

ASX ANNOUNCEMENT

Date: 28 June 2021

Nusantara Resources Limited

ABN 69 150 791 290

Registered Office:

Level 4, 100 Albert Road,
South Melbourne Vic 3205
Ph: +61 (3) 9692 7222

Issued Capital

229,273,007 shares
20,000,000 unlisted options
7,300,000 unlisted employee
options and performance rights

Substantial Holders

PT Indika Energy Tbk.	28%
Lion Selection Group	22%
Federation Mining Pty Ltd, IMF Pty Ltd, and Simon Le Messurier	12%

Nusantara Resources Limited is listed on the Australian Securities Exchange – ticker symbol NUS

Dollar values in this report are United States Dollars unless otherwise stated.

Enquiries regarding this report may be directed to:

Mr Greg Foulis
Chairman
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This announcement has been approved by the Board.

FEED PROGRESS UPDATE

FEED Contract preliminary deliverables and independent review of Awak Mas capital and mining costs estimates completed

- Nusantara Resources's (**Nusantara**) 75% owned subsidiary PT Masmindo Dwi Area (**Masmindo**) is overseeing the Front End Engineering and Design Services (**FEED**) process for the Awak Mas Gold Project (**Awak Mas**).
- Preliminary Awak Mas cost estimates and implementation schedules were received from PT Petrosea Tbk (**Petrosea**) in March 2021.
- Masmindo appointed independent consultants (**IC's**) PT SMEC Denka Indonesia (**SMEC**) and PT Mining One Indonesia (**Mining One**) to complete the cost and schedule estimates.
- Masmindo together with Petrosea, SMEC and Mining One are close to finalising its review to combine the current FEED estimates and independent estimates from the IC's, the final Ore Reserves and financial modelling outcomes. This will form the basis for a DFS Update in July 2021.
- The FEED contract and independent review indicate that the capital costs for Awak Mas will be higher than the June 2020 DFS Addendum¹.
- As part of the Scheme Implementation Deed (SID)² announced on 28 June 2021, Nusantara and Indika agreed on a budget relating to the expenditure and work program for Masmindo and Nusantara for the period from the date of the SID to 30 September 2021 ("Agreed Budget"). As part of the Agreed Budget, Petrosea has entered into an Umbrella Services Agreement which covers an agreed scope of services to ensure continued progression of Awak Mas. As part of this agreement, Masmindo has agreed to extend the time to conduct additional work to complete the FEED and negotiate EPC arrangements with Petrosea from that which was contemplated in the original project equity agreements³ and FEED Contract⁴.

¹ Refer to ASX Announcement by Nusantara Resources released 29 June 2020: *Awak Mas NPV Increases by 240% to USD517M*

² Refer to ASX Announcement by Nusantara Resources released 28 June 2021: *Indika To Acquire Nusantara For 35 Cents Per Share*

³ Refer to ASX Announcement by Nusantara Resources released 26 February 2020: *USD 40M Gold Project Equity Deal*

⁴ Refer to ASX Announcement by Nusantara Resources released 23 March 2020: *USD 11.45M Engineering Contract Awarded*

About Nusantara Resources

Nusantara is an ASX Listed gold development company with its flagship Awak Mas Gold Project located in South Sulawesi, Indonesia.

Nusantara's key asset is Awak Mas, located in the Luwu Regency of South Sulawesi Province, Indonesia. Nusantara currently owns 75% of Masmino that holds Awak Mas, with strategic partner Indika holding the remaining 25% project interest.

Awak Mas hosts an open pit Indicated and Inferred Resource of 51.3 Mt at 1.39 g/t Au for 2.28 Moz (March 2021)⁵ and an Ore Reserve of 35.6 Mt at 1.33g/t Au for 1.53Moz (June 2020)⁶. The June 2020 addendum¹ to the Awak Mas Definitive Feasibility Study confirmed Awak Mas as a globally competitive gold project compared with operating and feasibility stage gold mines globally.

Table 1: Project Mineral Resource Estimates (16 March 2021)⁵. The 16 March 2021 MRE is reported at a cut-off grade of 0.5g/t Au and inside US\$1,600/oz Pit Shell.

Category	Tonnes (Mt)	Gold Grade (g/t)	Contained Gold (Moz)
Measured	2.2	1.58	0.11
Indicated	39.4	1.43	1.82
Inferred	9.6	1.15	0.36
TOTAL	51.3	1.39	2.28

Table Notes:

1. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability
2. All tonnage, grade and ounces have been rounded and minor discrepancies in additive totals may occur.
3. Cut-off grades were determined using a base gold price of US\$1,450/oz, metallurgical recoveries supported by testwork and based on all material being processed via a Whole of Ore CIL flowsheet.
4. Mineral Resources are reported inclusive of Ore Reserve.

Table 2: Project Ore Reserve Estimates (15 June 2020)⁶. The 15 June 2021 ORE is reported at a cut-off grade of 0.5g/t Au and US\$1,400 per ounce gold price.

Category	Tonnes (Mt)	Gold Grade (g/t)	Contained Gold (Moz)
Proved	-	-	-
Probable	35.6	1.33	1.53
TOTAL	35.6	1.33	1.53

Table Notes:

1. All Mineral Resources and Ore Reserves are completed in accordance with the 2012 JORC Code
2. All figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.

⁵ Refer to ASX Announcement by Nusantara Resources released 16 March 2021: *Successful Close-spaced Diamond Drilling Campaign Generates Maiden Measured Resource at Awak Mas*

⁶ Refer to ASX Announcement by Nusantara Resources released 15 June 2020: *Awak Mas Ore Reserves Increase By 34% To 1.53M Ounces*

FEED UPDATE

In March 2020, Nusantara subsidiary Masmindo awarded the FEED contract for Awak Mas to Petrosea, with deferred payment terms from Petrosea for up to US\$15M. Petrosea's appointment was part of the arrangements with PT Indika Energy Tbk., 70% owner of Petrosea. Preliminary Awak Mas cost estimates and implementation schedules were received from Petrosea in March 2021, subject to Masmindo consideration and acceptance.

As part of the FEED process Masmindo engaged independent engineers to prepare independent cost and schedule estimates for the key work areas of FEED. SMEC was appointed to provide an independent capital cost estimate and implementation schedule for the proposed EPC works, and Mining One was engaged to prepare an independent estimate for the mining services tender. SMEC, Mining One, Petrosea and Masmindo are finalizing the estimates as a basis for a DFS update which is expected to be completed in July 2021.

Following the receipt and review of the independent estimates from SMEC and Mining One, Masmindo is in the process of collating the estimates from Petrosea, SMEC and Mining One. These results will be incorporated in a DFS update which is anticipated to be released in July 2021, based on an updated Ore Reserve Estimate including a summary of all technical details, contracting structure and updated financial modelling.

PROJECT ARRANGEMENTS

As part of the Agreed Budget, Petrosea has entered into an Umbrella Services Agreement which covers an agreed scope of services to ensure continued progress of Awak Mas. As part of this agreement, Masmindo has agreed to extend the time to conduct additional work to complete the FEED and for Masmindo and Petrosea to work exclusively together in good faith on the terms for an EPC contract through to 31 October 2021.