

**NUSANTARA RESOURCES LIMITED**  
**ACN 150 791 290**  
**NOTICE OF ANNUAL GENERAL MEETING**

**TIME:** 1.00 pm (Melbourne time)  
**DATE:** 29 May 2020  
**PLACE:** Level 2, 175 Flinders Lane, Melbourne Victoria 3000

**Important Notes**

*Covid-19*

Consistent with the Australian Government's recently announced limitations on indoor gatherings, the Company strongly encourages shareholders NOT TO ATTEND THE ANNUAL GENERAL MEETING IN PERSON.

You should note that the Company will strictly comply with applicable limitations on indoor gatherings in force at the time of the Annual General Meeting. Accordingly, voting by you at the Annual General Meeting will not be possible if entry is denied to you unless a proxy is appointed by you and is in attendance at the meeting.

In the meantime, we encourage shareholders to register their votes on the resolutions to be put at the Annual General Meeting by completing the proxy form that accompanies this Notice of Meeting. It is strongly recommended that the Chair is appointed as your proxy to ensure the proxy will be in attendance at the Annual General Meeting. It is also recommended that you direct your proxy on how to vote on the voting form.

The Company will establish a teleconference and video feed for the meeting. Shareholders may view and listen to the meeting and will be able to ask questions but will not be able to cast their votes. Login details are below:

Zoom video conference:

<https://us02web.zoom.us/j/84017586374?pwd=SnJhYmtMRytlcVU5cjVudVZoWitGZz09>

Meeting ID: 840 1758 6374

Password: 006233

Phone direct dial in (alternative): Australia: 08 7150 1149 or 03 7018 2005

Find your local number: <https://us02web.zoom.us/j/84017586374?pwd=SnJhYmtMRytlcVU5cjVudVZoWitGZz09>

Meeting ID: 840 1758 6374

Password: 006233

*General*

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61) 8 9460 8600.

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## Important Information

### Time and place of meeting

Notice is given that the meeting of the Shareholders to which this Notice of Meeting relates will be held at 1.00 pm (Melbourne time) on 29 May 2020 at:

**Level 2, 175 Flinders Lane, Melbourne Victoria 3000**

### Your vote is important

The business of the Meeting affects your shareholding and your vote is important.

### Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7.00pm (Melbourne time) on 27 May 2019.

### Voting in person

To vote in person, attend the Meeting at the time, date and place set out above, subject to the Covid-19 restrictions on gatherings.

### How to Vote

#### Conduct of a poll

Shareholders are advised that all Resolutions to be considered at the Annual General Meeting will be put to a poll, in accordance with the provisions of the Company's Constitution.

#### Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, members are advised that:

- A. each member has a right to appoint a proxy;
- B. the proxy need not be a member of the Company; and
- C. a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

## Business of the Meeting

### Business

The Explanatory Statement and Proxy Form which accompany and form part of this Notice, describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the Proxy Form in their entirety.

Capitalised terms not otherwise defined in this Notice have the meaning given in the Explanatory Statement which accompanies this Notice. References to the “Corporations Act” are to the *Corporations Act 2001* (Cth), unless the context requires otherwise.

## Financial Report

To receive and consider the annual financial report, directors’ report and auditor’s report for the Company and its controlled entities for the year ended 31 December 2019.

Note: There is no requirement for shareholders to approve these documents.

## 1. Resolution 1 – Adoption of the Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a non-binding resolution:

*“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company’s annual financial report for the financial year ended 31 December 2019.”*

**Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.**

**Voting Prohibition Statement:** A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy;
- (c) does not specify the way the proxy is to vote on this Resolution; and
- (D) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

## 2. Resolution 2 – Retirement of Director by Rotation and re-election – Mr Boyke Abidin

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*“That, for the purposes of clause 41 of the Constitution and ASX Listing Rule 14.5 and for all other purposes, Mr Boyke Abidin, a Director of the Company retires by rotation, and being eligible, is elected as a Director.”*

## 3. Resolution 3 – Election of Director – Mr Neil Whitaker

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

*“That for the purposes of clause 40.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes Mr Neil Whitaker, a Director who was appointed on 24 September 2019, retires, and being eligible, is elected as a Director.”*

## 4. Resolution 4 – Additional 10% placement facility – ASX Listing Rule 7.1A

To consider and, if thought fit, to pass the following resolution as a special resolution:

*“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) any associate of that person or those persons. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## 5. Resolution 5 – Approval of Incentive Options and Performance Rights Scheme

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

*“That, for the purposes of ASX Listing Rule 7.2 (Exception 13(b)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled the Nusantara Resources Limited Incentive Options and Performance Rights Scheme and for the issue of securities (including Options and Performance Rights) under that Scheme, on the terms and conditions set out in the Explanatory Statement.”*

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is eligible to participate in the employee incentive scheme and any associate of that person or those persons. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**DATED: 29 April 2020**

**BY ORDER OF THE BOARD**

**Derek Humphry**  
**Company Secretary**

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## **Explanatory Statement**

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions which are the subject of the business of the Meeting.

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### **1. Company Financial Report, Directors' Report and Auditor's Report**

The financial report, directors' report and auditor's report for the Company will be laid before the Meeting. There is no requirement for shareholders to approve these reports. The Chairman will allow a reasonable time for shareholders to ask questions about or make comments on the management of the Company. Shareholders will also be given a reasonable opportunity to ask the auditor questions about the conduct of the audit, and the preparation and content of the auditor's report, the accounting policies adopted by the Company and the independence of the auditor in relation to the conduct of the audit.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at [www.nusantararesources.com](http://www.nusantararesources.com)

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### **2. Resolution 1 - Adoption of the Remuneration Report**

The remuneration report for the Company is set out in the Company's 2018 Annual Report. The remuneration report outlines the Company's remuneration framework and the remuneration outcomes for the financial year the subject of the remuneration report for the Board and Key Management Personnel.

The Chairman will allow a reasonable opportunity for Shareholders to ask questions about, or make comments on, the remuneration report at the meeting.

Under the Corporations Act if, at two consecutive annual general meetings for an entity listed on the ASX, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report, then a further resolution (**Spill Resolution**) may be required to be considered at the second annual general meeting as to whether a further meeting be convened to put certain Directors to re-election. The Directors to be put to re-election are those Directors, other than the Managing Director, who were Directors when the resolution to make the directors report was passed.

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the requirement for a Spill Resolution will not arise at this Meeting irrespective of the outcome of the vote on Resolution 1.

If you are appointing the Chair as your proxy, please note that the proxy form accompanying this Notice expressly authorises the Chair to vote any undirected proxies in favour of Resolution 1 even though the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Accordingly, if you are appointing the Chair as your proxy and do not wish your proxy to vote in favour of Resolution 1, you will need to mark "against" or "abstain" where indicated in the proxy form in relation to Resolution 1.

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### **3. Resolution 2 – Retirement of Director by Rotation – Mr Boyke Abidin**

ASX listing Rule 14.4 and Clause 41 of the Constitution provide for the longest serving Director (excluding the Managing Director) to retire at the next Annual General Meeting of the Company and that no Director may hold office for more than 3 years from their appointment.

Any Director so retiring is then eligible for re-election.

Mr Boyke Abidin was appointed by the Board as a Director on 11 April 2017 and will retire in accordance with ASX listing Rule 14.4 and clause 41 of the Constitution at the Meeting and, being eligible, seeks election.

Mr Abidin holds a Bachelor of Science in Business Administration from International University Europe – London. He has more than 25 years' experience in Indonesian management. Previously a Government Liaison Officer for Rawas Gold Mine in South Sumatra, Boyke has extensive in-country expertise. He is President Director of Indonesian Operations for One Asia and has been a Director of the Company's subsidiary PT Masmino DWI Area since 2000. He is also a Director of PT Pani Resources Indonesia, PT Dwinad Nusa Sejahtera and PT Sorikmas Mining. Mr Abidin is not currently a director of any other listed companies.

The Board considers that Mr Abidin as an executive will not, if re-elected, qualify as an independent Director.

Each of the Directors (other than Mr Abidin) recommends Shareholders vote in favour of Resolution 2.

The Chair of the meeting at the time of the resolution intends to vote any undirected proxies on the resolution in favour of the re-election of Mr Abidin.

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### **4. Resolution 3 – Election of director – Mr Neil Whitaker**

Clause 40.1 of the Constitution allows the Directors to appoint at any time a person to be a Director as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Any Director so appointed holds office only until the next following annual general meeting and is then eligible for election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Neil Whitaker, appointed by the Board as a Director on 24 September 2019, will retire in accordance with clause 40.2 of the Constitution at the Meeting and, being eligible seeks election.

Mr Whitaker has over 40 years' experience in the mining sector and has held operating and senior executive roles with companies such as Anglo American, Western Mining Corporation, Clough Indonesia (Petrosea Tbk) and Newcrest Mining.

Mr Whitaker has extensive international operating experience with a demonstrated background in leading resource companies through the transitional stages of the full project life cycle. Having previously worked in the Asia-Pacific region and more specifically as the Chief Operating Officer for PT Petrosea Tbk (a subsidiary of our Indonesian strategic partner), Neil has relevant experience which will place him in good stead to drive the Awak Mas Gold Project into the next phase towards development.

Mr Whitaker is not currently a director of any other ASX listed companies.



The Company has confirmed Mr Whitaker's qualifications and material employment history and conducted an ASIC search and criminal history search of Mr Whitaker. Nothing of concern has arisen from these enquiries.

Mr Whitaker does not have any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company as a whole rather than in the interests of an individual security holder or other party.

The Board considers that Mr Whitaker will not, if elected, qualify as an independent Director due to his role as the Chief Executive Officer of the Company.

The Board (other than Mr Whitaker who has a material interest in the outcome of Resolution 2) supports the election of Mr Whitaker as a Director.

## **5. Resolution 4 – Additional 10% Placement Facility – ASX Listing Rule 7.1A**

### **5.1 General**

Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 4, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out in section 5.2 below).

The effect of Resolution 4 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 4 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 4 for it to be passed.

### **5.2 Listing Rule 7.1A**

Listing Rule 7.1A enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity under Listing Rule 7.1.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000 or less.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of less than \$300,000,000.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has 2 classes of quoted Equity Securities on issue, being the Shares (ASX Code: NUS) and options (ASX Code: NUSOA).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$(A \times D) - E$
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Where:

- A is the number of Shares on issue 12 months before the date of issue or agreement to issue:
- (i) plus the number of Shares issued in the previous 12 months under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
  - (ii) plus the number of fully paid ordinary securities issued in the previous 12 months on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
    - (A) the convertible securities were issued or agreed to be issued more than 12 months before; or
    - (B) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved under Listing Rule 7.1 or 7.4;
  - (iii) plus the number of fully paid ordinary securities issued in the last 12 months under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
    - (A) the agreement was entered into more than 12 months before; or
    - (B) the agreement or issue was approved, or taken under the Listing Rules to have been approved under Listing Rule 7.1 or 7.4;
  - (iv) plus the number of any other fully paid ordinary securities issues in the previous 12 months with approval under Listing Rule 7.1;
  - (v) plus the number of partly paid shares that became fully paid in the previous 12 months; and
  - (vi) less the number of Shares cancelled in the previous 12 months.
- D is 10%.
- E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement where the issue or agreement has not been subsequently approved by the holders or ordinary securities under Listing Rule 7.4.

### 5.3 Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to this Resolution 4:

(a) Minimum Price

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the securities; or
- (ii) if the Equity Securities are not issued within 10 ASX trading days of the date in section (i) above, the date on which the Equity Securities are issued.

(b) Date of Issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following (**10% Placement Capacity Period**).

- (i) 12 months after the date of this Meeting; or
- (ii) the time and date of the Company's next annual general meeting; or
- (iii) the date of approval by Shareholders of any transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid).

(c) Risk of voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 4 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice plus the 10,500,000 shares proposed to be placed subject to Resolution 1 of the Notice of Meeting released to ASX on 30 March 2020 (for a meeting to be held on 29 April 2020).

The table also shows the voting dilution impact where the number of Shares on issue (**Variable 'A'** in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable 'A' in Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	0.1175 50% decrease in Issue Price	0.235 Issue Price	0.47 100% increase in Issue Price
202,525,903 (Current Variable 'A')	Shares issued - 10% voting dilution	20,252,590 Shares	20,252,590 Shares	20,252,590 Shares
	Funds raised	\$2,379,590	\$4,759,359	\$9,518,717
303,788,855 (50% increase in Variable 'A')	Shares issued - 10% voting dilution	30,378,885 Shares	3,378,885 Shares	30,378,885 Shares
	Funds raised	\$3,569,519	\$7,139,038	\$14,278,076
405,051,806 (100% increase in Variable 'A')	Shares issued - 10% voting dilution	40,505,181 Shares	40,505,181 Shares	40,505,181 Shares
	Funds raised	\$4,759,359	\$9,518,718	\$19,037,435

\*The number of Shares on issue (**Variable 'A'** in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

- (i) There are currently 192,025,903 Shares on issue.
- (ii) Regarding the 10,500,000 Shares proposed to be issued as per Resolution 1 of the Company's Notice of General Meeting (for a meeting to be held on 29 April 2020), released to ASX on 30 March 2020, those Shares are issued.
- (iii) The issue price set out above is the closing price of the Shares on the ASX on 16 April 2020.
- (iv) The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
- (v) The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
- (vi) The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options or Performance Rights are exercised into Shares before the date of issue of the Equity Securities.
- (vii) The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own individual shareholding depending on their specific circumstances.
- (viii) This table does not set out any dilution pursuant to approvals under Listing Rule 7.1.
- (ix) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (x) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
  - (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.
- (d) Purpose of Issue under 10% Placement Capacity

The Company must issue Equity Securities under the 10% Placement Capacity for the following purposes as cash consideration in which case the Company intends to use funds raised for the acquisition and development of new resources, assets and investments (including expenses associated with such an acquisition), continued exploration expenditure and development of the Awak Mas Gold Project, towards meeting Company (and subsidiary) financial commitments as announced on 9 December 2019 and for general working capital purposes.

The Company will comply with the disclosure obligations under Listing Rules 2.7, 3.10.3 and 7.1A(4) upon issue of any Equity Securities.

(e) Allocation policy under the 10% Placement Capacity

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s).

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(f) Previous Approval under Listing Rule 7.1A

The Company obtained approval under Listing Rule 7.1A at its last Annual General Meeting and has issued a total of 16,777,599 Shares (representing 7.8% of total equity securities on issue at the time of the last Annual General Meeting) and no other securities under that approval. See Schedule 1 for further details on these issues as required by ASX Listing Rules 7.3A.

(g) Compliance with Listing Rules 7.1A.4

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it will give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 7.1A.4 for release to the market.

## 5.4 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 4.

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## **6. Resolution 5 – Approval of Incentive Options and Performance Rights Scheme**

Resolution 5 seeks Shareholders approval for the issue of securities under the Nusantara Resources Limited Incentive Options and Performance Rights Scheme (**Scheme**) in accordance with ASX Listing Rule 7.2 (Exception 13(b)).

The Scheme is a new scheme replacing the Company's existing incentive scheme, which is more up to date with recent changes in the regulatory environment.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.2 (Exception 13(b)) sets out an exception to ASX Listing Rule 7.1 which provides that issues under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

If Resolution 5 is passed, the Company will be able to issue securities under the Scheme to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12-month period.

Shareholders should note that no securities have previously been granted under the Scheme.

The maximum number of equity securities proposed to be issued under the Scheme following this approval is 5 million Options and Performance Rights.

The objective of the Scheme is to assist in attracting, motivating and retaining key employees and it is considered by the Company that the adoption of the Scheme and the future issue of securities under the Scheme will provide selected employees and other eligible participants with the opportunity to participate in the future growth of the Company in a manner which aligns their interests with the interests of the Shareholders as a whole.

Any future issues of securities under the Scheme to a related party or a person whose relationship with the company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time.

A summary of the key terms of the Scheme is set out in Schedule 1.

In addition, a copy of the Scheme is available for review by Shareholders at the registered office of the Company until the date of the Annual General Meeting. A copy of the Scheme can be sent to Shareholders upon request to the Company Secretary at +61 8 9460 8600.

Shareholders are invited to contact the Company if they have any queries.

## GLOSSARY

In this Explanatory Statement (and the Notice of Meeting) the following terms will bear the following meanings, unless the context otherwise requires:

**\$** means Australian dollars.

**Annual General Meeting** or **Meeting** means the meeting convened by this Notice.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited.

**ASX Listing Rules** or **Listing Rules** means the Listing Rules of ASX.

**Board** means the current board of directors of the Company.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**Chair** means the chair of the Meeting and where relevant the Chair for the relevant part of the Meeting.

**Closely Related Party** of a member of the Key Management Personnel means:

- A. a spouse or child of the member;
- B. a child of the member's spouse;
- C. a dependent of the member's spouse;
- D. anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- E. a company the member controls; or
- F. a person prescribed by the Corporations Regulations 2001 (Cth).

**Company** means Nusantara Resources Limited (ACN 150 791 290).

**Constitution** means the Company's constitution.

**Corporations Act** means the Corporations Act 2001 (Cth).

**Director** means a director of the Company.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**Group Company** means the Company or any of its subsidiaries.

**Key Management Personnel** has the same meaning as in the accounting standards (as that term is defined in the Corporations Act) and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, directly or indirectly, including any director (whether executive or non-executive) of the Company or if the Company is part of a consolidated entity of an entity within the consolidated group.

**Option** means an option to acquire a Share.

**Meeting** means the annual general meeting of Shareholders convened by this Notice.

**Notice** or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

**Performance Right** means performance rights granted under the Scheme.

**Proxy Form** means the proxy form accompanying the Notice.

**Related Party** has the meaning given in the Corporations Act.

**Resolutions** means the resolutions set out in the Notice, or any one of them, as the context requires.

**Scheme** means the Nusantara Resources Limited Incentive Options and Performance Rights Scheme the subject of Resolution 5.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of a Share.

**Melbourne time** means time as observed in Melbourne, Victoria.



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## **Schedule 1 – Summary of the terms of the Scheme**

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### **Offers**

The Board may from time to time make an offer of Options or Performance Rights (**Securities**) to an eligible participant under the Scheme. The offer will specify:

- (a) the number of Securities offered;
- (b) the exercise price and expiry date of any Options;
- (c) the period during which the offer must be accepted;
- (d) any conditions attaching to the exercise/vesting of the Securities and any transfer restrictions on the underlying Shares (once issued); and
- (e) any other terms and conditions applicable to the offer.

Performance Rights can be exercised for nil consideration.

Options, upon vesting, will require payment of the exercise price (as set out in the offer) by the holder when exercised. However, the holder may elect for a cashless exercise facility in lieu of paying the exercise price. Essentially the holder will be able to set off the exercise price against the number of shares (at market value) they are entitled to receive upon exercise of their options. So, they will receive less shares.

### **Eligibility**

The following persons are eligible to participate in the Scheme:

- (a) directors of any Group Company;
- (b) full or part time employees of any Group Company;
- (c) casual employees of any Group Company working, or reasonably expected to work, approximately 40% or more of a comparable full-time position;
- (d) contractors of any Group Company where the individual performing the work is working, or reasonably expected to work, approximately 40% or more of a comparable full-time position; and
- (e) a person who is to become one of the above.

Subject to Board approval, an offer may be renounced by an Eligible Participant in favour of immediate family members, a company whose shareholders comprise only the eligible participant or immediate family members, or a corporate trustee of a self-managed superannuation fund in which the eligible participant is a director of the trustee.

### **Conditions**

The Board may impose conditions to the vesting or exercise of Security, or restrictions to the trading or disposal of Shares issued upon exercise of a Security, which conditions must be set out in the relevant offer document. The Board may, in its discretion, waive any such conditions by notice in writing to the relevant participant.

### **General terms of Options**

- (a) (Grant Price): Securities will be granted for nil consideration.
- (b) (Non-transferable): Securities are generally non-transferable. However, upon the death of the participant the Securities may be transferred to their legal representative. Also, with the Board's prior written consent, Securities may be transferred where the relevant person ceases to be an eligible participant due to permanent disability, retirement, redundancy, suffering a severe financial hardship or any other circumstance stated as a special circumstance when the offer is made.

- (c) (Quotation): The Securities will not be quoted on the ASX. However, the Company will apply for quotation of Shares issued upon exercise of the Securities subject to any restriction conditions specified in the offer for the Securities.
- (d) (Rights attaching to Shares): Shares issued upon exercise of Securities will rank equally with fully paid ordinary shares in the capital of the Company subject to any restriction conditions specified in the offer for the Securities.
- (e) (Reorganisation of Capital): If at any time the capital of the Company is reorganised, the terms and number of Securities may be changed by the Company in a manner consistent with and as required by the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
- (f) (Overriding restrictions): No Securities may be offered, granted or exercised and no Share may be issued on exercise of any Security if to do so would contravene the ASX Listing Rules or any other applicable law.
- (g) (No Rights of Participation in New Issues): The holder of a Security has no right to participate in new issues by the Company except to the extent that the holder exercises the Security prior to the record date for the new issue.

### **Lapsing of Securities**

Unexercised Securities will generally lapse on the relevant expiry date. However, Securities will also lapse earlier:

- (a) if the eligible participant ceases to be an eligible participant where the relevant Group company has terminated their engagement for cause;
- (b) if a vesting condition is not satisfied by the due date or becomes incapable of satisfaction (unless the Board exercises its discretion to waive the condition);
- (c) if the eligible participant ceases to be an eligible participant (unless the Board exercises its discretion to waive any remaining vesting conditions or to resolve that the Security does not lapse);
- (d) if the Securityholder purports to dispose of or encumber or hedge a Security in a manner not permitted by the Scheme; or
- (e) by notice from the Board if the eligible participant acts fraudulently or dishonestly, is grossly negligent, demonstrates serious and wilful misconduct or causes a material adverse effect on the Company's reputation.

Where a relevant person ceases to be an eligible participant and the Securities have vested in the relevant person but have not been exercised the Board, in its discretion, may resolve that either the relevant person has a further 1 month in which to exercise the Securities before they lapse or that the Company may cancel the Securities in consideration for a cash payment.

### **Scheme Limit**

The Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Securities offered under the offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made at any time during the previous 3 year period under an employee incentive scheme covered by ASIC Class Order 14/1000, or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.

### **Administration of the Scheme**

The Board may appoint a committee for the administration and management of the Scheme. The decision of the Board as to the interpretation, effect or application of the Scheme will be final.

## Annexure A – Details of issues of equity securities under listing rule 7.1A in the 12 months before the date of the Meeting

Date	Number and Class	Recipients	Issue Price and discount to market (closing Market Price)	Total consideration received	Cash spent and use of funds	Cash remaining and use of funds
12 December 2019	16,777,599 ordinary shares	Placement to a number of new and existing institutional and sophisticated investors identified by the board and through its advisors	A\$0.34 and 8.1% discount to the closing price on 10 December 2019	A\$5,704,384	<p>Cash spent: Nil at 31 March 2020</p> <p>To advance the Awak Mas Gold Project (Project) and general working capital purposes;  To provide for an active exploration program; and  To meet the Company's Stage 1 commitments alongside Indika Energy's proposed 2020 stage 1 investment per ASX announcement 'Awak Mas Gold Project Funding' dated 9 December 2019</p>	<p>Cash remaining at 31 March 2020: A\$5,704,384</p> <p>To advance the Awak Mas Gold Project (Project) and general working capital purposes;  To provide for an active exploration program; and  To meet the Company's Stage 1 commitments alongside Indika Energy's proposed 2020 stage 1 investment per ASX announcement 'Awak Mas Gold Project Funding' dated 9 December 2019</p>

## Need assistance?



**Phone:**  
1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)



**Online:**  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)

# SAMPLE ONLY



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **1:00pm (Melbourne time) Wednesday, 27 May 2020.**

## Proxy Form

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### APPOINTMENT OF PROXY

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### SIGNING INSTRUCTIONS FOR POSTAL FORMS

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### ATTENDING THE MEETING

Please refer to the covering page of the notice of meeting for more details regarding attendance and voting at the meeting as a result of COVID 19

#### Corporate Representative

If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Appointment of Corporate Representative" prior to admission. A form may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

### Lodge your Proxy Form:

#### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 183797**  
**SRN/HIN:**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

#### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

#### By Fax:

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

# SAMPLE ONLY

☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

## Proxy Form

Please mark ☒ to indicate your directions

### Step 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Nusantara Resources Limited hereby appoint

☐ the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Nusantara Resources Limited to be held at Level 2, 175 Flinders Lane, Melbourne, Victoria on Friday, 29 May 2020 at 1:00pm (Melbourne time) and at any adjournment or postponement of that meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1 and 5 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1 and 5 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1 and 5 by marking the appropriate box in step 2.

### Step 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
1 Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Retirement of Director by Rotation and re-election – Mr Boyke Abidin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Election of Director – Mr Neil Whitaker	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Additional 10% placement facility – ASX Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval of Incentive Options and Performance Rights Scheme	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

### Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

**Update your communication details** (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

NUS

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Computershare

