NUSANTARA RESOURCES LIMITED

ASX ANNOUNCEMENT
27 February 2018

# PROJECT MINERAL RESOURCE GROWS TO 2.0 MOZ AU

## Salu Bulo Resource Increases by 70,000oz Au

- **Final assay results received from the 12-hole Salu Bulo drilling program have confirmed the continuity and strike potential of the Biwa and Lelating trends; additionally, previously unmodeled, shallow dipping mineralisation is identified north of a controlling structure.**
- **Salu Bulo Indicated and Inferred Resource updated with a 65% increase in contained gold to 3.7 Mt at 1.53 g/t Au for 180,000 contained ounces.**
- **The Awak Mas Gold Project Mineral Resource Estimate at 0.5 g/t Au cut-off within a US$1400/oz optimisation shell grows to 2.00 Moz, with 81% reporting to the Indicated Resource category providing further confidence for the Definitive Feasibility Study (DFS) currently in progress.**
- **Further resource upgrades anticipated for the Awak Mas deposit from ongoing step-out drilling within the Awak Mas lower domains and Awak Mas eastern extension (Highwall) area.**

Asia-Pacific gold development company Nusantara Resources Limited ('Nusantara', ASX: NUS) is pleased to provide the following Mineral Resource update for the Salu Bulo deposit after inclusion of 12 additional diamond drill holes from the Phase 1 drilling program at its 100%-owned Awak Mas Gold Project located in South Sulawesi, Indonesia.

The Indicated and Inferred Mineral Resource at 0.5 g/t Au cut-off for the Salu Bulo deposit constrained by a US$1400/oz optimisation shell is now reported at 3.7 Mt at 1.53 g/t Au for 0.18 Moz (Table 1, Appendix 1). This represents a 65% increase in contained gold ounces compared to the May 2017 Mineral Resource estimate (MRE) and includes the previously unmodeled, shallow dipping mineralisation. A significant component of the updated Salu Bulo MRE is high grade, with 1.4 Mt at 2.57 g/t Au for 0.12 M0z reported above a cut-off grade of 1.5 g/t Au. Good potential remains to add further resource ounces through targeting extensions to the mineralisation both at depth and along strike.

The total Indicated and Inferred Resource at 0.5 g/t Au cut-off for the Awak Mas Gold Project (inclusive of the Awak Mas, Salu Bulo and Tarra deposits), following the February 2018 Salu Bulo deposit MRE update, now stands at **45.0 Mt at 1.38 g/t Au for 2.00 Moz** constrained within US$1,400/oz optimisation shells (Table 1, Appendix 1). Using a lower gold price of US$1,200/oz in constrained optimisation shells the total Indicated and Inferred Resource at 0.5 g/t Au is 40.4 Mt at 1.40 g/t Au for 1.82 Moz highlighting the robustness of the MRE relative to the current spot gold price.

Importantly, approximately 86% of the contained ounces within the Salu Bulo deposit and approximately 81% of the contained ounces for the entire Project now report to the Indicated Resource category and will be available for incorporation into the current Ore Reserve estimate.

*"Achieving 2 Moz is a significant milestone for the Company and highlights the immense upside potential of the Awak Mas Gold Project"* commented Nusantara's Managing Director and CEO, Mike Spreadborough. *"We eagerly await assay results from the step-out drilling currently in progress at the Awak Mas deposit, which has the potential for additional mineralisation for inclusion in the DFS that is on track for completion in mid-2018."*

**Table 1: Awak Mas Mineral Resource estimates (February 2018) by deposit at 0.5 g/t Au cut-off and constrained within a US$1400/oz optimisation shell.**

| | Classification | Tonnes (mt) | Au Grade (g/t) | Contained Gold (Moz) |
|---|---|---|---|---|
| **Awak Mas** | Measured | - | - | - |
| | Indicated | 31.6 | 1.43 | 1.45 |
| | Inferred | 7.4 | 1.11 | 0.26 |
| | **Sub-total** | **39.0** | **1.37** | **1.72** |
| **Salu Bulo** | Measured | - | - | - |
| | Indicated | 3.0 | 1.60 | 0.16 |
| | Inferred | 0.7 | 1.24 | 0.03 |
| | **Sub-total** | **3.7** | **1.53** | **0.18** |
| **Tarra** | Measured | - | - | - |
| | Indicated | - | - | - |
| | Inferred | 2.3 | 1.34 | 0.10 |
| | **Sub-total** | **2.3** | **1.34** | **0.10** |
| **Total** | **Measured** | **-** | **-** | **-** |
| | **Indicated** | **34.6** | **1.45** | **1.61** |
| | **Inferred** | **10.3** | **1.17** | **0.39** |
| | **Total** | **45.0** | **1.38** | **2.00** |

**Table 2: Awak Mas Mineral Resource estimates (February 2018) by deposit at 0.5 g/t Au cut-off and constrained within a US$1200/oz optimisation shell.**

| | Classification | Tonnes (mt) | Au Grade (g/t) | Contained Gold (Moz) |
|---|---|---|---|---|
| **Awak Mas** | Measured | - | - | - |
| | Indicated | 29.5 | 1.43 | 1.36 |
| | Inferred | 5.6 | 1.15 | 0.21 |
| | **Sub-total** | **35.1** | **1.39** | **1.56** |
| **Salu Bulo** | Measured | - | - | - |
| | Indicated | 2.9 | 1.63 | 0.15 |
| | Inferred | 0.5 | 1.35 | 0.02 |
| | **Sub-total** | 3.3 | 1.59 | 0.17 |
| **Tarra** | Measured | - | - | - |
| | Indicated | - | - | - |
| | Inferred | 2.1 | 1.36 | 0.09 |
| | **Sub-total** | **2.1** | **1.36** | **0.09** |
| **Total** | **Measured** | **-** | **-** | **-** |
| | **Indicated** | **32.3** | **1.45** | **1.51** |
| | **Inferred** | **8.1** | **1.22** | **0.32** |
| | **Total** | **40.4** | **1.40** | **1.82** |

**Background**

In August 2017, Nusantara commenced a diamond drilling program to grow and the increase the confidence in the May 2017 Awak Mas Gold Project MRE of 38.4 Mt at 1.41 g/t Au for 1.74 Moz. The drilling program was designed to validate an Exploration Target of 0.3 - 0.5 Moz[1].

The current Awak Mas Gold Project MRE now includes results from 25 drill holes at the Awak Mas deposit and 12 drill holes at the Salu Bulo deposit (Figure 1).

The MRE updates since May 2017 have collectively resulted in:

- A whole of Project MRE increase of 0.26 Moz (+13%) using a 0.5 g/t Au cut off and constrained by a **US$1400/oz** optimisation shell. The Awak Mas Gold Project MRE is now reported at 45 Mt at 1.38 g/t Au for 2.00 Moz.
- A 71% increase in the February 2018 MRE Project MRE compared to the May 2017 MRE when reported within a **US$1200/oz** optimisation shell, increasing the May 2017 MRE of 24.3 Mt at 1.41 g/t Au for 1.10 Moz to 40.4 Mt at 1.40 g/t Au for 1.82Moz.
- 86% of the contained resource ounces in the Salu Bulo deposit and 81% for the entire Project now report to the Indicated Resource category and will be available for incorporation into the upcoming Ore Reserve estimate.
- Positive indications for a high Mineral Resource to Ore Reserve conversion ratio from the pit optimisations at US$1200/oz.

**Salu Bulo Drilling Program**

The satellite Salu Bulo gold deposit is located 1.8km to the southeast of the main Awak Mas deposit and hosts a number of mineralised quartz vein breccia structures referred to as the Biwa, Bandoli and Lelating trends.

The Phase 1 Salu Bulo drilling program of 12 diamond drill holes for 1,337.5 m was successfully completed on the 23 December 2017. Previously, assay results from 7 of these 12 holes were received and reported in the ASX announcement dated 16 January 2018 with initial indications that the higher grade, sub-vertical quartz vein / stockwork / breccia-hosted gold mineralisation corresponds well to the new model domains. Results from the remaining 5 drill holes have confirmed the new modelled domains including the parallel Lelating trend, although this mineralisation remains data limited.

Additionally, several broad intersections of lower grade gold mineralised material associated with shallow dipping shears have now been modelled. These larger-volume domains exist north of a clearly defined oblique N-W trending controlling structure and have been incorporated into the new MRE. Figure 1 shows the location of all Phase 1 drill holes within the Salu Bulo deposit.

Significant intersections from the final five holes within the Salu Bulo deposit include:

- SBD140M (Figure 2); **4.30 m at 0.9 g/t Au** from 0 m; **13.7 m at 3.4 g/t Au** from 35.4 m, including **3.0 m at 8.1 g/t Au** from 44.1 m;
- SBD141M; **12.3 m at 2.0 g/t Au** from 65.3 m;
- SBD142 (Figure 3); **2.1 m at 0.6 g/t Au** from 20.3 m; **7.5 m at 1.4 g/t Au** from 37.1 m; **3.0 m at 1.0 g/t Au** from 56 m;

[1] Refer Nusantara ASX Announcement - 28 August 2017 - Commencement of Resource Drilling at Awak Mas

- SBD143; **3 m at 1.6 g/t Au** from 42 m; **9 m at 0.5 g/t Au** from 58 m; **36 m at 2 g/t Au** from 103 m, including **10 m at 4.1 g/t Au** from 105 m; **4 m at 0.6 g/t Au** from 150 m; and
- SBD144M (Figure 3); **8 m at 1.4 g/t Au** from 25 m; **5.7 m at 1.2 g/t Au** from 99.1 m; **10 m at 0.8 g/t Au** from 112.5 m.

Results from the 12 holes have also delivered a significant upgrade in Mineral Resource confidence, both within the previously reported constraining optimisation shell (Biwa trend) and from the adjacent, previously unreported / unclassified Lelating trend (Figure 1).

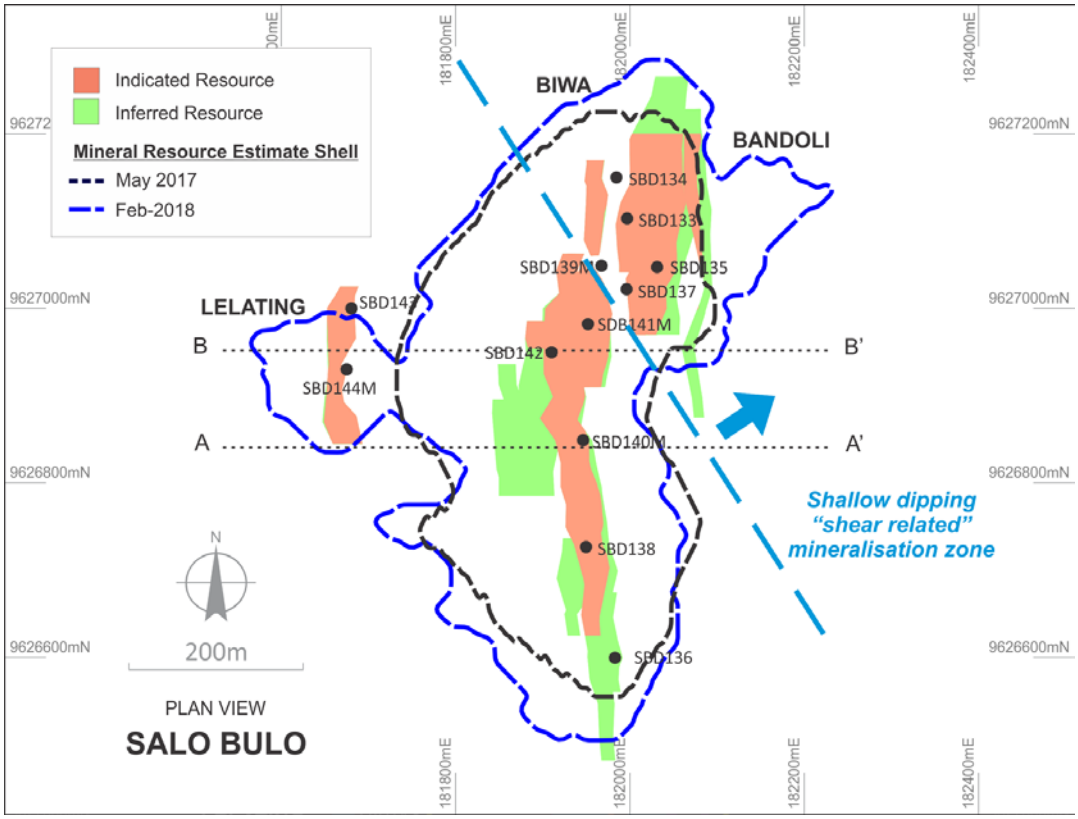


***Figure 1: Salu Bulo deposit – plan view showing location of Phase 1 drill holes and position of shear zone controlling structure.***

The drill results have validated the new geological interpretation and confirmed the strong geological and grade continuity of both the Biwa and Lelating trends, with a significant tonnage above a 0.5 g/t Au grade cut-off incorporated into the MRE.

The successful Salu Bulo drilling program has realised a 0.07Moz increase in contained gold when reported within either the US$1400/oz or the US$1200/oz optimisation shells. A summary of interpretation changes to the model for Salu Bulo since the May 2017 MRE is:

- 10 new sub-vertical domains and 1 broad shallow dipping domain interpreted for a total of 18 domains;
- the 11 new domains consist of 296 additional mineralised intersections from both historic and new drill holes, and
- Nusantara drilling (to 27/01/2018) has resulted in 67 new drill intersections both inside (19) and outside (48) of the May 2017 MRE domains.

Mineralisation extends from near surface to 200m below the surface. The top of the mineralisation is capped by a cover of colluvium.

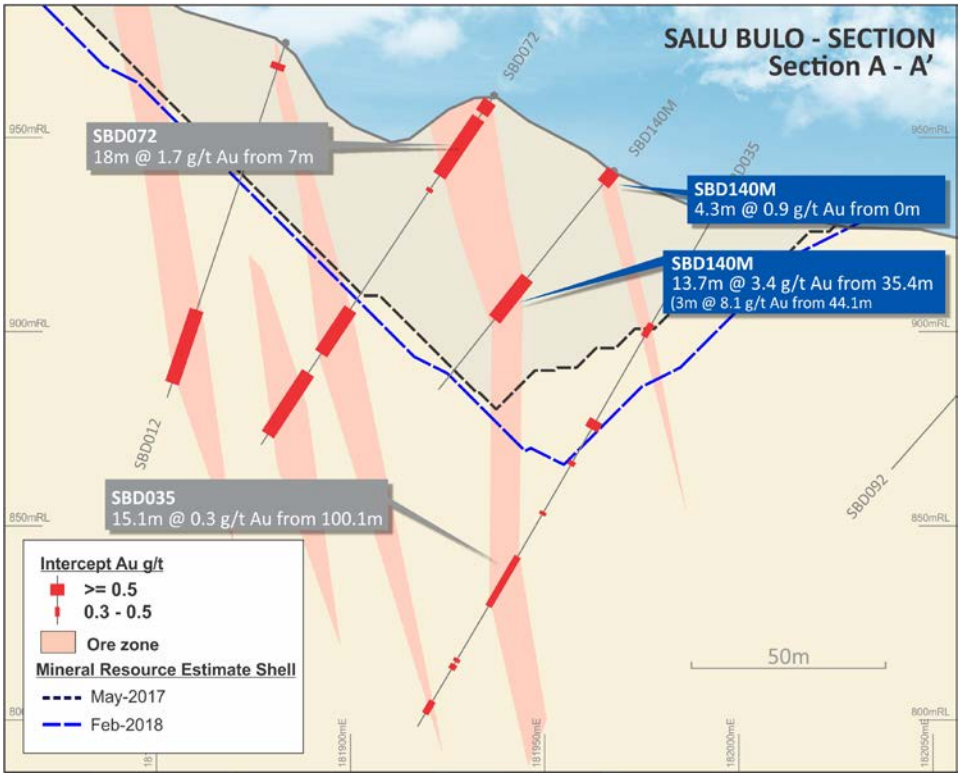


***Figure 2: Cross-section A-A' (9626850mN) of Salu Bulo deposit showing mineralised intersections > 0.3 g/t Au in SBD140M. Note: Section is south of structure controlling shallow dipping zone.***

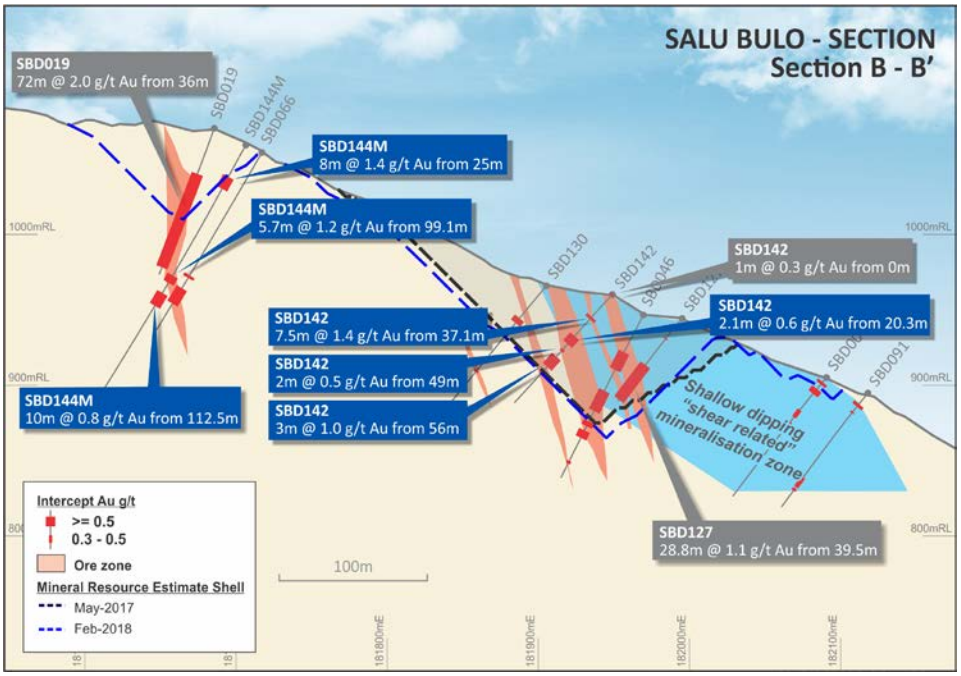


***Figure 3: Cross-section B-B' (9626950mN) of Salu Bulo deposit showing mineralised intersections > 0.3 g/t Au in SBD144M (Lelating trend) and SBD142 (Biwa trend) and shallow dipping shear related zone.***

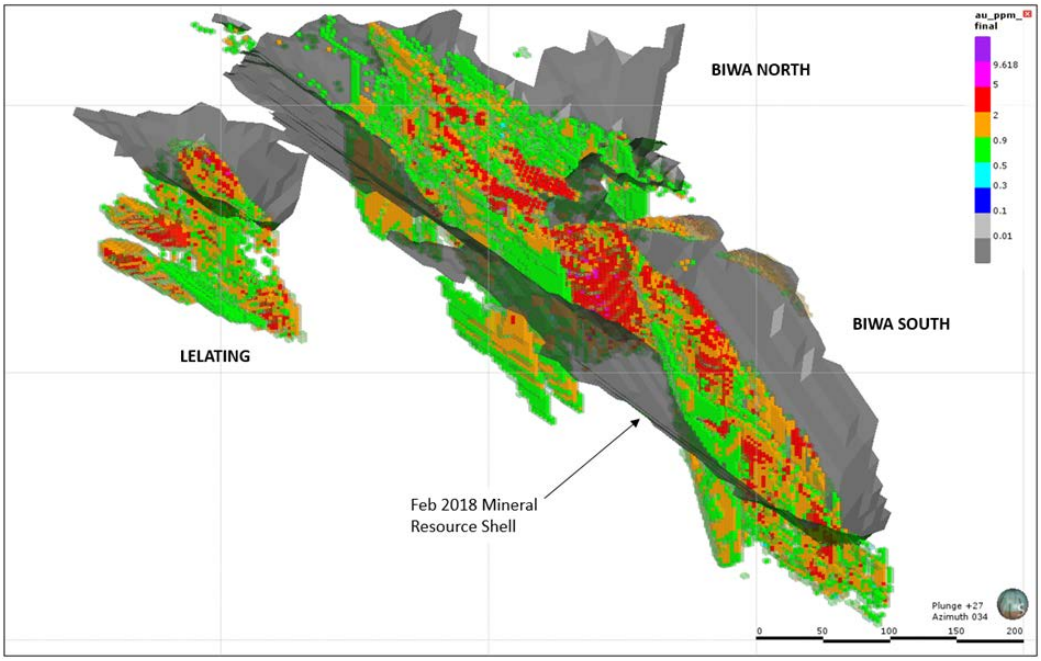


***Figure 4: Salu Bulo – Isometric View showing block grades (> 0.5 g/t Au) and constraining US$1,400 optimisation shell***

Reference should be made to the Salu Bulo Deposit Summary Report (Appendix 3) outlining further details of the new MRE.

Further MRE updates will be released as results are received and analysed for the following areas:

- Awak Mas Lower – the resource definition drilling program is on-going and an updated MRE is expected to be completed in April 2018.
- The Awak Mas Highwall exploration drilling program[2] is continuing and any results from this program will be incorporated into the MRE released in April 2018.

[2] Refer Nusantara ASX Announcement - 22 January 2018 – Potential Awak Mas Eastern Extension

## APPENDIX 1: MINERAL RESOURCE ESTIMATE AT VARIOUS CUT-OFF GRADES AND GOLD PRICES

The table below outlines the February 2018 Mineral Resource Estimate (MRE) within nested Whittle optimisation pit shells at various gold prices (from US$1200/oz to US$1800/oz) and cut-off grades (from 0.3 g/t Au to 0.9 g/t Au):

| | Constraining Pit Shell | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Awak Mas | US$1,800 | | | US$1,600 | | | US$1,400 | | | US$1,200 | | |
| Cut-off Grade | Mt | Au (g/t) | Moz | Mt | Au (g/t) | Moz | Mt | Au (g/t) | Moz | Mt | Au (g/t) | Moz |
| 0.3g/t Au | 59.5 | 1.10 | 2.10 | 53.3 | 1.14 | 1.95 | 49.7 | 1.16 | 1.85 | 44.1 | 1.18 | 1.68 |
| 0.5g/t Au | 45.1 | 1.33 | 1.92 | 41.3 | 1.35 | 1.80 | 39.0 | 1.37 | 1.72 | 35.1 | 1.39 | 1.56 |
| 0.9g/t Au | 27.1 | 1.75 | 1.53 | 25.6 | 1.77 | 1.46 | 24.5 | 1.78 | 1.40 | 22.4 | 1.78 | 1.29 |
| Salu Bulo | | | | | | | | | | | | |
| Cut-off Grade | Mt | Au (g/t) | Moz | Mt | Au (g/t) | Moz | Mt | Au (g/t) | Moz | Mt | Au (g/t) | Moz |
| 0.3g/t Au | 5.1 | 1.25 | 0.21 | 5.0 | 1.27 | 0.20 | 4.7 | 1.29 | 0.19 | 4.2 | 1.35 | 0.18 |
| 0.5g/t Au | 4.0 | 1.50 | 0.19 | 3.9 | 1.51 | 0.19 | 3.7 | 1.53 | 0.18 | 3.3 | 1.59 | 0.17 |
| 0.9g/t Au | 2.5 | 1.98 | 0.16 | 2.5 | 1.99 | 0.16 | 2.4 | 2.01 | 0.15 | 2.2 | 2.03 | 0.15 |
| Tarra | | | | | | | | | | | | |
| Cut-off Grade | Mt | Au (g/t) | Moz | Mt | Au (g/t) | Moz | Mt | Au (g/t) | Moz | Mt | Au (g/t) | Moz |
| 0.3g/t Au | 4.1 | 1.12 | 0.15 | 3.6 | 1.14 | 0.13 | 2.7 | 1.19 | 0.10 | 2.4 | 1.21 | 0.09 |
| 0.5g/t Au | 3.4 | 1.27 | 0.14 | 3.0 | 1.29 | 0.13 | 2.3 | 1.34 | 0.10 | 2.1 | 1.36 | 0.09 |
| 0.9g/t Au | 2.0 | 1.66 | 0.11 | 1.9 | 1.66 | 0.10 | 1.5 | 1.70 | 0.08 | 1.3 | 1.72 | 0.07 |
| Project Total | | | | | | | | | | | | |
| Cut-off Grade | Mt | Au (g/t) | Moz | Mt | Au (g/t) | Moz | Mt | Au (g/t) | Moz | Mt | Au (g/t) | Moz |
| 0.3g/t Au | 68.7 | 1.11 | 2.46 | 61.9 | 1.15 | 2.29 | 57.1 | 1.17 | 2.15 | 50.7 | 1.20 | 1.95 |
| 0.5g/t Au | 52.5 | 1.34 | 2.25 | 48.2 | 1.36 | 2.11 | 45.0 | 1.38 | 2.00 | 40.4 | 1.40 | 1.82 |
| 0.9g/t Au | 31.7 | 1.76 | 1.80 | 30.0 | 1.78 | 1.71 | 28.3 | 1.79 | 1.63 | 26.0 | 1.80 | 1.51 |

## APPENDIX 2: SALU BULO DEPOSIT – SIGNIFICANT RESULTS > 0.3 g/t Au

Reporting Criteria: Intercepts are reported intervals of Au > 1 g/t Au with intervals of < 1 g/t Au up to 3 m included. Where no individual intercepts >1 g/t Au exist, the intercepts reported are intervals of Au > 0.1 g/t Au with intervals of <0.1 g/t Au up to 3 m included. Downhole reported to one decimal place. Au and Ag grades reported to two significant figures.

| Hole ID | Hole Type | Easting UTM Grid (m) | Northing UTM Grid (m) | Elevation (m) | Total Depth (m) | Azimuth (Mag) | Dip | From (m) | To (m) | Interval (m) | Au g/t | Ag g/t | Remarks |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Salu Bulo - Biwa Domain** | | | | | | | | | | | | | |
| SBD133 | DDH | 182,023 | 9,627,103 | 928 | 106.8 | 270 | -56 | 0.0 | 14.5 | 14.5 | **0.9** | 0.7 | |
| | | | | | | | | 18.5 | 28.1 | 9.6 | 0.4 | 0.5 | |
| | | | | | | | | 40.2 | 43.2 | 3.0 | **1.6** | 0.7 | |
| | | | | | | | | 61.5 | 62.5 | 1.0 | 0.1 | <0.5 | |
| | | | | | | | | 105.8 | 106.8 | 1.0 | **2.2** | 0.5 | |
| SBD134 | DDH | 182,026 | 9,627,147 | 924 | 133.3 | 270 | -50 | 0.0 | 21.0 | 21.0 | **1.5** | 0.5 | |
| | | | | | | | Including | **18.0** | **21.0** | **3.0** | **6.0** | **1.1** | |
| | | | | | | | | 25.0 | 31.0 | 6.0 | 0.3 | <0.5 | |
| | | | | | | | | 37.0 | 50.8 | 13.8 | **1.3** | 0.6 | |
| | | | | | | | **Including** | **48.8** | **49.8** | **1.0** | **10.0** | **1.4** | |
| | | | | | | | | 56.9 | 76.0 | 19.1 | **2.5** | 0.8 | |
| | | | | | | | **Including** | **56.9** | **62.0** | **5.1** | **6.4** | **1.5** | |
| | | | | | | | | 88.0 | 89.0 | 1.0 | 0.2 | <0.5 | |
| | | | | | | | | 100.0 | 118.0 | 18.0 | **0.7** | <0.5 | |
| | | | | | | | | 117.0 | 118.0 | 1.0 | 0.3 | <0.5 | |
| | | | | | | | | 131.3 | 132.3 | 1.0 | **0.8** | <0.5 | |
| SBD135 | DDH | 182,058 | 9,627,044 | 923 | 116.6 | 277 | -55 | 0.0 | 11.0 | 11.0 | 0.2 | <0.5 | |
| | | | | | | | | 20.0 | 33.0 | 13.0 | 0.4 | <0.5 | |
| | | | | | | | | 50.0 | 66.4 | 16.4 | 0.3 | 0.6 | |
| | | | | | | | | 93.0 | 94.0 | 1.0 | 0.1 | <0.5 | |
| | | | | | | | | 104.0 | 105.0 | 1.0 | 0.1 | <0.5 | |
| SBD136 | DDH | 181,993 | 9,626,600 | 853 | 30 | 270 | -45 | 0.0 | 13.0 | 13.0 | **1.9** | 0.5 | |
| | | | | | | | **Including** | **9.0** | **11.0** | **2.0** | **5.5** | **1.3** | |
| SBD137 | DDH | 182,034 | 9,627,018 | 939 | 124.1 | 276 | -54 | 0.0 | 9.0 | 9.0 | 0.4 | <0.5 | |
| | | | | | | | | 13.0 | 22.0 | 9.0 | **0.5** | <0.5 | |
| | | | | | | | | 30.0 | 45.0 | 15.0 | 0.4 | <0.5 | |
| | | | | | | | | 76.0 | 78.0 | 2.0 | 0.4 | <0.5 | |
| | | | | | | | | 98.7 | 103.4 | 4.7 | 0.2 | <0.5 | |
| | | | | | | | | 111.8 | 113.7 | 1.9 | 0.4 | <0.5 | |
| | | | | | | | | 117.2 | 123.2 | 6.0 | **1.1** | <0.5 | |
| SBD138 | DDH | 181,957 | 9,626,730 | 946 | 74.5 | 245 | -75 | 0.0 | 23.2 | 23.2 | **2.8** | 0.7 | |
| | | | | | | | **Including** | **2.0** | **11.5** | **9.5** | **4.1** | **1.0** | |
| | | | | | | | | 31.2 | 37.5 | 6.3 | 0.2 | <0.5 | |
| | | | | | | | | 60.4 | 70.2 | 9.8 | **1.8** | 0.5 | |
| SBD139M | DDH | 182,021 | 9,627,049 | 935 | 120.0 | 270 | -45 | 14.0 | 42.6 | 28.6 | **0.9** | 0.5 | |
| | | | | | | | **Including** | **29.0** | **33.0** | **4.0** | **4.3** | **1.2** | |
| | | | | | | | | 46.6 | 47.6 | 1.0 | 0.4 | 0.5 | |
| | | | | | | | | 53.4 | 83.5 | 30.1 | **2.8** | 1.0 | |
| | | | | | | | **Including** | **69.5** | **77.5** | **8.0** | **7.4** | **1.7** | |
| SBD140M | DDH | 181,968 | 9,626,846 | 941 | 72.3 | 277 | -50 | 0.0 | 4.3 | 4.3 | **0.9** | 0.8 | |
| | | | | | | | | 35.4 | 49.1 | 13.7 | **3.4** | 1.6 | |
| | | | | | | | **Including** | **44.1** | **47.1** | **3.0** | **8.1** | **1.4** | |
| SBD141M | DDH | 181,973 | 9,626,989 | 974 | 105.0 | 252 | -45 | 0.0 | 4.0 | 4.0 | 0.2 | <0.5 | |
| | | | | | | | | 11.6 | 12.6 | 1.0 | 0.3 | 1.3 | |
| | | | | | | | | 30.0 | 30.8 | 0.8 | **0.5** | 1.1 | |
| | | | | | | | | 65.3 | 77.6 | 12.3 | **2.0** | 0.9 | |
| | | | | | | | | 87.2 | 90.2 | 3.0 | 0.2 | <0.5 | |
| | | | | | | | | 100.0 | 101.0 | 1.0 | **0.9** | <0.5 | |
| SBD142 | DDH | 181,948 | 9,626,945 | 960 | 97.4 | 276 | -46 | 0.0 | 1.0 | 1.0 | 0.3 | <0.5 | |
| | | | | | | | | 20.3 | 22.4 | 2.1 | **0.6** | 0.6 | |
| | | | | | | | | 37.1 | 44.6 | 7.5 | **1.4** | 0.7 | |
| | | | | | | | | 49.0 | 51.0 | 2.0 | 0.5 | 1.0 | |
| | | | | | | | | 56.0 | 65.0 | 9.0 | **0.6** | 1.4 | |
| | | | | | | | | 69.0 | 71.0 | 2.0 | **0.5** | <0.5 | |

| Hole ID | Hole Type | Easting UTM Grid (m) | Northing UTM Grid (m) | Elevation (m) | Total Depth (m) | Azimuth (Mag) | Dip | From (m) | To (m) | Interval (m) | Au g/t | Ag g/t | Remarks |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Salu Bulo - Lelating Domain** | | | | | | | | | | | | | |
| SBD143 | DDH | 181,729 | 9,626,990 | 1,044 | 173.7 | 281 | -50 | 42.0 | 45.0 | 3.0 | **1.6** | <0.5 | |
| | | | | | | | | 79.0 | 80.0 | 1.0 | 0.1 | <0.5 | |
| | | | | | | | | 85.0 | 94.0 | 9.0 | 0.5 | <0.5 | |
| | | | | | | | | 103.0 | 139.0 | 36.0 | **2.0** | 0.6 | |
| | | | | | | | **including** | **105.0** | **115.0** | **10.0** | **4.1** | **0.7** | |
| | | | | | | | | 150.0 | 154.0 | 4.0 | **0.6** | <0.5 | |
| SBD144M | DDH | 181,705 | 9,626,936 | 1,059 | 191.5 | 261 | -60 | 25.0 | 33.0 | 8.0 | **1.4** | <0.5 | |
| | | | | | | | | 99.1 | 104.8 | 5.7 | **1.2** | <0.5 | |
| | | | | | | | | 112.5 | 122.5 | 10.0 | **0.8** | <0.5 | |
| SBD145* | DDH | 181,710 | 9,627,065 | 1,043 | 170.5 | 270 | -55 | 27.0 | 28.0 | 1.0 | 0.1 | <0.5 | |
| | | | | | | | | 42.0 | 42.7 | 0.7 | 0.2 | <0.5 | |
| | | | | | | | | 133.2 | 134.2 | 1.0 | 0.1 | 1.1 | |
| | | | | | | | | 145.2 | 146.2 | 1.0 | 0.2 | <0.5 | |
| SBD146* | DDH | 182,176 | 9,627,152 | 898 | 131.0 | 277 | -60 | 56.7 | 66.1 | 9.4 | 0.3 | <0.5 | |
| | | | | | | | | 80.1 | 94.7 | 14.6 | **0.6** | <0.5 | |
| | | | | | | | **including** | **83.2** | **87.9** | **4.7** | **1.3** | **0.5** | |

**) Not included in the current Mineral Resource Estimation*

# APPENDIX 3: SALU BULO DEPOSIT SUMMARY REPORT

## Regional Geology

The Masmindo Mining Corporation ("**Masmindo**") CoW is situated on the southern side of the Central Sulawesi Metamorphic Belt within a 50 km long, north-northeast trending fault bounded block of basement metamorphic rocks and younger sediments. The western margin of this block is represented by an easterly dipping thrust, whereas the eastern margin is defined by a major basement structure. Imbricate faulting has complicated the internal morphology of the block.

The CoW is dominated by the late Cretaceous Latimojong Formation consisting of phyllites, slates, basic to intermediate volcanics, limestone and schist representing a platform and/or fore arc trough flysch sequence. The Latimojong Formation overlies basement metamorphic rocks dominated by phyllites and slates. Both sequences have been intruded by late-stage plugs and stocks of diorite, monzonite and syenite. To the east of the metamorphic block, basic intermediate intrusives, pyroclastics and volcanogenic sediments comprising the Mesozoic Lamas Ophiolite Complex appears to have been obducted into a position effectively overlying the younger flyschoid sequence and basement metamorphics during continental accretion.

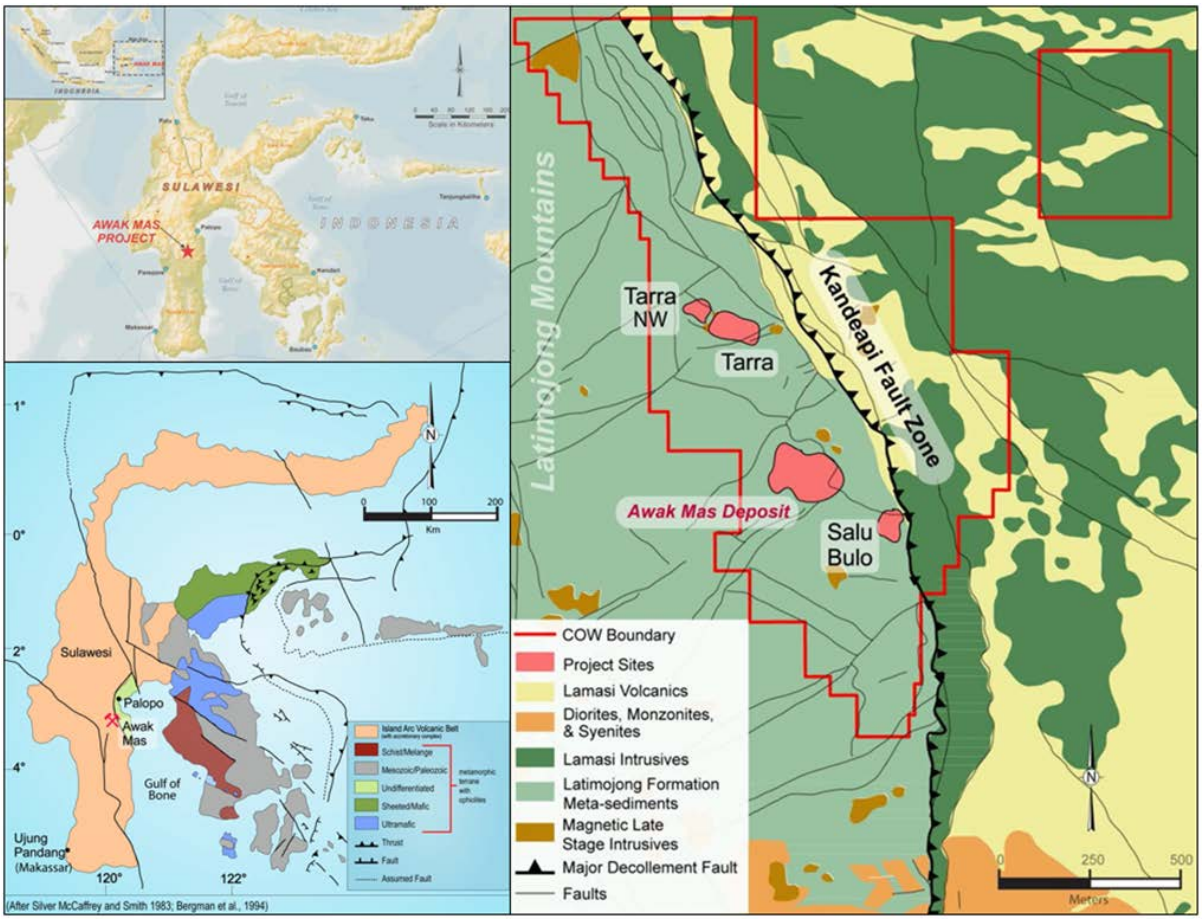


**Figure 1 Salu Bulo – Prospect Location and Regional Geology**

## History of Exploration on the CoW

Exploration and mining rights to the Awak Mas Gold Project ("**Project**") are held through a Contract of Work ("**CoW**") with the Government of the Republic of Indonesia. The 7th Generation CoW (14,390ha) currently covers the Awak Mas, Salu Bulo and Tarra deposits, and includes the numerous satellite prospects in the surrounding district.

Previous exploration work at Salu Bulo has been characterised by surface geochemical studies and geological mapping, which identified a series of steeply dipping mineralised targets, striking approximately north-south.

Prior to One Asia, the most recent exploration work was conducted by Placer Dome in 1999, who completed a core drilling program based on the surface exploration results.

Infill diamond core drilling by One Asia in 2011-2013 resulted in the completion of a mineral resource estimate by Tetra Tech which was reported in accordance with the JORC Code (2012) guidelines.

Since 1991, numerous technical studies have been completed on the Project mainly by external consultants. These studies have included geology assessments, resource estimations, pit optimisations, and various feasibility studies, including metallurgical, geotechnical and civil studies.

Resindo Resources Indonesia ("**Resindo**") completed a PFS in 2014, with an update in 2015 including the Tarra and Salu Bulo deposits, which concluded with a positive financial result.

A more recent study (March 2017) completed by Minnovo Pty Ltd ("**Minnovo"**) indicates that a throughput of 2.5Mtpa may be more amenable and cost effective for the deposit. The 2.5Mtpa plant option would have significantly lower capital costs and provide a reduced footprint for a site with steep terrain. Metallurgical test work continues to indicate that average recoveries of around 90% will be achieved.

Nusantara Resources Limited (formerly Awak Mas Holdings) demerged from One Asia with a 100% interest in the Awak Mas Gold Project, and a strategy of production targeted for early 2020 upon completion of the Definitive Feasibility Study ("**DFS**") by mid to late 2018.

## Prospect Geology

The host rocks for the Awak Mas, Salu Bulo and Tarra mineralised systems comprise a complex sequence of intercalated meta-pelite, meta-arenite, and locally feldspathic meta-wacke and meta-greywacke.

The Salu Bulo deposit consists of three main north-south trending mineralised corridors, which from west to east are Lelating, Biwa North and Biwa South (Figure 3). Primary bedding dips between 25° to 85° towards the east and northeast, with the foliation developed parallel to bedding except near faults.

The geological setting and mineralisation style at Salu Bulo is considered to be analogous to that at the Awak Mas deposit, but with a more dominant sub-vertical structural control.

A high level, low sulphidation hydrothermal system has developed at Salu Bulo overprinted by a strong sub-vertical fracture control which has channelled the mineralising fluids. The mineralising fluids have exploited these pathways and migrated laterally along foliation parallel shallowly dipping favourable strata (hematitic mudstone) and along low angle thrusts.

The mineralisation is related to the two primary structural orientations being dominant sub-vertical north-south anastomosing structures, and foliation parallel low angle thrusts.

The multi-phase gold mineralisation is characterised by milled and crackle breccias, vuggy quartz infill, and stockwork quartz veining with distinct sub-vertical feeder structures. Gold mineralization typically occurs with minor disseminated pyrite (<3%) within sub-vertical quartz veins, breccias, and stockwork zones.

The host lithologies for the mineralisation are a sequence of chloritic and intercalating hematitic meta-sedimentary rocks metamorphosed to greenschist facies.

## Drilling Techniques

Drilling was conducted in a number of campaigns by several companies since 1991 to the present date, with a total of 144 diamond core holes ("**DDH**") completed at Salu Bulo. Nusantara has completed 12 drill holes in the period from November 2017 to January 2018.

The Phase 1 infill resource definition drill program has focused on the Lelating and Biwa domains where 12 holes for 1,337.5m had final assays available at the assay data cut-off date (27/01/2018). The location of the additional drilling by Nusantara in relation to the constraining optimisation shells and MRE classification is shown in Figure 1.

**Nusantara** drilling consisted of:

- PQ3/HQ3 core sizes;
- Wire-line triple/split tube diamond core drilling;
- Core orientation – Coretell ORIshot (Gen4), multi-shot core orientation tool, and
- Hole depths varied from 30m to 191.5m, with an average depth of 117m.

The following historical drilling has been completed at the Salu Bulo deposit:

**One Asia** DDH Drilling (2011-2013) of 102 drill holes for 9,738m:

- HQ3 diameter, wire-line triple/split tube diamond core drilling, and
- Depths varied from 15.5m to 199.5m, average depth of 96m.

**Placer Dome** DDH drilling (1999) of 30 drill holes for 3,172m:

- Dominantly HQ3 core size, one hole reduced to NQ3 to resolve technical difficulties, and
- Depths varied from 70.5m to 170.5m, average depth of 106m.

Drill hole deviation was typically measured in holes deeper than 25m with a Sperry Sun or Reflex camera system on an average downhole spacing of 30m to 50m.

The majority of drilling is angled due west at 60° to optimise intercepts of mineralisation with respect to thickness and distribution. Drill holes are spaced using a 50m x 50m grid, with 25m x 25m infill drilling as required. Effective data spacing ranges between 30m to 100m as a result of the mineralisation orientation.

The current drill holes for the reporting of Exploration Results are infill holes between existing historical drill holes to achieve a nominal 25m x 25m data spacing.

Overall recoveries within the mineralized zones is generally greater than 90%. Less than 5% of the drill samples have recoveries of less than 40%.

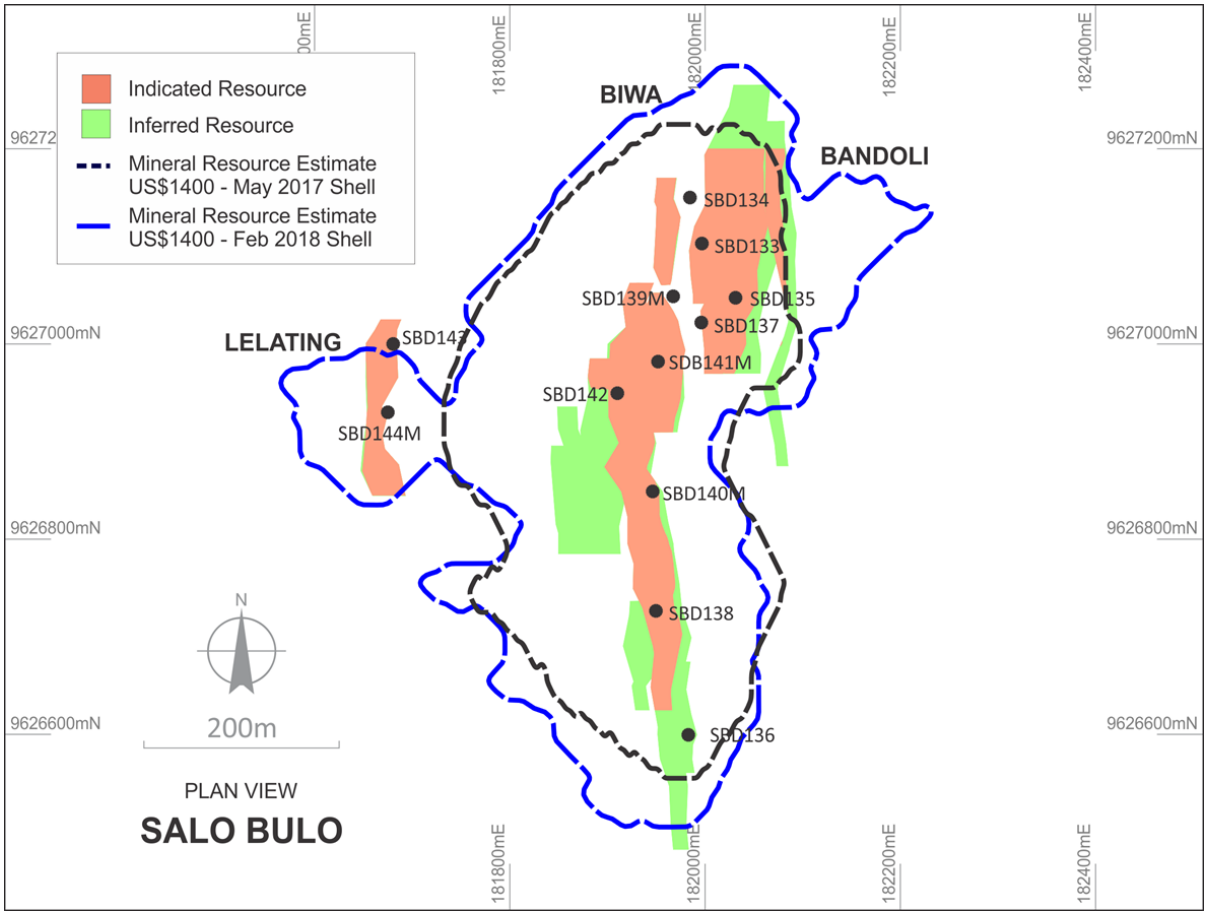


**Figure 2 Salu Bulo Deposit – Location of Phase 1 drilling, MRE classification and optimisation shells**

## Sampling and Sub-Sampling Techniques

All drill core was generally sampled on 1m intervals, contingent on geology and core recovery:

- Core was collected directly from the core barrel into core boxes;
- Core samples were split in half, with the top half of the core analysed and other half retained as reference core in the tray;
- Minimum interval 0.4m and maximum 1m for mineralised material, and
- Maximum 2m for the material that visually looked unmineralised.

A sample preparation facility was commissioned by Nusantara onsite, allowing all samples to be crushed, pulverised and a 200g assay aliquot shipped to Geoservices laboratory in Jakarta for final element analysis.

The onsite facility was established by Nusantara and Geoservices to closely replicate (where possible) the sample preparation process that was conducted at the Jakarta laboratory.

Partial sample preparation was completed onsite utilised a LM2 pulveriser rather than an LM5 pulveriser which had previously been used in Jakarta. The process involved:

- Samples were weighed and dried at 105°C;
- Jaw and Boyd crushed to nominal 2-3mm;
- 1kg sub-sample rotary split for final preparation;
- Sub-sample pulverised by LM2 ring mill pulverisers for lab analysis;
- The resultant final 200g assay pulp was shipped to Geoservices (Jakarta) for gold and other element analysis, and
- The nature, quality and appropriateness of the sample preparation technique is consistent with industry standard practices.

The following QC sampling protocols and insertion rates were adopted by Nusantara for the diamond drilling:

- Certified Refence Material (5%);
- Coarse Blank Material (2.5%);
- Coarse Duplicate Samples (5-10%);
- Blind pulp assay check duplicates, resubmitted to primary laboratory (2%), and
- Umpire pulp assay check duplicates (5%).

**For historical drilling**:

- **Placer Dome** assay samples were composited to 2m by combining the pulp splits with the samples sent to Intertek in Jakarta.
- **One Asia** used Geoservices Ltd at Cikarang – Bekasi, Indonesia for assaying. At Geoservices (primary laboratory), samples are prepared using their "Total Sample Preparation Package", which includes samples dried at 105°C, jaw crushed (to nominal 4mm) if required and the whole sample pulverized via LM5 ring mill pulverisers prior to assay.
- **One Asia** quality control procedures included the submission of standards, blanks and duplicates to the primary lab, as well as the use of an external umpire laboratory. 308 pulp duplicates and 118 quarter core samples from the drilling were selected and sent to the umpire laboratory, PT Intertek Utama Services by One Asia.

## Sample Analysis Method

**Nusantara**'s gold analysis used a 40g charge fire assay method with an AAS finish. This analysis is a total assay method, which is an industry standard for gold analysis, and an appropriate assay method for this type of deposit.

The primary assay laboratory used is PT. Geoservices in Jakarta. A secondary laboratory (SGS, Jakarta) is used for lower priority samples from unmineralised drill hole intervals to help overcome bottlenecks at the site preparation facility and at the Geoservices laboratory.

Additional element analysis included:

- Aqua Regia digest plus ICP elements (GA102_ICP09);
- Ag, As, Cu, Mg, Mo, Pb, Sb, and Zn;
- Leco - Total Carbon and Total Sulphur (MET_LECO_01);
- Cyanide Amenability on pulps (MET_CN7), and
- Mercury from GAA02 digest (GAA02_CVAA).

**One Asia** used Geoservices Ltd at Cikarang - Bekasi, Indonesia for assaying. At Geoservices (the primary laboratory) samples are prepared using their "Total Sample Preparation Package", which included samples being dried at 105°C, jaw crushed (to a nominal 4mm) if required and the whole sample pulverised via LM5 ring mill pulverisers prior to assay for gold using a 40g fire assay (FAA40_AAS).

## Geological Interpretation

The Awak Mas modelling technique was applied to the Salu Bulo deposit with steeper sub-vertical higher-grade structures within a generally shallow dipping alteration low grade envelope.

Infill drilling has confirmed the spatial correlation of shallow dipping thrust zones, sub-vertical structures, and the footwall contact of the hematitic mudstone unit with gold mineralisation. The orientated structural data has defined a distinct shallow to moderately northeast dipping vein set. This additional data supports the interpretation of a broad lower grade halo which also encapsulates narrower higher-grade zones along low angle thrust zones proximal to the sub-vertical structures.

The ladder stockwork vein system developed at Salu Bulo is analogous to that at Awak Mas where there is the inherent complexity of two mineralisation orientations and short scale grade continuity at generally less than the drillhole spacing. (25 to 50m drill collar centres).

A cross-cutting north-northwest structure separates the continuous wider central main zone at Biwa South from the multiple sub-vertical and broad low grade shallow dipping domain at Biwa North (Figure 3 and Figure 4).

A similar interpretation has been applied to Lelating to the west where a central sub-vertical structure has broader shallow dipping thrust mineralisation zones splaying off at depth.

The mineralised domains at Salu Bulo are orientated north-south, and have an overall combined strike length of approximately 800m.

Individual interpreted mineralisation domains are between 150 to 500m in strike length (Figure 2. and Figure 3). Sub-vertical mineralised zones can vary from 1.5 to 20m in thickness, but more commonly between 3 to 10m in thickness. The broader shallow dipping mineralised zones vary in average thickness from 20 to 60m.

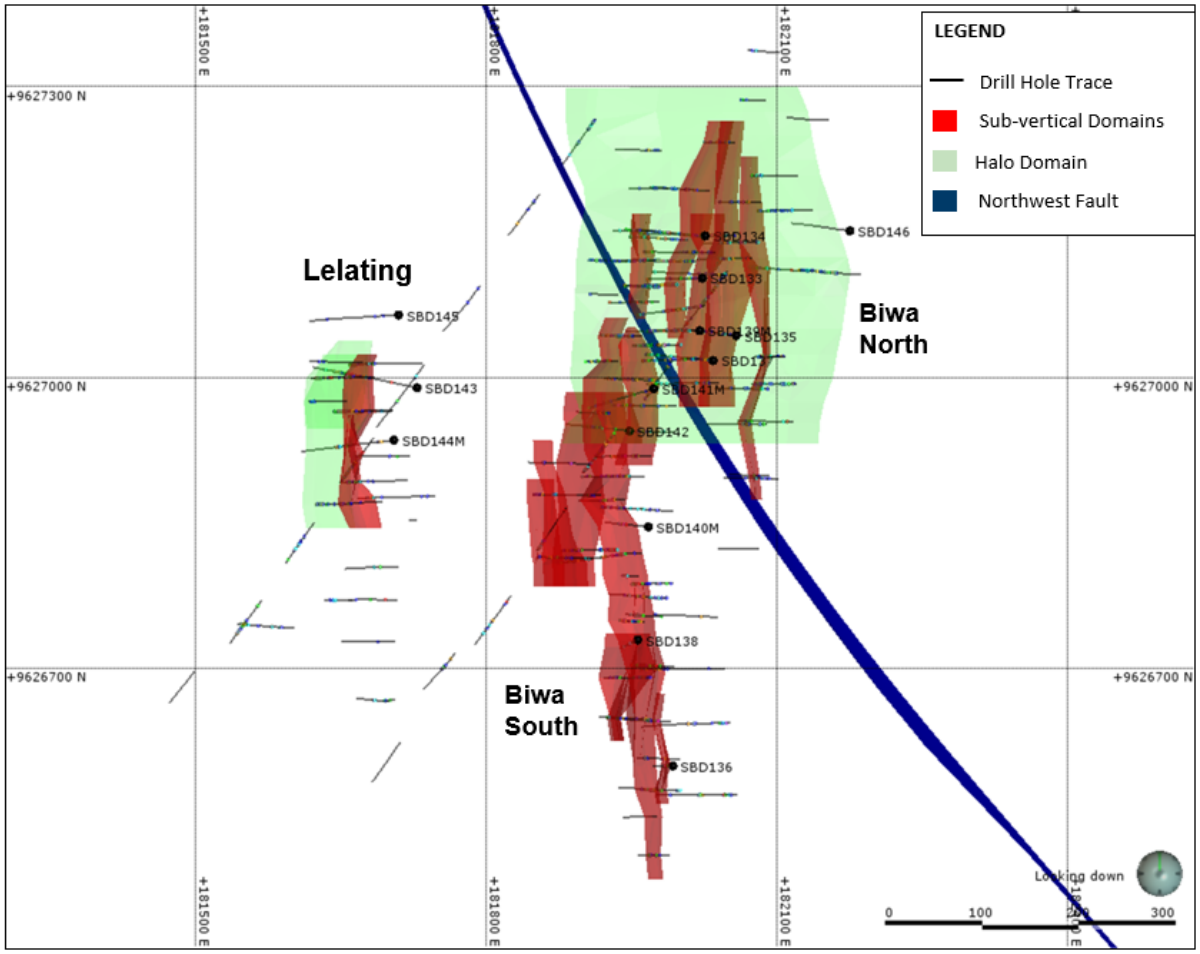


**Figure 3 Salu Bulo - Interpreted Mineralisation Domains and Drill Hole Locations**

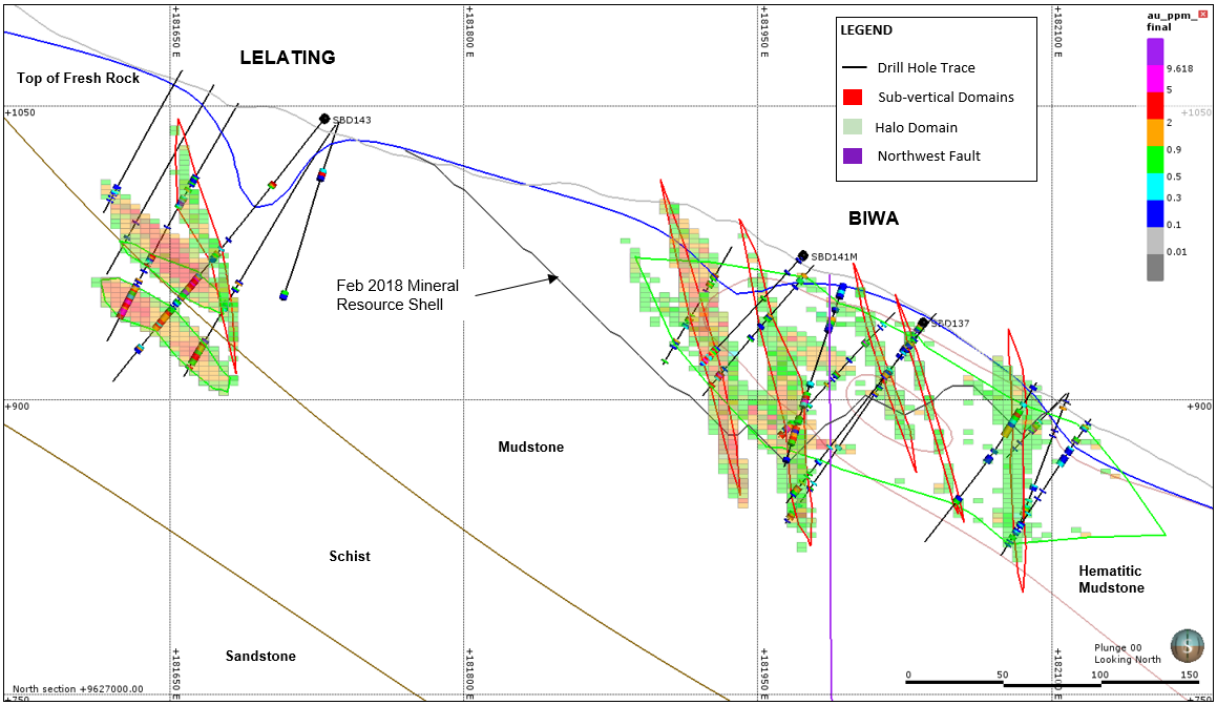


**Figure 4 Salu Bulo – Section 9627000mN (+/-25m) Showing Domains, Geology and Block Grades (>0.5g/t Au)**

## Mineralisation Domains

A minimum downhole length of 2m (which equates to 1.5m true width) was employed in the interpretation of the mineralisation domains to be used for estimation.

The infill drilling by Nusantara has confirmed the interpreted mineralisation and estimation domains. This has provided confidence to extrapolate the existing mineralisation zones and to define new zones.

Additional domains have been added where new drilling has shown lateral/down-dip grade and geological continuity for the erratic mineralisation that was previously omitted from the main domain wireframes.

A broad generally lower grade halo domain that includes narrow higher-grade zones was interpreted to encapsulate the majority of the mineralisation which lies outside of the main sub-vertical zones.

A brief summary of interpretation changes to the mineralised volumes for Salu Bulo since the May 2017 MRE are detailed below;

- 10 new sub-vertical domains and 1 broad shallow dipping domain have been interpreted for a total of 18 domains;
- the **11 new domains** consist of **296 additional mineralised drill intersections** from both historic and new holes, and
- The Nusantara drilling (to 27/01/2018) has resulted in **67 new drill intersection**s both inside (19) and outside (48) of the May 2017 MRE domains.

Mineralisation extends from near surface to 200m below the surface. The top of the mineralisation is capped by a cover of colluvium.

## Estimation Methodology

The grade estimation approach is a combined Localised Uniform Conditioning ("**LUC**") and Ordinary Kriging ("**OK**") technique, the same methodology as applied at the Awak Mas deposit. Ordinary Kriging was only applied to the narrow steep sub-vertical domains with an average width of less than 10m. LUC is a diluted recoverable estimation technique typically used for estimation into small blocks using wider spaced resource definition drilling.

The LUC/OK combined technique was considered appropriate given the high short scale grade variability and the uncertainty associated with the estimation of the local grade tonnage distribution:

The key assumptions are that the grade distribution is diffusive (tested and confirmed) with gradational internal grade boundaries and that free selection of ore/waste selective mining units ("**SMU**") is possible during the mining process (i.e. open pit mining).

Grade interpolation used 1m composited samples constrained by hard boundaries within the mineralisation zones. Necessity for grade cutting was based on basic exploratory data analysis, including the level of grade variability as expressed by the CV of the composited sample data. Grade cutting was completed on a domain basis using log normal probability plots of the grade distribution to determine the appropriate level of cutting to minimise the influence of extreme grade outliers.

Subsequent high-grade capping was determined using metal at risk analysis on a domain by domain basis.

Interpolation parameters were derived using standard exploratory data analysis techniques for statistical and continuity analysis. Appropriate interpolation strategies were developed on a domain basis using kriging neighbourhood analysis ("**KNA**"), which included oriented ellipsoidal search radii ranging from 60 to 120m depending on the domain and minimum and maximum number of samples varying from 1 to 8, and from 8 to 20 respectively.

A change of support correction was applied to produce a recoverable resource estimate at the SMU scale and the maximum extrapolation distance from the last data points was no more than 50m, which is the average drill hole spacing for most of the deposit.

The LUC panel was set at 20m x 20m x 10m (XYZ) with a block size for local estimation to a selective SMU size of 5m x 5m x 2.5m (XYZ). The bulk of the drilling data is on a nominal 25m to 50m grid spacing with local 25m x 25m infill drilling in some areas. Selection of the SMU size was based on the geometry of the mineralisation and the likely degree to which selective mining could be successfully applied to the visual geologically based grade boundaries.

Check estimates using Ordinary Kriging ("**OK**") and Inverse Distance Squared ("**ID2**") were completed and compared to the final LUC estimate.

The model was validated using the following techniques:

- Visual 3D checking and comparison of informing samples and estimated values;
- Global statistical comparisons of raw sample and composite grades to the block grades;
- Validation 'swath' plots by northing, easting and elevation for each domain;
- Analysis of the grade tonnage distribution;
- Comparison of the LUC block grade variance to the SMU variance predicted by the Discrete Gaussian Model ("**DGM**") block support correction, and
- Comparative estimates using ID2 and OK techniques.

Bulk density was determined from a total of 1,263 water immersion (Archimedes principle) density measurements on recent and historical drill core samples. Nusantara collected 207 bulk density measurements by water immersion technique from the 2017-2018 core drilling, which was incorporated into the current MRE as detailed in Table 3.

## Mineral Resource Statement and Classification

The Mineral Resource Estimate ("**MRE**") was initially classified as Indicated and Inferred (Figure 2) based on a range of qualitative criteria which included:

- Data support as defined by drill spacing;
- Confidence in the domain interpretation;
- Data quality issues affecting particular zones;
- Quality of the estimate (slope of regression), and
- Reasonable prospects for economic extraction.

Areas classified as Indicated generally applied to regions of 50m or less drill intercept spacing, where the level of understanding of the mineralisation continuity and quality is considered to be sufficient to allow for mine planning and evaluation of the economic viability.

The adopted cut-off grade for reporting is 0.5g/t Au, based on preliminary economic considerations and in-line with the reporting of mineral resources and reserves from the updated PFS (2015). The basis for eventual economic extraction was determined by optimisation shells using Whittle software with all-in cost parameters and a base gold price of US$1,400.

The Salu Bulo Mineral Resource Estimate has been reported within the US$1,400 gold price optimisation shell as detailed below in Table 1 and shown in Figure 5. Approximately 86% of the MRE is classified as Indicated.

**Table 1 Salu Bulo MRE February 2018 – At a 0.5g/t Au cut-off, inside US$1,400 optimisation shell**

| Category | Tonnes (Mt) | Au (g/t) | Au (Moz) |
|---|---|---|---|
| Measured | - | - | - |
| Indicated | 3.0 | 1.60 | 0.16 |
| Inferred | 0.7 | 1.24 | 0.03 |
| **TOTAL** | **3.7** | **1.53** | **0.18** |

Comparison of the February 2018 MRE and the previous May 2017 MRE inside their respective US$1,400 optimisation shell is detailed below in Table 2.

**Table 2 February 2018 and May 2017 MRE Comparison - At a 0.5g/t Au cut-off, inside US$1,400 optimisation shell**

| Category | MRE Feb 2018 | | | MRE May 2017 | | | % change from 2017 | | |
|---|---|---|---|---|---|---|---|---|---|
| | Mt | Au (g/t) | Moz | Mt | Au (g/t) | Moz | Tonnes | Grade | Ounces |
| Measured | - | - | - | - | - | - | - | - | - |
| Indicated | 3.0 | 1.60 | 0.16 | 0.7 | 2.65 | 0.06 | 331% | -40% | 158% |
| Inferred | 0.7 | 1.24 | 0.03 | 0.6 | 2.39 | 0.05 | 9% | -48% | -48% |
| **Total** | **3.7** | **1.53** | **0.18** | **1.4** | **2.53** | **0.11** | **166%** | **-39%** | **65%** |

The significant increase in the contained gold ounces of 65% within the US$1,400 optimisation shell when compared to the May 2017 MRE is primarily the result of;

- Infill drilling confirming the spatial correlation of shallow dipping thrust zones, sub-vertical structures, and the footwall contact of the hematitic mudstone unit with gold mineralisation;
- Adoption of the Awak Mas interpretation and estimation techniques to model sub-vertical higher-grade zones within a broader and generally lower grade shallow dipping domain, and

- Grade interpolation using LUC/OK estimation has delivered a recoverable diluted mineral resource, as compared to the previous undiluted global mineral resource which focussed on the narrow high-grade zones only.

There is still a higher-grade subset of the MRE which is similar to that of the May 2017 MRE. This is demonstrated when reporting above a higher grade cut-off of 1.5g/t Au inside the Feb 2018 US$1,400 optimisation shell:

- **1.4Mt @ 2.57g/t Au for 0.12 Moz**

The current MRE is considered to be a low risk robust model which reflects the likely outcome from open pit selective mining.

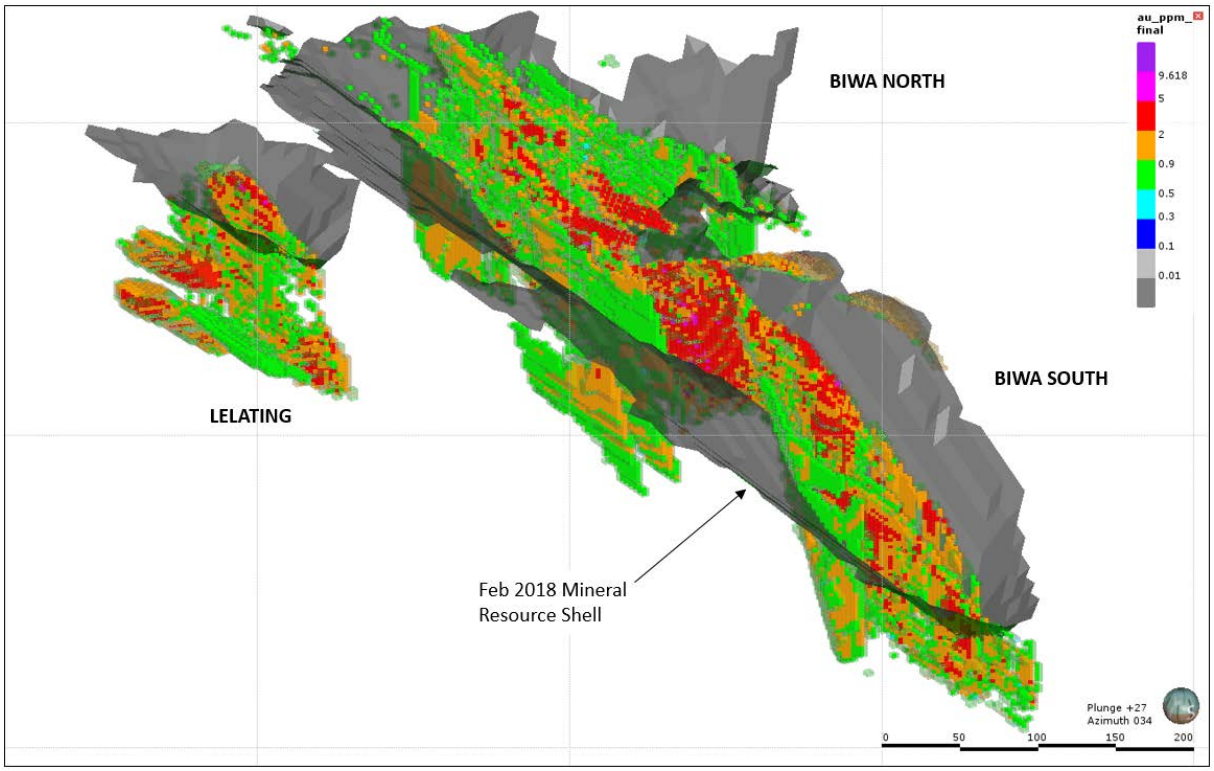


**Figure 5 Salu Bulo – Isometric View showing block grades (>0.5g/t Au) and constraining US$1,400 optimisation shell**

## Mining and Metallurgy Parameters and Modifying Factors

As the mineralisation is near surface and the grade of the mineralisation is amenable to conventional open pit mining methods. The assumed mining method would use drill and blast, utilising 2.5m mining flitches to a maximum vertical depth of 300m. An overall pit slope of 40° is assumed to be attainable based on the PFS (2015) update.

Mineralised domains were developed on the basis of continuity in the diffuse styles of mineralisation and thus has included some lower grade zones.

A minimum width of 2m was used in interpretation of the mineralisation in order to preserve the 3D wireframe integrity and continuity. Domaining for LUC estimation has incorporated zones of internal dilution to ensure grade continuity and to produce robust geometrically simple zones amenable to selective open pit mining.

Metallurgical testwork for the Awak Mass Gold Project by Minnovo (2017) has indicated improved gold recoveries of 92% to 98% based on Whole of Ore ("**WOL**") leaching on samples composited from onsite drill core.

Based on this and the updated PFS (2015), it is assumed that the deposit will be amenable to economic extraction.

## Estimation Methodology Comparison to Previous Estimate

The estimation methodology used for the current MRE has involved a combined non-linear LUC and OK technique to give a local diluted and recoverable estimate at the SMU size. This is significantly different to the OK global estimate that was completed in May 2017.

Significant modifications were made to the geological interpretation, mineralisation domains and interpolation methods. The following is a summary of the **key changes** to the modelling when compared to the May 2017 MRE;

- Composite length changed from 2m to 1m for improved grade resolution;
- Mineralised domains dominantly sub-vertical with a broad shallowly dipping lower grade halo domain;
- Estimation Technique changed from global OK only to a combination of LUC and OK local estimation;
- Panel Estimation Size changed to 20mX x 20mY x 10mZ, from 5mX x 20mY x 20mZ, with an SMU size of 5m x 5m x 2.5m (XYZ) and sub-blocked to 1.25m x 2.5m x 1.25m (XYZ) for volume resolution;
- All narrow steep sub-vertical mineralised domains with an average thickness of less than 10m were estimated and reported using Ordinary Kriging.;
- Colluvium material was estimated separately;
- Top cuts and variography analysis was completed for all mineralisation domains;
- Model Classification and Density was updated to incorporate new drilling data
- New Lidar topography was used to constrain the block model, and

- New Optimisation runs were completed to generate constraining shells for resource reporting.

A comparison of the two estimates on a side by side basis was completed to highlight the key differences in the estimation techniques as shown in Table 3.

**Table 3 Estimation Methodology Comparison to May 2017 MRE**

| Estimation Process | Feb 2018 | May 2017 |
|---|---|---|
| Compositing | 1m composites | 2m composites |
| Mineralisation Domains | Broad, robust, geometrically simple and continuous estimation domains.<br>Geologically based with 2 key orientations.<br>Nominal 0.15g/t Au lower threshold. | Broad, robust, geometrically simple and continuous estimation domains.<br>Geologically based with 2 key orientations.<br>Nominal 0.15g/t Au lower threshold. |
| Grade Capping | Spatial location of outliers assessed on a domain basis.<br>Ranged from 5 - 12g/t Au. | Spatial location of outliers assessed on a domain basis.<br>Ranged from 10 - 12g/t Au. |
| Density | Density assigned based on updated data:<br>• Colluvium/Soil - 1.8t/$m^3$<br>• Mineralised Oxide/Transition - 2.36t/$m^3$<br>• Mineralised Fresh - 2.61t/$m^3$.<br>• Waste Oxide/Transition – 2.29t/$m^3$<br>• Waste Fresh - 2.66t/$m^3$. | Density assigned:<br>• Colluvium/Soil - 1.8t/$m^3$<br>• Oxide/Transition - 2.5t/$m^3$<br>• Fresh - 2.65t/$m^3$. |
| Block Size | LUC panel size 20m x 20m x 10m (XYZ)<br>SMU size of 5m x 5m x 2.5m (XYZ)<br>Sub-blocked to 1.25m x 2.5m x 1.25m (XYZ) | OK panel size 5m x 20m x 20m (XYZ)<br>Sub-blocked to 0.625m x 1.25m x 1.25m (XYZ) |
| Estimation Technique | Combination of LUC and OK techniques. OK was only applied to the narrow steep sub-vertical domains.<br>LUC is a diluted recoverable estimation technique.<br>Check estimates by OK and ID2 | Ordinary Kriging into estimation domains using hard boundaries. |
| Interpolation Parameters | Average nugget effect of 13% to 26%<br>Average ellipsoidal search radii – 60m to 120m.<br>Anisotropy 3.5:3.5:1 (major/semi/major).<br>Min samples 1 to 8<br>Max samples 8 to 20 | Average nugget effect of 22% to 64%<br>Average ellipsoidal search radii – 50m to 157m.<br>Anisotropy 4:4:1 (major/semi/major).<br>Min samples 4<br>Max samples 20 to 30<br>Max samples per hole 5 to 10 |
| Classification | Qualitative approach based on data support and grade continuity.<br>Indicated and Inferred categories only | Qualitative approach based on data support and grade continuity.<br>Indicated and Inferred categories only |

| | | |
|---|---|---|
| Reasonable Prospects and Reporting | Reported at 0.5g/t Au cut-off<br>Inside constraining US$1,400 pit shell<br>Local estimate at SMU size | Reported at 0.5g/t Au cut-off<br>Inside constraining US$1,400 pit shell<br>Global estimate at SMU size |
| Model Accuracy Level | Used qualitative criteria and estimation quality (slope of regression) to determine that the model accuracy is of an acceptable level to support an Indicated/Inferred category. | Used qualitative criteria and estimation quality (slope of regression) to determine that the model accuracy is of an acceptable level to support an Indicated/Inferred category. |

## Future Work

The Phase 1 drilling program was designed to test continuity and infill data gaps observed in the May 2017 MRE model where previous drilling had not closed out mineralisation and where interpreted geological continuity could be expected.

Drilling by Nusantara has focussed on upgrading the majority of the current Inferred Mineral Resources to the Indicated category, as well as growth of the Mineral Resource outside of the currently delineated mineralised domains.

All drill collars from the current drill program will be surveyed using DGPS or total station electronic EDM equipment.

An update of the Salu Bulo MRE will be completed once all assay, survey and logging data from any further additional drilling and the Phase 2 exploration drill program is finalised, the geological interpretation has been refined where necessary and an updated geological model is available.

Planned Phase 2 exploration drilling will focus on extending the near surface strike length at Lelating and also on resource extensions to the north and south at Biwa. The main objective is growth of the Mineral Resource outside of the currently delineated mineralised domains.

An exploration model for drill targeting has been developed based on the potential for further fault repetitions of Rante style mineralisation to the east of Awak Mas towards the Salu Bulo deposit. This model will become the focus for future exploration (Figure 6).

Further detailed core re-logging and development of a structural model will help progress the current geological model and enable its use as a drill targeting tool both for resource delineation and definition of new exploration targets within the CoW.

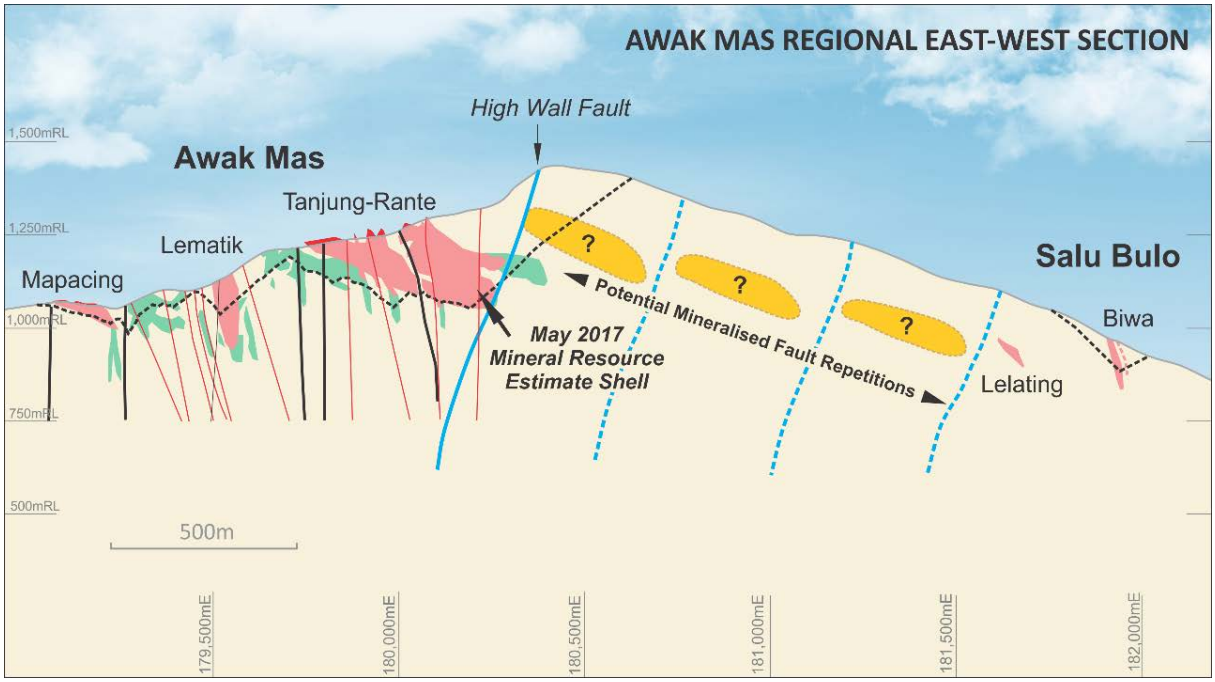


**Figure 6 Awak Mas to Salu Bulo – Exploration model for future drill targeting**

# JORC Code, 2012 Edition – Table 1

## Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| **Sampling Techniques** | Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. | Sampling has been carried out using only Diamond Drill ("**DDH**") Core.<br>Drilling was conducted in a three of campaigns by different companies since 1999:<br>• 2017-2018 : Nusantara Resources Limited;<br>• 2011-2013 : One Asia Resources Limited, and<br>• 1999 : Placer Dome Inc.<br>A total of 144 DDH holes were drilled, of which Nusantara completed 12 DDH holes.<br>All drill core was generally sampled on 1m intervals, contingent on geology and core recovery<br>• Core was collected directly from the core barrel into core boxes;<br>• Core samples were split in half, with the top half of the core analysed and other half retained as reference core in the tray;<br>• Minimum interval 0.4m and maximum 1m for mineralised material, and<br>• Maximum 2m for the material that visually looked unmineralised.<br>No specialised measurement tools, e.g. downhole gamma sondes, or handheld XRF instruments, etc. were employed. |
| | Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. | The majority of the sampling data is historical, and was carried out under the relevant company's protocols and procedures to industry standard practice for the time. Specific details of the standard sampling protocols used by the various companies have been derived from the comprehensive resource reports available.<br>Quality Assurance ("**QA**") and Quality Control ("**QC**") protocols included the monitoring and analysis of inserted certified reference material, blanks and duplicates samples which to ensure sample representivity.<br>Samples were cut about 5cm off the core orientation line, and the half-core with the orientation line correctly placed back into the tray and retained. The remaining |

| Criteria | JORC Code explanation | Commentary |
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| | | half-core was collected, ensuring that the same side was consistently sampled and representative.<br>Fractured and veined core, that was liable to "fall apart" when being cut, were wrapped in masking tape prior to cutting. The core to be retained was placed back in the tray with all the pieces held in place by the masking tape.<br>Core with veins at a low angle to the core axis were cut perpendicular to the veins so that the vein was evenly distributed between the halves. |
| | Aspects of the determination of mineralization that are Material to the Public Report.<br>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralization types (eg submarine nodules) may warrant disclosure of detailed information. | All Nusantara drilling was diamond core, sampled on nominal 1m intervals, and a 1kg sub-sample was crushed and pulverised to produce a 40g fire assay charge.<br>For One Asia, the entire jaw crushed sample was pulverised for assay by a 40-50g fire assay with AAS finish.<br>All Placer Dome assay samples were composited to 2m by compositing the pulp splits.<br>One Asia used PT Geoservices LTD at Cikarang – Bekasi, Indonesia for assaying, while Placer Dome samples were assayed at Intertek in Jakarta.<br>Gold mineralization typically occurs with minor disseminated pyrite (<3%) within sub-vertical quartz veins, breccias, and stockwork zones. |
| **Drilling Techniques** | Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). | Phase 1 drilling by **Nusantara** to date has focussed on the Lelating, Biwa and Bandoli domains where 12 diamond core holes for 1,337.5m had final assays available at the data cut-off date (27/01/2018).<br>Drilling has consisted of:<br>• PQ3/HQ3 core sizes;<br>• Wire-line triple/split tube diamond core drilling;<br>• Core orientation – Coretell ORIshot (Gen4) multi-shot core orientation tool.<br>Hole depths varied from 30m to 191.5m total depth, with an average depth of 117m.<br><br>**One Asia** DDH Drilling of 102 drill holes for 9,738m:<br>• HQ3 diameter, wire-line triple/split tube diamond core drilling; |

| Criteria | JORC Code explanation | Commentary |
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| | | • Depths varied from 15.5m to 199.5m, average depth of 96m.<br>**Placer Dome** DDH drilling of 30 drill holes for 3,172m:<br>• Dominantly HQ3 core size, one hole reduced to NQ3 to resolve technical difficulties;<br>• Depths varied from 70.5m to 170.5m, average depth of 106m. |
| **Drill Sample Recovery** | Method of recording and assessing core and chip sample recoveries and results assessed. | Core recovery and drill meterage recorded by field geologists and trained core checkers at drill site, prior to transfer of the core to the core shed, and<br>Recovery % recorded in the geotechnical records as equivalent to the length of core recovered, as a percentage of the drill run.<br>Overall recoveries within the mineralized zones is generally greater than 90%.<br>Less than 5% of the drill samples have recoveries of less than 40%. |
| | Measures taken to maximize sample recovery and ensure representative nature of the samples. | Wireline triple/split tube system and large diameter PQ/HQ core was utilised (subject to depth restrictions) to maximise recovery and ensure that the samples are representative of the material being sampled. |
| | Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. | A slight relationship appears to exist between poor core recovery and grade, however as more than 80% of the mineralised data has core recovery of better than 80%, this has not been deemed material to the estimate. |
| **Logging** | Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. | Drill core was photographed and logged prior to sampling.<br>Core has been geologically and geotechnically logged to a level of detail appropriate to support mineral resource estimation and mining studies.<br>Lithology, mineralization, alteration, foliation trend, fracturing, faulting, weathering, depth of soil and total oxidation were recorded.<br>Orientation of fabrics and structural features were logged.<br>Visually mineralised zones were able to be logged and interpreted before the assays are available. These observations are used to update the mineralisation model which is a valuable targeting tool for successive hole planning. |
| | Whether logging is qualitative or quantitative in nature. Core (or costean, channel etc) photography. | Logging has been conducted both qualitatively and quantitatively – full description of lithologies, alteration and comments are recorded, as well as percentage estimates on veining and sulphide amount.<br>All Nusantara diamond core has been digitally photographed. |

| Criteria | JORC Code explanation | Commentary |
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| | The total length and percentage of the relevant intersections logged. | Total length of Nusantara drilling completed date is 1,337.5m (12 holes) of which 100% has been logged.<br>Total length of all drilled data is 14,247.5m. |
| **Sub-Sampling Techniques and Sample Preparation** | If core, whether cut or sawn and whether quarter, half or all core taken. | All core was half-cut lengthwise using a diamond saw parallel to the orientation line.<br>The half-core was sampled, generally on metre intervals, dependent on logged geological contacts. |
| | If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. | All sampling was from diamond core. |
| | For all sample types, the nature, quality and appropriateness of the sample preparation technique. | Nusantara commissioned a sample preparation facility onsite, allowing all samples to be crushed, pulverised and a 200g assay aliquot shipped to Geoservices laboratory (Jakarta) for final element analysis.<br>The onsite facility has been established by Nusantara and Geoservices to closely replicate (where possible) the sample preparation process that was conducted at the Jakarta laboratory.<br>Partial sample preparation completed onsite utilised a LM2 pulveriser rather than an LM5 pulveriser which had previously been used in Jakarta. The process involved;<br>• Samples were weighed and dried at 105°C;<br>• Jaw and Boyd crushed to nominal 2-3mm;<br>• 1kg sub-sample rotary split for final preparation;<br>• Sub-sample pulverised by LM2 ring mill pulverisers for lab analysis, and<br>• 200g pulp aliquot for analytical analysis.<br>The resultant final 200g assay pulp was shipped to Geoservices (Jakarta) for gold and multi-element analysis.<br><br>**One Asia** samples were prepared at PT Geoservices LTD using their "Total Sample Preparation Package", which included:<br>• Samples were weighed, dried at 105°C;<br>• Jaw crushed (to nominal 4mm) if required;<br>• Whole sample is pulverized via LM5 ring mill pulverisers, and<br>• Samples >3kg are split and pulverised in separate lots. |

| Criteria | JORC Code explanation | Commentary |
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| | | **Placer Dome** samples were prepared at the Intertek run onsite sample preparation facility as outlined below:<br>• drying (~105ºC);<br>• jaw crushed (-5mm);<br>• total pulverisation in Labtechnics LM2 Mill and Ring Mill to -75 microns;<br>• splitting on a Jones riffle splitter to 750g;<br>• create 2m composite for gold assay (300g);<br>• 5m composite for ICP multi-element Suite (approx. 50g), and<br>• All residues stored on site (1m samples, 2m composites)<br>The nature, quality and appropriateness of the sample preparation technique is consistent with industry standard practices. |
| | Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. | For core sampling the same side is consistently sampled, half-core with the bottom of hole line is retained in the tray.<br>Fractured and veined core, that was liable to "fall apart" when being cut, were wrapped in masking tape prior to cutting. The retained core was placed back in the tray with all the pieces held in place by the masking tape.<br>Core with veins at a low angle to the core axis were cut perpendicular to the veins so that the vein was evenly distributed between the halves. |
| | Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. | Coarse reject duplicate, coarse blanks, and both intra and umpire laboratory pulp duplicates were used to ensure the sampling is representative and un-bias. Control duplicate samples constitute 10%-15% of the total submitted samples<br>Historical core field duplicates show precision errors, mainly the result of the variability of the mineralisation and the change of sample support between the original half-core and the quarter core duplicate samples. |
| | Whether sample sizes are appropriate to the grain size of the material being sampled. | A sample size of 3-5 kg is considered appropriate and representative of the material being sampled given the width and continuity of the intersections and the grain size of the material being collected. |
| **Quality of Assay Data and** | The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. | Current gold analysis by **Nusantara** has used a 40g charge fire assay method with an AAS finish.<br>The primary assay laboratory used is PT. Geoservices in Jakarta. A secondary laboratory (SGS, Jakarta) is used for lower priority samples from unmineralised |

| Criteria | JORC Code explanation | Commentary |
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| **Laboratory Tests** | | drill hole intervals to help overcome bottlenecks at the site preparation facility and at the Geoservices laboratory.<br>Additional element analysis included;<br>• Aqua Regia digest plus ICP elements (GA102_ICP09);<br>• Ag, As, Cu, Mg, Mo, Pb, Sb, and Zn.<br>• Leco - Total Carbon and Total Sulphur (MET_LECO_01);<br>• Cyanide Amenability on pulps (MET_CN7), and<br>• Mercury from GAA02 digest (GAA02_CVAA).<br><br>For **One Asia**, gold analysis was carried out by PT Geoservices LTD GeoAssay Laboratory at Cikarang-Bekasi, Indonesia:<br>• Au by 40g fire assay using method FAA40_AAS.<br>**Placer Dome** geochemical analysis was carried out by Indo Assay Laboratory, Balikpapan, Indonesia:<br>• 2m composites for all samples assayed for Au by 50g fire assay using GTA finish, and<br>• 33-element ICP Suite – Aqua Regia Digestion (multi-element analysis for 5m composites).<br><br>These analyses are total assay methods, which is an industry standard for gold analysis, and an appropriate assay method for this type of deposit. |
| | For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. | No geophysical tools were used or data analysed. |
| | Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. | The following Quality Control ('**QC**") sampling protocols and insertion rates have been adopted by Nusantara for the current diamond drilling;<br>• Certified Refence Material (5%)<br>• Coarse Blank Material (2.5%)<br>• Coarse Duplicate Samples (5-10%)<br>• Blind pulp assay check duplicates, resubmitted to primary laboratory (2%)<br>• Umpire pulp assay check duplicates (5%) |

| Criteria | JORC Code explanation | Commentary |
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| | | Random primary laboratory inspections on a monthly to quarterly basis.<br>Performance of the control samples are regularly monitored, with any disparities investigated and remedied, Monthly QAQC reporting and meetings are held on at least a monthly basis.<br>Results to date demonstrate an acceptable level of accuracy and precision.<br><br>**One Asia** QC protocols included:<br>• Insertion of standards and coarse blanks intro the sample stream at a rate of 1 per 20 to 30 samples, and<br>• pulp and ¼ core duplicates (426 samples) were selected and periodically sent for check assay at their "umpire laboratory" PT Intertek Utama Services (Intertek).<br>**Placer Dome** QC procedures included:<br>• insertion standard samples as the last sample of every second holes;<br>• 1 in 20 umpire pulp check assay samples (90 samples) were sent to Indo Assay Limited in Balikpapan for gold analysis checking purposes as inter-laboratory check samples, and<br>• A total of 424 pulp duplicate assays were re-assayed by Intertek.<br>Review of the available historical QAQC data and the Tetra Tech (2013) report, shows no indications that the deposit is affected (no bias identified) by abnormal sampling problems such as those related to unusually high proportions of coarse free gold.<br>Acceptable levels of accuracy and precision have been established. |
| **Verification of Sampling and Assaying** | The verification of significant intersections by either independent or alternative company personnel. | For **Nusantara**, verification protocols involved:<br>• Significant intersections were reviewed by the Chief and Senior Geologists following receipt of the assay results.<br>• All assay results are processed and validated by the GIS/Database Administrator prior to loading into the database. This includes plotting standard and blank performances, review of duplicate results.<br>• Original assay certificates are issued as PDF's for all results and compared against digital CSV files as part of data loading procedure into the database.<br>• Geology Manager reviews all tabulated assay data as the Competent Person for the reporting of Exploration Results. |

| Criteria | JORC Code explanation | Commentary |
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| | | A total of 2 umpire independent check diamond core samples were collected by Cube (2017) and assayed at PT GeoServices LTD Ltd laboratory in Jakarta. The samples confirmed the tenor of the mineralisation. |
| | The use of twinned holes. | No twinned holes have been drilled to date. |
| | Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. | For **Nusantara,** documentation procedures included:<br>• Field drilling data is recorded directly into Logging templates in Excel spreadsheet format on laptop computers.<br>• Excel spreadsheets are imported to MS Access format for validation and management by the GIS/Database Administrator onsite.<br>• All drilling data is uploaded and managed via a centralised Dropbox facility with restricted access.<br>• Database is audited by external consultants prior to reporting of Exploration Results and Mineral Resource estimates.<br><br>**One Asia** primary data was collected using a master Microsoft Office Excel spreadsheet. Paper copies are regularly generated and database copies are routinely sent to Jakarta PT Masmindo Head office for analysis and interpretation.<br>The majority of the **Placer Dome** drilling data exists as hardcopies on site which have been scanned electronically to PDF files. |
| | Discuss any adjustment to assay data. | All data below detection limit (<0.01 ppm Au) and "0" values have been entered as a small value of 0.005ppm Au which is half the detection limit.<br>Negative values, missing samples, interval gaps denoted by no sample ("**NS**") and cavities were assigned as nulls (blanks) and ignored when extracting composites for grade interpolation.<br>Samples not received, or with insufficient sample weight for analysis had the interval left blank in the database. |
| **Location of Data Points** | Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. | **Nusantara** drill collars were initially located by hand held GPS with an accuracy of about 5-15m, dependent on satellite coverage. Additionally, hole positions are validated by tape and compass measurement from nearby surveyed historic drill collars. |

| Criteria | JORC Code explanation | Commentary |
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| | | All Nusantara drill collar will be located by third party surveyors using Differential Global Positioning System ("**DGPS**") or total station electronic EDM equipment.to an accuracy of approximately 0.1m.<br>Down-hole surveys were routinely carried out, generally on 30m spacings using a digital multi-shot instrument Coretell ORIshot (Gen4).<br><br>**Historical** drillhole collar locations were surveyed using total station electronic distance measuring ("**EDM**") equipment and DGPS.<br>Downhole surveys were measured in holes deeper than 25m with a Sperry Sun or Reflex camera system on an average downhole spacing of 30m to 50m.<br><br>Cube (2017) independently field checked 4 random collar positions using a handheld GPS. All checked holes were within 5m of the database coordinates which is within the accuracy of the GPS unit used and verifies the drill hole collar locations.<br>The 3D location of the individual samples is considered to be adequately established, consistent with accepted industry standards |
| | Specification of the grid system used. | All drillhole data is referenced in the UTM WGS 84 Zone 51 (Southern Hemisphere) coordinate system. |
| | Quality and adequacy of topographic control. | Topographic mapping of the Awak Mas Gold Project area by Airborne Laser Scanning (LIDAR) survey was carried out by P.T. Surtech in November 2017. Topographic control now exists to a vertical and horizontal accuracy of 0.15m and has been incorporated into the Salu Bulo mineral resource estimate. |
| **Data Spacing and Distribution** | Data spacing for reporting of Exploration Results. | Drill collars have been spaced along a 50m x 50m grid, with 25m x 25m infill pattern. Effective data spacing ranges between 30m to 100m as a result of the mineralisation orientation.<br>The current drill holes for the reporting of Exploration Results are infill holes between existing historical drill holes to achieve a nominal 25m x 25m data spacing.<br>Sampling of drill core has generally been at 1m intervals. |

| Criteria | JORC Code explanation | Commentary |
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| | Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. | The data spacing and distribution is considered sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource category applied. |
| | Whether sample compositing has been applied. | Placer Dome composited samples to 2m intervals at the preparation laboratory using 750g pulp sub-samples. |
| **Orientation of Data in Relation to Geological Structure** | Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. | Drilling sections are orientated perpendicular to the strike of the mineralised host rocks.<br>Drill holes were inclined between 40° and 75° to optimize intercepts of mineralization with respect to thickness and distribution.<br>Current diamond drilling has confirmed that drilling orientation has not introduced any sampling bias. |
| | If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. | The mineralisation can occur in multiple orientations as a stockwork system.<br>Mineralised zones have a dominant north-south sub-vertical orientation with a single shallow dipping low grade mineralisation envelope.<br>The steepness of the mineralisation coupled with steep drill holes can produce long down-dip intersections in places, however most have sampled the full mineralisation thickness and any sample bias as a result of this is not considered to be material to this estimate.<br>Drilling with angled and vertical holes in most instances provides a representative sample across the mineralisation. |
| **Sample Security** | The measures taken to ensure sample security. | Chain of Custody was managed by **Nusantara** whereby;<br>• All samples are placed into calico bags with sample tickets and clear sample ID numbering on the outside;<br>• Samples were bagged into polyweave sacks, zip tied, with the sample numbers written on the outside of the sack;<br>• Samples were stored onsite within a locked facility ready for dispatch;<br>• Prior to sample dispatch, the sample numbers, duplicates, standards were checked against the dispatch form;<br>• Samples were freighted by road to Belopa, and then air freighted to the Geoservices laboratory in Jakarta, and<br>• Geoservices in Jakarta notified Nusantara when the samples had been |

| Criteria | JORC Code explanation | Commentary |
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| | | securely received intact. |
| **Audits or Reviews** | The results of any audits or reviews of sampling techniques and data. | The **Nusantara** sampling procedures and drilling data were reviewed and audited by Denny Wijayadi (Cube Consulting Senior Geologist) while onsite from 11 to 15 September 2017. The site visit involved inspection of the drilling in progress, onsite sample preparation facilities, and an audit of the Geoservices laboratory in Jakarta.<br>Cube (2017) has independently reviewed, verified and validated data prior to the previous mineral resource estimate in May 2017.<br>Several **historical** reviews have been undertaken by independent consultants over the life of the Project and include:<br>• CSA Global (2017);<br>• Williams and Davys (2015);<br>• Tetra Tech (2013), and<br>• SRK Consulting (1998).<br>There were no adverse material results from any of the reviews or audits. |

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

| Criteria | JORC Code explanation | Commentary |
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| **Mineral Tenement and Land Tenure Status** | *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* | The Awak Mas Gold Project includes the three main deposit areas of Awak Mas, Salu Bulo and Tarra for which current mineral Resources exist and have been reported to JORC Code (2012) guidelines.<br>Nusantara Resources Limited holds a 100% beneficial interest in the Awak Mas Gold Project via a 7th Generation Contract of Work ("**CoW**") through its wholly owned subsidiary PT Masmindo Dwi Area.<br>PT Masmindo Dwi Area is an Indonesian foreign investment company, which owns the exploration and mining rights to the Awak Mas Project through the CoW with the Government of the Republic of Indonesia.<br>The Awak Mas Gold Project has a long history involving multiple companies through direct ownership, joint venture farm-ins, option to purchase agreements, or equity arrangements;<br>• Battle Mountain discovered the Awak Mas deposit in 1991 after earning a 60% equity in the original partnership between New Hope and PT Asminco;<br>• Lone Star (1994) acquired the equity of both Battle Mountain and New Hope;<br>• Gascoyne structured an agreement which combined the various equities under Masmindo;<br>• Placer (1998) entered, and then later withdrew from a Joint Venture ("**JV**") with Masmindo;<br>• Vista Gold (2004) purchased 100% of Masmindo;<br>• Pan Asia (2009), now One Asia, acquired a 60% interest via a JV with Vista Gold upon completion of a Feasibility Study ("**FS**") and Environmental Impact Assessment ("**AMDAL**");<br>• One Asia (2013) through its subsidiary Awak Mas Holdings purchased 100% of the Project from Vista Gold, and<br>• Nusantara Resources Limited (formerly Awak Mas Holdings) demerged from One Asia with a 100% interest in the Awak Mas Gold Project and listed on the Australian Securities Exchange ("**ASX**") on the 2nd August, 2017.<br>The 7th Generation CoW was granted on 19 February 1998 and covers an area of 14,390 ha.<br>The CoW allows for 100% ownership, and is located within a non-forested area – (APL) Land for Other Uses. |

| Criteria | JORC Code explanation | Commentary |
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| | | The AMDAL for the project has been approved and Environment Permit Issued April 2017. The Competent Person is not aware of any other agreements that are material to the Project. |
| | *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.* | The CoW defines a construction period of 3 years and an operating period of 30 years.<br>The Competent Person has not been advised of any environmental liabilities associated with the Awak Mas Gold Project at this time. |
| **Exploration Done by Other Parties** | *Acknowledgment and appraisal of exploration by other parties.* | Previous exploration work at Salu Bulo has been characterised by surface geochemical studies and geological mapping, which identified a series of steeply dipping mineralised targets, striking approximately north-south.<br>Prior to One Asia, the most recent exploration work was conducted by Placer Dome in 1999, who completed a core drilling program based on the surface exploration results.<br>Infill diamond core drilling by One Asia in 2011-2013 resulted in the completion of a mineral resource estimate by Tetra Tech which was reported in accordance with the JORC Code (2012) guidelines. |
| **Geology** | *Deposit type, geological setting and style of mineralization.* | **Salu Bulo Deposit**<br>The geological setting and mineralisation style at Salu Bulo is analogous to that at the nearby Awak Mas deposit, but with a more dominant sub-vertical structural control.<br>A high level, low sulphidation hydrothermal system has developed at Salu Bulo which is overprinted by a strong sub-vertical fracture control which has channelled the mineralising fluids.<br>The mineralising fluids have exploited these pathways with limited lateral migration along foliation parallel shallowly dipping favourable strata (hematitic mudstone) and along low angle thrusts.<br>The multi-phase gold mineralisation is characterised by milled and crackle breccias, vuggy quartz infill, and stockwork quartz veining with distinct sub-vertical feeder structures.<br>Host lithologies for mineralisation are a sequence of chloritic and intercalating hematitic meta-sedimentary rocks metamorphosed to greenschist grade. |

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| | | Interpretation of the new infill definition drilling has visually confirmed the continuity of higher grade zones at Lelating. Flat dipping mineralised structures have been visually identified in recent drillholes, where infill hole SBD133 intersected a 38m wide, silica albite altered stockwork vein system which is analogous to a similar intercept in adjacent historical hole SBD069.<br>The additional data supports the interpretation of a broad lower grade halo which also encapsulates narrower higher-grade zones along low angle thrust zones proximal to the sub-vertical structures.<br>The ladder stockwork vein system developed at Salu Bulo is analogous to that at Awak Mas where there is the inherent complexity of two mineralisation orientations and short scale grade continuity at generally less than the drillhole spacing |
| **Drill hole Information** | *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*<br>o *easting and northing of the drill hole collar*<br>o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*<br>o *dip and azimuth of the hole*<br>o *down hole length and interception depth*<br>o *hole length.* | **Nusantara** drill hole details and relevant mineralised intersections relating to the reporting of the Interim Awak Mas MRE and the Exploration Results are tabulated in Appendix 1 of this release.<br>Nusantara drilling completed in 2017-2018 has consisted of;<br>• 12 PQ3/HQ3 diamond core holes for 1,337.5m.<br>•<br>The **historical** drilling database for Salu Bulo consists of;<br>• One Asia diamond drilling (2011-2013) of 102 drill holes for 9,738m, and<br>• Placer Dome drilling (1999) - 30 drill holes for 3,172m.<br>The complete dataset of 144 drill holes (historic and current) was used for the mineral resource estimate. |
| | *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.* | The historical dataset of 132 holes at Salu Bulo that were previously drilled have not been included as they are not Material to the reporting of the current MRE.<br>All historical drilling information has been previously reported in the following ASX release;<br>• Awak Mas Gold Project Resource Update. 9 May 2017, Mineral Resource (JORC 2012) – 1.74 Moz, New Geological Model;<br>o *Table 1, Appendix 2 Salu Bulo Drillhole Intersection Listing.* |
| | *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg* | Exploration results are reported as length weighted averages of the individual sample intervals. |

| Criteria | JORC Code explanation | Commentary |
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| **Data Aggregation Methods** | *cutting of high grades) and cut-off grades are usually Material and should be stated.* | The following criteria have been applied in reporting of the Exploration results:<br>• Intercepts reported are intervals of Au >1g/t with intervals of <1g/t Au up to 3m included;<br>• Where no individual intercepts >1g/t exist, the intercepts reported are intervals of Au >0.1g/t with intervals of <0.1g/t Au up to 3m included;<br>• No high-grade capping has been applied, or was necessary, and<br>• All downhole intersection lengths and grades are reported to one decimal place. |
| | *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* | Any zones of significantly high-grade gold mineralization have been separately reported in Appendix 1.<br>Details of sample compositing as part of the estimation process are included in Section 3 of Table 1 in this release. |
| | *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | Metal equivalent values have not been used. |
| **Relationship between Mineralization Widths and Intercept Lengths** | *These relationships are particularly important in the reporting of Exploration Results.*<br>*If the geometry of the mineralization with respect to the drill hole angle is known, its nature should be reported.*<br>*If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').* | The mineralisation is related two primary structural orientations:<br>• dominant sub-vertical N-S anastomosing structures, and<br>• foliation parallel low angle shears.<br>The dominant sub-vertical mineralisation coupled with steeply inclined drill holes can produce long down-dip intersections in places, which are notably longer than their true widths.<br>Drilling on average was oriented perpendicular to the strike direction, to intersect the main mineralisation trends at a high angle.<br>The mineral domains were constructed in 3D, hence true widths were considered.<br>The majority of drilling is angled due west at 60°, and is a compromise to target both mineralisation orientations. |
| **Diagrams** | *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.* | Relevant drill hole location plans and representative schematic drill sections are included within the main text of this release.<br>All mineralised intersections used in the reporting of the Exploration Results are tabulated in Appendix 1. |

| Criteria | JORC Code explanation | Commentary |
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| **Balanced Reporting** | *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.* | All exploration results from the current drilling program have been reported.<br>All relevant drill hole data is incorporated in the mineral resource estimate. |
| **Other Substantive Exploration Data** | *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.* | Metallurgical testwork for the Awak Mass Gold Project by Minnovo (2017) has indicated improved gold recoveries of 92%-98% based on Whole of Ore ("**WOL**") leaching on samples composited from onsite drill core.<br>Full details on the WOL testwork been reported in the following ASX release;<br>• Awak Mas Gold DFS Optimisation – Metallurgical Breakthrough, dated. 10 October 2017.<br>Surface geological mapping and channel sampling have been used to build the geological framework for the mineral resource estimate. The assay results from these sources has not been used to inform the grade estimate as detailed sampling procedures and quality control data does not exist to confirm the veracity of the data. |
| **Further Work** | *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*<br>*Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | The Awak Mas Gold Project is an active growth project with additional areas identified for infill (to 25m x 25m) and extensional drilling, including targets at depth and outside of the current mineral resource limits.<br>Planned Phase 2 exploration drilling will focus on extending the near surface strike length at Lelating and also on resource extension to the north and south at Biwa. The main objective is growth of the Mineral Resource outside of the currently delineated mineralised domains.<br>All drill collars from the current drill program will be surveyed using DGPS or total station electronic EDM equipment.<br>An exploration model for drill targeting has been developed based on possible further fault repetitions of Rante style mineralisation to the east of Awak Mas towards the Salu Bulo deposit and will become the focus for future exploration.<br>Further detailed core re-logging and development of a structural model will help progress the current geological model and enable its use as a drill targeting tool both for resource delineation and definition of new exploration targets within the CoW. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | An updated Salu Bulo mineral resource estimate will be completed once all assay, survey and logging data is finalised from any additional drilling, the geological interpretation is refined and an updated geological model is available. |

**Section 3 Estimation and Reporting of Mineral Resources**

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

| Criteria | JORC CODE Explanation | |
|---|---|---|
| ***Database integrity*** | *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* | Drilling data was supplied by Nusantara as a Microsoft Access database.<br>Checks were made comparing between the database and the original digital data spreadsheets for collar, survey, assay and lithology data. Data was selected to cover the whole of the deposits and critical areas such as mineralisation boundaries and high grade zones. |
| | *Data validation procedures used.* | Data validation procedures included:<br>• Check for erroneous hole collar outliers - easting, northing, elevation;<br>• Check actual versus planned collar coordinates;<br>• Downhole survey checks;<br>• Check sampling and logging overlaps, gaps, end of hole discrepancies between data tables;<br>• Check for unique sampling identification and identification of any duplicate samples;<br>• Management of preferred assays and precedence numbering;<br>• Lookup fields and data coding management;<br>• Assay table was checked for negative assays (other than below detection limit values), missing assays or assays outside of expected ranges, and<br>• Visual inspection of the drill holes in Surpac 3D workspace to identify spatial inconsistencies of drill hole. |
| ***Site visits*** | *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* | Nusantara's sampling procedures and drilling data were reviewed and audited by Denny Wijayadi (Cube Consulting Senior Geologist) while onsite from 11 to 15 September 2017. The site visit involved inspection of the drilling in progress, onsite sample preparation facilities, and an audit of the Geoservices laboratory in Jakarta.<br>Cube Consulting Senior Consultant Geologists Adrian Shepherd and Denny Wijayadi were onsite from the 27th to the 30th of January 2017, prior to the May 2017 Mineral Resource estimate and undertook the following;<br>• Independent summary check logging of 3,500 metres of diamond drill core from 19 selected representative drill holes;<br>• Collection of 109 independent check core samples were to verify the tenor of |

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| | | mineralisation;<br>• Field verification by hand held GPS of 15 selected collar locations, and<br>• Retrieval of additional hardcopy and digital data from site personnel.<br>Adrian Shepherd is the Competent Person for this Mineral Resource estimate. |
| | *If no site visits have been undertaken indicate why this is the case.* | Site visits were completed. |
| ***Geological interpretation*** | *Confidence in (or conversely, the uncertainty of ) the geological interpretation of the mineral deposit.* | Systematic and regular drilling provide a degree of confidence in both geological and mineralisation continuity within the gross mineralised zones.<br>However, there is degree of uncertainty in the grade continuity at less than the current average drill hole spacing, which is a result of the complex mineralisation style of multiple veining orientations and high short scale grade variability. |
| | *Nature of the data used and of any assumptions made.* | The mineralisation was primarily defined by diamond drill core, with the aid of minor surface mapping and outcrop locations. |
| | *The effect, if any, of alternative interpretations on Mineral Resource estimation.* | Previous interpretations have focussed on the definition of multiple narrow sub-vertical zones based on a nominal grade cut-off of 0.5g/t Au which is close to the anticipated economic grade cut-off.<br>The resultant grade models are likely to be oversmoothed, overstate the contained metal and not adequately reflect local grade variations.<br>Grade estimations from earlier models are likely to imply grade continuity that will not be achievable when selectively mined.<br>The current interpretation is considered to be a low risk robust model which reflects the likely outcome from open pit selective mining. |
| | *The use of geology in guiding and controlling Mineral Resource estimation.* | The current interpretation, a structural and lithological model was developed to form the framework and context to the mineralisation. This was based on the initial geological model that supported the May 2017 MRE.<br>Infill drilling has confirmed the spatial correlation of shallow dipping thrust zones, sub-vertical structures, and the footwall contact of the hematitic mudstone unit with gold mineralisation.<br>The additional data supports the interpretation of a broad lower grade halo which also encapsulates narrower higher-grade zones along low angle thrust zones proximal to the sub-vertical structures. |

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| | | The revised geological interpretation warrants the application of a non-linear estimation technique to better characterise the local grade variability at the SMU scale. |
| | *The factors affecting continuity both of grade and geology.* | The main factor affecting the continuity of grade and geology is the complex array of faulting and fracturing that is associated with the emplacement of mineralisation as well as possibly truncating it in places. With the wide spaced data defining the mineralisation, this structural complexity is poorly understood.<br>The ladder stockwork vein system developed at Salu Bulo is analogous to that at Awak Mas where there is the inherent complexity of two mineralisation orientations and short scale grade continuity at generally less than the drillhole spacing<br>Grade and geological continuity is dependent on the interplay of the mineralising structures, preferred host lithology, alteration and veining intensity and the effect of later bounding and offsetting structures. |
| ***Dimensions*** | *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.* | The mineralised domains at Salu Bulo are orientated north-south, and have an overall combined strike length of approximately 800m.<br>Individual interpreted mineralisation domains are between 150 to 500m in strike length (Figure 2. and Figure 3). Sub-vertical mineralised zones vary from 1.5 to 20m in thickness, however are more commonly between 3 to 10m in thickness. The broader shallowly dipping mineralised zones vary in average thickness from 20 to 60m.<br>A minimum down hole length of 2m (which equates to 1.5m true width) was employed in the interpretation of the estimation domains.<br>Mineralisation extends from the near surface to 200m below the surface. The top of the mineralisation is capped by a cover of colluvium. |
| ***Estimation and modelling techniques*** | *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* | The grade estimation approach used a combined Localised Uniform Conditioning ("**LUC**") and Ordinary Kriging ("**OK**") technique. Ordinary Kriging was only applied to the narrow steep sub-vertical domains with a thickness of less than 10m.<br>LUC is a recoverable estimation technique typically used for estimation into small blocks using wider spaced resource definition drilling.<br>The technique was considered appropriate given high short scale grade variability and the uncertainty associated with the estimation of the local grade tonnage distribution:<br>• The method provides a more accurate representation of the recoverable grade and tonnage at the Selective Mining Unit ("**SMU**") scale for non-zero grade |

cut-offs within the broad shallow domains than would typically be achieved by a traditional linear estimator such as Ordinary Kriging;
- The technique is suited specifically for the estimation of grades into blocks that are small relative to the data spacing, and
- The technique works well where the spatial continuity between sections is uncertain based on the current drill spacing.

Key assumptions are that the grade distribution is diffusive (tested and confirmed) with gradational internal grade boundaries and that free selection of ore/waste SMU's is possible during the mining process (i.e. open pit mining).

Robust geometrically simple domains were interpreted, incorporating internal dilution to ensure grade continuity and using a nominal geological based lower grade cut-off.

Grade interpolation used 1m composited samples constrained by hard boundaries within the mineralisation zones.

An appropriate top cutting strategy was use to minimise the influence of isolated high-grade outliers

Interpolation parameters were derived using standard exploratory data analysis techniques of statistical and continuity analysis. Appropriate interpolation strategies were developed on a domain basis using kriging neighbourhood analysis ("**KNA**"), which included:

- Oriented ellipsoidal search radii ranged from 60m to 120m depending on the domain, and
- Minimum and maximum number of samples varied from 1-8, and from 8 to 20 respectively.

A change of support correction was applied to produce a recoverable resource estimate at the local SMU scale.

The maximum extrapolation distance from last data points was no more than 50m, which is the average drill hole spacing for most the deposit.

Computer software used were:

- Leapfrog Geo v4.2.2 was used for geological interpretation;
- Surpac version 6.7.3 for domain interpretation, compositing and block modelling, and
- Isatis version 2016.1 used for statistical and continuity analysis, and grade estimation.

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| | *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* | Check estimates using Ordinary Kriging ("**OK**") and Inverse Distance Squared ("**ID2**") were completed and compared to the final LUC estimate.<br>The LUC estimate was compared against the previous May 2017 MRE.<br>No mining has taken place at Salu Bulo, consequently production details are non-existent. |
| | *The assumptions made regarding recovery of by-products.* | No by-product recoveries were considered. |
| | *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* | Estimations of any deleterious elements were not completed for the Mineral Resource estimate. |
| | *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* | The LUC panel was set at 20m x 20m x 10m (XYZ) with a local estimation SMU size of 5m x 5m x 2.5m (XYZ) and further sub-blocked to 1.25m x 2.5m x 1.25m (XYZ) for volume resolution<br>Drill holes are spaced along a 50m x 50m grid, with a 25m x 25m infill pattern. Effective data spacing ranges between 30m to 100m as a result of the mineralisation orientation.<br>Appropriate search ellipses were derived from KNA with search radii varying from 60m to 120m and anisotropy of 3.5:3.5:1 (major/semi/minor). |
| | *Any assumptions behind modelling of selective mining units.* | Selection of the SMU size was based on the geometry of the mineralisation and the likely degree to which selective mining can be successfully applied to the visual geologically based grade boundaries. |
| | *Any assumptions about correlation between variables.* | No assumptions were made as gold was the only variable that had sufficient data available to support an estimation. |
| | *Description of how the geological interpretation was used to control the resource estimates.* | Geological interpretation guided the creation of constraining mineralised domains. Mineralised domains were used as hard boundaries and were informed only by composited samples lying within those domains. |
| | *Discussion of basis for using or not using grade cutting or capping.* | Necessity for grade cutting was based on basic exploratory data analysis, including the level of grade variability as expressed by the coefficient of variation ("**CV**").<br>Grade cutting completed on a domain basis using log normal probability plots of the grade distribution to determine appropriate level of cutting to minimise the influence of extreme grade outliers.<br>Subsequent high grade capping was determined using metal at risk analysis. |

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| | *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.* | The model was validated using the following techniques:<br>• Visual 3D checking and comparison of informing samples and estimated values;<br>• Global statistical comparisons of raw sample and composite grades to the block grades;<br>• Validation 'swath' plots by northing, easting and elevation for each domain;<br>• Analysis of the grade tonnage distribution;<br>• Comparison of the LUC block grade variance to the SMU variance predicted by the Discrete Gaussian Model ("**DGM**") block support correction, and<br>• Comparative estimates using ID2 and OK techniques. |
| ***Moisture*** | *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.* | Tonnages were estimated on a dry basis. Moisture was not considered in the density assignment. |
| ***Cut-off parameters*** | *The basis of the adopted cut-off grade(s) or quality parameters applied.* | The adopted cut-off grade for reporting is 0.5g/t Au, based on preliminary economic considerations and in-line with the reporting of mineral resources and reserves from the PFS update (2015). |
| ***Mining factors or assumptions*** | *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.* | Mineralisation is near surface and of grades amenable to conventional open pit mining methods.<br>The assumed mining method would use drill and blast, utilising 2.5m mining flitches to a maximum vertical depth of 300m. An overall pit slope of 40° is assumed to be attainable based on the PFS (2015) update.<br>Mineralised domains were developed on the basis of continuity in diffuse styles of mineralisation and thus included some lower grade zones.<br>A minimum width of 2m was used in interpretation of the mineralisation in order to preserve 3D wireframe integrity and continuity. Outside the mineralised domains, a 'mineralised waste' estimate was made.<br>Domaining for LUC estimation incorporates zones of internal dilution to ensure grade continuity and produces robust geometrically simple zones amenable to selective open mining.<br>The basis for eventual economic extraction was the use of optimisation shells using Whittle software with all-in cost parameters and a base gold price of US$1,400. |

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| | | Cost parameters used for calculation of the cut-off grade and optimisation of the shells included:<br>• Total Ore Costs - $12.25/t, this included process costs of $7.79/t, and Grade Control costs of $0.81/t;<br>• Mining recovery 100%, Dilution 0%;<br>• Metallurgical recovery of 70% oxide, 90.5% fresh;<br>• Royalty 3.75%;<br>• Transport $4.45/oz, and<br>• Refining $1.93/oz.<br>The Salu Bulo mineral resource estimate has been reported within a US$1,400 gold price shell. |
| ***Metallurgical factors or assumptions*** | *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.* | Based on the updated PFS (2015), it is assumed that the deposit will be amenable to economic extraction.<br>Metallurgical testwork for the Awak Mass Gold Project by Minnovo (2017) has indicated improved gold recoveries of 92%-98% based on Whole of Ore ("**WOL**") leaching on samples composited from onsite drill core..<br>Further geological investigative work and metallurgical test work will be completed as part of the current DFS. |
| ***Environmental factors or assumptions*** | *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.* | The location of waste dumps, tailing storage facilities, haulage and access roads, power and processing plants have been determined in the PFS (2015).<br>A surface water management plan was undertaken to protect mine infrastructure and the environment of the surrounding area from potential impacts associated with the proposed mining activities.<br>No assumptions were made regarding any environmental restrictions. |

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| ***Bulk density*** | *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* | Bulk density was determined from a total of 1,263 water immersion (Archimedes principle) density measurements on recent and historical drill core samples.<br>Based on analysis of this data, dry density was assigned as follows:<br>Colluvium/Soil - 1.8t/$m^3$<br>Mineralised Oxide/Transition - 2.36t/$m^3$<br>Mineralised Fresh - 2.61t/$m^3$.<br>Waste Oxide/Transition – 2.29t/$m^3$<br>Waste Fresh - 2.66t/$m^3$.<br>Nusantara collected 207 bulk density measurements by water immersion technique from the 2017-2018 core drilling, which was incorporated into the current MRE. |
| | *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* | Density samples were wax coated or coated in plastic where necessary to account for porosity and void space. All samples were then weighed in both air and when immersed in water.<br>Samples were statistically evaluated by both mineralised and waste material types and by the weathering profile. |
| | *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.* | Given the distribution of the density samples, the density values were assigned in the block model and not estimated.<br>It is assumed that historical density measurements are representative of the different material types. |
| ***Classification*** | *The basis for the classification of the Mineral Resources into varying confidence categories.* | The Mineral Resource has been classified as Indicated and Inferred on the basis of a range of criteria.<br>data support as defined by drill spacing;<br>confidence in the domain interpretation;<br>data quality issues affecting particular zones;<br>quality of the estimate (slope of regression), and<br>and reasonable prospects for eventual economic extraction considerations.<br>Areas classified as Indicated generally applied to regions of 50m or less drill intercept spacing, where the level of understanding of the mineralisation continuity and quality is considered to be sufficient to allow for mine planning and evaluation of the economic viability. |

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| | | Areas classified as Inferred generally applied to regions of 50m or greater drill spacing, where the level of understanding of the geological continuity is considered to be poor.<br>All remaining estimated material is unclassified and not reported as part of the Mineral Resource. |
| | *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* | Classification of the Mineral Resource has taken into account all relevant factors through the qualitative approach as described above. |
| | *Whether the result appropriately reflects the Competent Person's view of the deposit.* | Classification of the Mineral Resource reflects the Competent Person's view of the deposit. |
| ***Audits or reviews*** | *The results of any audits or reviews of Mineral Resource estimates.* | An external review of the Salu Bulo MRE will be completed by a reputable third-party mining industry consultant (AMC Consultants Pty Ltd).<br>Internal peer review of the estimation methodology was conducted.<br>The reviews to date have not identified any material issues with the Mineral Resource. |
| ***Discussion of relative accuracy/ confidence*** | *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* | The relative accuracy of the Mineral Resource estimate has been determined by the application of qualitative criteria and by consideration of the estimation quality (slope of regression).<br>Descriptions of drilling techniques, survey, sampling/sample preparation, analytical techniques and database management/validation indicate that assay data collection, quality control and management is within industry standards.<br>On balance the database represents an accurate record of the drilling undertaken at the deposit.<br>The inherent complexity of two mineralisation orientations and short scale grade continuity at generally less than the drillhole spacing, will contribute to high local grade variability and could lead to poor relative accuracy at the SMU scale when selectively mining. |
| | *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation.* | The Mineral Resources estimate constitutes a local estimate.<br>All Indicated Mineral Resources (3.0Mt) would be available for economic evaluation<br>. |

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| | *Documentation should include assumptions made and the procedures used.* | |
| | *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.* | No production data is available as the Salu Bulo deposit has not been mined on a commercial basis. |

## EXPLORATION RESULTS REPORTING CRITERIA

- Reporting Criteria: Intercepts reported are intervals of Au >1g/t with intervals of <1g/t Au up to 3m included.
- Where no individual intercepts >1 g/t exist, the intercepts reported are intervals of Au >0.1g/t with intervals of <0.1g/t Au up to 3m included.
- Downhole and estimated true thickness reported to one decimal place. Au and Ag grades reported to two significant figures.
- Samples are generally from diamond core drilling which is HQ diameter.
- Some intercepts may be of larger or smaller than HQ due to drilling logistics.
- Core is photographed and logged by the geology team before being cut in half.
- Half core samples are prepared for assay and the other half is retained in the core farm for future reference.
- Each assay batch is submitted with duplicates and standards to monitor laboratory quality.
- Samples analysed for gold using the fire assay (FAA40) technique and analysis for silver multi-acid digest with AAS finish (GAI02) technique

## APPENDIX 1 Awak Mas Gold Project - Exploration Results Tabulation

| Hole ID | Hole Type | Easting UTM Grid (m) | Northing UTM Grid (m) | Elevation (m) | Total Depth (m) | Azimuth (Mag) | Dip | From (m) | To (m) | Interval (m) | Au g/t | Ag g/t |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **SALU BULO – Biwa Domain** | | | | | | | | | | | | |
| SBD133 | DDH | 182023 | 9627103 | 928 | 106.8 | 270 | -56 | 0.0 | 14.5 | 14.5 | 0.9 | 0.7 |
| | | | | | | | | 18.5 | 28.1 | 9.6 | 0.4 | 0.5 |
| | | | | | | | | 40.2 | 43.2 | 3.0 | 1.6 | 0.7 |
| | | | | | | | | 61.5 | 62.5 | 1.0 | 0.1 | <0.5 |
| | | | | | | | | 105.8 | 106.8 | 1.0 | 2.2 | 0.5 |
| SBD134 | DDH | 182026 | 9627147 | 924 | 133.3 | 272 | -50 | 0.0 | 21.0 | 21.0 | 1.5 | 0.5 |
| | | | | | | | ***includes*** | ***18.0*** | ***21.0*** | ***3.0*** | ***6.0*** | ***1.1*** |
| | | | | | | | | 25.0 | 31.0 | 6.0 | 0.3 | <0.5 |
| | | | | | | | | 37.0 | 50.8 | 13.8 | 1.3 | 0.6 |
| | | | | | | | ***includes*** | ***48.8*** | ***49.8*** | ***1.0*** | ***10.0*** | ***1.4*** |
| | | | | | | | | 56.9 | 76.0 | 19.1 | 2.5 | 0.8 |
| | | | | | | | ***includes*** | ***56.9*** | ***62.0*** | ***5.1*** | ***6.4*** | ***1.5*** |
| | | | | | | | | 100.0 | 118.0 | 18.0 | 0.7 | 0.3 |
| | | | | | | | | 131.3 | 132.3 | 1.0 | 0.8 | 0.3 |
| SBD135 | DDH | 182058 | 9627044 | 923 | 116.6 | 277 | -55 | 0.0 | 11.0 | 11.0 | 0.2 | 0.3 |
| | | | | | | | | 20.0 | 33.0 | 13.0 | 0.4 | 0.3 |
| | | | | | | | | 50.0 | 66.4 | 16.4 | 0.3 | 0.6 |

*Note: the suffix "**M**" at the end of the hole name denotes the drillhole to be dual function for both Metallurgical Testwork and Resource Definition purposes*

| Hole ID | Hole Type | Easting UTM Grid (m) | Northing UTM Grid (m) | Elevation (m) | Total Depth (m) | Azimuth (Mag) | Dip | From (m) | To (m) | Interval (m) | Au g/t | Ag g/t |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SBD136 | DDH | 181993 | 9626600 | 853 | 30 | 270 | -45 | 0.0 | 13.0 | 13.0 | 1.9 | 0.5 |
| | | | | | | ***includes*** | | ***9.0*** | ***11.0*** | ***2.0*** | ***5.5*** | ***1.3*** |
| SBD137 | DDH | 182034 | 9627018 | 939 | 124.1 | 276 | -54 | 0.0 | 9.0 | 9.0 | 0.4 | NA |
| | | | | | | | | 13.0 | 22.0 | 9.0 | 0.5 | NA |
| | | | | | | | | 30.0 | 45.0 | 15.0 | 0.4 | 0.3 |
| | | | | | | | | 76.0 | 78.0 | 2.0 | 0.4 | 0.3 |
| | | | | | | | | 98.7 | 103.4 | 4.7 | 0.2 | 0.3 |
| | | | | | | | | 111.8 | 113.7 | 1.9 | 0.4 | 0.3 |
| | | | | | | | | 117.2 | 123.2 | 6.0 | 1.1 | 0.4 |
| SBD138 | DDH | 181957 | 9626730 | 946 | 74.5 | 245 | -75 | 0.0 | 23.2 | 23.2 | 2.8 | 0.7 |
| | | | | | | ***includes*** | | ***2.0*** | ***11.5*** | ***9.5*** | ***4.1*** | ***1.0*** |
| | | | | | | | | 31.2 | 37.5 | 6.3 | 0.2 | 0.3 |
| | | | | | | | | 60.4 | 70.2 | 9.8 | 1.8 | 0.5 |
| SBD139M | DDH | 182021 | 9627049 | 935 | 114.2 | 270 | -45 | 14.0 | 42.6 | 28.6 | 0.9 | NA |
| | | | | | | ***includes*** | | ***29.0*** | ***33.0*** | ***4.0*** | ***4.3*** | ***NA*** |
| | | | | | | | | 46.6 | 47.6 | 1.0 | 0.4 | 0.5 |
| | | | | | | | | 53.4 | 83.5 | 30.1 | 2.8 | NA |
| | | | | | | ***includes*** | | ***69.5*** | ***77.5*** | ***8.0*** | ***7.4*** | ***NA*** |

*Note: the suffix "**M**" at the end of the hole name denotes the drillhole to be dual function for both Metallurgical Testwork and Resource Definition purposes*

| Hole ID | Hole Type | Easting UTM Grid (m) | Northing UTM Grid (m) | Elevation (m) | Total Depth (m) | Azimuth (Mag) | Dip | From (m) | To (m) | Interval (m) | Au g/t | Ag g/t |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SBD140M | DDH | 181968 | 9626846 | 941 | 72.3 | 277 | -50 | 0.0 | 4.3 | 4.3 | 0.9 | 0.8 |
| | | | | | | | | 35.4 | 49.1 | 13.7 | 3.4 | 1.6 |
| | | | | | | | ***includes*** | | **44.1** | **47.1** | **3.0** | **8.1** |
| SBD141M | DDH | 181973 | 9626989 | 974 | 104.5 | 252 | -45 | 0.0 | 4.0 | 4.0 | 0.2 | <0.5 |
| | | | | | | | | 30.0 | 30.8 | 0.8 | 0.5 | 1.1 |
| | | | | | | | | 65.3 | 77.6 | 12.3 | 2.0 | 0.9 |
| | | | | | | | | 87.2 | 90.2 | 3.0 | 0.2 | <0.5 |
| | | | | | | | | 100.0 | 101.0 | 1.0 | 0.9 | <0.5 |
| SBD142 | DDH | 181948 | 9626945 | 960 | 97.4 | 276 | -46 | 0.0 | 1.0 | 1.0 | 0.3 | <0.5 |
| | | | | | | | | 20.3 | 22.4 | 2.1 | 0.6 | 0.6 |
| | | | | | | | | 37.1 | 44.6 | 7.5 | 1.4 | 0.7 |
| | | | | | | | | 49.0 | 51.0 | 2.0 | 0.5 | 1.0 |
| | | | | | | | | 56.0 | 65.0 | 9.0 | 0.6 | 1.4 |
| | | | | | | | | 69.0 | 71.0 | 2.0 | 0.5 | <0.5 |

| Hole ID | Hole Type | Easting UTM Grid (m) | Northing UTM Grid (m) | Elevation (m) | Total Depth (m) | Azimuth (Mag) | Dip | From (m) | To (m) | Interval (m) | Au g/t | Ag g/t |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **SALU BULO – Lelating Domain** | | | | | | | | | | | | |
| SBD143 | DDH | 181993 | 9626600 | 850 | 173.7 | 281 | -50 | 42.0 | 45.0 | 3.0 | 1.6 | <0.5 |
| | | | | | | | | 85.0 | 94.0 | 9.0 | 0.5 | <0.5 |
| | | | | | | | | 103.0 | 139.0 | 36.0 | 2.0 | 0.6 |
| | | | | | | ***includes*** | | **105.0** | **115.0** | **10.0** | **4.1** | **0.7** |
| | | | | | | | | 150.0 | 154.0 | 4.0 | 0.6 | <0.5 |
| SBD144M | DDH | 181705 | 9626936 | 1059 | 191.5 | 261 | -60 | 25.0 | 33.0 | 8.0 | 1.4 | <0.5 |
| | | | | | | | | 99.1 | 104.8 | 5.7 | 1.2 | <0.5 |
| | | | | | | | | 112.5 | 122.5 | 10.0 | 0.8 | <0.5 |

*Note: the suffix "**M**" at the end of the hole name denotes the drillhole to be dual function for both Metallurgical Testwork and Resource Definition purposes*

**About Nusantara Resources**

Nusantara is an ASX-listed gold development company with its flagship project comprising the 2.0 million-ounce Awak Mas Gold Project located in Sulawesi, Indonesia. Discovered in 1988, the Project has over 135 km of drilling completed in over 1,100 holes. The Project is currently 100%-owned through a 7th Generation Contract of Work ('CoW') with the Indonesian Government.

Nusantara's development strategy is for construction of a large-scale, low strip ratio open pit operation with ore to be processed by Whole-of-Ore CIL leach. Environmental approval has already been received for the Project, which is favourably located in non-forestry land close to established roads, ports and grid power, enabling the Project to quickly advance towards development upon completion of the DFS by mid-2018.

Nusantara's second strategy is to grow the resource base and support a mining operation beyond the initial targeted life of 10 years. Multiple drill-ready targets have already been outlined extending from the three main deposits and in other areas of the 140km2 CoW.

**Website: www.nusantararesources.com**

**LinkedIn: https://au.linkedin.com/company/nusantararesources**

**Competent Persons Statement**

The information in this announcement that relates to the exploration results and Mineral Resources of Nusantara Resources is summarised from publicly available reports as released to the ASX of the respective companies. The results are duly referenced in the text of this report and the source documents noted above.

**Exploration and Resource Targets**

Any discussion in relation to the potential quantity and grade of Exploration Targets is only conceptual in nature. While Nusantara Resources may report additional JORC compliant resources for the Awak Mas Gold Project, there has been insufficient exploration to define mineral resources in addition to the current JORC compliant Mineral Resource inventory and it is uncertain if further exploration will result in the determination of additional JORC compliant Mineral Resources.

**Exploration Results**

The information in this report which relates to Exploration Results is based on, and fairly represents, information compiled by Mr Colin McMillan, (BSc) for Nusantara Resources. Mr McMillan is an employee of Nusantara Resources and is a Member of the Australian Institute of Mining and Metallurgy (AusIMM No: 109791).

Mr McMillan has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr McMillan consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

**Mineral Resources**

The information in this report that relates to the Mineral Resource Estimation for the Awak Mas Gold Project is based on and fairly represents information compiled by Mr Adrian Shepherd, Senior Geologist, (BSc), MAusIMM CP(Geo), for Cube Consulting Pty Ltd. Mr Shepherd is an employee of Cube Consulting Pty Ltd and is a Chartered Professional geologist and a current Member of the Australian Institute of Mining and Metallurgy (AusIMM No: 211818).

Mr Shepherd has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Shepherd consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

**New Information or Data**

Nusantara Resources confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources and Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not materially changed from the original market announcement.

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