

MARCH 2021 QUARTERLY REPORT

Nusantara Resources Limited
ABN 69 150 791 290

Registered Office:

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

Issued Capital

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

Substantial Holders

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

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

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

Enquiries regarding this report may be directed to:

Mr Neil Whitaker
Managing Director
Ph: +62 (0) 811 1310 9191

or

Mr David Waterhouse
Investor Relations
Ph: +61 (0) 407 880 937

This announcement has been authorised by the Managing Director/Board

Front End Engineering and Design ('FEED') Update:

- Preliminary detailed cost estimates and implementation schedules have been received from PT Petrosea Tbk (**Petrosea**) on 22 March 2021. This included 3,660 pieces of information (**Work Product Items** or **WPIs**) which are under review.
- PT SMEC Denka Indonesia (**SMEC**) and PT Mining One Indonesia (**Mining One**) have been engaged by PT Masmindu DWI Area (**Masmindu**) to complete independent cost and schedule estimates of key items in relation to the Awak Mas Gold Project (**Project**) including the process plant, Engineering, Procurement and Construction (**EPC**) and mining contract. These estimates are due in Q2 2021 and will form a critical part of Masmindu's review of the FEED process.
- A Post FEED Report (**PFR**) will combine the finalized FEED estimates accepted by Masmindu with final Ore Reserves (following updated Mineral Resource estimates) and financial modelling outcomes. This is scheduled to occur in the quarter following FEED completion.
- Any material differences between estimates will need to be resolved prior to formal engagement with the Project financiers.

Completion of Close Spaced Drilling:

- Close-spaced drilling program completed in March 2021 with a total of 229 holes for 11,845 metres.
- Detected new subvertical "feeder" zones and new mineralization at the Awak Mas deposit.
- Salu Bulu deposit results received with interpretation and modelling underway.

Mineral Resource Estimate ('MRE') Update and Maiden Measured Resources:

- On 16 March 2021, the updated Awak Mas deposit MRE confirmed an approximate 4% grade increase between the average grade of Measured and Indicated category vs Indicated material in the April 2020 MRE.
- Maiden Measured material with a very high conversion rate to Measured, was seen in the areas that were close-space drilled in the Awak Mas deposit.
- The Salu Bulu deposit MRE update is in preparation and due for completion this quarter.

Exploration Targeting and Regional Prospectivity:

- Induced Polarity (**IP**) geophysics campaign well advanced and Pole-Dipole-Pole IP surveys to follow up over anomalies identified in the initial IP surveys.
- Target inventory for near mine area (Awak Mas and Salu Bulu deposits) being progressed with Global Ore Discovery (**GOD**) consultants.

Q2 Look Ahead:

- Completion of the SMEC and Mining One estimates.
- Full Awak Mas and Salu Bulu MRE, and the Ore Reserve Estimate (**ORE**) updates are in preparation and due for completion in this quarter.
- IP geophysics and GOD's integrated near mine targeting study.

Managing Director Neil Whitaker said "The receipt of preliminary deliverables, including detailed engineering, draft costs and schedule estimates for the FEED, is a significant step forward. The Masmindu team are working through almost 3,700 deliverable documents with a view to finalizing the FEED outcomes in collaboration with Petrosea. The next major milestones towards completing FEED are the independent cost and schedule estimates for the Project, being prepared for Masmindu by SMEC and Mining One for comparison with the work by Petrosea."

About Nusantara Resources

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

INVESTOR REGISTRATION:

To stay updated with Nusantara's news, register your details at: <https://nusantararesources.investorportal.com.au/>

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 31 MARCH 2021

Nusantara Resources Limited (the **Company**) is pleased to report its activities for the quarter ended 31 March 2021. The overall focus of work during this period has been in finalizing technical work streams that underpin FEED for the Project. The work on FEED has been led by PT Masmino DWI Area (**Masmino**), which is the joint venture company owned 75% by the Company through its wholly-owned subsidiary Salu Siwa Pty Ltd, and 25% PT Indika Mineral Investindo (**Indika**). FEED is a key deliverable required prior to funding and development decisions for the Project.

Front End Engineering Design (FEED) Update

This quarter has seen the continuation of FEED activities, with a focus on improving the understanding and definition of technical parameters of the Project (engineering, design and quantity development), and evaluation of market pricing for purchasing and contracting services.

The FEED scope, as noted in previous announcements, consists of the following:

- 2.5 Mtpa CIL processing plant¹ with metallurgical laboratory;
- Site access road network with accompanying stormwater drainage system;
- Administration office complex, security gatehouse, community office and stores;
- Permanent accommodation camp²;
- Primary mine haul roads between ROM pad and Awak Mas / Salu Bulu open pits;
- Bulk explosives mixing plant with storage³ and associated detonator magazine;
- High voltage switchyard⁴ to suit the local grid connection requirements;
- Raw water pump station⁵ and delivery pipeline from Songgang River to the processing plant; and
- Tailings delivery pipeline⁶ and deposition system including energy dissipation choke station.

This work has been undertaken by PT Petrosea Tbk (**Petrosea**) and its consultant panel, each allocated specific areas of study responsibility (Table 1). Petrosea (IDX: PTRO) is 70% owned by PT Indika Energy TBK.

In addition to the work undertaken by Petrosea and their consultant panel, Masmino is directly managing the mine design and planning, and tailings storage and management components of the FEED effort.

The finalization of FEED continues to be an iterative and collaborative process, involving the review and compilation of Masmino-directed works and 3,660 WPI's from Petrosea and its consultant panel.

Prior to finalizing FEED, and in turn the EPC negotiation, Masmino has appointed SMEC and Mining One to give a view on the reasonableness of the preliminary cost and schedule estimates provided by Petrosea (see Rates and Schedule Review below). This review will also assist Masmino to make an informed decision about its contracting strategy.

¹ Expandable to 3.9Mtpa

² AN expandable 700 bed camp.

³ 250-ton ammonium nitrate fuel oil (ANFO) storage capacity

⁴ 150 kV, 30MVA

⁵ 347m³/h pump rate capacity

⁶ 6 km; 400 NB.

Table 1: FEED consultant panel, study responsibilities, and WPIs reviewed as at Q1 2021.

Consultant	Scope of FEED Services	Expected WPIs	WPIs Reviewed	Outstanding WPIs
Petrosea	Overall execution planning, master design control and engineering/design for bulk earthworks, camp and mine facilities	1422	1,321	101
DRA Global	Processing plant engineering and design	1250	1,249	1
PT Resindo	On-site roads, security complex, Belopa off-site logistics / warehouse facilities engineering and design	642	485	157
PT Reconsult	High voltage switchyard engineering and design	205	205	0
PT Tigenco	Main access road geotechnical investigations and advice	1	1	0
PT Golder	Geotechnical investigations (engineering), site stormwater and raw water facilities engineering and design	127	120	7
PT Green Gold	ReCYN feasibility	9	9	0
PT Interport	Project freight logistics studies and quantity development for temporary works along the proposed freight route	4	4	0
Total		3,660	3,394	266

Preliminary detailed cost estimates and implementation schedules were received on 22 March 2021. Masmino reviewed 3,394 WPIs (Table 1, above) including technical reports and drawings, engineering and workflow designs and calculations, cost estimates, specification details and schedules.

The majority of these items support the underlying requirement to meet a Class 2 estimate following the AACE Classification Standard⁷. Masmino and Petrosea continue to work closely on reviewing and refining the preliminary estimates.

Processing Plant & Flowsheet – DRA Global

The processing plant and flowsheet are of a conventional design involving crushing, milling, concentration and leaching using a Carbon-in-Leach (CIL) process with an overall throughput capacity of 2.5Mtpa.

The FEED activities have included provisions to enable expansion of the process plant at a future time, up to a nominal throughput capacity of up to 3.9Mtpa, with design adjustments including layout and equipment selection provisions that would accommodate expandability and minimize capital expenditure. Associated project infrastructure⁸ has also been designed and specified to support up to a 3.9Mtpa expansion with minimal capital expenditure and limited interruption to operations.

⁷ The Association for Advancement of Cost Engineering (AACE) Classification Standard is a cost estimate classification system as applied in engineering procurement, and construction for the process industries. A Class 2 estimate expected accuracy range is -5% to -15% & +5% to +20%.

⁸ Includes power availability, raw water pipeline, tailing pipeline, and permanent camp capacity

Tailings Storage Facility (TSF) – Coffey Services (Australia) Pty Ltd⁹

Detailed engineering and design for the TSF is based on field and laboratory test work that has all been undertaken by Coffey. This included extensive geotechnical investigations, dam break assessments, tailings testing and characterization, assessment of site construction materials, groundwater permeability assessments, emergency response and closure planning.

Coffey have provided detailed construction drawings, specifications and operations manual for tailings containment from initial starter embankment and subsequent lifts, through to final operating height. Quantity development has been adopted for both pre-production and Life of Mine (**LOM**) sustaining capital estimation and this detailed work has identified opportunities such as an option to develop an initial tails storage starter design which makes more efficient use of the valley site and has reduced the pre-production embankment volume.

The completed TSF design was a key inclusion in the formal application to the Indonesian Dam Safety Committee (**IDSC**), which was submitted in March 2021 by Masmino. The application was supplemented by a formal presentation of the design to the IDSC, with a site visit and subsequent endorsement anticipated in Q2 2021. This represents a key milestone for the project to obtain the necessary Government approval for construction of the TSF starter embankment.

Mine Planning – AMC Consultants (Australia)

AMC Consultants (**AMC**) has completed the detailed mine design which is required to support the mining services tender and LOM operating estimate. AMC has concluded the geotechnical investigations for the Awak Mas and Salu Bulu pits, the waste dumps included in detailed mine design and have substantiated the pit design parameters.

In addition, detailed design of secondary haul roads, waste (soil and rock) and secondary ore stockpiles, mine schedules and haul modelling have been completed to support pricing schedules. Waste rock has been characterized and modelled for suitability as TSF rock fill and concrete aggregate production.

Masmino has finalized a detailed Scope of Works (**SOW**) for a mining tender in conjunction with AMC and has issued this information package to Petrosea for LOM mining services pricing as part of the FEED work. This SOW may also be used to consider alternate mining service pricing estimates. It is expected that this process will be concluded in Q2 2021.

Rates and Schedule Review

Masmino has engaged PT SMEC Denka (**SMEC**) and PT Mining One (**Mining One**) to prepare independent cost and schedule estimates for the key work areas. Petrosea (and their consultant team) has provided their own estimates as part of the FEED process.

Masmino engaged SMEC to prepare an alternate capital cost estimate and implementation schedule for the proposed EPC works. Mining One was engaged to prepare an alternate bid estimate for the mining services tender.

Following receipt of the independent estimates, Masmino will provide its shareholders with certain comparisons of the Petrosea preliminary FEED estimates and those from SMEC and Mining One. Material differences will need to be resolved to finalize the FEED prior to project funding discussions being progressed. These comparison studies are expected to be completed during Q2 2021.

⁹ It should be noted that Coffey are not included in Table 1 (above), as this was directly managed by Masmino, rather than Petrosea.

Project Implementation Planning

Project execution and owner implementation plans have been substantially drafted for the Project development, based on the currently proposed EPC and mining contract strategy. Implementation plans are expected to be completed in Q3 2021 following the incorporation of final estimates.

Post FEED Report 2021

After completion of FEED, Masmindó's FEED deliverables review, engagement with Petrosea, SMEC and Mining One, a Post FEED Report (**PFR**) will combine final FEED estimates with final Ore Reserves based upon the updated Project MRE. This will include a summary of all technical details, contracting structure, updated financial modelling and business proposition to advance the financing due diligence process.

The PFR will be finalized before engagement with the Project financiers and formal, credit approved term sheets are sought.

Forward Path

All material site-based studies and data collection have been completed with FEED activities now focusing on review, compilation and refinement of final engineering, design and pricing options. The final steps in completing the FEED process are as follows:

- Completion of independent cost and schedule estimates by SMEC and Mining One;
- Consolidation of outstanding WPIs from Petrosea and their consultant panel;
- Finalization of Petrosea's preliminary estimates and establishment of the final deliverables expected from the Petrosea consultant panel pursuant to the FEED Agreement;
- Finalization of the due diligence process through consideration of the alternative estimates evaluation against Petrosea deliverables;
- Confirmation of the Project Implementation Plan in consideration of the preferred EPC and mining contract strategy; and
- Compilation of the PFR.

Completion of Close Spaced Drilling

Masmindó carried out a campaign of close-spaced diamond drilling over two areas of the Awak Mas deposit as well as the satellite Salu Buló deposit. Close-spaced drilling has been a part of Masmindó's strategy for de-risking the Project by improving the drilling density and geological understanding in areas that are targeted for first mining production, with the intention of delineating high confidence Measured Resources. In addition, close-spaced drilling has assessed the potential for grade increases, which was highlighted as an opportunity in the 4 October 2018 Definitive Feasibility Study (**DFS**).

Close-spaced drilling commenced in August 2020 with all drilling completed in early March 2021 and all assays received by the end of March 2021. An MRE update was completed and announced for the Awak Mas deposit on 16 March 2021. An updated MRE for the satellite Salu Buló deposit is in preparation and expected to be completed this quarter.

The close-spaced drilling campaign infilled the Initial Mining Area (**IMA**), which comprises the material scheduled for the first two years of mining production, to 15m x 15m drill spacing. Drilling results have been previously released to the market for the areas drilled in the Awak Mas deposit. Assay and drilling results have all been received for the Salu Buló deposit and are being interpreted as modelling for an update for the MRE is conducted.

The full program comprised 229 holes for 11,845 metres drilled across three key areas:

1. Western-most portion of Awak Mas (Mapacing): 78 holes for 2,885m¹⁰
2. South-central portion of Awak Mas (Tanjung): 54 holes for 3,677m¹¹
3. Salu Bulu deposit: 97 holes for 5,283m

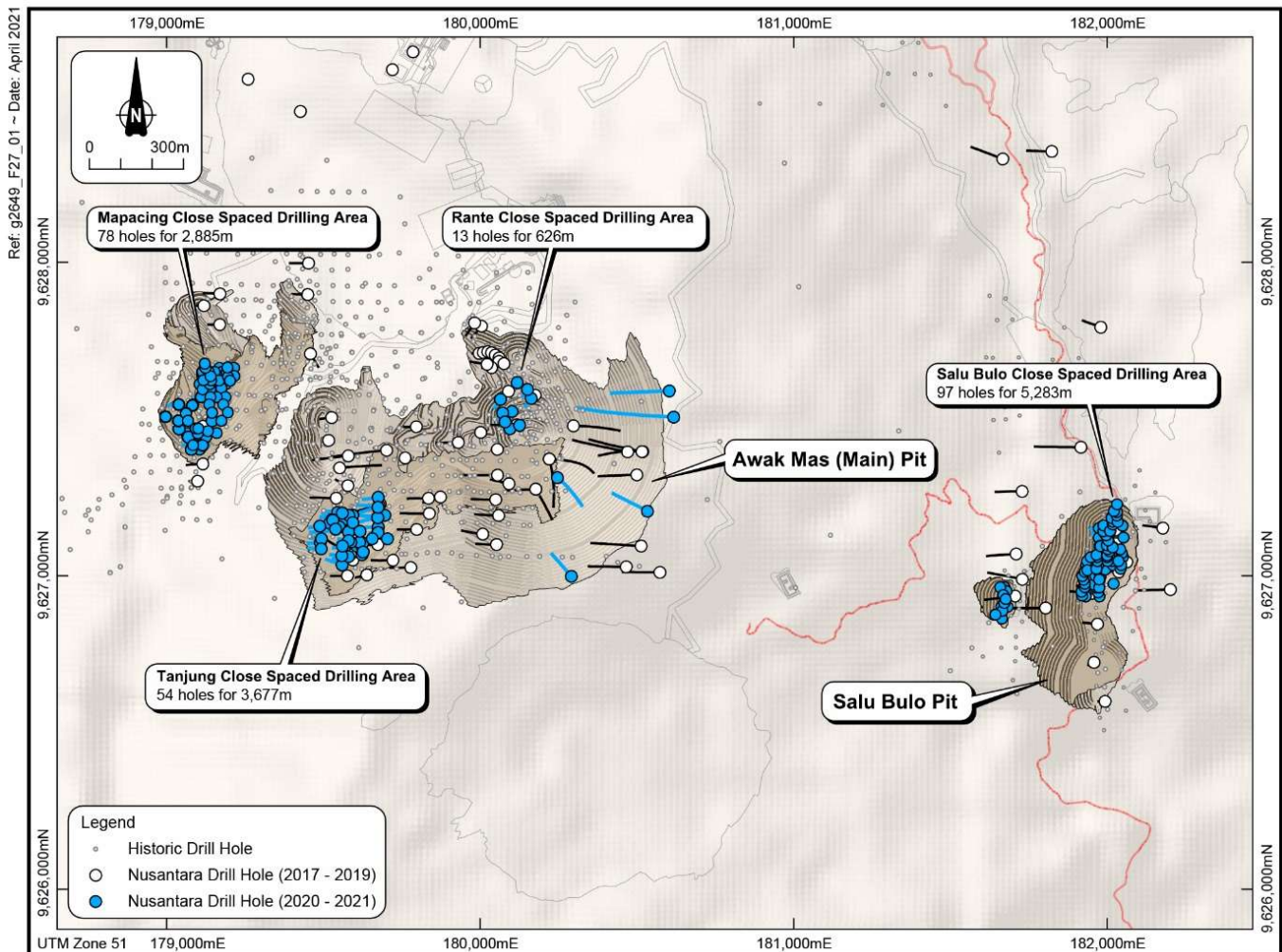


Figure 1. Plan view of the close spaced drilling programs for the Awak Mas and Salu Bulu deposits, all of which is now complete.

Distribution of mineralisation in the areas that were drilled is now well defined with close spaced data. In some cases, drilling intersected sub-vertical, narrow, typically higher-grade feeder zones which by nature are missed by wide-spaced drill holes. The 2018 DFS¹² explained that the existing Resource drill spacing and block modelling is believed to have the potential to under-report higher grade sub-vertical vein structures. Detection of additional high grade feeder zones is considered a source of potential future upside.

¹⁰ Refer to ASX announcement "Awak Mas close spaced drilling and exploration update – amendment" dated 15 January 2021

¹¹ Refer to ASX announcement "Outstanding Mapacing close spaced drilling results" dated 10 February 2021

¹² Refer to ASX announcement "Definitive Feasibility Study Confirms Robust, Long-Life, Low Cost Project" dated 4 October 2018

Much of the central and eastern portion of the Awak Mas designed pit features known sub-vertical feeder structures, and it is considered highly likely to contain additional structures which would be intersected when these areas are infill drilled (which is most likely to be when production grade control operations take place).

The updated MRE for the Awak Mas and Salu Bulu deposits will form the basis for updating Ore Reserves for final mine planning.

Mineral Resource Estimate update for Awak Mas and Maiden Measured Resources

The Company announced an updated MRE for the Awak Mas deposit on 16 March 2021, which featured:

- A very high conversion rate to Measured, the highest confidence classification of Mineral Resource, in the areas that were close-space drilled; and
- An increase of approximately 4% in the average grade of Measured and Indicated category material over the grade of Awak Mas Indicated material in the April 2020 MRE.

Awak Mas is currently the largest deposit within the Project, which also comprises Resources at the Salu Bulu and Tarra deposits.

This MRE update has been compiled by Cube Consulting, independent mining consultants who have compiled the previous MRE estimates for the Company, based on data from a drilling program designed and executed by the Company and collaboratively developed geological interpretations.

The key adjustments that have occurred to the MRE between the April 2020 estimate and this update include:

- A material increase in drilling density (from roughly 50m x 25m previously, to 15m x 15m) and with this sufficient resolution to detect new narrow high grade feeder zones and defining zones of internal waste;
- High proportional upgrade of these areas to high confidence Measured category; and
- Learnings from the greater data density applied to estimation across the broader Awak Mas MRE, the most significant aspect being a less gradational boundary between waste / lower grade / higher grade areas.

Table 2: Awak Mas Gold Project Mineral Resource Statement by deposit and category. The 16 March 2021 MRE is reported inside US\$1,600/oz Pit Shell at 0.5g/t Cut-off. The updated MRE reported applies only to the Awak Mas deposit (highlighted in grey), an update to the Salu Bulu MRE is anticipated in the current quarter.

Deposit	Category	Tonnes (Mt)	Gold Grade (g/t)	Contained Gold (Moz)
Awak Mas (updated: Mar 2021)	Measured	2.2	1.58	0.11
	Indicated	36.5	1.41	1.66
	Inferred	5.9	1.10	0.21
	Sub-Total	44.6	1.38	1.97
Salu Bulu (Apr 2020)	Measured	-	-	-
	Indicated	3.0	1.68	0.16
	Inferred	0.7	1.07	0.02
	Sub-Total	3.7	1.56	0.19
Tarra (Apr 2020)	Measured	-	-	-
	Indicated	-	-	-
	Inferred	3.0	1.29	0.13
	Sub-Total	3.0	1.29	0.13
TOTAL (Mar 2021)	Measured	2.2	1.58	0.11
	Indicated	39.4	1.43	1.82
	Inferred	9.6	1.15	0.36
	TOTAL	51.3	1.39	2.28

Table Notes:

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

Ore Reserves Update

The announced MRE update for the Awak Mas deposit, and the updated MRE for the Salu Bulu deposit when it is completed, will form the basis for an updated ORE for the Project that is used to develop an updated mine design and schedule. New Measured category material at the Awak Mas deposit, and expected maiden Measured material at the Salu Bulu deposit, will be available for potential conversion to Proven Ore Reserves.

Work has commenced on Ore Reserves for the Awak Mas deposit, and updated Ore Reserves for the Awak Mas and Salu Bulu deposits (which together form the Project) are expected for completion during Q2 2021.

Exploration / Regional Prospectivity

The primary focus of the geology team during the quarter has been the completion of close-spaced drilling, and the consequent logging, sampling and dispatch for assays. As separately noted, there have also been some restrictions to personnel movement as a result of COVID-19 restrictions. Despite these factors, initiatives that contribute to establishing a near mine, and Contract of Work (**CoW**) scale target inventories have progressed.

The CoW area covers 144km², and in addition to the 2.28Moz of established Mineral Resources which are spread between three deposits: Awak Mas, Salu Bulu and Tarra, there are numerous scattered occurrences of gold mineralisation.

In 2020 and Q1 2021, in parallel with the FEED and technical studies, work commenced to assess the prospectivity of the Project CoW area. This is expected to culminate in the generation of new, and the upgrading of existing, targets which will require follow up exploration work. There are two areas of immediate focus:

1. Prospectivity for new areas of mineralisation: This is an assessment based on establishing the geological, geochemical and geophysical characteristics of known deposits and then detecting similar looking occurrences. This work shows great promise for the early stage that it is at and is likely to require additional early-stage surface work as a next step; and
2. Extensions or repetitions of mineralisation in the near-mine area: This is the area where the most historical data exists and soon to be completed IP geophysical surveys are occurring. This work will be prioritized for drilling where targets are highlighted, especially where targets offer an opportunity to provide additional early mine life ore or are located close to key planned infrastructure.

Induced Polarity Geophysics

Collection of IP geophysical data recommenced as the close spaced drilling efforts were scaled back and COVID-19 protocols allowed for the geophysics team to be remobilized back to the Project. A total of 6,400m of line surveys were completed during the quarter, which was the majority of work planned for the period. Anomalies detected in the initial IP are followed up with more detailed Pole-Dipole-Pole Induced Polarity (**PDP IP**). Preliminary interpretations of IP data are completed, and PDP IP is ongoing over selected areas.

CoW scale Exploration Plan and Targeting

The Company has engaged Global Ore Discovery (**GOD**) (<https://www.globalorediscovery.com/>) for various aspects of the prospectivity assessments. A first pass draft of the Project Exploration Targeting inventory was compiled by GOD during the Quarter, focusing initially on defining targets in the near mine (Awak Mas / Salu Bulu) area.

Key inputs included the integration of LIDAR (detailed aerial topographic survey), Aeromagnetics (re-processed by GOD, various images used), Potassium and Potassium:Thorium radiometric data, downhole drill intercepts, soil sampling data, IP data, PDP IP sections. The final draft of the near mine target inventory will be completed following completion and final interpretation of the IP and PDP IP work, and will include a 3D model of the interpreted CoW district.

The culmination of IP geophysics and GOD's integrated targeting study is expected to be completed during Q2 2021.

Land Access Program

Land access is a key workstream ahead of mine development. Field survey data covering the project development was compiled, and the project area to be acquired was optimized, during the quarter.

Following the satisfactory completion of FEED, the Company will consider the timing to progress formal dialogue and the negotiation process with relevant stakeholders. The compensation program may commence once the land

ownership and the agricultural inventories pricing have been socialized and agreed with the stakeholders. Meanwhile, key stakeholders have been approached in preparation to begin the process for the land access program.

Funding and Commercial

The Company (as 75% holder of Masmino) is limiting expenditure until it is satisfied with the FEED results. This includes:

- Minimizing expenditure at the Masmino level; and
- Reviewing any material expenditure over the coming period.

As part of this program, Masmino and the Company have agreed terms for an extension to the second stage acquisition of the Vista Royalty, due on 30 April 2021. Under the terms of the extension, the Company (as Nominated Payer) may extend the payment deadline for up to 9 months, until 31 January 2022.

Finances

As at 31 March 2021 Nusantara group held cash of USD11.7m (AUD15.3m). The Petrosea deferred payment arrangement balance outstanding was USD13.5m (AUD17.7m).

Operating and investing outflows for the quarter were USD4.5m including USD3.4m on exploration and evaluation expenditure, which reflects the high levels of activity in both FEED and geological work streams.

With reference to Item 6.1 within the Appendix 5B, payments to related parties and associates specifically relate to quarterly Director's fees and the Managing Director's salary, paid to Greg Foulis, Neil Whitaker, Kamen Palatov, Rick Ness, Rob Hogarth, Robin Widdup and Craig Smyth as well as Investor relations fees payable to Lion Manager Pty Ltd, a company associated with Robin Widdup and Craig Smyth.

Gold Price and Development Funding

Gold performed strongly during the quarter in response to a global weakening outlook for interest rates, global volatility and inflationary pressure. At current spot prices, the Awak Mas Gold Project has a margin (above All-in Sustaining Cost) of >USD800/oz.



Figure 2: Gold price April 2020 to March 2023 (IRESS data), compared with the gold forward curve (LME) and the gold price assumption underpinning Nusantara's Reserves (US\$1,400/oz)

Health, Safety and Environment

During the quarter Nusantara are pleased to report:

- No significant safety or environmental incidents;
- Policy, management plans, standards and protocols well advanced in preparation for construction activities; and
- Site Security Services tender prepared for possible award in Q2 2021.

As reported last quarter, during late 2020 COVID-19 infection rates increased dramatically across Indonesia, with the Company experiencing increased risk and escalation in infections at and around site. During January 2021, 32 employees and contractors had tested positive for COVID-19 and at 19 April 2021 all but one patient had recovered. One employee however, sadly passed away due to health complications and Nusantara expresses our deepest condolences to the family.

As a result of the increase in cases, the Company limited movement in and out of the site camp, increased work from home where possible and continues to monitor the situation, adjusting protocols as required to protect our staff and the community. Since February 2021 the Company has not reported any new COVID-19 cases or transmissions at site.

Despite the global disruption caused by COVID-19, the company initiative to Minimize Operational Risk Exposure (**MORE Plan**), has ensured that business continuity has largely been maintained for critical path activities with some reallocation of resources. While the MORE Plan and enhanced Protocols have been effective in preventing and

controlling the spread of COVID-19, project work programs experienced delays during the quarter especially where they related to interaction with local community land holders and access to geotechnical drill sites. This has impacted the completion of the FEED. The Jakarta based team continued to work remotely where possible to prevent COVID-19 transmission.

The Government of Indonesia (**GOI**) commenced their vaccination program in January, with 12,015,912 vaccinations administered as of 27 April 2021. The GOI first conducted vaccinations for medical and government personnel and is now vaccinating high risk individuals and those 60 years of age and above. Indonesia, in its effort to fast track the vaccinations throughout the nation, has implemented a private vaccination program allowing private businesses to purchase vaccinations and assist in accelerating inoculation for the population. Masmino is participating in this private sector program through our local partner Indika Energy and during the quarter advanced enquiries with local health providers in SE Sulawesi.

Community Engagement

The strengthening of this function in resourcing, experience and skills was a key strategic business initiative during the quarter as the company prepares for the next stage in project development including the execution of the land access program and early works activities. A dedicated Community Development team was established with technical and financial expertise to support the existing External Affairs who have progressed effective relationships and CSR programs over many years.

Pak Latif Supriadi joined Masmino in January 2021 in a new role as the Senior Manager and Head of Community Development. Latif has demonstrated success as a highly experienced professional in the areas of Corporate Social Responsibility (**CSR**) and Corporate Communication in the Mining Industry. He has worked with Freeport Indonesia, Agincourt Resources (Martabe Gold Mine) and with Sinarmas Energy & Infrastructure for more than 20 years. He is an accomplished leader in driving and motivating cross functional teams in design and delivery of challenging, complex diverse CSR projects, by building strategic relationship with stakeholders, enhancing the socio-economic sustainable development programs, in order to obtain and maintain social license to operate.

Initial work during the quarter has delivered a strategic review of FEED consultancy with personal assessments of the local needs and opportunities and begun to develop the Community Development Strategic Business Plan, organisation design and budgets for social progress. Latif has stepped up the CSR programs with emphasis on building stronger relationships that are crucial for our licence to operate and sustainable success.