

31 July 2017

The Manager
Australian Securities Exchange
525 Collins Street
MELBOURNE VIC 3000

Dear Sir

Pre-Quotation Information – Nusantara Resources Limited (the Company)

The Company provides the following information as part of its pre-quotation disclosures:

Annexure 1 – updated capital structure.

Annexure 2 – updated statement of commitments based on actual funds raised.

Annexure 3 – updated unaudited historical and pro forma historical statements of financial position

Annexure 4 – statements and confirmations as required by ASX prior to quotation.

Annexure 5 – Terms and Conditions of Incentive Plan Options and Sign-On Options.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'Jane Rose', is displayed on a light orange rectangular background.

Jane Rose
Company Secretary

ANNEXURE 1 – UPDATE CAPITAL STRUCTURE

Description	Fully Paid Ordinary Shares	Unlisted Options ¹
Securities issued to One Asia shareholders under the in-specie distribution	58,969,876	
Securities issued under the Public offer	38,560,220	
Unlisted options (sign-on)		472,000 ¹
Unlisted options (incentive plan)		4,425,000 ²
Total	97,530,096	4,897,000

¹ Unlisted options (sign-on) exercisable at the Listing Price expiring on or before 3 years from the date of listing. Terms and conditions of these options are announced to ASX separately as part of the Company's pre-quotations disclosure.

² Unlisted options (incentive plan) exercisable at \$0.61 each expiring on or before 4 years from the date of listing. Terms and conditions of these options are announced to ASX separately as part of the Company's pre-quotations disclosure.

ANNEXURE 2 – UPDATED STATEMENT OF COMMITMENTS

Description	(A\$'000)
Actual Funds raised	16,200
Expenditure	
Drilling – Resource and Exploration	5,700
Awak Mas operations	1,600
Definitive Feasibility Study	3,800
Advisory and equity raising fees of the Offer	1,400
Administrative costs, current liabilities and working capital	3,700

ANNEXURE 3 – UNAUDITED HISTORICAL AND PRO FORMA HISTORICAL STATEMENTS OF FINANCIAL POSITION

		Actual Subscription		
		Historical as at 31 December 2016	Pro forma adjustments	Pro forma Historical as at 31 December 2016
	Note	US\$	US\$	US\$
CURRENT ASSETS				
Cash	2	106,274	10,841,775	10,948,049
Trade and other receivables	2	67,845	20,329	88,174
Total Current Assets		174,119	10,862,104	11,036,223
NON-CURRENT ASSETS				
Property, plant and equipment		60,412	-	60,412
Exploration and evaluation		22,851,800	-	22,851,800
Other assets		84,003	-	84,003
Total Non-Current Assets		22,996,215	-	22,996,215
TOTAL ASSETS		23,170,334	10,862,104	34,032,438
CURRENT LIABILITIES				
Trade and other payables		217,157	-	217,157
Provisions		836,899	-	836,899
Loans - related body corporate	1	24,280,952	(24,280,952)	-
Total Current Liabilities		25,335,008	(24,280,952)	1,054,056
TOTAL LIABILITIES		25,335,008	(24,280,952)	1,054,056
NET ASSETS/ (LIABILITIES)		(2,164,674)	35,143,056	32,978,382
EQUITY				
Issued capital	1,2	1	29,826,789	29,826,790
Other contributed equity	1	-	5,705,441	5,705,441
Share based payments reserves	3	-	76,251	76,251
Accumulated losses	2,3	(2,164,675)	(465,425)	(2,630,100)
TOTAL EQUITY		(2,164,674)	35,143,056	32,978,382

Pro forma transactions

The unaudited Pro Forma Historical Statements of Financial Position as at 31 December 2016 have been included for illustrative purposes to reflect the financial position of Nusantara on the basis that Nusantara has issued the number of shares subject to this Offer on 31 December 2016:

1. Debt for equity conversion

The issue of 58,969,875 new shares to settle loans payable to related body corporates totalling US\$24,280,952. The fair value of the shares issued is determined with reference to the IPO price of A\$0.42. As the fair value of shares provided as consideration of A\$24,767,348 (US\$18,575,511) is less than the balance of the loan, the difference of US\$5,705,441 has been recognised as other contributed equity.

2. Net proceeds (Actual Subscription)

The issue of 38.6 million Shares at A\$0.42 per Share totaling A\$16.2 million (US\$12,146,469) to investors participating in the Offer. The estimated costs of the offer are A\$1,739,591 including GST (US\$1,304,694) of which A\$1,193,588 (US\$895,191) has been recognised as a deduction to issued capital with A\$518,898 (US\$389,174) recognised in accumulated losses. The estimated recoverable GST charged on the invoices associated with these costs has been recognised as a GST receivable in Other Receivables.

3. Option Issue

The issue of 472,000 sign-on options granted at the time of the IPO to executives for services provided. A\$101,667 (US\$76,251) has been recorded in the share based payments reserve, with a corresponding charge to retained earnings. The options will be exercisable at the Listing Price and have an expiry date 3 years from the quotation of Nusantara shares on ASX.

ANNEXURE 4 – STATEMENTS AND CONFIRMATIONS

- 1 The Company confirms the following:
 - 1.1 The offer under the prospectus dated 15 June 2017 as varied by the supplementary prospectus dated 12 July 2017 (the Prospectus) was closed on 18 July 2017 and the issue of 38,560,220 ordinary shares at an issue price of \$0.42 per share was completed on 28 July 2017.
 - 1.2 Cleared funds have been received into the Company's bank account for the complete amount of the issue price of every security issued to every successful applicant for securities under the Prospectus.
 - 1.3 There are more than 300 non-affiliated shareholders each having a parcel of unrestricted ordinary shares with a value of at least \$2,000. More than 75% of the minimum spread of shareholders are resident in Australia.
 - 1.4 The Company has at least 20% free float at the time of listing.
 - 1.5 Restriction agreements entered into by the Company have been delivered to ASX. Attached is a letter from the Company's provider of registry services, Computershare Investor Services Pty Limited, providing its undertaking with respect to the restricted securities.
 - 1.6 The conversion of the outstanding loan amount to One Asia Resources by the issue of 58,969,875 ordinary fully paid shares in the Company to One Asia Resources Limited has been completed, together with the completion of the Demerger and Distribution of the In-Specie shares as defined and described in the Prospectus.
- 2 With respect to the official quotation of 66,927,035 ordinary fully paid shares, the Company confirms:
 - 2.1 In accordance with ASX Settlement Operating Rule 8.9.1, CHESS Notices have been sent to Participant Sponsored Holders on Monday 31 July 2017.
 - 2.2 Issuer sponsored holding statements have been sent to all other holders on 31 July 2017.
 - 2.3 Any refund money has been returned to unsuccessful applicants by 26 July 2017.
- 3 With respect to the issue of unlisted options, the Company confirms:
 - 3.1 472,000 unlisted options exercisable at the Listing Price expiring 3 years from the date of listing have been issued to directors and senior management (the Executive Sign-on Options).
 - 3.2 4,425,000 unlisted options exercisable at \$0.61 expiring 4 years from the date of listing have been issued to directors and senior management (the Incentive Plan Options).

- 4 With respect to restricted securities, the Company confirms the number of securities subject to ASX imposed escrow and the escrow period applied to those securities as follows:

Class of securities	Number of Securities	Escrow Period
Fully paid ordinary shares	5,148,622	12 months commencing on 27 January 2017
Fully paid ordinary shares	8,196	12 months commencing on 28 April 2017
Fully paid ordinary shares	25,446,243	24 months from the date of official quotation of the securities of the Company.
Unlisted options exercisable at \$0.61 expiring 4 years from the date of listing	2,802,500	24 months from the date of official quotation of the securities of the Company.
Unlisted options exercisable at \$0.42 expiring 3 years from the date of listing	295,000	24 months from the date of official quotation of the securities of the Company.

ANNEXURE 5 – TERMS AND CONDITIONS OF INCENTIVE PLAN OPTIONS AND EXECUTIVE SIGN-ON OPTIONS

Incentive Plan Options

The options will be exercisable at a 43% premium to the issue price of New Shares under this Prospectus, being A\$0.42 (**Issue Price**) and will expire 4 years from the Listing date (**Expiry Date**). Vesting conditions of the options are:

- (1) 33⅓% of the options will vest when the Company is listed and the 45 day VWAP of the Shares is 25% above the Issue Price or greater;
- (2) 33⅓% of the options will vest upon the decision to mine at the Awak Mas Gold Project, defined as a board decision to commence construction of the processing facility with applicable finance available; and
- (3) 33⅓% of the options will vest upon the commencement of commercial production at the Awak Mas Gold Project, with commercial production defined as the first pour of gold dore.

General option terms are set out below.

Executive Sign-On Options

The Company will also issue 472,000 options on completion of the Offer to executives for services provided. The options will be exercisable at the Issue Price and will expire 3 years from the Listing date. The options vest on the Listing Date.

General Option Terms

- (a) Each option entitles the holder to one Share in the capital of the Nusantara Resources Limited ACN 150 791 290 (Company), subject to the vesting terms of the options.
- (b) The options may be exercised by lodging with Nusantara, before the Expiry Date either:
 - (i) a written notice of exercise of options specifying the number of options being exercised together with a cheque or electronic funds transfer for the Exercise Price for the Options being exercised; or
 - (ii) a written election signed by the optionholder electing to use the Cashless Exercise Facility in respect of the number of Options set out in the written election,
 1. (either of the above being an **Exercise Notice**).
 2. For the purpose of the above '**Cashless Exercise Facility**' means to exercise a number of options and not pay an Exercise Price, and thereby receive a lesser number of Shares on exercise of the options such that the optionholder is allotted a number of Shares with an aggregate value equivalent to the net value of the Shares the optionholder would have otherwise acquired if the optionholder had paid an Exercise Price, after that Exercise Price is deducted from the value of those Shares.
- (c) The options lapse or are deemed to be forfeited 90 days after the option holder ceases to be an executive of Nusantara, unless the Board determines otherwise.
- (d) The options are not transferable.
- (e) All Shares issued upon exercise of options will rank pari passu in any respects with Nusantara's then issued Shares.
- (f) There are no participating rights and entitlements inherent in the options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the options without exercising their options. However, Nusantara will ensure that option holders will be allowed ten business days notice to convert their options to Shares to participate in an entitlement issue on the same basis as Shareholders.
- (g) If any takeover bid (including by way of scheme of arrangement or otherwise) is publicly announced in

respect of Nusantara, then the following provisions apply in relation to the takeover bid:

- (i) Nusantara must promptly give written notice of the takeover bid to the option holder whereupon all options (which have not lapsed or expired), notwithstanding anything to the contrary, must be exercised at any time prior to the expiry of the later of:
 - A. 60 days after receiving such notice; and
 - B. the date that a takeover bid (which is recommended for acceptance by the Board) becomes unconditional,
 - 3. ("Takeover Exercise Period") or, if applicable, within the further seven day period referred to in (iv) below.
 - 4. The dates referred to in paragraph (g)(i)(A) and (B) above only apply where they occur before the Expiry Date. For the avoidance of doubt, where the Expiry Date occurs before a date referred to in (g)(i)(A) or (B), the options must be exercised on or before the Expiry Date.
 - (ii) If, during the Takeover Exercise Period, the person making the takeover bid ("bidder") offers to grant options in the capital of the bidder ("Replacement Options") to the option holder (and, for the avoidance of doubt, this does not obligate Nusantara in any way to procure such an offer from the bidder) in consideration for the cancellation or acquisition of the options, the option holder may, in their discretion, accept such Replacement Options instead of exercising their options.
 - (iii) If no offer of Replacement Options is made during the Takeover Exercise Period and accepted, the option holder has (other than in the case of a scheme of arrangement) a further seven days' grace after the expiry of the Takeover Exercise Period within which to exercise their options (Grace Period), whereupon unexercised options will lapse. For the avoidance of doubt, where the Expiry Date occurs before the end of the Grace Period, the options must be exercised on or before the Expiry Date. In the case of a scheme of arrangement, the options will lapse at the end of the Takeover Exercise Period.
 - (iv) If the takeover bid lapses or is withdrawn or closes without being recommended for acceptance by the Board, whether the bid is conditional or unconditional, then the provisions of all the paragraphs hereof will revive in respect of any unexercised options which options will remain on foot.
- (h) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of Nusantara prior to the Expiry Date of the options, the number of options or the exercise price of the options, or both, shall be reconstructed in accordance with the Listing Rules.
- (i) **Adjustment for bonus issues**
- If Nusantara makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu of, or in satisfaction of, dividends or by way of dividend reinvestment):
- (i) the number of Shares which must be issued on the exercise of an option will be increased by the number of Shares which the option holder would have received if the option holder had exercised the option before the record date for the bonus issue; and
 - (ii) no change will be made to the exercise price of the options.
- (j) **Adjustment for pro rata issue**
- If Nusantara makes a pro rata issue of Shares or other securities to existing Shareholders (other than a bonus issue or an issue in lieu of in satisfaction of dividends or by way of dividend reinvestment) the exercise price of an option will be reduced according to the following formula:
- $$\text{New exercise price} = O - \frac{E [P - (S + D)]}{N + 1}$$
- O = the old Exercise Price of the option.
- E = the number of underlying Shares into which one option is exercisable.
- P = average market price per Share weighted by reference to volume of the underlying Shares during

the five trading days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price of a Share under the pro rata issue.

D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).

N = the number of Shares with rights or entitlements that must be held to receive a right to one new share.

(k) **Definition of Listing Price**

The Listing Price is defined as:

- (i) the issue price of the Initial Public Offering, or
- (ii) if Nusantara is listed by way of a reverse takeover, the issue price of any associated equity raising. If there is no associated equity raising, the implied valuation per share of Nusantara of the transaction based on the 30-day Volume Weighted Average Price prior to the announcement of the transaction.

(l) **Definition of Listing Date**

The Listing Date is defined as:

- (i) The first date of trading on ASX (or other public stock exchange) following an Initial Public Offering, or
- (ii) if Nusantara is listed by way of a reverse takeover, the date on which shares commence trading on ASX (or other public stock exchange) following completion of the takeover.