



Press Release

ANTAM APPOINTS PT PGN LNG INDONESIA TO SUPPLY GAS AS ENERGY SOURCE OF THE POWER PLANT AT THE FERRONICKEL PLANT TO REDUCE PRODUCTION COST

ANTAM expects the use of gas will lower ferronickel production cost by US\$1 per lb Ni

For Immediate Release

Jakarta, October 27, 2015 - PT ANTAM (Persero) Tbk (ASX - ATM; IDX - ANTM; ANTAM) is pleased to announce its selection of PT PGN LNG Indonesia, a subsidiary of PT Perusahaan Gas Negara (Persero) Tbk, to supply LNG regasification as energy source of the power plant for ferronickel processing at ANTAM's ferronickel plant in Pomalaa. The use of gas is expected to further lower the company's ferronickel production cost, which is currently in the first quartile position in global ferronickel producer cost league. The selection of PT PGN LNG Indonesia was conducted through a tender process in accordance with prevailing regulations.

ANTAM's President Director, Tedy Badrujaman said:

"The use of gas will further lower the ferronickel production cost. As a result ANTAM will be more competitive and is expected to generate higher returns from the nickel business."

ANTAM currently operates 8x17MW dual fired power plant. Presently the plant run on fuel oil and can be converted to run on natural gas. ANTAM is currently retrofitting the necessary equipment at the plant for the use of gas. The switch to gas is expected to lower ferronickel production cost by approximately US\$1 per lb Ni.

ANTAM is also finalizing the completion of the 2x30MW coal fired power plant to supply the auxiliary facilities of the Pomalaa ferronickel plant. The development of the coal fired plant is part of ANTAM's Pomalaa Ferronickel Plant Expansion Project, which is expected to increase the annual ferronickel production capacity from 18,000-20,000 tonnes of nickel contained in ferronickel (TNi) to 27,000-30,000 TNi. ANTAM expects the development of the coal fired power plant to complete at the end of 2015.

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