

6 June 2018

Dear Optionholder,

RE: NUSANTARA RESOURCES LIMITED – NON-RENOUNCEABLE ENTITLEMENT ISSUE

As announced on ASX on 6 June 2018, Nusantara Resources Limited (ACN 150 791 290) (**Company**) is undertaking a non-renounceable entitlement issue offer of 5 fully paid ordinary shares in the capital of the Company (**Share**) for every 19 shares held by eligible shareholders on 12 June 2018 (**Record Date**) at an issue price of \$0.20 per Share to raise up to A\$5,133,251 before costs, together with 1 free attaching option to acquire a share (**Option**) per 2 shares subscribed for (each Option exercisable at \$0.30 per Option on or before 5.00pm WST on 31 July 2020) (**Entitlement Issue**). The Company will apply to ASX for quotation of the Options.

The Entitlement Issue is accompanied by an offer for shortfall Shares at the same issue price for Shares under the Offer (**Shortfall Offer**) and an offer of Options to the underwriter or their nominees (**Underwriter Options Offer**) (**Offers**).

The Company lodged a prospectus for the Entitlement Issue, the Shortfall Offer and the Underwriter Options Offer (**Prospectus**) with ASIC on 5 June 2018 and a copy is available at the Company's website www.nusantararesources.com or under the ASX Code NUS on the ASX announcements website <http://www.asx.com.au/asx/statistics/announcements.do>

Eligible shareholders will receive a copy of the Prospectus including an entitlement acceptance form which will provide instructions how to participate in the Entitlement Issue and apply for shortfall shares.

Optionholders

The terms and conditions of the options you currently hold do not entitle you to participate in the Entitlement Issue for the underlying shares unless you exercise your options in time for new Shares to be issued and entered on the Company's members register before 5.00pm (WST) on the Record Date, being 5.00pm WST on 12 June 2018.

To exercise your options and thereby be eligible to participate in the Entitlement Issue in respect of the underlying shares, you will need to deliver at either:

By Hand
Nusantara Resources Limited
Ground Floor,
20 Kings Park Road
West Perth WA 6005

By post
Computershare Investor
Services Pty Limited
GPO Box 505
Melbourne VIC 3001

- a duly completed notice of exercise of options (attached to this letter);
- an option certificate (where the options are certificated) or a copy of a holding statement (where the options are uncertificated) in respect of those options to be exercised; and

- payment for the exercise price (in respect of those options to be exercised) by way of a cheque made payable to Nusantara Resources Limited or otherwise in immediately available funds.

To ensure that your new Shares are issued prior to the Record Date, the above must be received by 5.00pm (WST) on 12 June 2018

This notice is important and requires your immediate attention.

If you are or become an eligible shareholder, then pursuant to the Entitlement Issue there are a number of actions eligible shareholders may take:

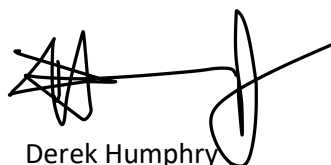
- take up some or all of your entitlements;
- take up all of your entitlements and apply for additional Shares and Options under the Shortfall Offer; or
- not participate in the Entitlement Issue and if so, you do not need to take any action.

If you are eligible and wish to participate in the Entitlement Issue, it will be necessary for you to complete and return the personalised Entitlement and Acceptance Form (that will accompany the Prospectus expected to be sent to eligible shareholders 15 June 2018) in accordance with the instructions on that Form. You will need to ensure your application money for the entitlements you wish to take up is received by the Company's share registry, Computershare, by no later than 5.00pm (WST) on 26 June 2018.

You should consider the Prospectus in full if you are considering applying for Shares and Options under the Prospectus.

If you have any questions concerning the Entitlement Issue or Shortfall Offer or Underwriter Options Offer, or the actions you are required to take to subscribe for Shares and Options, please contact your financial advisor or please contact Derek Humphry, Company Secretary, on +61 (08) 9460 8600 or by email to info@nusantararesources.com.

Yours sincerely



Derek Humphry
COMPANY SECRETARY