

7 June 2018

Dear Shareholder,

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.

Set out below is the anticipated timetable for the Offers.

Event	Date
Lodgement of Prospectus with the ASIC	5 June 2018
Lodgement of Prospectus and Appendix 3B (application for Official Quotation of the Shares and Options the subject of the Offers) with ASX	5 June 2018
Notice sent to Optionholders	6 June 2018
Notice sent to Shareholders	7 June 2018
"Ex" date	8 June 2018
Record Date for determining Entitlements	12 June 2018
Prospectus and entitlement acceptance forms sent out to Shareholders & Company announces this has been completed	15 June 2018
Last day Company can extend Closing Date	21 June 2018
Closing Date*	26 June 2018
Securities under Offers quoted on a deferred settlement basis*	27 June 2018

Event	Date
ASX notified of under subscriptions	29 June 2018
Issue date/Securities entered into Shareholders' / investors security holdings*	3 July 2018
Official Quotation of Securities issued under the Offers*	3 July 2018
Dispatch of Holding Statements	4 July 2018

* The dates above are indicative only and are subject to change. The Directors may vary these dates subject to any applicable requirements of the Corporations Act or the Listing Rules. The Directors may extend the Closing Date by giving at least three (3) Business Days' notice to ASX prior to the Closing Date. As such the date the Securities are expected to commence trading on ASX may vary.

In accordance with the ASX Listing Rules, the key information relating to the Offer is set out below:

- Shareholder approval is not required for the Entitlement Issue;
- each new Share will rank equally with and be issued on the same terms and conditions as those quoted fully paid ordinary shares already issued by the Company. Application for quotation of the new Shares offered under the Entitlement Issue was made by the Company on 5 June 2018;
- the Options will be a new class of Options and the Company applied for quotation of the Options on 5 June 2018;
- holdings on different registers will not be aggregated for determining entitlements;
- for the purpose of determining entitlements, fractional entitlements will be rounded down to the nearest whole number of Shares;
- only shareholders with a registered address in Australia, New Zealand, China, Hong Kong, Indonesia, Canada, the United States of America or the United Kingdom as at the Record Date are eligible to participate in the Entitlement Issue;
- the Shortfall Offer will be offered to eligible shareholders under the Entitlement Issue and other parties determined by the Company in its discretion. Shares will be offered under the Shortfall Offer at an issue price of \$0.20 per Share (and Options will attach for free on a 1 Option for every 2 Shares basis). If there is no shortfall from the Entitlement Issue, there will be no Shortfall Offer;
- the Entitlement Issue is fully underwritten by Patersons Securities Limited. Patersons will be paid a fee of 6% on the underwritten amount and will be issued 5,201,407 Options. The 6% underwriting fee will not be payable on the amounts pre-committed by major Shareholders Lion Selection Group Limited and Australian Super Pty Ltd (totalling \$2,012,406) and will be reduced to 3% on \$500,000 worth of Shortfall securities pre-committed by an unrelated party;

- the following directors and relevant entities have agreed to sub-underwrite the Entitlement Issue:
 - Laridae Holding Pty Ltd as trustee for the Laridae Trust (to sub-underwrite to \$25,000), an entity of which Director Mr Greg Foulis is a director and shareholder;
 - Robin and Janet Widdup as trustees of the Widdup Super Fund (to sub-underwrite to \$75,000); and
 - Lion Manager Pty Ltd (to sub-underwrite to \$70,000), an entity of which Director Mr Robin Widdup is a director and has a beneficial interest;
- the Company has appointed Patersons Securities Limited as the lead manager to the Entitlement Offer and will pay Patersons Securities Limited a lead manager fee of 1.5% of the amount raised;
- the Prospectus and entitlement acceptance forms will be sent to eligible Shareholders on 15 June 2018;
- the Company sent a notice on 6 June 2018 to holders of options to acquire Shares advising them that they must exercise their options before the Record Date in order to participate in the Entitlement Issue in respect of the underlying shares, providing they are an Eligible Shareholder;
- entitlements under the Entitlement Issue are not transferrable, accordingly rights to entitlements will not be tradable on ASX or otherwise transferable. Eligible shareholders who do not take up their entitlements in full will not receive any value in respect of that part of their entitlement that they do not take up;
- a maximum of 25,666,253 new Shares and 12,833,126 Options will be issued under the Entitlement Issue (assuming full subscription and that no options to acquire Shares are exercised prior to the Record Date). This number is subject to reconciliation of entitlements and rounding. Based on that number the maximum number of listed ordinary shares on issue following the Entitlement Issue will be 123,198,016 and the maximum number of options to acquire shares on issue following the Entitlement Issue will be 57,155,243 (assuming the 5,201,407 Options offered to the Underwriter Options Offer are issued);
- the Company does not have a dividend policy and does not intend to declare one in the near future; and

- the proceeds from the Entitlement Issue intend to be applied as follows:

Item	Proceeds of the Offer	Full Subscription (A\$)	%
1.	Awak Mas Gold Project DFS	1,540,481	30.0
2.	Geological field work	300,000	5.8
2.	Strategic joint venture partner process	600,000	11.7
3.	Awak Mas operations	638,667	12.5
4.	Jakarta administration	457,333	8.9
5.	Expenses of the Offer	344,273	6.7
6.	Working capital and Administration	1,252,497	24.4
Total		5,133,251	100%

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