOR MORE INFORMATION PLEASE CONTACT:

Bimo Budi Satriyo

(Corporate Secretary)

Tel : (6221) 780 5119

Fax : (6221) 781 2822

Email : corsec@antam.com

Website: www.antam.com

not pursue the acquisition beyond a certain price. Now with further evidence of the size of the deposit and by mitigating the risk by partnering with Oxiana, Antam has decided to invest in this attractive project. Forming partnerships with high quality mining companies is a key element of implementing Antam's growth strategy.

All of the reserves and resources estimates referred to in this announcement comply with the standards as determined by the JORC Code of the Australasian Institute of Mining and Metallurgy.

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