

NEAR MINE DRILLING COMMENCED

Extensive surface mineralisation being tested

- **Priority exploration drilling (six holes, 1,600m) is targeting highly encouraging trench results at Puncak Selatan adjacent to the proposed Awak Mas open pit**
- **Objective is to define mineralisation for further drilling with potential to expand the proposed Awak Mas open pit, increase mine life and improve project value**
- **Further drilling programs plan to test multiple drill targets close to the proposed Awak Mas Gold Project infrastructure**

Asia-Pacific gold development company Nusantara Resources Limited ('Nusantara', ASX: NUS) is pleased to advise that drilling has commenced at the **Puncak Selatan** near-mine prospect at its 100%-owned Awak Mas Gold Project (Project) located in South Sulawesi, Indonesia.

Recent field exploration has focussed on numerous near-mine prospects within a 2km radius of the planned processing plant (Figure 1) with the aim of enhancing and extending the proposed eleven-year mining operation¹. To date, over 1,500 metres of near-mine trenching has been completed yielding significant and encouraging results.

Significant recent trenching results at the Puncak Selatan prospect have included²:

- PS11; 5m @ 2.32 g/t Au, 5m @ 2.8 g/t Au, 2m @ 2.13 g/t Au
- PS12; 2m @ 1.28 g/t Au, 2m @ 3.0 g/t Au, 1m @ 2.46 g/t Au
- PS19; 35m @ 1.2 g/t Au (incl 7m @ 2.5 g/t Au, 3m @ 2 g/t Au & 1m @ 4.7 g/t Au)
- PS21; 12m @ 1.7 g/t Au (incl 8m @ 2.3 g/t Au).

The Puncak Selatan prospect was identified as a priority drill target given the significant surface mineralisation and its proximity to the planned Awak Mas open pit (Figure 2). The drilling program will test the possibility that the Awak Mas eastern mineralisation (Lengket domain) could extend up-dip as the Puncak Selatan prospect surface expression (Figure 3) and provide information to assist in confirming the geological model in the near-mine area. An initial six-hole drill program totalling 1,600 metres at the Puncak Selatan prospect (Figure 4) has commenced.

"The commencement of near mine exploration is the first step in identifying additional resources that have the potential to be processed at the proposed processing plant and add further value to the long life, low cost Awak Mas Gold Project. The identification of significant mineralisation at the Puncak Selatan prospect and the near-mine area potential to extend the Awak Mas open pit, has made this a high priority drill target. Our work continues to define the geological setting of the Contract of Work area and together with a planned geophysics program will increase the possibility of further discoveries that will enhance the Project" commented Nusantara's Managing Director and CEO, Mike Spreadborough.

¹ Refer to ASX Announcement: 4 October 2018, Definitive Feasibility Study Confirms Robust, Long-life, Low Cost Project

² Refer to ASX Announcement: 19 December 2019, High Grade Results from Near Mine Exploration

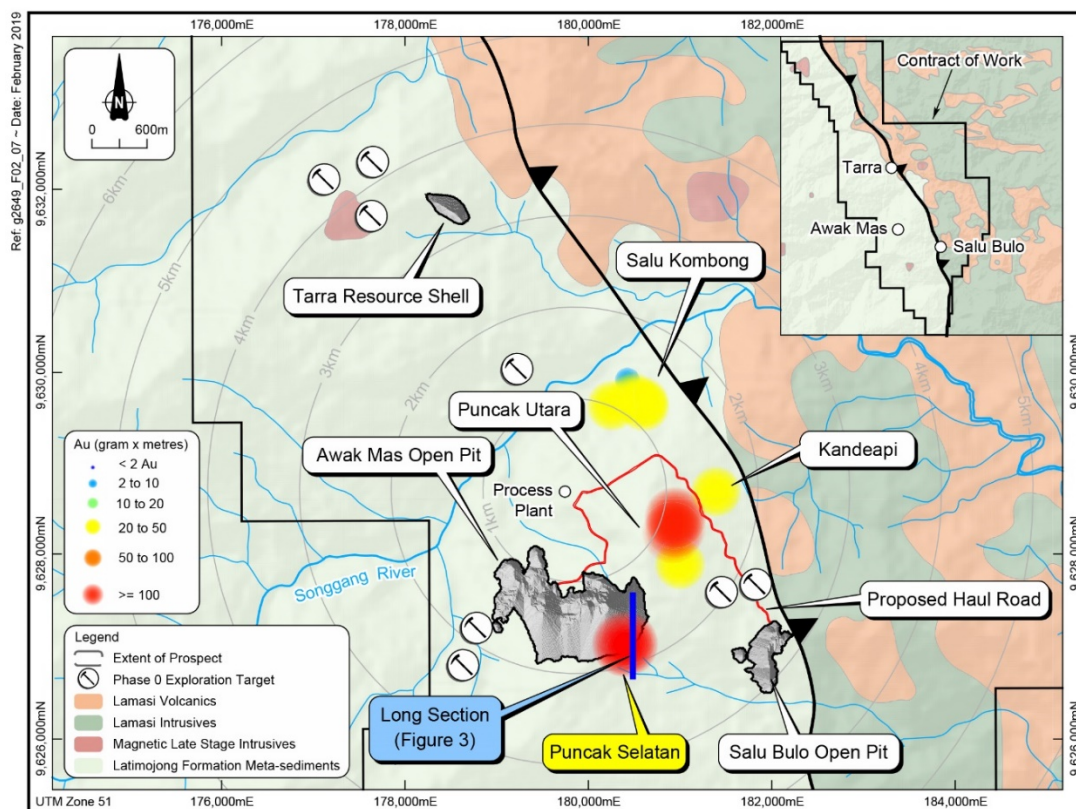


Figure 1: Near Mine prospects including the priority exploration prospects of Puncak Selatan, Puncak Utara and Kandeapi (note reference to Long Section shown in Figure 3).

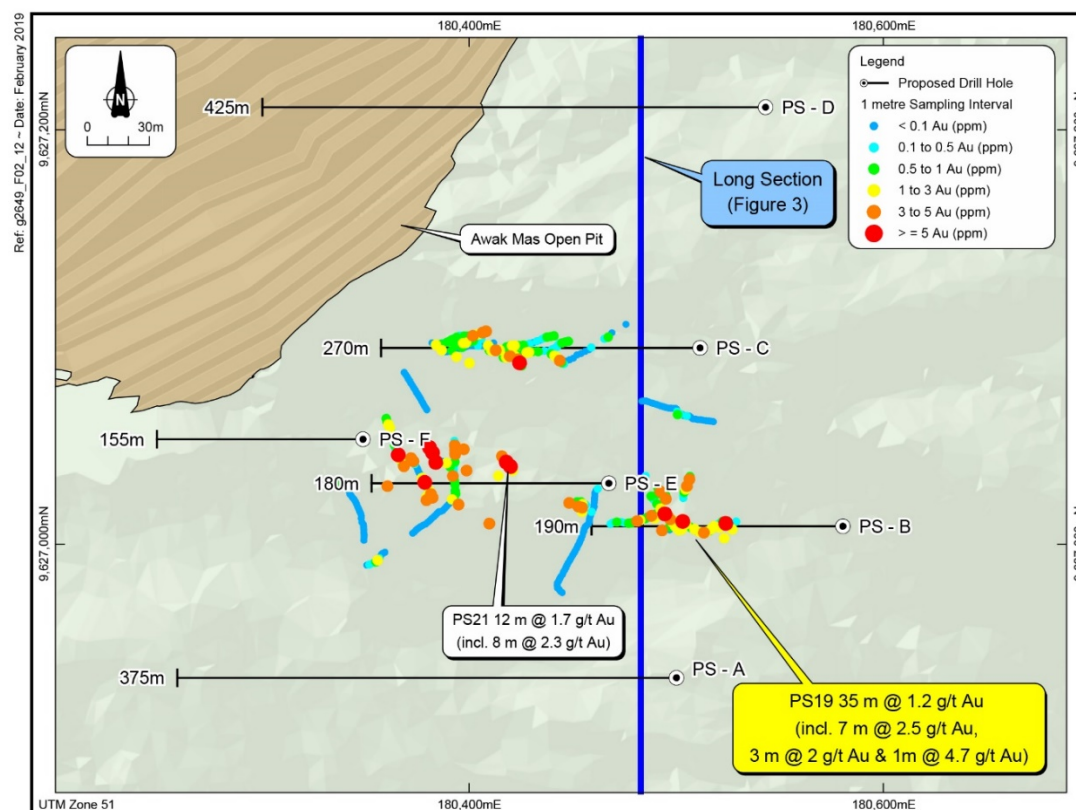


Figure 2: Proposed six-hole drill program at the Puncak Selatan prospect (note proximity to the Awak Mas open pit).

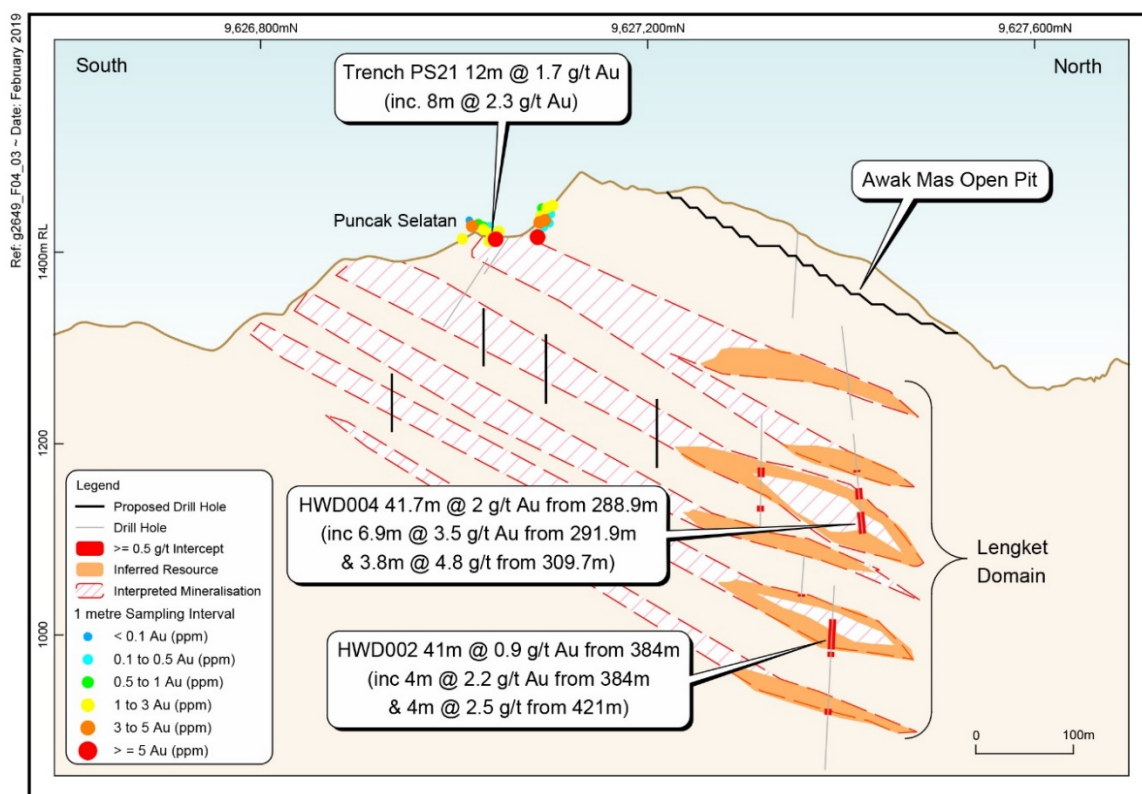


Figure 3: Puncak Selatan prospect schematic long section looking West showing proposed drill holes and interpreted continuation of the recent Awak Mas eastern highwall discovery (Lengket domain).



Figure 4: Aerial photograph of the Puncak Selatan prospect showing three prepared drill sites (the proposed Awak Mas open pit crest position corresponds to the ridge at top left corner).

About Nusantara Resources

Nusantara is an ASX-listed gold development company with its flagship project comprising the 1.1 million-ounce Ore Reserve and 2.0 million-ounce Mineral Resource Awak Mas Gold Project located in South Sulawesi, Indonesia. Discovered in 1988, the Project has over 135 km of drilling completed in over 1,100 holes.

The Project is 100% owned through a 7th Generation CoW with the Government of Indonesia (GoI). The CoW was secured prior to the current Mining Law and has recently been amended by mutual agreement to align with the current law.

PT Masmino Dwi Area (Masmino), a wholly owned subsidiary of Nusantara, has sole rights to explore and exploit any mineral deposits within the project area until 2050. After this period, the operations under the CoW may be extended in the form of a special mining business license (IUPK) in accordance with prevailing laws and regulations, which currently allows for an extension of 10 years and a further extension of 10 years.

In the 10th year after commercial production, Masmino is required to offer at least 51% of its share capital to willing Indonesian participants at fair market value according to international practice.

Nusantara's development strategy is for construction of a modern, low strip ratio open pit operation with ore processed by standard carbon-in-leach (CIL) processing delivering high gold recoveries. Environmental approval has already been received for the Project, which is favourably located in non-forestry land close to established roads, ports, airports, and grid power.

Nusantara's second strategy is to grow the resource base and support a mining operation beyond the initial project life of 11 years. Multiple drill-ready targets have already been outlined extending from the three main deposits and in other areas of the 140km² CoW.

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.

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.

**For more
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