NUSANTARA RESOURCES LIMITED

ASX ANNOUNCEMENT
8 March 2018

EASTERN EXTENSION TO AWAK MAS DEPOSIT CONFIRMED

Significant Opportunity to Expand Mineral Resource

- **Results support potential for significant exploration upside along the untested 2 km Mine Corridor between the Awak Mas and Salu Bulo deposits.**
- **Six-hole exploration drilling program into the Awak Mas Highwall area now complete.**
- **Assay results from the first three holes confirm significant gold mineralisation in the eastern projected extension of the 1.72 Moz Awak Mas deposit, validating the geological model. Significant results include:**
    - HWD002: **45 m at 1.3 g/t Au** from 257 m, **8 m at 2.0 g/t Au** from 308 m, **41 m at 0.9 g/t Au** from 384 m and **4 m at 2.5 g/t Au** from 421 m
    - RTD023: **6.3 m at 2.1 g/t Au** from 179 m and **6 m at 3.9 g/t Au** from 237.6 m

Asia-Pacific gold development company Nusantara Resources Limited ('Nusantara', ASX: NUS) is pleased to provide the following update on the recently completed Awak Mas Highwall exploration drilling program at its 100%-owned Awak Mas Gold Project located in South Sulawesi, Indonesia. The exploration program was designed to confirm the geological model and therefore potential for extensions to the Mineral Resources at the 1.72 Moz Awak Mas[1] and 0.18 Moz Salu Bulo[2] deposits along the intervening 'Mine Corridor' (refer to Nusantara's ASX announcement of 20 December 2017 for further background information).

The initial phase of the exploration program focused on the Awak Mas Highwall eastern extension, with six diamond drill holes for 2,726.5 m completed in early March 2018 to test for extensions of the Awak Mas deposit mineralisation to the east and across the recognised Awak Mas Highwall fault. The success of this drill program clearly indicates the potential to further extend mineralisation within the untested 1.5 km Mine Corridor towards the Salu Bulo deposit (Figures 1 and 2).

"The extremely positive results returned from this program have validated Nusantara's geological model by proving that the gold mineralisation is not restricted to the immediate current footprint of the Awak Mas deposit." commented Nusantara's Managing Director and CEO, Mike Spreadborough. "*This provides confidence that further mineralisation in the immediate eastern Highwall area can be expected from the remaining three drill holes, all of which have strong visual indications, and supports our belief of significant exploration upside along the untested Mine Corridor between the Awak Mas and Salu Bulo deposits.*"

Awak Mas Highwall Eastern Extension

Initially, two diamond drill holes were planned (HWD001 and HWD002) to test the potential for gold mineralisation to exist in the eastern (footwall) block of the Highwall fault at the Awak mas deposit, with a third hole (RTD023, previously referred to as HWD003) designed to test the interpretation of a complex wedge structure formed by the convergence of the Tanjung and Highwall faults.

These holes demonstrated sufficient visual indication that quartz veining and sub-vertical breccia structures existed as modelled and the program was subsequently expanded to six holes. This drilling program

[1] Reference should be made to ASX announcement "Awak Mas Resource Increased by 0.2 Moz" dated 31 January 2018.

[2] Reference should be made to ASX announcement "Project Mineral Resource Grows to 2.0 Moz" dated 27 February 2018.

successfully identified extensions to the mineralisation at the Awak Mas deposit and validated the exploration model.

Holes HWD001 and HWD002 both penetrated the Highwall fault structure within metres of the modelled position and went on to demonstrate continuity of the main flat-lying conformable mineralisation interpreted as the Upper, Middle and Lower domains (Figures 3 and 4). HWD002 also intersected an additional zone of quartz veining at a stratigraphic position well above the Upper domain – this was referred to as the 'Top' zone; it was subsequently found to be weakly mineralised (probably due to the absence of adjacent sub-vertical feeder-structures).

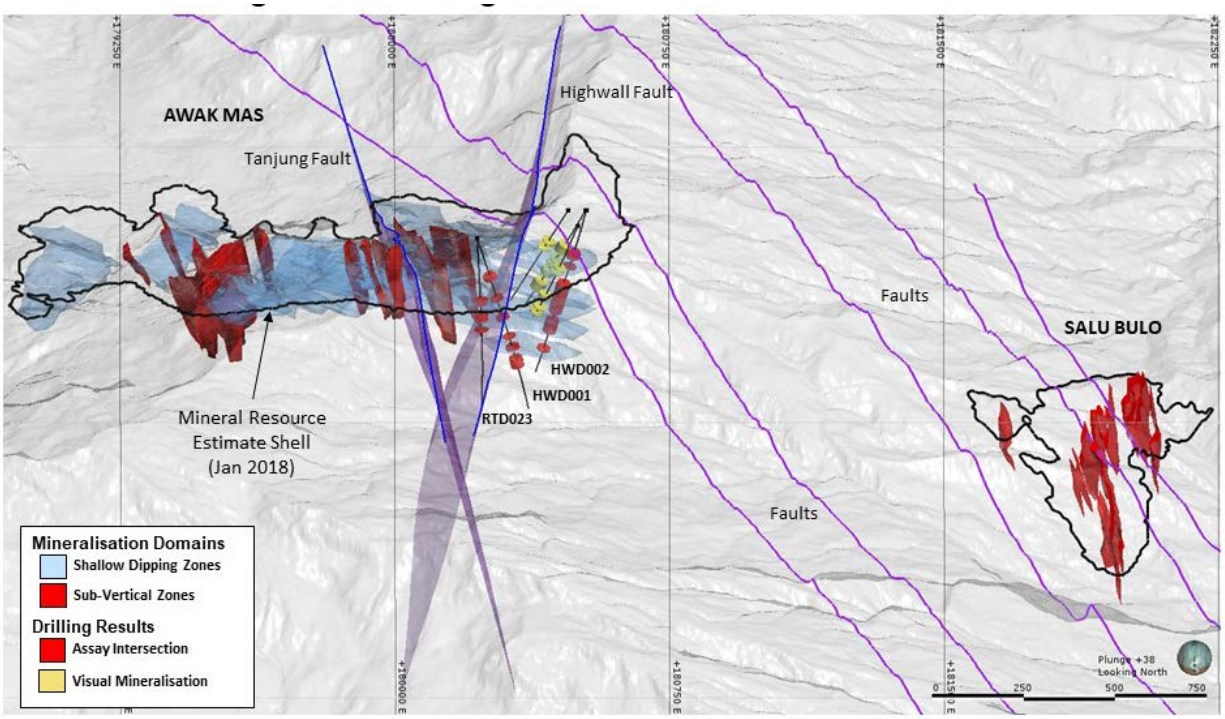

Figure 1: Awak Mas Highwall eastern extension area showing newly defined mineralisation shapes, structural interpretation, US$1400 Optimisation shells and relative location of Salu Bulo.

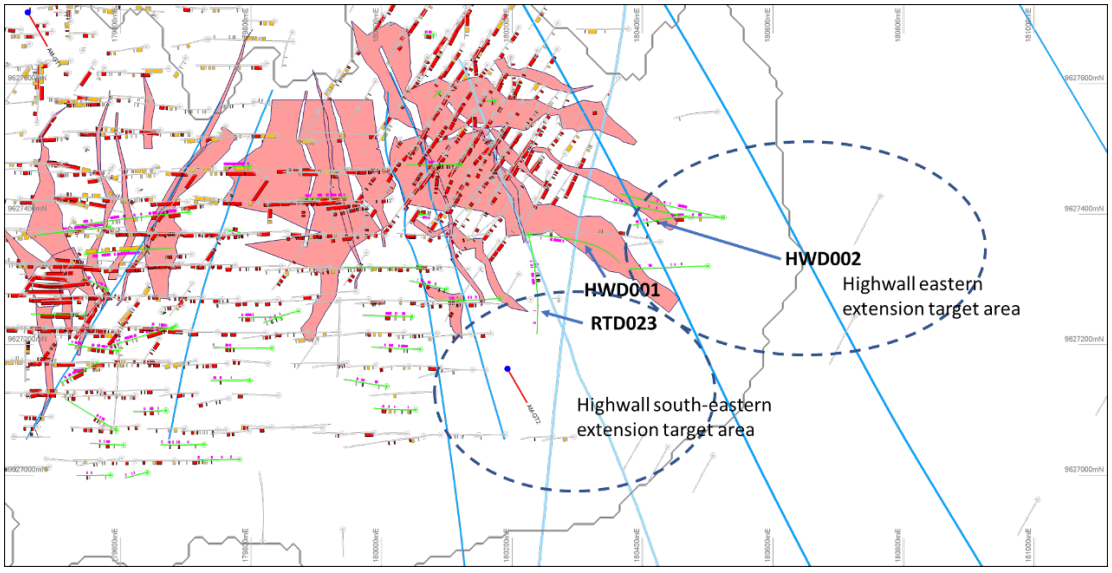

Figure 2: Modelled structural repetitions showing interpreted eastern and south-eastern target areas.

The third hole, drilled as RTD023, targeted an area interpreted to contain a potential fault-displaced zone of the higher grade Rante Upper, Middle and Lower domains. This hole did not intersect mineralisation in the Upper zone and only narrow mineralisation at the Middle and Lower domain positions (Figure 5). This led to a reinterpretation of the controlling local and deposit-scale regional fault system, particularly assisted by the recently flown Lidar topographic survey, which realigned the initial geological interpretation. Through a process of continual evolution of the structural model, a better understanding now exists which will, inform the next phase of exploration drilling.

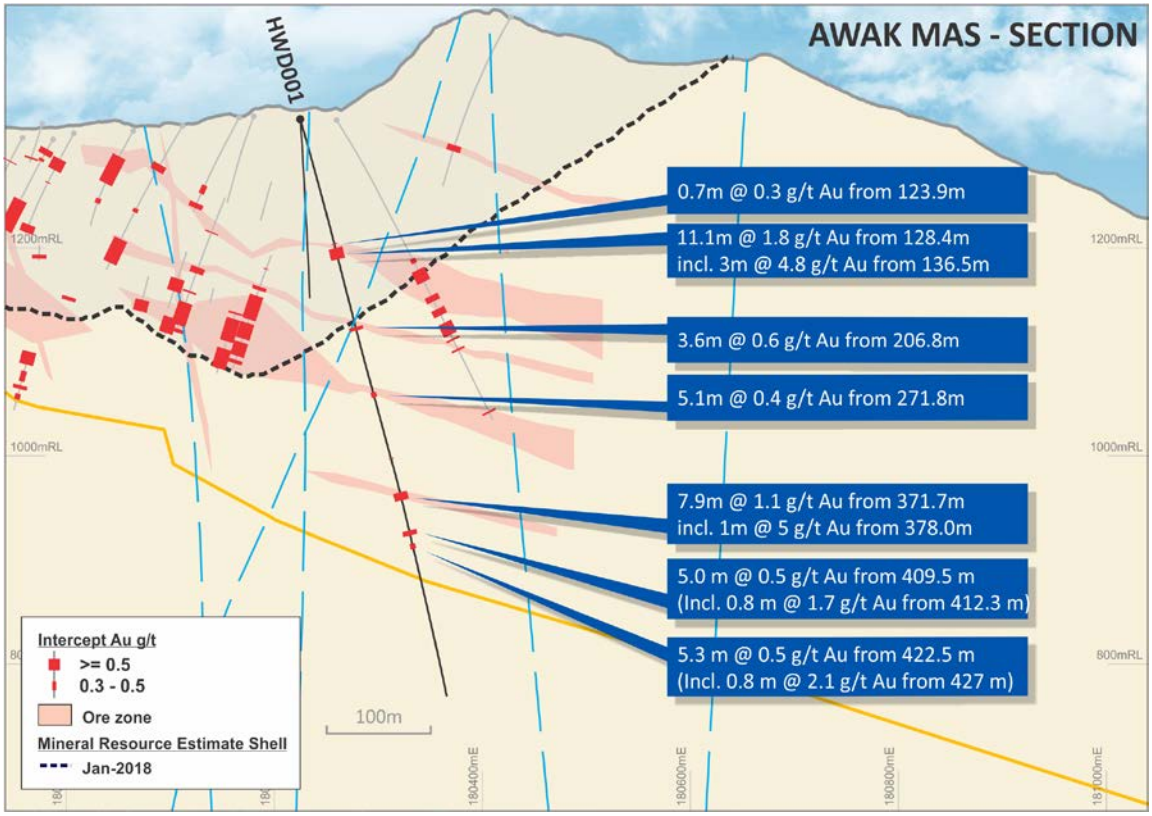

Figure 3: Cross section showing HWD001 results.

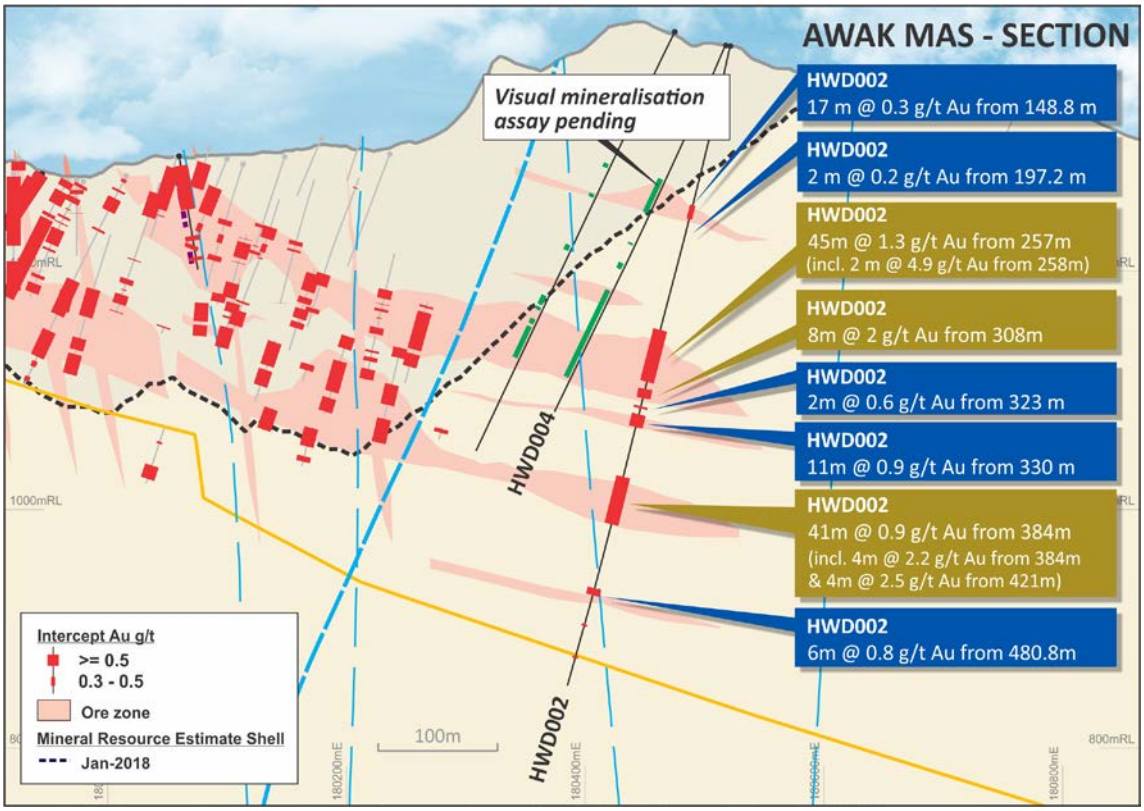

Figure 4: Cross section showing HWD002 results.

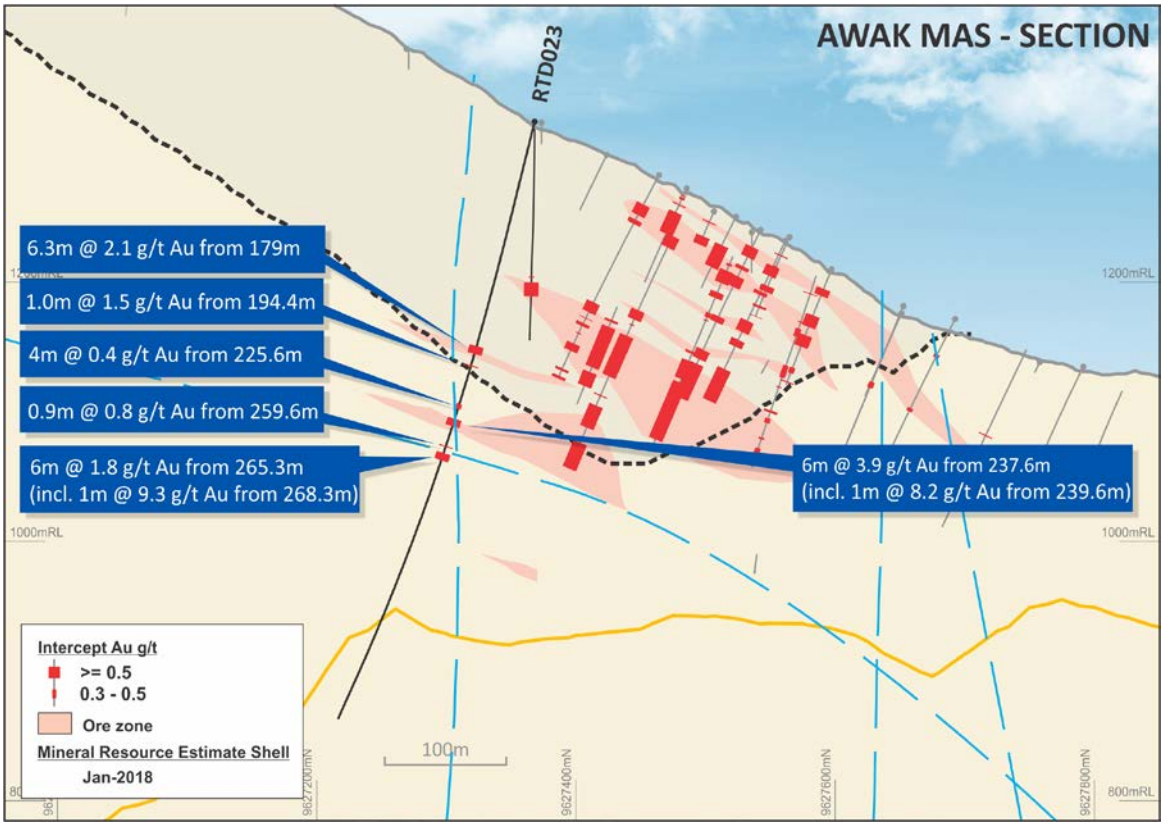

Figure 5: Cross section showing RTD023 results; Note section looking west.

Awak Mas Highwall Eastern Extension Drilling Results

The first three drill holes delivered results which confirmed the continuation of the Rante system/domain mineralisation across the Highwall fault into the previously untested footwall block. Selected results > 0.3 g/t Au for these holes include:

- HWD001: **11.1 m at 1.8 g/t Au** from 128.4 m
- HWD001: **3.6 m at 0.6 g/t Au** from 206.8 m
- HWD001**: 5.1 m at 0.4 g/t Au** from 271.8 m
- HWD001: **7.9 m at 1.1 g/t Au** from 371.7 m, including **1 m at 5 g/t Au** from 378 m
- HWD001: **5 m at 0.5 g/t Au** from 409.5 m including **0.8 m at 1.7 g/t Au** from 412.3 m
- HWD001: **5.3 m at 0.5 g/t Au** from 422.5 m, including **0.8 m at 2.1 g/t Au** from 427 m
- HWD002: **45 m at 1.3 g/t Au** from 257 m, including **2 m at 4.8 g/t Au** from 258 m
- HWD002: **8 m at 2 g/t Au** from 308 m
- HWD002: **11 m at 0.9 g/t Au** from 330 m
- HWD002: **41 m at 0.9 g/t Au** from 384 m, including **4m at 2.2 g/t Au** from **384 m** and **4 m at 2.5 g/t Au** from 421 m
- HWD002: **6 m at 0.8 g/t Au** from 480.8 m
- RTD023: **6.3 m at 2.1 g/t Au** from 179 m
- RTD023: **4 m at 0.4 g/t Au** from 225.6 m
- RTD023: **6 m at 3.9 g/t Au** from 237.6 m, including **1 m at 8.2 g/t Au** from 239.6 m
- RTD023: **6 m at 1.8 g/t Au** from 265.3 m, including **1 m at 9.3 g/t Au** from 268.3.

Three further holes have been drilled (HWD003, HWD004 and HWD005) to specifically target the Upper and Middle zones with the intent to gain an intersection spacing sufficient to allow for these newly defined zones to be incorporated into the planned April 2018 Mineral Resource Estimate update.

HWD004 has intersected significant visual mineralisation at a similar stratigraphic position to HWD002 Upper to Middle zone (Figure 6). This evidence suggests that geological and grade continuity can likely be assumed in this area to support the classification of Indicated Mineral Resources down-dip from the current south-eastern limit of the modelled mineralisation zones. Visual indication from HWD003 and HWD004 also support the interpretation of the Upper and Middle zone mineralisation.

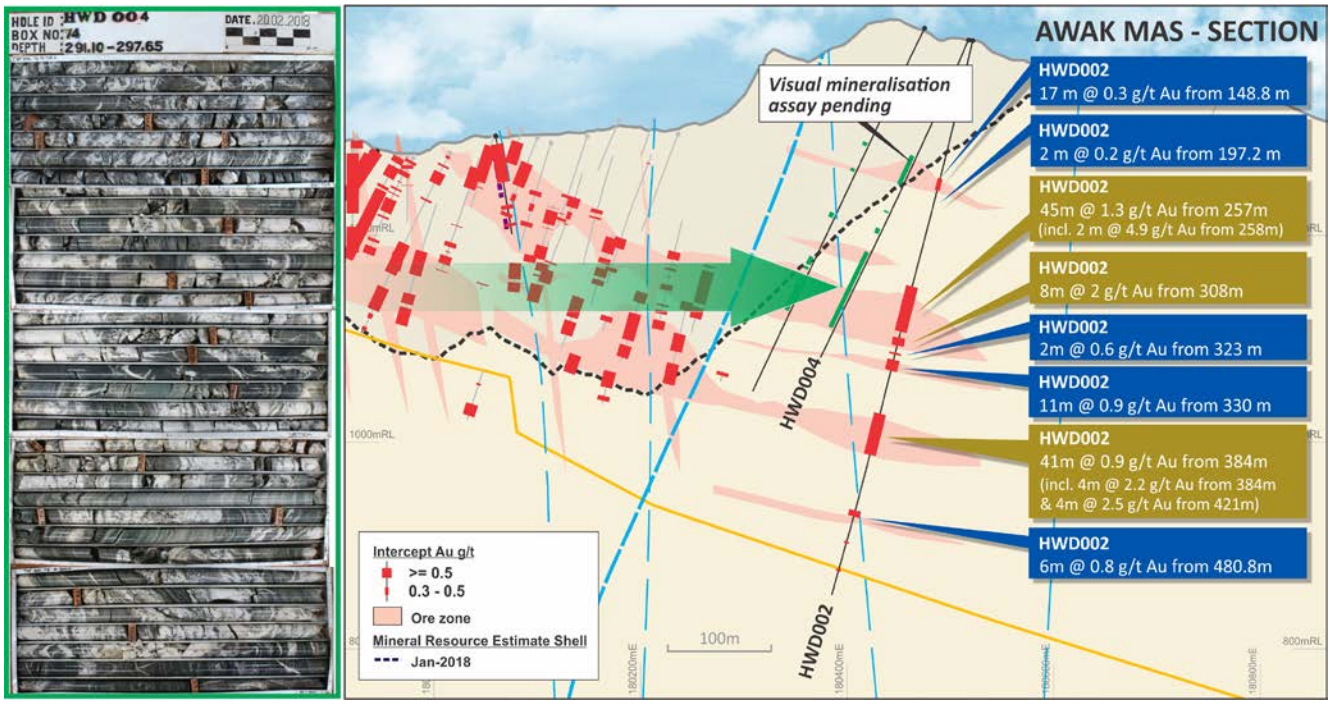

Figure 6: Cross section showing HWD004 visual indication compared to HWD002 result.

APPENDIX 1: AWAK MAS HIGHWALL EASTERN EXTENSION – SIGNIFICANT RESULTS > 0.3 g/t Au

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
Rante - Highwall Eastern Extension													
HWD001	DDH	180,225	9,627,368	1,324	575.5	90	-74	128.4	139.5	11.1	1.8	0.8	
							including	136.5	139.5	3.0	4.8	1.9	
								206.8	210.4	3.6	0.6	0.3	
								271.8	276.9	5.1	0.4	0.2	
								371.7	379.6	7.9	1.1	0.4	
							including	378.0	379.0	1.0	5.0	1.1	
								409.5	414.5	5.0	0.5	0.4	
							including	412.3	413.1	0.8	1.7	0.5	
								422.5	427.8	5.3	0.5	0.3	
							including	427.0	427.8	0.8	2.1	0.5	
HWD002	DDH	180,524	9,627,395	1,400	565.7	270	-76	148.8	165.8	17	0.3	0.4	
								257.0	302.0	45.0	1.3	0.5	
							including	258.0	260.0	2.0	4.9	1.0	
								308.0	316.0	8.0	2.0	0.7	
							including	311.0	314.0	3.0	3.6	1.1	
								323.0	325.0	2.0	0.6	0.5	
								330.0	341.0	11.0	0.9	0.4	
								384.0	425.0	41.0	0.9	0.5	
							including	384.0	388.0	4.0	2.2	1.2	
							including	421.0	425.0	4.0	2.5	0.6	
								480.8	486.8	6.0	0.8	na	
RTD023	DDH	180,225	9,627,368	1,323.7	486.4	160	-75	179.0	185.3	6.3	2.1	1.2	
								194.4	195.4	1.0	1.5	0.25	
								225.6	229.6	4.0	0.4	0.3	
								237.6	243.6	6.0	3.9	0.8	
							including	239.6	240.6	1.0	8.2	1.3	
								259.6	260.5	0.9	0.8	0.3	
								265.3	271.3	6.0	1.8	0.5	
							including	268.3	269.3	1.0	9.3	1.7	

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.	Nusantara has completed 6 diamond holes for 2,726.5m from the initial phase of exploration drill sampling focused on the Highwall eastern extension at the Awak Mas deposit. Sampling has been carried out using Diamond Drill Hole("**DDH**") Core only. 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. 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.	During the period from 2017 to 2018, sampling was carried out under Nusantara's protocols and QAQC procedures as per industry best practice. Quality Assurance ("**QA**") and Quality Control ("**QC**") protocols included the monitoring and analysis of inserted certified reference material, blanks and duplicates samples to ensure sample representivity. Samples were cut about 5 cm off the core orientation line, and the half-core with the orientation line correctly placed back into the tray and retained. The remaining half-core was collected, ensuring that the same side was consistently sampled and representative. 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. 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.

Criteria	JORC Code explanation	Commentary
		Historical sampling was carried out under the relevant company's protocols and procedures and is assumed to be industry standard practice for the time.
	Aspects of the determination of mineralization that are Material to the Public Report. 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 (PQ3/HQ3/NQ3). Half core was sampled on nominal 1m intervals, the entire sample crushed to a nominal 2-3mm, and a 1kg sub-sample was pulverised to produce a 40g fire assay charge.
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).	The Highwall eastern extension drilling has consisted of: • PQ3/HQ3/NQ3 core sizes, progressively decreased as the hole depth approached the limit of the rigs capability; • Wire-line triple/split tube diamond core drilling; • Core orientation – Coretell ORIshot (Gen4) multi-shot core orientation tool. Hole depths varied from 338.3m to 575.5m total depth, with an average depth of 454.4m.
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 Recovery percentage (%) was recorded in the geotechnical records as equivalent to the length of core recovered, as a percentage of the drill run. Overall recoveries within the mineralised zones is >95%.
	Measures taken to maximize sample recovery and ensure representative nature of the samples.	Wireline triple/split tube system and large diameter PQ/HQ core were 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.	The DDH sample recovery in the transitional and fresh rock zones is very high and no significant bias is apparent. Recoveries in oxidised rock are lower.

Criteria	JORC Code explanation	Commentary
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. Core has been geologically and geotechnically logged to a level of detail appropriate to support mineral resource estimation and mining studies. Lithology, mineralisation, alteration, foliation trend, fracturing, faulting, weathering, depth of soil and total oxidation were recorded. Orientation of fabrics and structural features were logged. Visually mineralised zones were able to be logged and interpreted before the assays were available. These observations were 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. All Nusantara diamond core has been digitally photographed.
	The total length and percentage of the relevant intersections logged.	Total length of the Highwall drilling completed to date is 2,726.5m (6 holes) of which 100% will be logged.
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. 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.	A sample preparation facility was commissioned onsite, where all samples were crushed, pulverised and a 200g assay aliquot shipped to Geoservices laboratory 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 completed onsite utilised a LM2 pulveriser rather than an LM5 pulveriser which had previously been used in Jakarta. The process involved; • Samples weighed and dried at 105°C;

Criteria	JORC Code explanation	Commentary
		• 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, and • 200g pulp aliquot for analytical analysis. The final 200g assay pulp was shipped to Geoservices (Jakarta) for gold and other element analysis. 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 retained in the tray. 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. 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 was representative and un-bias. Control duplicate samples constitute 10%-15% of the total submitted samples Comparison of duplicate assays to the primary assay showed no significant differences were apparent.
	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 Laboratory Tests	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. The primary assay laboratory used is PT Geoservices in Jakarta. A secondary laboratory (PT SGS Indo Assay Laboratories, Jakarta) is used for lower priority samples selected on a hole by hole basis 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.*

Criteria	JORC Code explanation	Commentary
		• Leco - Total Carbon and Total Sulphur (MET_LECO_01); • Cyanide Amenability on pulps (MET_CN7), and • Mercury from GAA02 digest (GAA02_CVAA). The gold fire-assay analysis is a total assay method, 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 QC sampling protocols and insertion rates have been adopted for the current 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%) • Umpire pulp assay check duplicates (5%) Random primary laboratory inspections on a monthly to quarterly basis. 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. Results to date demonstrate an acceptable level of accuracy and precision.
Verification of Sampling and Assaying	The verification of significant intersections by either independent or alternative company personnel.	Significant intersections were reviewed by the Chief and Senior Geologists following receipt of the assay results. All assay results are processed and validated by the GIS/Database Administrator prior to loading into the database. This includes plotting the standard and blank performances, and review of duplicate results. 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.

Criteria	JORC Code explanation	Commentary
		The Geology Manager reviews all tabulated assay data as the Competent Person for the reporting of Exploration Results.
	The use of twinned holes.	No twinned holes have been drilled by Nusantara.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Field drilling data is recorded directly into logging templates in Excel spreadsheet format on laptop computers. Excel spreadsheets are imported to MS Access format for validation and management by the GIS/Database Administrator onsite. All drilling data is uploaded and managed via a centralised Dropbox facility with restricted access. Database is audited by an external consultant (Cube Consulting) prior to reporting of Exploration Results and Mineral Resource estimates.
	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 for the gold analysis. 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. Samples not received by the laboratory, 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.	Collars were initially located by hand held Global Positioning System ("**GPS**") with an accuracy of about 5-15m, dependent on the satellite coverage. Additionally, hole positions were validated by tape and compass measurement from nearby surveyed historic drill collars. All Nusantara drill collar will be located by third party surveyors using Differential Global Positioning System ("**DGPS**") or total station Electronic Distance Measuring ("**EDM**") survey equipment to an accuracy of approximately 0.1m. Down-hole surveys were routinely carried out, generally on 30m spacings using a digital multi-shot instrument Coretell ORIshot (Gen4). The 3D location of the individual samples is considered to be adequately established, and 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.

Criteria	JORC Code explanation	Commentary
	Quality and adequacy of topographic control.	Topographic mapping of the Awak Mas Gold Project area by Airborne Laser Scanning ("**LIDAR**") survey has been carried out by P.T. Surtech in November 2017. Topographic control now exists to a vertical and horizontal accuracy of 0.15m and is incorporated into all mineral resource estimates.
Data Spacing and Distribution	Data spacing for reporting of Exploration Results.	Diamond drilling has been undertaken using various drill orientations to define the mineralisation orientation in an area that has very limited drilling. Drilling was on a nominal 50m to 75m grid spacing, centred about historical drill hole AMD 293 which lies approximately 110m south-east of the last drill section at Rante. The 6 Highwall drill holes for the reporting of Exploration Results are extensional holes targeting areas outside of the currently defined mineralised zones. Sampling of drill core has generally been at 1m intervals.
	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.	Drill hole spacing is sufficient to imply geological and grade continuity with the lateral extents of mineralisation not fully defined by the current drilling.
	Whether sample compositing has been applied.	Sample compositing has not been applied.
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. Drill holes were inclined between 63° and 76° to optimise intercepts of mineralisation with respect to thickness and distribution of the targeted shallow dipping zones. Current diamond drilling has confirmed that the 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 occurs in multiple orientations as a stockwork system, but has a dominant shallow to moderate N-NE dipping, foliation parallel orientation, with less well developed narrow sub-vertical structures. Drilling with steep angled holes in most instances provides a representative sample across the mineralisation.

Criteria	JORC Code explanation	Commentary
Sample Security	The measures taken to ensure sample security.	Chain of Custody is managed by Nusantara whereby; • All samples are placed into calico bags with sample tickets and clear sample ID numbering on the outside; • Samples were bagged into polyweave sacks, zip tied, with the sample numbers written on the outside of the sack; • Samples were stored onsite within a locked facility ready for dispatch; • Prior to sample dispatch, the sample numbers, duplicates, standards were checked against the dispatch form; • Samples were freighted by road to Belopa, and then air freighted to the Geoservices laboratory in Jakarta, and • Geoservices in Jakarta notified Nusantara when the samples had been securely received intact.
Audits or Reviews	The results of any audits or reviews of sampling techniques and data.	The 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. Cube (2017) has previously independently reviewed, verified and validated data prior to the Mineral Resource estimate in May 2017. 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
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. Nusantara 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.

Criteria	JORC Code explanation	Commentary
		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. 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; • Battle Mountain discovered the Awak Mas deposit in 1991 after earning a 60% equity in the original partnership between New Hope and PT Asminco; • Lone Star (1994) acquired the equity of both Battle Mountain and New Hope; • Gascoyne structured an agreement which combined the various equities under Masmindo; • Placer (1998) entered, and then later withdrew from a Joint Venture ("**JV**") with Masmindo; • Vista Gold (2004) purchased 100% of Masmindo; • 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**"); • One Asia (2013) through its subsidiary Awak Mas Holdings purchased 100% of the Project from Vista Gold, and • 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. The 7th Generation CoW was granted on 19 February 1998 and covers an area of 14,390 ha. The CoW allows for 100% ownership, and is located within a non-forested area – (APL) Land for Other Uses. 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.

Criteria	JORC Code explanation	Commentary
	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. The Competent Person has not been advised of any environmental liabilities associated with the Awak Mas Project at this time.
Exploration Done by Other Parties	*Acknowledgment and appraisal of exploration by other parties.*	Since the discovery of the Awak Mas deposit by Battle Mountain in 1991, a number of historical resource assessments have been completed. Previous exploration work in the project area includes systematic exploration by several operators, including Asminco and New Hope in 1987, followed by Battle Mountain, Lone Star, Gasgoyne, JCI, Masmindo Mining and Placer Dome between 1991 and 2004. Vista Gold and One Asia undertook the most recent exploration work between 2004 and 2013 which included the compilation and cataloguing of historic data, completion of significant infill resource drilling, and re-estimation of the contained, classified mineral resources. A mineral resource estimate ("**MRE**") update was completed by Tetra Tech in 2013 based on the results of the One Asia infill and metallurgical testwork drilling program. The MRE was reported in accordance with the JORC Code (2012) guidelines.
Geology	*Deposit type, geological setting and style of mineralization.*	**Awak Mas Deposit** A high level, low sulphidation hydrothermal system has developed at Awak Mas which is 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. In addition to the conformable style of mineralisation there is a late stage hydrothermal overprint that has also deposited gold in some of the major sub vertical structures. 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. Host lithologies for mineralisation are mainly the cover sequence of meta-sedimentary rocks and to a lesser degree the underlying basement sequence of

Criteria	JORC Code explanation	Commentary
		diorites and biotite dominant schists. The cover and basement sequences are separated by an unconformable and sheared contact. Recent interpretation has established the presence of a late stage Highwall Fault at the eastern edge of Rante as evidenced from mineralisation in historical geotech hole AMD293. This fault is analogous to the NNE trending bounding faults that separate each deposit area at Awak Mas and have been confirmed by drilling. An exploration model for drill targeting was developed based on possible further fault repetitions of Rante style mineralisation to the east towards the Salu Bulo deposit. The 6 deep Highwall holes have confirmed that mineralisation extends across the identified Highwall fault, and indicates the potential to further develop mineralisation within the Awak Mas to Salu Bulo corridor.
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:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.*	The six hole first-pass exploration drilling program was designed to test the eastern extension of the Rante mineralisation into the Highwall area. A tabulation of location details for the six drill holes which form the basis for this ASX Release are included in Appendix 1. Assays are currently pending for the three holes HWD003 to HWD005. The historical drilling database consists of; • One Asia Drilling (2011-2012) - 87 drill holes for 5,956m; • Historic core drilling (1991-2007) of 645 drill holes for 81,045m, and • Historic RC drilling (1995-1996) of 158 holes for 16,290 metres.
	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 Phase 1 infill resource drilling completed by Nusantara in 2017-2018 at Awak Mas (25 holes for 4,263m) has been previously reported and incorporated in the most recent MRE update to the ASX; • Awak Mas Resource Increased by 0.2Moz. Dated 31 January 2018; ○ *Table 1, Appendix 1 Awak Mas - Exploration Results Tabulation.* The complete historical dataset of 890 holes at Awak Mas, that were previously drilled have not been included as they are not Material to the reporting of the current Exploration Results. All historical drilling information has been previously reported in the following ASX release;

Criteria	JORC Code explanation	Commentary
		• Awak Mas Gold Project Resource Update. Dated 9 May 2017, Mineral Resource (JORC 2012) – 1.74 Moz, New Geological Model; ○ *Table 1, Appendix 2 Awak Mas Drillhole Intersection Listing.* ○ *Table 1, Appendix 2 Salu Bulo Drillhole Intersection Listing.*
Data Aggregation Methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*	Exploration results are reported as length weighted averages of the individual sample intervals. The following criteria have been applied in reporting of the Exploration results: • Intercepts reported are intervals of Au >1g/t with intervals of <1g/t Au up to 3m included; • 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; • No high-grade capping has been applied, or was necessary, and • 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 mineralisation have been separately reported in Appendix 1.
	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.* *If the geometry of the mineralization with respect to the drill hole angle is known, its nature should be reported.* *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 geometry is complex and variable, but generally has a main shallow orientation parallel to the foliation at ~30º towards the northeast. A secondary mineralisation orientation is steeply east dipping to sub-vertical north-south feeder structures The drilling orientation is a compromise to target both mineralisation orientations, and generally the downhole length approximates the true width for the dominant broad and shallow dipping mineralised zones. Downhole intercepts of the steep sub-vertical structures will have a downhole length significantly longer than the true width.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery*	Relevant drill hole location plans, representative drill sections are included within the main text of this release.

Criteria	JORC Code explanation	Commentary
	being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	All mineralised intersections used for the reporting of the Exploration Results are tabulated in Appendix 1.
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 that relate to the Awak Mas Highwall eastern extension have been reported.
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. Full details on the WOL testwork been reported in the following ASX release; • Awak Mas Gold DFS Optimisation – Metallurgical Breakthrough, dated 10 October 2017.
Further Work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* *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 (25m x 25m) and extensional drilling, including targets at depth and outside of the current mineral resource limits. Drilling 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. Planned future drilling will continue to target extensions to the east, and at depth at Rante, in areas where the trend of mineralisation is open and untested by historical drilling. The main objective is 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 EDM equipment. 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 Awak Mas mineral resource estimate will be completed once all assay, survey and logging data from the additional Metallurgical testwork holes and Phase 2 exploration drill program is finalised, the geological interpretation refined and an updated geological model is available.

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 Drill Hole Details

Hole ID	Hole Type	Easting UTM (m)	Northing UTM (m)	Elevation (m)	Total Depth (m)	Azimuth (Mag)	Dip	From (m)	To (m)	Interval (m)	Au g/t	Ag g/t
RANTE - HIGHWALL EASTERN EXTENSION												
HWD001	DDH	180,225	9,627,368	1,324	575.5	90	-74	128.4	139.5	11.1	1.8	0.8
						Including		***136.5***	***139.5***	***3.0***	***4.8***	***1.9***
								206.8	210.4	3.6	0.6	0.3
								271.8	276.9	5.1	0.4	0.2
								371.7	379.6	7.9	1.1	0.4
						Including		***378.0***	***379.0***	***1.0***	***5.0***	***1.1***
								409.5	414.5	5.0	0.5	0.4
						Including		***412.3***	***413.1***	***0.8***	***1.7***	***0.5***
								422.5	427.8	5.3	0.5	0.3
						Including		***427.0***	***427.8***	***0.8***	***2.1***	***0.5***
HWD002	DDH	180,524	9,627,395	1,400	565.7	270	-76	148.8	165.8	17	0.3	0.4
								257.0	302.0	45.0	1.3	0.5
						Including		***258.0***	***260.0***	***2.0***	***4.9***	***1.0***
								308.0	316.0	8.0	2.0	0.7
						Including		***311.0***	***314.0***	***3.0***	***3.6***	***1.1***
								323.0	325.0	2.0	0.6	0.5
								330.0	341.0	11.0	0.9	0.4
								384.0	425.0	41.0	0.9	0.5
						Including		***384.0***	***388.0***	***4.0***	***2.2***	***1.2***
						Including		***421.0***	***425.0***	***4.0***	***2.5***	***0.6***
								480.8	486.8	6.0	0.8	na

Hole ID	Hole Type	Easting UTM (m)	Northing UTM (m)	Elevation (m)	Total Depth (m)	Azimuth (Mag)	Dip	From (m)	To (m)	Interval (m)	Au g/t	Ag g/t
RTD023	DDH	180,225	9,627,368	1,323.7	486.4	160	-75	179.0	185.3	6.3	2.1	1.2
								194.4	195.4	1.0	1.5	0.25
								225.6	229.6	4.0	0.4	0.3
								237.6	243.6	6.0	3.9	0.8
						Including		***239.6***	***240.6***	***1.0***	***8.2***	***1.3***
								259.6	260.5	0.9	0.8	0.3
								265.3	271.3	6.0	1.8	0.5
						Including		***268.3***	***269.3***	***1.0***	***9.3***	***1.7***
HWD003	DDH	180,500	9,627,320	1403.7	333.8	270	-70	***Assays Pending***				
HWD004	DDH	180,522	9,627,395	1400.2	392.7	280	-65	***Assays Pending***				
HWD005	DDH	180,475	9,627,395	1400.6	372.4	280	-63	***Assays Pending***				

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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