



NUSANTARA RESOURCES LIMITED
ACN 150 791 290

Notice of Annual General Meeting

Explanatory Statement and Proxy Form

Date of Meeting:
31 May 2021

Time of Meeting:
11am (AEST)

The meeting will be held at:
**2/175 Flinders Lane,
Melbourne, VIC 3000**

Any shareholders who wish to attend the Annual General Meeting (AGM/ Meeting) should monitor the Company's website for any updates about the AGM. If it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the Meeting, the Company will make further information available on its website at www.nusantararesources.com. Shareholders are encouraged to lodge their completed proxy forms in accordance with the instructions in this Notice of Meeting.

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional advisor without delay.

NUSANTARA RESOURCES LIMITED

ACN 150 791 290

Registered office: Level 4, 96-100 Albert Road, South Melbourne, VIC 3205

Notice is hereby given that the Annual General Meeting of Shareholders of Nusantara Resources Limited (the “Company” or “Nusantara”) will be held at 2/175 Flinders Lane, Melbourne, VIC 3000 on 31 May 2021 at 11am (AEST) (“Annual General Meeting”, “AGM” or “Meeting”).

The AGM will be held as a hybrid meeting, and shareholders will be able to participate in a live webcast of the meeting online where shareholders will be able to participate, ask questions and cast votes at the appropriate times whilst the meeting is in progress.

Shareholders who wish to participate in the AGM online may register in advance for the meeting:

https://us02web.zoom.us/webinar/register/WN_MTVH0i84TXG6OGJlqBRjIA

When: Monday 31 May 2021

Topic: Nusantara Resources Limited Annual General Meeting

After registering, you will receive a confirmation email containing information about joining the Meeting. The Company strongly recommends its Shareholders to lodge a directed proxy as soon as possible in advance of the Meeting even if they are planning to attend the Meeting online.

Any shareholders who may still wish to physically attend the AGM should be mindful of new laws, government warnings and recommendations in relation to COVID-19 and monitor Nusantara’s website and announcements for updates about the AGM. If it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the meeting.

The Company is happy to accept and answer questions submitted prior to the Meeting by email to cnewstead@leydinfreyer.com.au. Where a written question is raised in respect of the key management personnel of the Company, the Resolutions to be considered at the Meeting, the Company will address the relevant question during the course of the Meeting or by written response after the Meeting (subject to the discretion of the Company not to respond to unreasonable and/or offensive questions). If the situation in relation to COVID-19 were to change in a way that affected the position above.

After registering, you will receive a confirmation email containing information about joining the meeting. The Company strongly recommends its shareholders to lodge a directed proxy as soon as possible in advance of the meeting even if they are planning to attend the meeting online.

Any shareholders who wish to attend the AGM online should therefore monitor the Company’s website and its ASX announcements for any updates about the AGM. If it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the meeting, the Company will make further information available through the ASX website at asx.com.au (ASX: AVE) and on its website at <https://nusantararesources.com/>.

How to vote on Resolutions

Voting during the Meeting will be conducted online via the Lumi platform available at <https://web.lumiagm.com/> using Meeting ID 345-210-708. Shareholders and proxyholders will be able to vote in real time at the AGM online by:

- visiting www.web.lumiagm.com on a smartphone, tablet or computer (using the latest version of Chrome, Safari, Edge or Firefox); and
- entering the unique Meeting ID. Online voting registration will commence 30 minutes prior to the start of the AGM. For full details on how to log on and vote online, please refer to the user guide which can be accessed at www.computershare.com.au/onlinevotingguide.

Shareholders with multiple holdings will either need to log into Lumi under each SRN or HIN to vote live at the AGM or cast their vote on other holdings ahead of the AGM via proxy vote. Proxy votes must be received by 11.00am (Melbourne time) on Saturday, 29 May 2021. Instructions on how to lodge proxy votes (which include the ability to lodge proxies electronically) are set out in this Notice of Meeting.

NUSANTARA RESOURCES LIMITED

ACN 150 791 290

Registered office: Level 4, 96-100 Albert Road, South Melbourne, VIC 3205

AGENDA

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

ORDINARY BUSINESS

1. Receipt and Consideration of Accounts & Reports

To receive and consider the Financial Report of the Company, together with the Directors' Report (including the Remuneration Report) and Auditor's Report as set out in the Company's Annual Report for the year ended 31 December 2020.

Note: There is no requirement for shareholders to approve these reports. Accordingly, no resolution will be put to shareholders on this item of business.

2. Resolution 1: Adoption of Remuneration Report

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

"That, for the purpose of Section 250R(2) of the Corporations Act 2001 and for all other purposes, the Remuneration Report (included in the Directors' report) for the financial year ended 30 June 2020 be adopted."

3. Resolution 2: Election of Mr Kamen Palatov as a Director of the Company

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

"That, for the purpose of clause 40.2 of the Constitution, Mr Kamen Palatov, having been appointed to the Board of Directors on 10 July 2020 and retiring at this meeting in accordance with the Constitution of the Company, and being eligible for election, be elected as a Director of the Company."

4. Resolution 3: Re-Election of Mr Robin Widdup as a Director of the Company

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, Mr Robin Widdup, being a Director who retires by rotation and being eligible for re-election, be re-elected as a Director of the Company."

5. Resolution 4: Re-Election of Mr Greg Foulis as a Director of the Company

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, Mr Greg Foulis, being a Director who retires by rotation and being eligible for re-election, be re-elected as a Director of the Company."

6. Resolution 5: Increase of Non-Executive Director Fee Pool

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

"That for the purposes of, ASX Listing Rule 10.17, clause 44 of the Company's Constitution and for all other purposes, with effect from the closing of this meeting, the maximum aggregate amount of Directors' fees payable to the Company's non-executive Directors per annum be increased by A\$250,000 per annum, from A\$250,000 to A\$500,000 per annum, such fees to be allocated to the Directors as the Board of Directors may determine."

SPECIAL BUSINESS:

7. Resolution 6: Approval of 10% Placement Facility

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

"That pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the Company having the additional capacity to issue Equity Securities as provided for under Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement."

By the order of the Board

A handwritten signature in blue ink, appearing to read 'CNSinclair'.

Claire Newstead-Sinclair
Company Secretary
Dated:
29 April 2021

Notes

1. **Entire Notice:** The details of the Resolution contained in the Explanatory Statement accompanying this Notice of Meeting should be read together with, and form part of, the Notice of Meeting.
2. **Record Date:** The Company has determined that for the purposes of the Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 11am (AEST) on 29 May 2021. Only those persons will be entitled to vote at the Annual General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.
3. **Proxies**
 - a. Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.
 - b. Each shareholder has a right to appoint one or two proxies.
 - c. A proxy need not be a shareholder of the Company.
 - d. If a shareholder is a company it must execute under its common seal or otherwise in accordance with its constitution or the Corporations Act.
 - e. Where a shareholder is entitled to cast two or more votes, the shareholder may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.
 - f. If a shareholder appoints two proxies, and the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise half of the votes. If a shareholder appoints two proxies, neither proxy may vote on a show of hands.
 - g. A proxy must be signed by the shareholder or his or her attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed in accordance with corporation's constitution and Corporations Act.
 - h. To be effective, Proxy Forms must be received by the Company no later than 48 hours before the commencement of the Annual General Meeting, this is no later than 11am (AEST) Melbourne time on 29 May 2021. Any proxy received after that time will not be valid for the scheduled meeting.
4. **Corporate Representative**

A Member of the Company who is a body corporate and who is entitled to attend and vote at the meeting, or a proxy who is a body corporate and who is appointed by a Member of the Company entitled to attend and vote at the meeting, may appoint a person to act as its representative at the meeting by providing that person with:

 - a. a letter or certificate, executed in accordance with the body corporate's constitution, authorising the person as the representative; or
 - b. a copy of the Resolution, certified by the secretary or a director of the body corporate, appointing the representative.
5. **How the Chair will vote Undirected Proxies**

Subject to the restrictions set out in Note 6 below, the Chair of the meeting will vote undirected proxies in favour of all of the proposed Resolutions.

6. Voting Exclusion Statement

Resolution 1

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any 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 Parties of such a member.

However, a person 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 person does so as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

If you appoint the Chairman as your proxy and do not direct the Chairman how to vote, you will be expressly authorising the Chairman to exercise the proxy even if the relevant resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

If the Chair of the Meeting is appointed as a proxy for a person who is permitted to vote on Resolution 1, the Chair will vote any proxies which do not indicate on their Proxy Form the way the Chair must vote, in favour of Resolution 1. In exceptional circumstances, the Chair may change his or her voting intention on the Resolution, in which case an ASX announcement will be made. Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Resolution 2

There is no voting exclusion on this resolution.

Resolution 3

There is not voting exclusion on this resolution.

Resolution 4

There is no voting exclusion on this resolution.

Resolution 5

The Company will disregard any votes cast in favour of this resolution by or on behalf of:

- a) a Director of the Company; and
- b) an associate of a Director of the Company.

However, this does not apply to a vote cast in favour of this 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.

Furthermore, a vote on this Resolution must not be cast (in any capacity) by or on behalf of any 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 Parties of such a member.

However, a person 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 person does so as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Resolution 6

As at the date of dispatch of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2 and, therefore, a voting exclusion statement is not required by Listing Rule 7.3A.7.

7. Enquiries

Shareholders are invited to contact the Company Secretary on (03) 9692 7222 if they have any queries in respect of the matters set out in these documents.

EXPLANATORY STATEMENT

Purpose of Information

This Explanatory Statement ("Statement") accompanies and forms part of the Company's Notice of Annual General Meeting ("Notice") for the 2021 Annual General Meeting ("Meeting") will be held as a hybrid meeting at 2/175 Flinders Lane, Melbourne, VIC 3000 and via webinar conferencing facility on 31 May 2021.

1. Receipt and consideration of Accounts & Reports

A copy of the Annual Report for the financial year ended 31 December 2020 which incorporates the Company's financial report, reports of the Directors (including the Remuneration Report and the auditors) is not enclosed as there is no longer a requirement for the Company to incur the printing and distribution cost associated with doing so for shareholders. You may obtain a copy free of charge in hard copy form by contacting the Company by phone +61 3 9692 7222, and you may request that this occurs on a standing basis for future years.

Alternatively, you may access the Annual Report at the Company's website: www.nusantararesources.com or via the Company's announcement platform on ASX. No resolution is required on these reports.

Shareholders will have the opportunity to ask questions about or make comments on, the 2020 Annual Report and the management of the Company. The auditor will be invited to attend, to answer questions about the audit of the Company's 2020 Annual Financial Statements.

2. Resolution 1: Adoption of Remuneration Report

Background

Section 250R(2) of the Corporations Act requires that a resolution to adopt the Remuneration Report must be put to the vote at the Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is set out in the Directors' Report in the Company's 2020 Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

In accordance with Section 250SA of the Corporations Act, Shareholders will be provided with a reasonable opportunity to ask questions concerning, or make comments on, the Remuneration Report at the Annual General Meeting.

In accordance with Division 9 of Part 26.2 of the Corporations Act, if twenty-five per cent (25%) or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must go up for re-election. 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 Annual General Meeting irrespective of the outcome of the vote on Resolution 1.

Board Recommendation

Noting that each Director has a personal interest in their own remuneration from the Company (as such interests are described in the Remuneration Report) and, as described in the voting exclusions on this resolution (set out in the Notice of AGM), that each Director (or any Closely Related Party of a Director) is excluded from voting their shares on this resolution, the Directors unanimously recommend that shareholders vote in favour of Resolution 1 to adopt the Remuneration Report.

Voting Exclusions

Refer to Note 6 for voting exclusions.

3. Resolution 3: Election of Mr Kamen Palatov as a Director of the Company

Background

Clause 40.2 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 Palatov, appointed as a Director on 10 July 2020 will retire in accordance with clause 40.2 of the Constitution at the Annual General Meeting and, being eligible seeks election.

Mr Palatov is a financing specialist and Director of PT Indika Energy Tbk. Kamen studied at Franklin and Marshall College, Pennsylvania before earning his MBA double degree from HEC School of Management, Paris and the Chinese University of Hong Kong.

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

Board Recommendation

The Board (with Mr Palatov abstaining) recommends that shareholders vote in favour of the election of Mr Palatov.

4. Resolution 3: Re-Election of Mr Robin Widdup as a Director of the Company

Background

Mr Widdup was appointed as a Director on 28 February 2018 and will retire in accordance with ASX listing Rule 14.4 and clause 41 of the Constitution and, being eligible, seeks election.

Mr Widdup is the founder and a Director of Lion Selection Group Limited. Robin has 40 years of mining industry and equity market experience.

Mr Widdup is currently a director of the following ASX Listed Companies, Lion Selection Group Limited (managing director) and Celamin Holdings Limited (Chairman of the board).

Mr Widdup has been a Director of the Company for a period of 3 years and 2 months since 28 February 2018.

Board Recommendation

The Board (with Mr Widdup abstaining) recommends that shareholders vote in favour of the election of Mr Widdup.

5. Resolution 4: Re-Election of Mr Greg Foulis as a Director of the Company

Background

Mr Foulis was appointed as a Director and Chairman on 29 March 2018 and will retire in accordance with ASX listing rule 14.4 and clause 41 of the Constitution and, being eligible, seeks election.

Mr Foulis is a resource sector, finance executive with 35+ years of diverse international experience. Greg is currently the Chairman of Kin-Gin Exploration and Advisor to Toronto based Paradigm Capital. Mr Foulis received an M.Comm (Finance) from the University of NSW and a B.AppSc. (Hons) in Geology from the NSW Institute of Technology.

Mr Foulis is not currently a director of any other ASX Listed Companies.

Mr Foulis has been a Director of the Company for a period of 3 years and 1 month since 29 March 2018.

Board Recommendation

The Board (with Mr Foulis abstaining) recommends that Shareholders vote in favour of the election of Mr Foulis.

6. Resolution 5: Increase of Non-Executive Director Fee Pool

Background

This resolution seeks shareholder approval for proposed increase in the Non-Executive Directors' Fee Pool by \$250,000 from A\$250,000 to A\$500,000 such fees to be allocated to the Directors as the Board of Directors may determine.

ASX Listing Rule 10.17 requires the Company to obtain the approval of ordinary shareholders to increase the total amount of Directors fees payable by the Company.

The current maximum aggregate amount of A\$250,000 was set prior to the Company's listing.

The recommended increase by \$250,000 to A\$500,000 will allow the Company:

- Appoint and retain Directors with specialist skills;
- Account for any increase in business activities overseen by the Directors;
- Meet future market related increases in fees; and
- Appoint additional Directors to the Board if appropriate to future circumstances.

Shareholders should note that the proposed limit of \$500,000:

- is a limit on the amount of fees which the Company may pay its Directors and the actual amount that the Company will pay in total to the Directors will be determined by the Board within that limit;
- only relates to Directors' fees and superannuation contributions – it does not relate to salaries paid to any executive Director, such as the Chief Executive Officer, nor does it relate to payments made to Directors who perform additional or special duties at the request of the other Directors or for reimbursement for reasonable expenses when engaged in the business of the Company; and
- is considered by the Board, after reviewing relevant available information, to be consistent with the fee pools of the Australian companies of comparable size to, and in similar industries to, the Company.

Shareholders should also note that, if the proposed new maximum Non-Executive Director fees cap is approved, it will not necessarily represent the full sum paid to Non-Executive Directors each financial year. The Company will in future continue to set the actual level of remuneration of its Non-Executive Directors within the maximum fees cap, having regard to independent external advice, market practice, Board performance and other appropriate factors.

If the resolution is not approved, the fee pool will remain at \$250,000 and the Board will ensure that the aggregate fees paid will not go over that cap.

Details of securities of the Company that have been issued to existing Non-Executive Directors under Listing Rules 10.11 or 10.14 with Shareholder approval within the last three years is as follows:

Name	Type
Greg Foulis	500,000 unlisted Options issued on 6 November 2019 exercisable at 35 cents each on or before 5.00pm 11 July 2022.
Robin Widdup	295,000 unlisted Options issued on 4 June 2018 exercisable at 61 cents each on or before 5.00pm 27 July 2021.
Greg Foulis	295,000 unlisted Options issued on 4 June 2018 exercisable at 61 cents each on or before 5.00pm 27 July 2021.

Board Recommendation

Given the personal interests of the Non-Executive Directors, the Board does not believe it is appropriate to make a recommendation to Shareholders in relation to voting on this Resolution.

Voting Exclusions

Refer to Note 6 for voting exclusions.

7. Resolution 6: Approval of 10% Placement Facility

Background

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12-month period after the Annual General Meeting ("**10% Placement Facility**"). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purpose of Listing Rule 7.1A is an entity that is not included in the ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is, at the date of this Notice, an eligible entity.

The Company is seeking shareholder approval by way of a special resolution to have the ability, if required, to issue Equity Securities under the 10% Placement Facility. The effect of Resolution 6 will be to allow the Directors to issue Equity Securities under Listing Rule 7.1A during the 10% Placement Period (as described below) without using the Company's 15% placement capacity under Listing Rule 7.1.

If Shareholders approve Resolution 6, the number of Equity Securities permitted to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (see below) and the Company will be able to issue Equity Securities from the 10% Placement Facility, as noted below, without any further shareholder approval.

If Shareholders do not approve Resolution 6, the Company will not be able to access the additional 10% capacity to issue Equity Securities without shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without shareholder approval set out in Listing Rule 7.1.

Resolution 6 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote at this Meeting (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Description of Listing Rule 7.1A

a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting. This means it requires approval of 75% of the votes cast by shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has one issue one class of quoted Equity Securities, being Fully Paid Ordinary Shares.

c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an Annual General Meeting may issue or agree to issue, during the 12-month period after the date of the Annual General Meeting, a number of Equity Securities calculated in accordance with the following formula:

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

A is the number of shares on issue at the commencement of the “relevant period” (which, for the Company, is the 12 month period immediately preceding the date of the issue or agreement):

- a) plus the number of fully paid shares issued in the relevant period under an exception in Listing Rule 7.2, other than exception 9,16 or 17;
- b) plus the number of fully paid shares issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:
 - i. the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - ii. the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under rule 7.1 or rule 7.4;
- c) plus the number of fully paid shares issued in a relevant period under an agreement to issue securities within rule 7.2 exception 16 where:
 - i. the agreement was entered into before the commencement of the relevant period; or
 - ii. the agreement or issue was approved, or taken under the Listing Rules to have been approved, under rule 7.1 or rule 7.4;
- d) plus the number of fully paid shares issued in the relevant period with approval of holders of shares under Listing Rules 7.1 or 7.4;
- e) plus the number of partly paid shares that became fully paid in the relevant period;
- f) less the number of fully paid shares cancelled in the relevant period.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity’s 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by shareholders under Listing Rule 7.1 or 7.4.

d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer above).

e) Nature of consideration for issue and Minimum Issue Price

The Equity Securities issued under Listing Rule 7.1A must be issued for a cash consideration per security which must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 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 Company and the recipient of the securities; or
- ii. If the Equity Securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

f) 10% Placement Period

Shareholder approval at the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the Annual General Meeting at which the approval is obtained and expires on the first to occur of the following:

- i. the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained;
- ii. the time and date of the Company's next annual general meeting;
- iii. the time and date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

(10% Placement Period).

Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- a) If Resolution 6 is approved by Shareholders, the period for which the Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A commences on the date of the Annual General Meeting at which the approval is obtained, being 31 May 2021, and expires on the first to occur of the following:
 - i. the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained, being 31 May 2022;
 - ii. the time and date of the Company's next annual general meeting;
 - iii. the time and date of the approval by shareholders of a transaction under Listing Rules 11.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).
- b) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities in the same class calculated over the 15 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 Company and the recipient of the securities; or
 - ii. if the Equity Securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

- c) The purposes for which the funds raised by an issue of Equity Securities under rule 7.1A.2 may be used by the Company include:
- consideration for the acquisitions(s) of the new assets and investments, including the expenses associated with such acquisition(s); and
 - continued expenditure on the Company's current business and/or general working capital.
- d) If Resolution 6 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the table below. Shareholders may also be exposed to economic risk and voting dilution, including the following:
- the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
 - the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the market price of Shares as at 6 April 2021 (**Current Share Price**) and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Issue Price		
		\$0.1325 50% decrease in Current Share Price	\$0.265 Current Share Price	\$0.53 100% increase in Current Share Price
Current Variable A 229,273,007 Shares	10% Voting Dilution	22,927,301 Shares		
	Funds raised	\$3,037,867	\$6,075,735	\$12,151,470
50% increase in current Variable A 343,909,510 Shares	10% Voting Dilution	34,390,951 Shares		
	Funds raised	\$4,556,801	\$9,113,602	\$18,227,204
100% increase in current Variable A 458,546,014 Shares	10% Voting Dilution	45,854,601 Shares		
	Funds raised	\$6,075,734	\$12,151,469	\$24,302,939

The table has been prepared on the following assumptions:

- the Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- No Options (including any Listed Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;

- The 10% voting dilution reflects the aggregate percentage dilution against the issue share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
 - 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 Facility, based on that Shareholder's holding at the date of the Annual General Meeting.
 - The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
 - The current Share Price is \$0.265 (26.5 cents) being the closing price of the Shares on the ASX on 6 April 2021.
- e) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by case basis having regard to relevant factors including, but not limited to, the following:
- i. the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
 - ii. the effect of the issue of the Equity Securities on the control of the Company;
 - iii. the financial situation and solvency of the Company; and
 - iv. advice from corporate, financial and broking advisers (if applicable).
- The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders, subject to compliance with Listing Rule 10.11, and/or new Shareholders who are not related parties or associates of a related party of the Company.
- f) The Company:
- i. has not issued, nor agreed to issue, any Equity Securities under Rule 7.1A.2 in the 12 month period preceding the date of the Meeting; and
 - ii. had not agreed, before the 12 month period referred to in the preceding paragraph, to issue any Equity Securities under rule 7.1A.2 where such securities remain unissued as at the date of the Meeting.

Board Recommendation

The Directors of the Company believe that this Resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“\$” means Australian Dollars;

“**10% Placement Facility**” has the meaning as defined in the Explanatory Statement for Resolution 6;

“**10% Placement Period Facility**” has the meaning as defined in the Explanatory Statement for Resolution 6;

“**Annual Report**” means the Directors’ Report, the Financial Report, and Auditor’s Report, in respect to the year ended 31 December 2020;

“**ASIC**” means the Australian Securities and Investments Commission;

“**ASX**” means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;

“**Auditor’s Report**” means the auditor’s report on the Financial Report;

“**AEST**” means Australian Eastern Standard Time.

“**Board**” means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;

“**Chairman**” means the person appointed to chair the Meeting of the Company convened by the Notice;

“**Company**” means Nusantara Resources Limited ACN 150 791 290;

“**Constitution**” means the constitution of the Company as at the date of the Meeting;

“**Corporations Act**” means the Corporations Act 2001 (Cth);

“**Director**” means a Director of the Company;

“**Directors Report**” means the annual directors’ report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**Explanatory Statement**” means the explanatory statement which forms part of this Notice;

“**Financial Report**” means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**NED**” means each of the Non-Executive Directors of the Company;

“**Notice**” means this Notice of Meeting including the Explanatory Statement;

“**Proxy Form**” means the proxy form attached to the Notice;

“**Remuneration Report**” means the remuneration report which forms part of the Directors’ Report of Nusantara Resources Limited for the financial year ended 31 December 2020 and which is set out in the 2020 Annual Report;

“**Resolution**” means a resolution referred to in the Notice;

“**Section**” means a section of the Explanatory Statement;

“**Shareholder**” means shareholder of the Company;

“**Share Registry**” means Computershare Ltd (ABN 71 005 485 825);

“**Trading Day**” means a day determined by ASX to be a trading day in accordance with the Listing Rules;

“**VWAP**” means volume weighted average price.