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12 December 2018

## **INDIKA ENERGY ANNOUNCES INVESTMENT IN NUSANTARA RESOURCES LIMITED (ASX: NUS)**

**Jakarta** - PT Indika Energy Tbk (IDX: INDY) through its subsidiary PT Indika Mineral Investindo (both referred to hereinafter as "Indika Energy") announced today that it has made a strategic investment in Nusantara Resources Limited ("Nusantara" listed on the Australian Stock Exchange under the ticker symbol: NUS).

The transaction has a total value of A\$7.68 million and will be completed in two tranches. For the first tranche, Indika Energy signed a Subscription Agreement ("Agreement") with Nusantara to subscribe to 30.6 million shares of Nusantara at the price of A\$0.23 per share, with a transaction value of approximately A\$7.04 million. Post Completion of the placement, Indika Energy will become a 19.9% shareholder in Nusantara. The investment is part of Indika Energy's intention to continue to diversify earnings while providing potential for synergistic value to its other subsidiaries.

In the second tranche, which is subject to Nusantara's shareholder approval, Indika Energy will subscribe to an additional 2.8 million shares (of the total of 14 million shares to be issued) at A\$0.23 per share (totaling A\$0.64 million) which will result in Indika Energy maintaining a 19.9% share in Nusantara.

In addition, Indika Energy and the existing shareholders will be issued options on a 1 for 2 pro-rata basis to the share subscription. The options will be exercisable at A\$0.35 on or before November 30, 2020. The placement will raise cash for Nusantara to accelerate the development of the Awak Mas Gold Project including the financing of mining optimization studies, mining exploration, project construction preparation and project financing.

Indika Energy welcomes the opportunity to invest in Nusantara, "We are excited to be a partner in Nusantara Resources. As a local partner, we look forward to working together with the existing management to unlock the potential of the Awak Mas Gold Project. We have identified gold as a strategic sector and feel privileged to enter into this partnership as the project gets closer to its construction and production stages. This investment is an important first step towards our diversification strategy into other mining sectors." said Azis Armand, Managing Director & CEO of Indika Energy.

The Awak Mas Gold Project offers promising prospects with an estimated 1.1 million ounce ore reserve and 2 million ounce mineral resource in South Sulawesi. Nusantara Managing Director, Mike Spreadborough, said, "The Board of Nusantara welcomes Indika Energy as a shareholder and looks forward to the contribution Indika Energy will make to exploring avenues for the financing and development of the Awak Mas Gold Project. Indika Energy's investment in Nusantara is a significant milestone in progressing the project and demonstrates the value of this low cost, long life gold project and its exceptional exploration potential."

## **ABOUT INDIKA ENERGY**

PT Indika Energy Tbk. ("Indika Energy") is Indonesia's leading integrated energy company through its strategic investments in the areas of **Energy Resources** – coal production (PT Kideco Jaya Agung, PT Multi Tambangjaya Utama, PT Mitra Energi Agung); gold production (Nusantara Resources Limited), coal trading (Indika Capital Investment), **Energy Services** – EPC - oil & gas (PT Tripatra Engineers & Constructors, PT Tripatra Engineering); EPC – contract mining (PT Petrosea Tbk (IDX: PTRO).); information, communications and technology (PT Indika Digital Teknologi) and **Energy Infrastructure** – marine transportation, ports & logistics for bulk goods and natural resources (PT Mitrabahtera Segara Sejati Tbk. (IDX: MBSS), PT Sea Bridge Shipping, PT Cotrans Asia, PT Indika Logistic & Support Services, PT Kuala Pelabuhan Indonesia); fuel storage (PT Kariangau Gapura Terminal Energi); coal-fired power plant (PT Cirebon Electric Power and PT Prasarana Energi Cirebon).

[www.indikaenergy.co.id](http://www.indikaenergy.co.id)

## **ABOUT NUSANTARA**

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 Contract of Work (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 Masmindo Dwi Area ("Masmindo"), 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.

### **FURTHER INFORMATION:**

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