

7 June 2018

Dear Shareholder,

NOTICE TO INELIGIBLE SHAREHOLDERS – 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>

The Company has determined, pursuant to the *Corporations Act 2001* (Cth) and Listing Rule 7.7.1(a) of the ASX Listing Rules, that it would be unreasonable to make offers under the Entitlement Issue to shareholders with a registered address outside of Australia, New Zealand, China, Hong Kong, Indonesia, Canada, the United States of America or the United Kingdom on the Record Date.

Accordingly, in compliance with the *Corporations Act 2001* (Cth) and Listing Rule 7.7.1(a) of the ASX Listing Rules, the Company wishes to advise that it will not be extending the Entitlement Issue to shareholders with a registered address outside of Australia, New Zealand, China, Hong Kong, Indonesia, Canada, the United States of America or the United Kingdom as at the record date, being 5.00pm (Australian Western Standard Time) on 12 June 2018 (**Ineligible Shareholders**).

Your shareholding is currently registered to an address outside of Australia, New Zealand, China, Hong Kong, Indonesia, Canada, the United States of America or the United Kingdom. Accordingly, you are not eligible to participate in the Entitlement Issue or Shortfall Offer.

Nominee

The Company has appointed Patersons Securities Limited (**Nominee**) to sell the Shares and Options under the Entitlement Issue pursuant to the Prospectus, to which Ineligible Shareholders would otherwise be entitled (**Ineligible Shareholder Securities**). The Company will pay the Nominee a brokerage fee of the higher of 1.5% on the securities sold and \$2,500 plus GST. The Nominee will have the absolute and sole discretion to determine the timing and price at which the Ineligible Shareholder Securities may be sold and the manner of such sale.

The net proceeds of sale of the Ineligible Shareholder Securities will be forwarded by the Company as soon as practicable to Ineligible Shares (after deducting brokerage commission and other expenses).

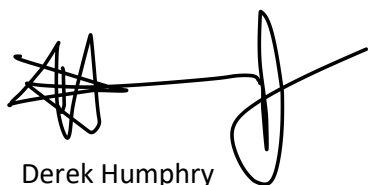
Notwithstanding that the Nominee may sell Ineligible Shareholder Securities, Ineligible Shareholders may nevertheless receive no net proceeds if the costs of the sale are greater than the proceeds.

Both the Company and the Nominee take no responsibility for the outcome of the sale of such Ineligible Shareholder Securities or the failure to sell such Ineligible Shareholder Securities.

Questions

If you have any questions concerning the Entitlement Issue or Shortfall Offer, 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

A handwritten signature in black ink, consisting of a stylized 'D' followed by a horizontal line and a small flourish.

Derek Humphry
COMPANY SECRETARY