



DECEMBER 2017 QUARTERLY ACTIVITIES REPORT

DRILLING RESULTS UNDERSCORE AWAK MAS GROWTH

Resource expansion has been the focus this quarter at Nusantara Resources Limited's ('Nusantara', ASX: NUS) 100%-owned Awak Mas Gold Project ('Project') in Sulawesi, Indonesia. Promising resource definition drilling results successfully expanded the Project's Mineral Resource base to 1.9Moz¹ with a specific focus on upgrading the mineralisation to the Indicated Resource category for future conversion to Ore Reserves as part of the on-going Definitive Feasibility Study (DFS). Assay results are also awaited from a high-impact exploration program testing for deposit extensions and structural repetitions.

HIGHLIGHTS

AWAK MAS GOLD PROJECT

- Awak Mas Gold Project Mineral Resource now stands at 1.93 Moz (US\$1,400/oz optimisation shell) following an update for the Awak Mas deposit based on the first 25 holes of a 67-hole program.
- The 1.56 Moz Mineral Resource reported for the Awak Mas deposit within a US\$1,200/oz optimisation shell is a 71% increase on that reported previously¹ and highlights the potential for a high resource to reserve conversion ratio for the current DFS.
- Updated Mineral Resource for Salu Bulu deposit in progress based on a further 12 holes and is expected to be finalised in early February.
- Targeted exploration drilling testing the potential eastern extension of the Awak Mas deposit returned highly encouraging visual indications with high-priority, follow-up holes in progress. First assay results are expected in early February.
- Grid power being installed to the Project for development and construction activities.
- DFS Optimisation work continued, focussing on the mine plan optimisation using the updated Mineral Resource estimate, revised mining costs and process flowsheet enhancements.
- **Key catalysts next quarter:** new Mineral Resource estimate for Salu Bulu, exploration program results and DFS Optimisation outcomes.

FINANCIAL AND CORPORATE

- Nusantara remains funded with cash reserves of A\$9.5 million (US\$7.4 million) as at 31 December 2017.
- Engagement with potential strategic Indonesian investors initiated for the planned development of the Awak Mas Gold Project with excellent feedback received from preliminary discussions.
- Negotiations with the Government of Indonesia (GOI) on changes to the Awak Mas Contract of Work (CoW) are continuing, including fast track into a 33-year Operations & Production Period.
- Issue of 34 million loyalty options to eligible shareholders at an exercise price of \$0.42 on 11 November 2017.

AWAK MAS GOLD PROJECT (NUSANTARA 100%)

AWAK MAS MINERAL RESOURCE UPDATE

On 31 January 2018, Nusantara announced an updated Indicated and Inferred Resource estimate based on 25 holes of a 67-hole program for the Awak Mas deposit of 39.0 Mt at 1.37 g/t Au for 1.72 million contained ounces (US\$1,400/oz optimisation shell), representing a 12% increase in contained gold ounces (Table 1). The Mineral Resource for the Awak Mas Gold Project (inclusive of the Awak Mas, Salu Bulu and Tarra deposits) now stands at 42.6 Mt at 1.40 g/t Au for 1.93 million contained ounces.

To demonstrate the open pit potential of the Awak Mas deposit, the Indicated and Inferred Resource for the Awak Mas deposit constrained by a US\$1,200/oz optimisation shell is 35.1 Mt at 1.39 g/t Au for 1.56 million contained ounces (Table 1). Subject to the outcome of open pit mining evaluation forming part of the current Definitive Feasibility Study (DFS), this preliminary pit optimisation highlights the potential for a high resource to reserve conversion ratio.

Importantly, approximately 85% of the contained ounces within the Awak Mas deposit and approximately 80% of the contained ounces for the entire Project now report to the Indicated Resource category and will be available for incorporation into the upcoming Ore Reserve estimate.

RESOURCE DEFINITION DRILLING

Positive results from the Phase 1 resource drilling program were released during the quarter², with the program

focussed on defining additional mineralisation to expand the scale of the Awak Mas Gold Project. The drilling aims to validate Nusantara's Exploration Target of 0.3 Moz to 0.5 Moz³. The results to date from the Awak Mas deposit have been encouraging in both demonstrating the scale of the mineralised system and the veracity of the geological model used to model it. Drilling at the Salu Bulu deposit was particularly pleasing, delivering high grade results and an improved understanding of the structural controls of the mineralisation. Priority step-out drilling also commenced to follow-up the strike extensions of Salu Bulu evident to the north and south.

Results from Phase 1 drilling will be incorporated into a re-estimation of the Salu Bulu Mineral Resource in early February 2018.

Drill Results from Awak Mas Deposit

During the quarter, the resource definition drilling program intersected multiple zones of alteration, quartz veining and brecciation corresponding to the modelled domains of the mineralisation. Figure 1 shows the location of all drill holes completed to date within the Awak Mas deposit.

Significant drill hole intersections included:

- **14.0 m at 2.0 g/t Au** from 143.0 m (RTD012)
- **17.5 m at 2.7 g/t Au** from 88.5 m, including **3.9 m at 10.2 g/t Au** from 102.1 m (RTD014, Figure 2)
- **35.2 m at 1.0 g/t Au** from 87.0 m (LMD005)

Table 1: Awak Mas Mineral Resource Estimate (January 2018) at 0.5 g/t Au cut-off and constrained within a US\$1,400/oz and US\$1,200/oz pit shell

		Inside US\$1,400 Pit Shell At 0.5g/t Au cut-off			Inside US\$1,200 Pit Shell At 0.5g/t Au cut-off		
	Classification	Tonnes (mt)	Au Grade (g/t)	Contained Gold (Moz)	Tonnes (mt)	Au Grade (g/t)	Contained Gold (Moz)
Awak Mas	Measured	-	-	-	-	-	-
	Indicated	31.6	1.43	1.45	29.5	1.43	1.36
	Inferred	7.4	1.11	0.26	5.6	1.15	0.21
	Sub-total	39.0	1.37	1.72	35.1	1.39	1.56
Salu Bulu	Measured	-	-	-	-	-	-
	Indicated	0.7	2.65	0.06	0.7	2.69	0.06
	Inferred	0.6	2.39	0.05	0.5	2.37	0.04
	Sub-total	1.4	2.53	0.11	1.2	2.55	0.10
Tarra	Measured	-	-	-	-	-	-
	Indicated	-	-	-	-	-	-
	Inferred	2.3	1.34	0.10	2.1	1.36	0.09
	Sub-total	2.3	1.34	0.10	2.1	1.36	0.09
Total	Measured	-	-	-	-	-	-
	Indicated	32.3	1.46	1.51	30.2	1.46	1.42
	Inferred	10.3	1.23	0.41	8.2	1.29	0.34
	Total	42.6	1.40	1.93	38.3	1.42	1.75

Figure 1: Awak Mas deposit location of drill holes

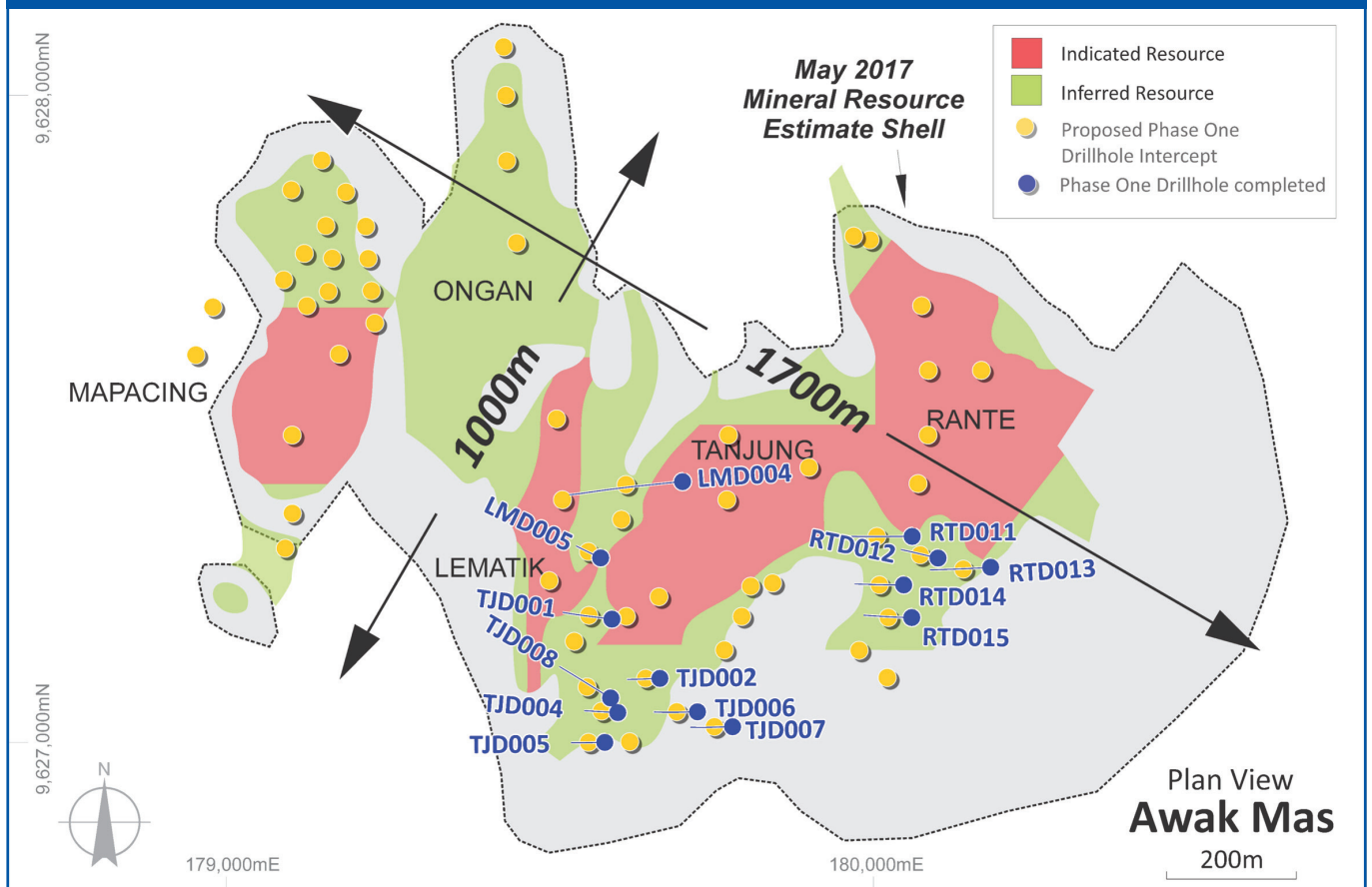


Figure 2: Cross-section of Awak Mas deposit showing mineralised intersections > 0.3 g/t Au in RTD014

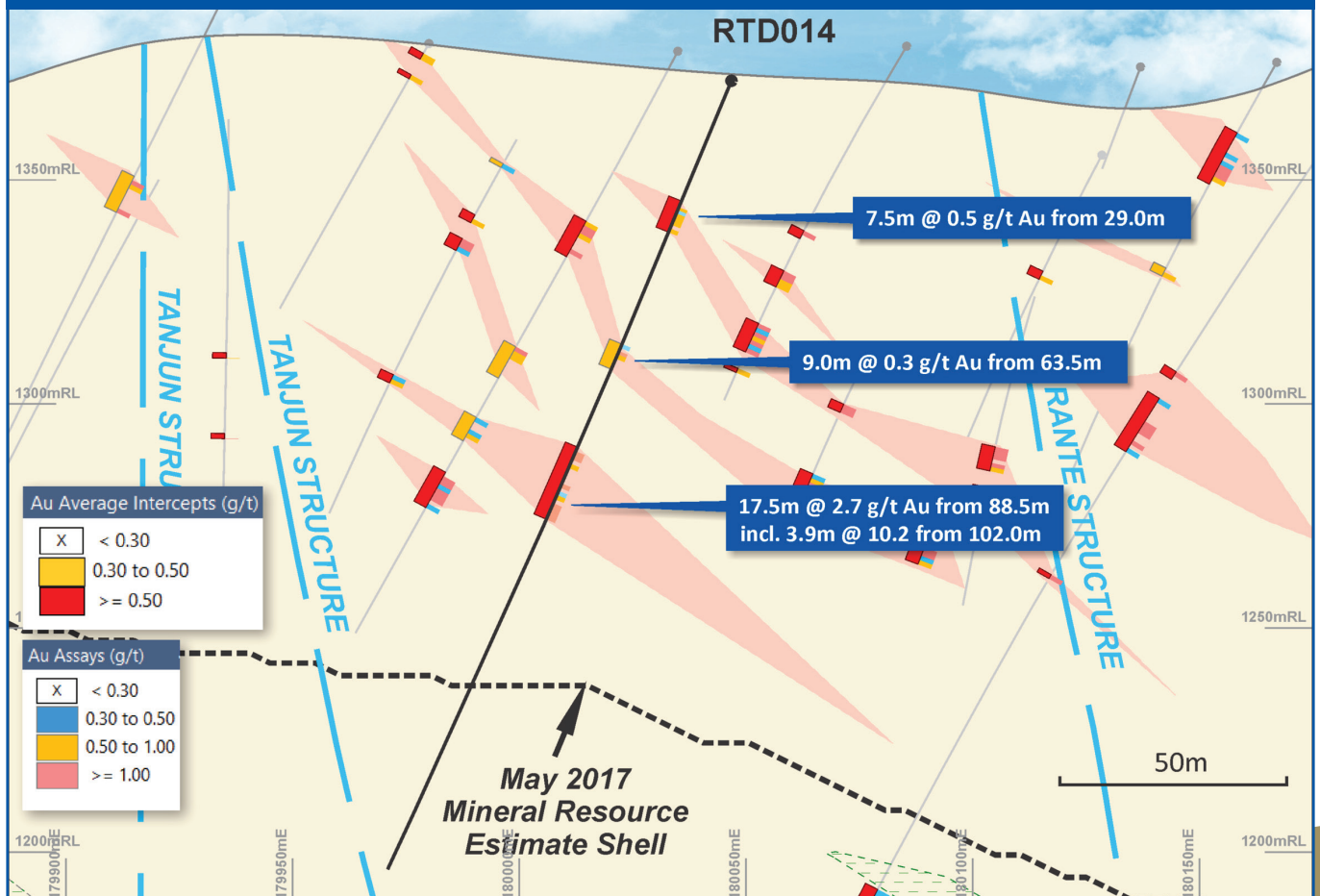
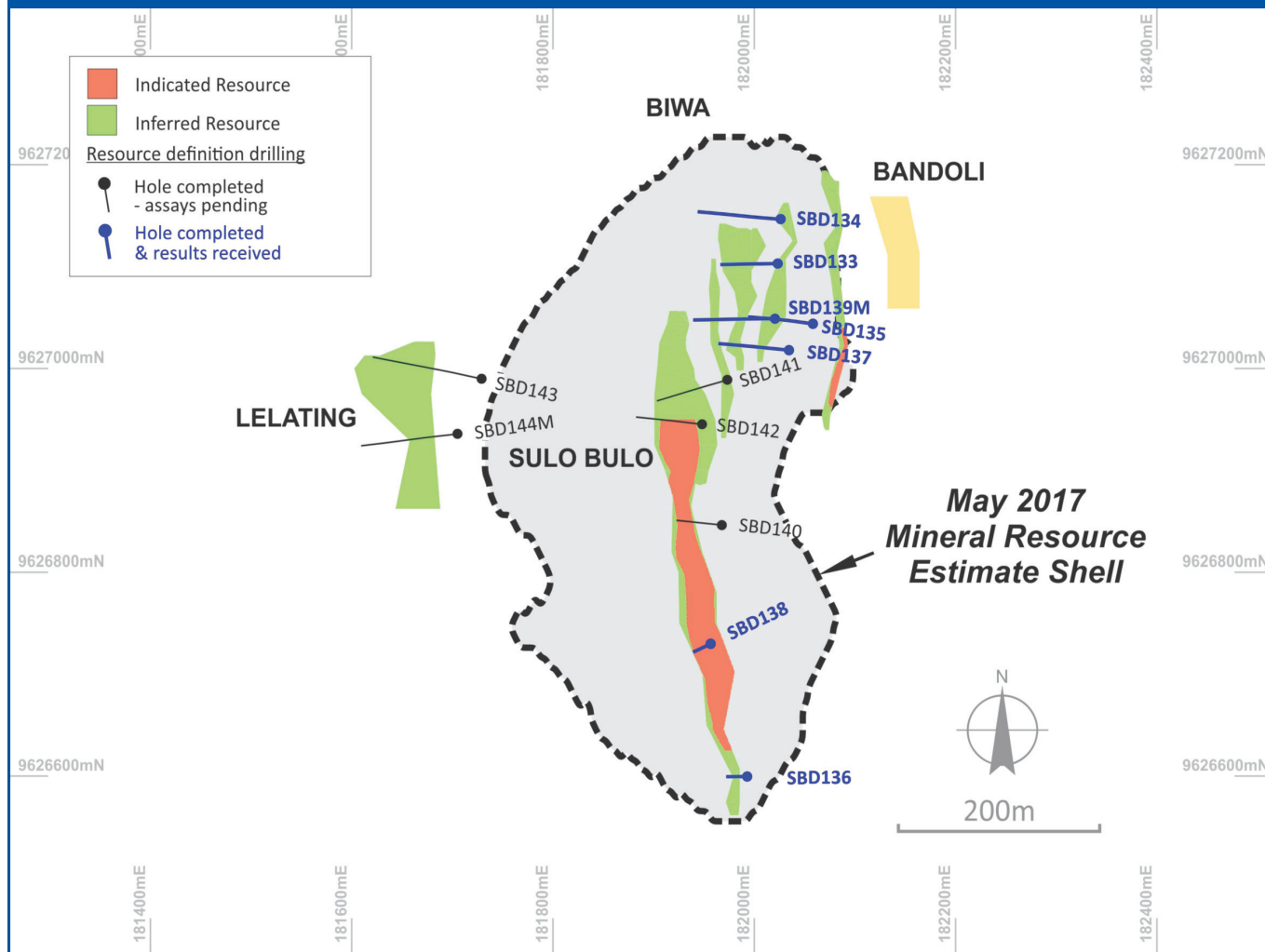


Figure 3: Salu Bulu deposit showing location of Phase 1 drill holes



Drill Results from Salu Bulu Deposit

In January 2018, assay results were received from the 12 hole resource definition drilling program recently completed at the satellite Salu Bulu gold deposit located 1.8 km to the southeast of the main Awak Mas deposit. Salu Bulu hosts a number of mineralised quartz vein breccia structures referred to as the Biwa, Bandoli and Lelating trends.

Indications are that the significant sub vertical quartz vein, stockwork and breccia hosted, high grade gold mineralisation corresponds well with the modelled domains. Additionally, several broad intersections of lower grade gold mineralisation associated with flat lying shears have been defined which will allow for future inclusion of these larger volume domains into an updated Mineral Resource model. Figure 3 shows the location of all Phase 1 drill holes within the Salu Bulu deposit.

Significant drill hole intersections included:

- **30.1 m at 2.8 g/t Au** from 53.4 m, including **8 m at 7.4 g/t Au** from 69.5 m (SBD139, Figure 4)
- **23.2 m at 2.8 g/t Au** from 0 m, including **9.5 m at 4.1 g/t Au** from 2 m (SBD138)
- **13.0 m at 1.9 g/t Au** from 0 m, including **2 m at 5.5 g/t Au** from 9 m (SBD136)
- **21.0 m at 1.5 g/t Au** from 0 m, including **3 m at 6.0 g/t Au** from 18 m (SBD134)

EXPLORATION DRILLING

Nusantara's increasing confidence in the understanding of the Awak Mas deposit geological model led to the commencement of a step-out exploration drilling program during the quarter. The Phase 1 exploration program was designed to test for extensions of the Awak Mas and Salu Bulu deposits and explore for structural repetitions along the intervening Mine Corridor (Figure 5).

Figure 4: Cross-section of Salu Bulu deposit showing mineralised intersections > 0.3 g/t Au in SBD139M.

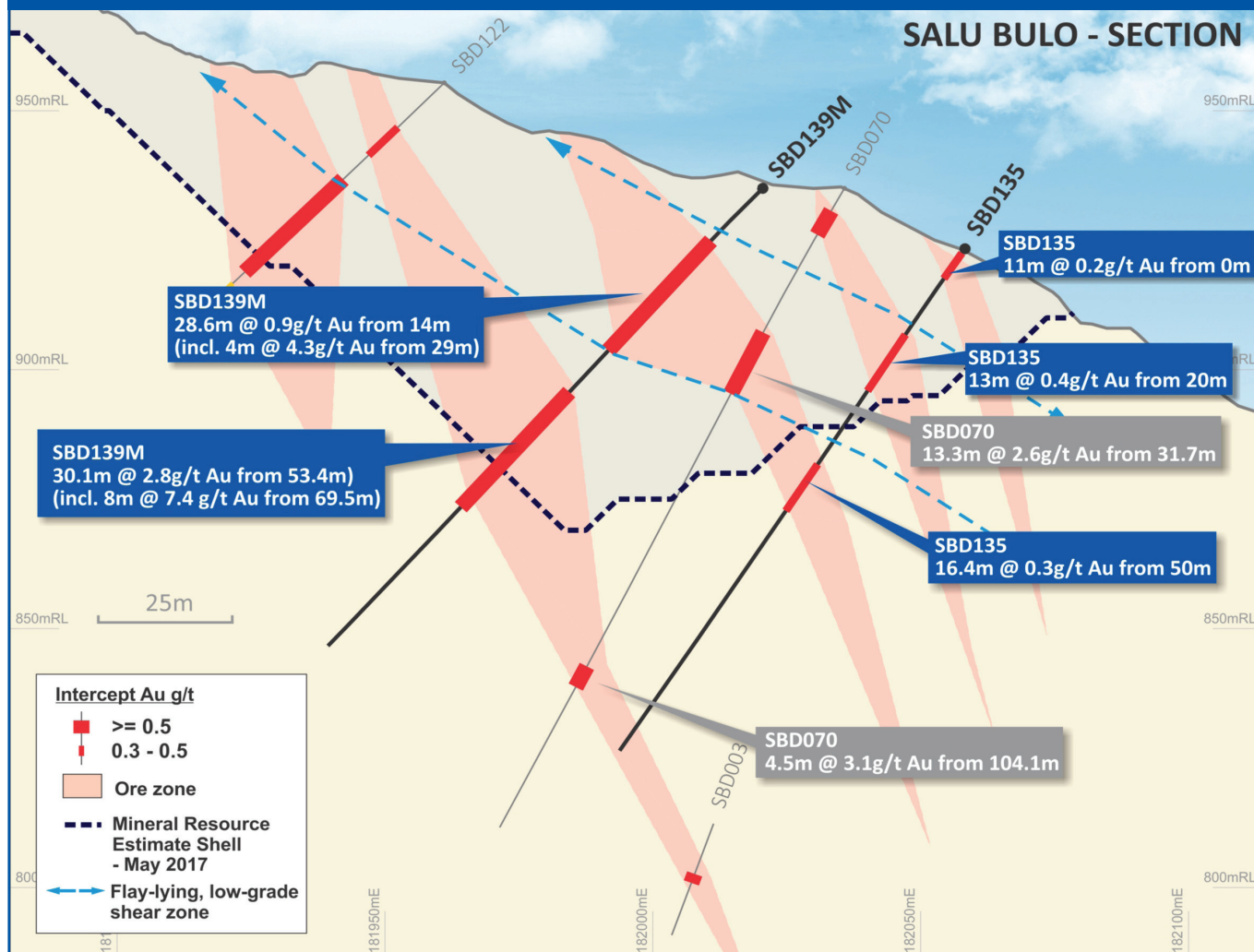
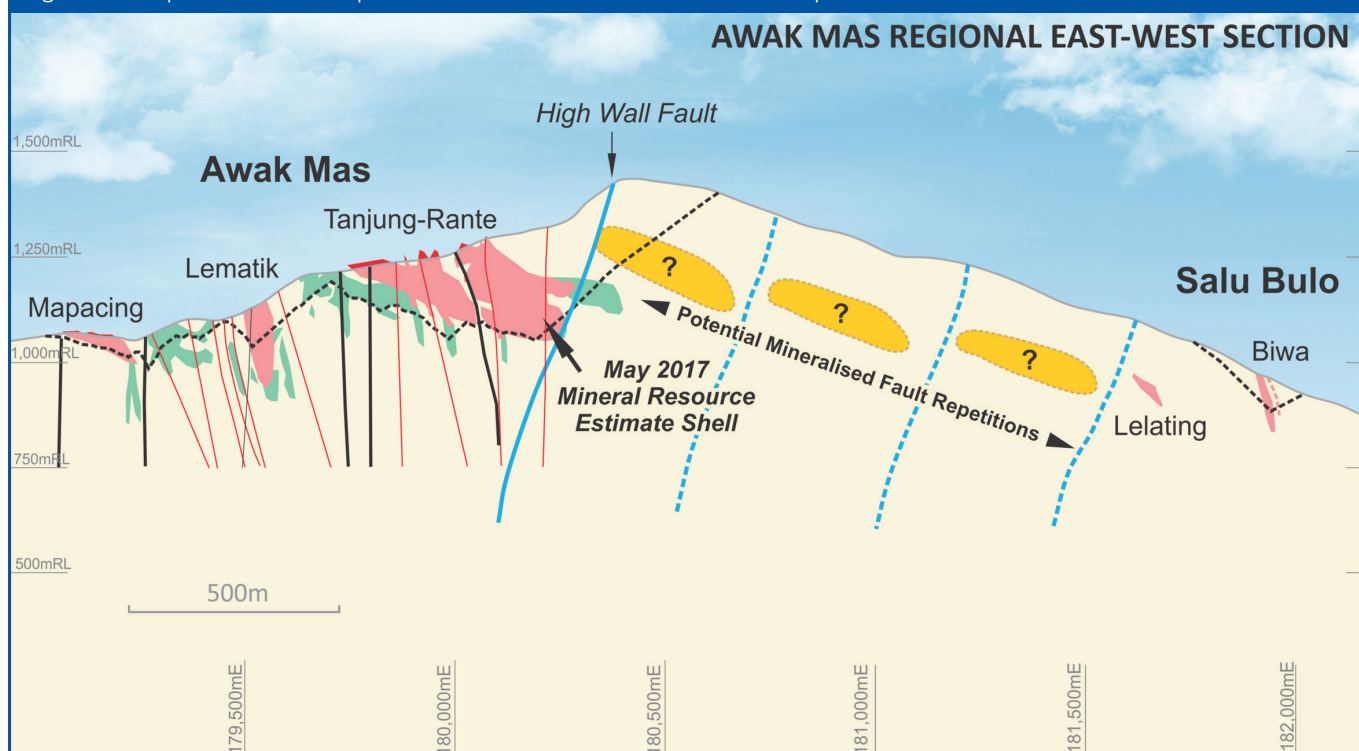


Figure 5: Interpreted structural repetitions between Awak Mas and Salu Bulu deposits



EXPLORATION DRILLING continued

The first exploration hole (HWD001) in the Eastern High Wall area, where very limited drilling has been targeted historically (Figure 6), has now been completed with veining and associated brecciation observed in logging. The interpretation of these zones indicates a continuation of the same style of mineralisation as seen in the Rante Domain of the Awak Mas deposit. Subject to the assay results expected in early February, this presents a significant opportunity to expand the current Awak Mas Mineral Resource and positively influence the outcome of the current DFS. Accordingly, the exploration program has been reprioritised with holes HWD002 and HWD003 underway (Figure 6).

DEFINITIVE FEASIBILITY STUDY

Work continued on the DFS Optimisation focussing on mine plan optimisation using the new Mineral Resource estimate, revised mining costs and process flowsheet enhancements.

Nusantara has appointed experienced mining industry consultants with relevant Indonesian expertise for the DFS as follows:

- Cube Consulting (Geology);
- AMC Consultants (Mining, geotechnical and hydrogeology);
- Minnovo (Metallurgy and processing);
- PT Geotechnical and Environmental Services Indonesia (Golder Associates) (Hydrology, water and tailings management);
- PT Lorax Indonesia (Environment studies); and
- PT Resindo Resources & Energy (Infrastructure and lead consultant).

Key milestones in the March 2018 quarter leading up to the expected completion of the DFS in mid-2018 and investment decision in the September 2018 quarter are:

- Completion of a DFS Optimisation work;
- Commencement of a confirmatory metallurgical test work program for CIL processing;
- Completion of interim Mineral Resources updates for the Awak Mas and Salu Bulu deposits; and
- Preparation of a maiden Ore Reserve estimate for the Project.

INFRASTRUCTURE

Following the execution of a non-binding MOU with the state-owned power utility PT PLN (Persero), installation of interim grid power to the Project has commenced.

This supply will have sufficient capacity for all development and construction activities. In addition, PLN continue with their roll out of high voltage infrastructure within the Luwu region, with transmission capacity being installed.

CONTRACT OF WORK

The Awak Mas Gold Project is held by Nusantara's wholly owned subsidiary PT Masmino Dwi Area (Masmino), by way of a 7th generation Contract of Work (CoW) signed in 1998 with the Government of Indonesia (Gol) under the previous legal regime for mining tenure. The CoW covers an area of 14,390 hectares and is 100%-owned.

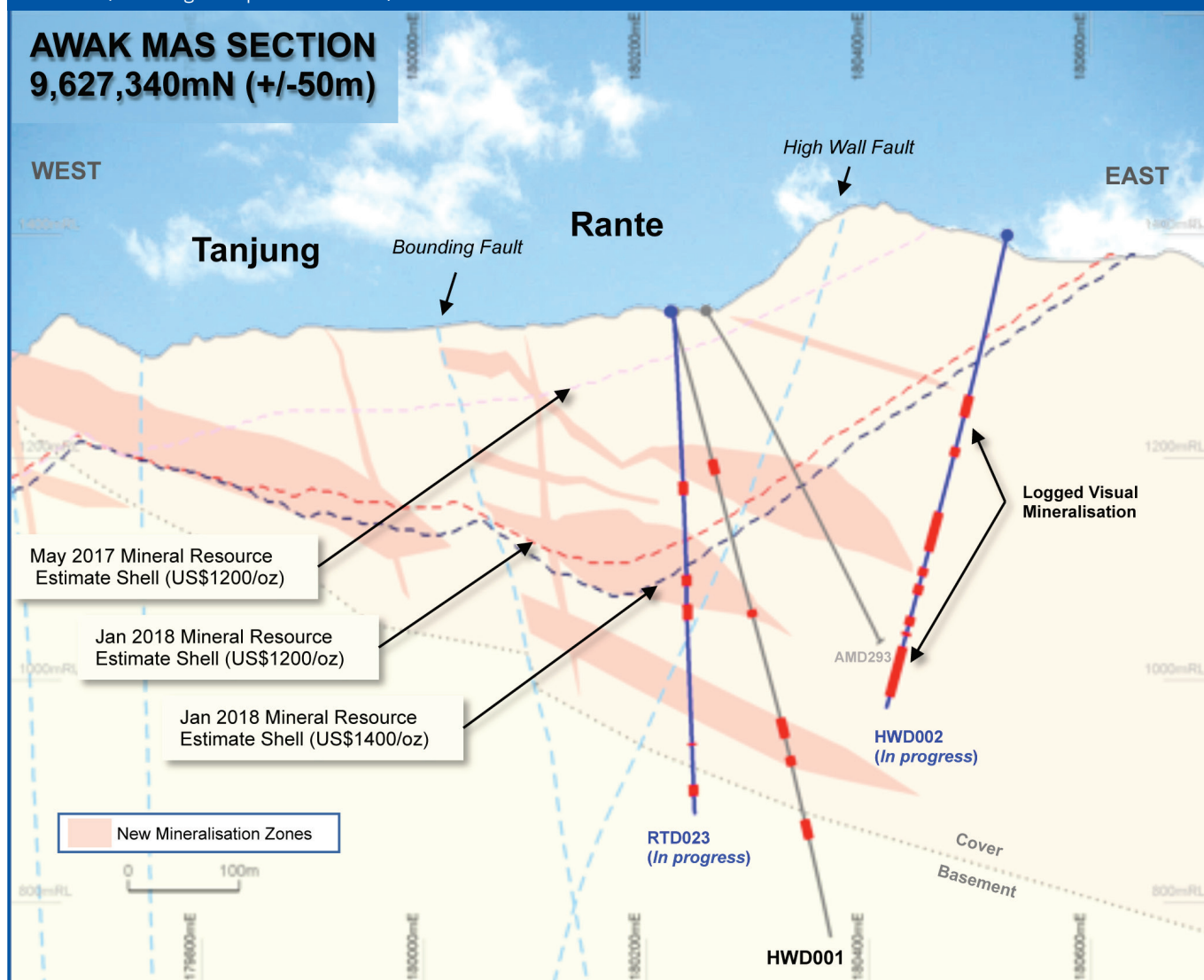
As reported in the September 2017 Quarterly Activities Report, Masmino along with a number of other CoW holders, has been negotiating with the Gol in good faith regarding several proposed amendments to more closely align existing CoW's with current Indonesian mining law introduced many years after the CoW was signed.

The most significant request outstanding for Nusantara and other foreign CoW holders surrounds the requirement for a staged divestment to Indonesian interests commencing no later than 6 years following commercial production. The divestment pricing mechanism under current Indonesian mining law is unclear. No specific divestment requirements currently apply to the Awak Mas CoW.

During the quarter, negotiations advanced considerably on a pathway that appears to meet the objectives of both parties. Although uncertainty remains, indications are that an agreement may be achievable in the near term on a proposed amendment to the CoW terms. The yearly Work and Budget plan (RKAB) was not approved by the Government of Indonesia by the due date of 31 December 2017. This is not unusual across CoW companies, but discussions with the Government of Indonesia have indicated that the Masmino CoW may need to be amended before the RKAB is approved. To date, this has not impacted on-going site activities including the resource and exploration drilling programs and DFS engineering investigations.

During negotiations on the CoW terms, the Gol has advised Nusantara that it has fast-tracked the Masmino CoW from the three-year 'Construction Period' into a 33-year 'Operations and Production Period'. Nusantara understands that this transition is to better align the Masmino CoW with current Indonesian mining law. The key benefit of this progression is that it removes the 3-year deadline for developing the Project.

Figure 6: Exploration drilling at Awak Mas deposit showing significant visual intersections in HWD001 (including example core interval) and current drill holes HWD002 and HWD003.



FINANCIAL AND CORPORATE

Nusantara remains funded with cash reserves of A\$9.5 million (US\$7.4 million) as at 31 December 2017. Please refer to the attached Appendix 5B for further information.

At 31 December 2017, Nusantara had 97,531,763 fully paid ordinary shares on issue, 32,508,392 listed loyalty options and 4,897,000 unlisted options.

As part of the initial public offering of Nusantara, 5,148,622 of the shares issued were subject to an escrow period of 12 months commencing on 27 January 2017. Pursuant to ASX Listing Rule 3.10, these shares were released from escrow on 29 January 2018.

An operating office has been established at 20 Kings Park Road, West Perth.

ENGAGEMENT STRATEGY WITH PROJECT PARTNER INITIATED

Nusantara commenced a process to engage with a strategic partner for the planned development of the Awak Mas Gold Project. The intent of this process is to introduce a reputable Indonesian national group to become a joint venture partner in the Project. Dialogue with several groups to date has been encouraging.

The timetable for introduction of an Indonesian partner is anticipated to coincide with a final investment decision and settling the Project funding terms, currently targeted for mid-2018.

It should be noted that under current Indonesian mining law for all mining permits, no further divestment would be required to a government entity to the extent that an Indonesian investor already owns the specified interest in a mining project. Therefore, introducing an Indonesian partner will not only share project risk and assist with the Project funding requirements, but also align the CoW ownership with current Indonesian mining law. Importantly, to the extent that Nusantara is successful in engaging with an Indonesian partner, any increased Indonesian equity participation requirement is accomplished at 'fair value' for Nusantara shareholders. Engagement of an Indonesian partner may also bring other benefits including stakeholder support, local experience and development and operating synergies.

SOCIAL PERFORMANCE

Nusantara's core values of Caring, Integrity, Teamwork, Accountability and Excellence define our approach to our business and our drive to achieve the highest standards. We take seriously our commitment to health & safety, the environment and community. We care about people first, ensure a safe work place for our people, are environmentally responsible, and support the communities in which we operate.

During the quarter, there were no serious safety or health incidents. The quarter was Recordable Injury free (defined as Medical Treatment or Lost Time Injuries).

During the Quarter the Company hosted the Sultan of Luwu Regency at the Awak Mas camp strengthening ties to the local community and was considered a historic event. The Company continues to support various local programs to enrich and better the lives of those living around the Awak Mas project. The Company has been active in its support for the education of the local community and regularly supports various programs such as food supplements, school aid and supplies for the students including donations for the teachers. The Company supported the implementation of nutritional supplements for healthy babies and mothers in six villages surrounding the project. Sanitary programs where undertaken during the quarter through the renovation and repair of public toilets in the community. The Company also initiated an agricultural replantation program to replace crops disturbed during the drilling program. In addition, the Company supports the development of local business and undertook a training program to support locals in establishing skills required to start their own businesses such as motorcycle repair training and commissioning local tailors for company uniforms. A concerted effort has been made to employ as many local people as possible from the local community.

DECEMBER 2017 QUARTER ASX ANNOUNCEMENTS

Further details (including 2012 JORC Code reporting tables where applicable) which relate to exploration results in this Quarterly Activities Report can be found in the following announcements lodged on the ASX:

- High Grade Results from Salu Bulu 16 January 2018
- High Impact Exploration Drilling Program 20 December 2017
- Awak Mas Drilling Program – Extensional Results 14 November 2017

These announcements are available for viewing on the Company's website under the Investor Centre tab.

www.nusantararesources.com

MARCH 2018 QUARTER WORK PROGRAM

FINANCIAL AND CORPORATE

In line with the project development schedule, discussions are expected to continue with potential strategic partners and financiers with regards to the Awak Mas Gold Project development funding.

AWAK MAS GOLD PROJECT

Results from the resource definition drilling at the Salu Bulu deposit will be incorporated into a re-estimation of the Mineral Resource in early February 2018.

Exploration drilling in the Eastern High Wall area will continue in the first quarter of 2018 with assay results for the veining and associated brecciation observed in logging released in due course..

Results from the DFS Optimisation work focusing on the mine plan optimisation using the current Mineral Resource estimate, and revised mining costs and process flowsheet enhancements are planned to be delivered during the March 2018 quarter.

Negotiations with Gol on the proposed amendments to more closely align the Masmindo CoW with current Indonesian mining law are anticipated to advance with a view to concluding an agreement on a timely basis.

NOTES

1. Reference ASX Announcement, 31 January 2018.
2. Reference ASX Announcements, 17 October 2017, 14 November 2017, 16 January 2018, 31 January 2018.
3. Reference should be made to Section 3 of Nusantara's IPO Prospectus dated 15 June 2017 as lodged on ASX on 1 August 2017 for further information on the Company's Mineral Resource and Exploration Target.

ABOUT NUSANTARA RESOURCES

Nusantara is an ASX-listed gold development company with its flagship project comprising the 1.93 million ounce Awak Mas Gold Project located in Sulawesi, Indonesia. Discovered in 1988, the Project has had some 130km of drilling completed in over 1,050 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 conventional whole-of-ore cyanide leaching. 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 sustain 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, and 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 Persons 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.

**For more
information
please contact:**

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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Nusantara Resources Limited

ABN

69 150 791 290

Quarter ended ("current quarter")

31 December 2017

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (12 months) \$US'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	
1.2	Payments for		
	(a) exploration & evaluation	(1,509)	(2,912)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(450)	(879)
	(e) administration and corporate costs	(376)	(1,007)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Research and development refunds	-	-
1.8	Other (provide details if material)	(43)	(379)
1.9	Net cash from / (used in) operating activities	(2,377)	(5,176)
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(11)	(112)
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	(127)

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (12 months) \$US'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(11)	(239)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	12,930
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(881)
3.5	Proceeds from borrowings	-	874
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	12,923

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	9,861	106
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,377)	(5,176)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(11)	(239)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	12,923
4.5	Effect of movement in exchange rates on cash held	(52)	(193)
4.6	Cash and cash equivalents at end of period	7,421	7,421

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$US'000	Previous quarter \$US'000
5.1 Bank balances	7,421	9,861
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	7,421	9,861

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$US'000**

131

Director's salaries and fees.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$US'000**

Mining exploration entity and oil and gas exploration entity quarterly report

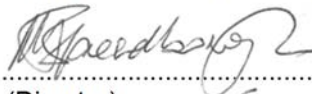
8.	Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$US'000	Amount drawn at quarter end \$US'000
8.1	Loan facilities	Nil	Nil
8.2	Credit standby arrangements	Nil	Nil
8.3	Other (please specify)	Nil	Nil
8.4	Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		
N/A			

9.	Estimated cash outflows for next quarter	\$US'000
9.1	Exploration and evaluation	(2,645)
9.2	Development	-
9.3	Production	-
9.4	Staff costs	(249)
9.5	Administration and corporate costs	(633)
9.6	Other (provide details if material)	(98)
9.7	Total estimated cash outflows	(3,625)

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:  Date: 31/1/2018
(Director)

Print name: MICHAEL SPREADBOROUGH

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.