

CIBALIUNG GOLD PROJECT UPDATE

Following the success of the Company's recent Placement and Rights Issue, development activities have resumed at Cibaliung. The Company is aiming to achieve gold production at the earliest opportunity in 2008.

Highlights of the recent activity on site at Cibaliung are summarised below:

DECLINE DEVELOPMENT

- Decline development is continuing with total development now in excess of 525 metres;
- Development to the ore body is being undertaken on two headings to enable a greater volume of ore to be extracted. The remaining distance to the orebody is less than 120 metres on one heading and 75 metres on the other;
- Daily development rates over the last few months have not met expectations due primarily to machinery breakdowns. In order to address this problem, the delivery of a new jumbo drill rig and loader has been brought forward to early December 2007;
- Cover drilling will be undertaken as a precautionary measure to ensure that previous workings by artisanal miners will not affect the long term integrity of the Cikoneng Decline. This cover drilling is expected to take 2-3 weeks.
- Redpath of Canada has been engaged to provide further experienced mining supervisors for the development of the decline and ventilation shafts. The first is on site with the remainder of the team from Redpath expected to mobilise to site in January 2008;
- It is now envisaged that stockpiling of ore will commence during January 2008.

GOLD PROCESSING PLANT

- Discussions with PT Petrosea to refurbish and complete construction of the gold processing plant are well advanced. The scope of work, schedule and costs for the final phase are currently in the process of being finalised.

OTHER

- A revised financial model is currently being finalised to take into account updated development and construction costs and schedules.
- The Company is in advanced discussions involving certain senior management appointments.

Details will be provided at the earliest opportunity.

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ABOUT AUSTINDO RESOURCES CORPORATION NL (ARX)

Formed in 1983, Austindo Resources Corporation NL is an Australian listed gold company focused on developing projects in Indonesia. The company's key project is Cibaliung, a high-grade epithermal gold/silver vein system located southwest of Jakarta in Banten Province, western Java. Cibaliung is expected to produce at an annual rate of 70,000 oz (gold equivalent).

Two key strategic alliances in Indonesia are taking Austindo closer to achieving its growth objective. In association with Anglo American Group, the Company is exploring for large porphyry copper/gold deposits in Papua. In addition the Company has a 95% joint venture interest with PT Sumber Mineral Nusantara in the Pekalongan and Trenggalek tenements located in Central and East Java respectively, areas prospective for low sulphidation epithermal gold/silver deposits similar to the Cibaliung project.

BOARD OF DIRECTORS

Bruce Watson – Chairman

George Tahija – Non-Executive Director

John Carlile – Non-Executive Director

Christopher Melloy – Non-Executive Director