



Sumatra Copper & Gold plc

Registered number 5777015 (England and Wales)

ABN 14 136 694 267 (Australia)

Notice of Annual General Meeting and Explanatory Statement

**Annual General Meeting to be held at
the offices of Sumatra Copper & Gold plc
Level 1, 5 Ord Street,
West Perth, Western Australia**

On Wednesday, 31 May 2017 at 10.00am (WST)

The Notice of Annual General Meeting, Explanatory Statement, CDI Voting Instruction Form and Proxy Form should be read in their entirety. If you are in doubt as to how you should vote, you should seek advice from your accountant, solicitor or other professional adviser prior to voting.

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Key dates

An indicative timetable of key proposed dates is set out below. These dates are indicative only and the dates are subject to possible change.

Event	Date
Last day for receipt of CDI Voting Instruction Forms ¹	28 May 2017
Snapshot date for eligibility to vote	29 May 2017
Last day for receipt of Proxy Forms ²	29 May 2017
Annual General Meeting	31 May 2017

¹ CDI Voting Instruction Forms received after 10.00am (WST) on this date will be disregarded.

² Proxy Forms received after 10.00am (WST) on this date will be disregarded.

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Sumatra Copper & Gold plc (registered number 5777015 in England and Wales and ABN 14 136 694 267 in Australia) (**Sumatra or Company**) will be held at the offices of Sumatra Copper & Gold plc Level 1, 5 Ord Street, West Perth, Western Australia at 10.00am (WST) on Wednesday, 31 May 2017.

The Explanatory Statement, which accompanies and forms part of this Notice, describes the various matters to be considered.

Terms used in this Notice will, unless the context otherwise requires, have the same meaning given to them in the Glossary as set out in the Explanatory Statement.

Agenda

Resolution 1 – Receipt of Financial Statements and Reports

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

“That the Company’s audited financial statements, Directors’ report and Auditor’s report for the financial year ended 31 December 2016 be received.”

Resolution 2 – Re-election of Mr Jocelyn Waller as a Director

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

“That for the purposes of article 37.2 of the Company’s Articles of Association, Mr Jocelyn Waller, being a Director who retires by rotation in accordance with article 37.2 and, being eligible, offers himself for re-election, be re-elected as a Director.”

Resolution 3 – Re-election of Mr Gavin Caudle as a Director

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

“That for the purposes of article 37.2 of the Company’s Articles of Association, Mr Gavin Caudle, being a Director who retires by rotation in accordance with article 37.2 and, being eligible, offers himself for re-election, be re-elected as a Director.”

Resolution 4 – Election of Mr Andrew Robb as a Director

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

“That Mr Andrew Robb, being a Director of the Company who retires in accordance with article 32.2 of the Company’s Articles of Association, and, being eligible, offers himself for election, be elected as a Director of the Company.”

Resolution 5 - Ratification of CDI Issue

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

“That pursuant to ASX Listing Rule 7.4, the issue on 30 January 2017 of 1,825,143 CDIs and underlying Shares at a deemed issue price of \$0.023 per CDI on the terms and conditions set out in the Explanatory Statement be ratified.”

ASX voting exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the *issue* and an Associate of those persons. However, the Company will not disregard a vote if (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or (b) it is cast by the person chairing the General Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 6 - Ratification of CDI Issue

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

“That pursuant to ASX Listing Rule 7.4, the issue on 6 March 2017 of 2,608,695 CDIs and underlying Shares at a deemed issue price of \$0.023 per CDI on the terms and conditions set out in the Explanatory Statement be ratified.”

ASX voting exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the *issue* and an Associate of those persons. However, the Company will not disregard a vote if (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or (b) it is cast by the person chairing the General Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 7 - Approval for Placement of CDIs

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

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue CDIs up to the value of US\$25,000,000 to the parties and on the terms and conditions set out in the Explanatory Statement.”

ASX voting exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons.

However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 8 - Authority to Allot

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

“That, in substitution for all previous like authorities which are hereby revoked and replaced (but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities), the Directors be and are hereby generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 to exercise all powers of the Company to allot equity securities (within the meaning of Section 560 of the Act) up to a maximum aggregate nominal amount of £21,000,000.

This authority shall expire (unless renewed, varied or revoked by the Company in general meeting) at the conclusion of the next annual general meeting of the Company to be held in 2018, save that the Company may before such expiry make any offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.”

Resolution 9 - Disapplication of Pre-emption Rights

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

“That, subject to the passing of Resolution 8, and in substitution for all previous like authorities which are hereby revoked and replaced (but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities), the Directors be and are hereby empowered pursuant to Section 570 of the Companies Act to allot equity securities (within the meaning of Section 560 of the Companies Act) for cash pursuant to the authority conferred by Resolution 8 as if Section 561(1) of the Companies Act did not apply to any such allotment provided that this power shall be limited to the allotment of equity securities up to an aggregate nominal amount of £21,000,000 and shall expire at the conclusion of the annual general meeting of the Company to be held in 2018 save that the Company may before such expiry make any offer or enter into any agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement as if the power conferred hereby had not expired”.

By order of the Board



Susan Hunter
Company Secretary
4 May 2017

Proxy Appointment, Voting and Meeting Instructions

Appointment of a proxy

A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy. The proxy may, but need not be, a Shareholder of the Company.

If you wish to appoint the Chairman of the Meeting as your proxy, mark the appropriate box on the Proxy Form. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairman of the Meeting will be your proxy.

You are entitled to appoint up to two persons as proxies to attend the Annual General Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company on +61 8 6298 6200 or you may photocopy the Proxy Form.

To appoint a second proxy you must on each Proxy Form state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

The Proxy Form (and any power of attorney or other authority, if any, under which it is signed) must be received at an address given below by 10.00am WST on 29 May 2017 being not later than 48 hours before the commencement of the Annual General Meeting. Any Proxy Form received after that time will not be valid for the scheduled Annual General Meeting.

CDI voting

Holders of CDIs are invited to attend and speak at the Meeting but are not entitled to vote personally at the Meeting. In order to have votes cast at the Meeting on their behalf, CDI Holders must complete, sign and return the CDI Voting Instruction Form so that CHESSE Depository Nominees Pty Ltd can vote the underlying Shares on their behalf.

One CDI is equivalent to one Share and so each CDI held at 28 May 2017 entitles its holder to direct one vote.

The CDI Voting Instruction Form (and any power of attorney or other authority, if any, under which it is signed) must be received at an address given below by 10.00am WST on 28 May 2017 being not later than 72 hours before the commencement of the Annual General Meeting. Any CDI Voting Instruction Form received after that time will not be valid for the scheduled Annual General Meeting.

Where the holding of CDIs is in more than one name, all the CDI Holders must sign the CDI Voting Instruction Form.

To obtain a copy of the CHESSE Depository Nominee's Financial Services Guide, go to http://www.asx.com.au/documents/settlement/CHESSE_Depository_Interests.pdf.

Lodgement of CDI Voting Instruction Forms

CDI Voting Instruction Forms may be lodged in one of the following ways:

- a) Online: at www.investorvote.com.au.
- b) Mobile: scan the QR Code on the CDI Voting Instruction Form and follow the prompts.
- c) By mail: complete and sign the CDI Voting Instruction Form and return to:

Computershare Investor Services Pty Limited

GPO Box 242, Melbourne VIC 3001 Australia.
- d) By Fax: complete and sign the CDI Voting Instruction Form and fax to:

Inside Australia 1800 783 447

Outside Australia +61 3 9473 2555.
- e) Custodian voting: For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions.

CDI Voting Instruction Forms (and any power of attorney or other authority, if any, under which it is signed) must be received by 10.00am WST on 28 May 2017 being not later than 72 hours before the commencement of the Annual General Meeting. CDI Voting Instruction Forms received later than this time will be invalid.

Lodgement of Proxy Forms

Proxy Forms may be lodged:

- a) By mail: 39 Parkside, Cambridge CB1 1PN United Kingdom; or
- b) By Fax: +61 8 9323 2033; or
- c) By hand delivery: to Computershare Investor Services Pty Limited, Level 11, 172 St Georges Terrace, Perth WA 6000.

Proxy Forms must be received by the Company not later than 10.00am (WST) on 29 May 2017 being not later than 48 hours before the commencement of the General Meeting. Proxy Forms received later than this time will be invalid.

Votes on Resolutions

You may direct your proxy how to vote on a Resolution by placing a mark in one of the boxes opposite the Resolution. All your shareholding will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on the Resolutions by inserting the percentage or number of Shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the Resolutions, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution your vote on the Resolutions will be invalid.

Chairman voting undirected proxies

The Chairman will vote undirected proxies on, and in favour of, all of the proposed resolutions.

Voting entitlement (snapshot date)

For the purposes of determining voting and attendance entitlements at the Annual General Meeting, Shares and CDIs will be taken to be held by the persons who are registered as holding the Shares or CDIs at 10.00am WST on 29 May 2017. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.

Questions from Shareholders

At the Annual General Meeting, the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments on the management of the Company.

Mr Scott Knight of BDO, as the auditor responsible for preparing the auditor's report for the year ended 31 December 2016 (or his representative) will attend the Annual General Meeting. The Chairman will also allow a reasonable opportunity for Shareholders to ask the auditor questions about:

- the conduct of the audit;
- the preparation and content of the auditor's report;
- the accounting policies adopted by the Company in relation to the preparation of financial statements; and
- the independence of the auditor in relation to the conduct of the audit.

To assist the Board and the auditor of the Company in responding to questions please submit any questions you may have in writing no later than 5.00pm WST on 29 May 2017:

By post or hand: 39 Parkside, Cambridge CB1 1PN United Kingdom

By email: sumatrareception@scgplc.com

Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's Annual General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice of Annual General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary. All amounts referred to in this Explanatory Statement are in Australian dollars unless specified otherwise.

1. Resolution 1 – Receipt of Financial Statements and Reports

The Company's audited financial statements, Directors' report and Auditor's report for the financial year ended 31 December 2016 have been mailed to Shareholders, together with this Explanatory Statement. The Company's financial statements are also available on its website (www.sumatracoppergold.com) and on the ASX website (www.asx.com.au).

The Chairman of the Meeting will allow a reasonable opportunity for Shareholders to ask questions or make comments about the financial statements and reports. The Chairman will also allow a reasonable opportunity for Shareholders to ask the auditor questions about:

- the conduct of the audit;
- the preparation and content of the Auditor's report;
- the accounting policies adopted by the Company in relation to the preparation of financial statements; and
- the independence of the auditor in relation to the conduct of the audit.

2. Resolutions 2 and 3 – Re-election of Directors

In accordance with the Listing Rules and article 37 of the Articles of Association, at every Annual General Meeting, one third of the Directors, excluding the Managing Director, must retire from office and are eligible for re-election. The Directors to retire are:

- (a) those who have been in office for 3 years since their appointment or last re-appointment;
- (b) those who have been longest in office since their appointment or last re-appointment; or
- (c) if the Directors have been in office for an equal length of time, by agreement.

Messrs Waller and Caudle both retire by rotation and offer themselves for re-election as a Director. Messrs Waller and Caudle were last elected by Shareholders at the annual general meeting held on 30 May 2014.

Jocelyn Waller MA (Hons) (Cantab)

Mr Waller is a British national who is a founding shareholder and Director of the Company. Mr Waller graduated from Churchill College, Cambridge with a Master of Arts in History in 1965 and has since spent his entire career in the mining industry. For 22 years he worked for the Anglo American group and was involved variously with tin mining (Malaysia and Thailand), copper/cobalt (Zaire), potash (UK), tungsten (Portugal), exploration and metal sales (London).

In 1989 he set up Avocet Mining plc ('Avocet') and as CEO developed the Penjom gold mine in Malaysia and listed Avocet on the London Stock Exchange. In 2000 he set up Trans-Siberian Gold plc ('TSG') to develop gold projects in Eastern Russia listing TSG on the AIM market of the LSE in 2003.

Mr Waller is Chairman of the Audit and Risk Committee and a Member of the Remuneration and Nomination Committee.

Gavin Caudle B.Com Finance and Law, Chartered Accountant

Mr Caudle is Perth born and educated and has over 20 years' experience in the finance and investment sectors in Australia, Singapore and Indonesia. He is the representative of Sumatra's major shareholder and cornerstone investor, Provident Minerals Pte Ltd.

Since 2003, together with his partners, Mr Caudle has developed numerous successful businesses in Indonesia including Tower Bersama Group (a telecommunications infrastructure business) and Provident Agro (a plantation business) with assets currently valued in excess of \$4 billion. Mr Caudle was previously a partner in Arthur Andersen Jakarta Office and Country Head of the Investment Bank Salomon Smith Barney for Indonesia.

Mr Caudle is currently a Director of Provident Capital Partners Pte Ltd and a Non-Executive Director of two other ASX-listed resource companies, Finders Resources Limited and Sihayo Gold Limited. Mr Caudle is a director of Merdeka Copper Gold Tbk.

Directors' recommendation

The Directors (other than Mr Waller) recommend that Shareholders vote in favour of the re-election of Mr Waller.

The Directors (other than Mr Caudle) recommend that Shareholders vote in favour of the re-election of Mr Caudle.

3. Resolution 4 – Election of Mr Andrew Robb as a Director

In accordance with article 32.2 of the Articles of Association, the Directors may appoint any person to be a Director, either as an addition to the existing Directors or to fill a casual vacancy. Under article 32.2, any such Director only holds office until the next annual general meeting and, if eligible, may offer himself or herself for reappointment to the office of a Director.

Mr Robb was appointed as a Non-executive Director on 1 December 2016.

Mr Robb is a mining engineer with significant international experience and a proven track record in mining operations for companies such as WMC Resources/BHP Billiton (Group Manager of Technical Services), Placer Dome (Mine Manager of the

Kanowna Belle Gold Mine), MIM Holdings and Mount Isa Mines. Mr Robb recently returned from a 3 year assignment in Argentina as Project Director/VP South America for the Enirgi Group. As a former Principal Mining Engineer at AMC Consultants in both London and Perth, Mr Robb has a breadth of knowledge across all aspects of project development, project execution and operations.

Mr Robb is a member of the Audit and Risk Committee and a Member of the Remuneration and Nomination Committee.

4.1 Directors' recommendation

The Directors (other than Mr Robb) recommend that Shareholders vote in favour of the election of Mr Robb.

4. Resolution 5 - Ratification of CDI Issue

On 30 January 2017, the Company issued a total of 175,715,001 CDIs as payment for the outstanding redemption premium under the Company's senior secured debt facility at a deemed issue price of A\$0.023 per CDI representing a value of approximately A\$4.04 million (US\$3.03 million at an exchange rate of 0.7501). At a General Meeting of the Company held on 13 December 2016, the Company received approval to issue CDIs up to the value of US\$3,000,000 or 173,889,858 CDIs (at an exchange rate of 0.7501). Approval for issue of the remaining 1,825,143 CDIs issued on 30 January 2017 under the Company's existing Listing Rule 7.1 capacity is the subject of Resolution 5 of this Notice of General Meeting.

Full details of the Company's issue of CDIs up to the value of US\$3,000,000 as payment for the outstanding redemption premium under the Company's senior secured debt facility are found in the Notice of General Meeting lodged on ASX on 25 November 2016.

The Company issued the 1,825,143 CDIs on 30 January 2017 under its available placement capacity pursuant to Listing Rule 7.1. Resolution 5 seeks Shareholder approval pursuant to Listing Rule 7.4 to ratify the issue of the 1,825,143 CDIs issued on 30 January 2017 pursuant to Listing Rule 7.1.

Under Chapter 7 of the Listing Rules there are limitations on the capacity of a company to enlarge its capital by the issue of equity securities without shareholder approval. Listing Rule 7.1 provides that a company must not, subject to certain exceptions, issue during any 12 month period any equity securities, including securities with rights of conversion to equity (such as options), if the number of those securities exceeds 15% of the number of ordinary shares on issue at the commencement of that 12 month period.

Listing Rule 7.4 provides however that an issue under Listing Rule 7.1 is treated as having been made with Shareholder approval if each of the following applies:

- the issue did not breach Listing Rule 7.1; and
- Shareholders subsequently approve it.

This issue of CDIs was within the Company's 15% limit and subsequent approval under Listing Rule 7.4 is now being sought.

In accordance with Listing Rule 7.5 the following information is provided in relation to Resolution 5:

Number of CDIs Issued: 1,825,143 CDIs.

Issue Price: Deemed issue price of \$0.023 per CDI.

Terms: The CDIs rank equally in all respects with the existing CDIs on issue.

Allottees: The CDIs were issued to Nomura Special Investments Singapore Pte Ltd, a lender under the Company's US\$45 million senior secured debt facility entered into by PT Dwinad Nusa Sejahtera on 21 October 2014 with Nomura Singapore Limited and Indonesia Eximbank. The allottee is not a Related Party of the Company.

Use of Funds: No funds were raised from this issue because the CDIs were issued as consideration for part of the outstanding redemption premium under the Company's senior secured debt facility.

Date of Issue: 30 January 2017.

Voting Exclusion: An appropriate voting exclusion statement is included in the Notice of General Meeting.

The Directors recommend that the Shareholders vote in favour of this Resolution.

5. Resolution 6 - Ratification of CDI Issue

On 6 March 2017, the Company issued a total of 2,608,695 CDIs to current senior employees of the Company as a bonus payment in regard to performance and services provided by the employees during the financial year ended 31 December 2016 (FY2016).

The Company issued the 2,608,695 CDIs on 6 March 2017 under its available placement capacity pursuant to Listing Rule 7.1. Resolution 6 seeks Shareholder approval pursuant to Listing Rule 7.4 to ratify the issue of the 2,608,695 CDIs issued on 6 March 2017 pursuant to Listing Rule 7.1.

Under Chapter 7 of the Listing Rules there are limitations on the capacity of a company to enlarge its capital by the issue of equity securities without shareholder approval. Listing Rule 7.1 provides that a company must not, subject to certain exceptions, issue during any 12 month period any equity securities, including securities with rights of conversion to equity (such as options), if the number of those securities exceeds 15% of the number of ordinary shares on issue at the commencement of that 12 month period.

Listing Rule 7.4 provides however that an issue under Listing Rule 7.1 is treated as having been made with Shareholder approval if each of the following applies:

- the issue did not breach Listing Rule 7.1; and
- Shareholders subsequently approve it.

This issue of CDIs was within the Company's 15% limit and subsequent approval under Listing Rule 7.4 is now being sought.

In accordance with Listing Rule 7.5 the following information is provided in relation to Resolution 6:

Number of CDIs Issued: 2,608,695 CDIs.

Issue Price: Deemed issue price of \$0.023 per CDI.

Terms: The CDIs rank equally in all respects with the existing CDIs on issue.

Allottees: The CDIs were issued to three senior staff member of the Company. The allottees are not Related Parties of the Company.

Use of Funds: No funds were raised from this issue because the CDIs were issued as consideration for services provided by the employees during FY2016.

Date of Issue: 6 March 2017.

Voting Exclusion: An appropriate voting exclusion statement is included in the Notice of General Meeting.

The Directors recommend that the Shareholders vote in favour of this Resolution.

6. Resolution 7 – Approval for Placement of CDIs

6.1 Background

The Company issued a Notice of Meeting on 22 November 2016 (“Prior NoM”) regarding the proposed amendment of its senior secured debt facility of US\$45 million entered in to by the Company’s wholly owned subsidiary PT Dwinad Nusa Sejahtera in October 2014 (“Amended Facility”). Defined terms have the meanings described in the Prior NoM.

On 13 December 2017 shareholder approval was received for the following components of the Amended Facility:

- the Initial Equity Raise of a minimum of US\$2.5 million, as described in Section 1.5 of the Explanatory Statement of the Prior NoM, with capacity to place up to an additional US\$2.5 million of securities before 13 March 2017 to fund further operational improvement projects and exploration;
- the cancellation of 250,597,351 warrants, as described in Section 1.2 of the Explanatory Statement of the Prior NoM, and the issue of CDIs, up to the value of US\$4.05 million, to the Warrant Holders as consideration for the cancellation of the Warrants; and
- the issue of CDIs up to the value of US\$3.0 million to the Lenders as payment for the Redemption Amount as described in Section 1.5 of the Explanatory Statement of the Prior NoM.

The Company completed the Initial Equity Raise, cancellation of Warrants and issue of CDIs to Warrant Holders and Lenders, as described above, in January 2017 (refer to ASX Announcement of 27 January 2017).

Under the terms of the Amended Facility, the Company is required to complete a second equity raise of a minimum of US\$12.5 million by 30 June 2017 (“Major Equity Raise”), from the proceeds of which US\$10 million of the principal of the senior secured debt facility is to be repaid. Under the terms of the Second Sponsor Support Agreement the Major Shareholders will take-up any shortfall in the Major Equity Raise.

The Major Shareholders collectively hold US\$7 million in convertible notes, plus approximately US\$1.0m in capitalised interest, in the Company (as described in section 1.4 of the Explanatory Statement of the Prior NoM). In addition to taking up any shortfall in the Major Equity Raise the Major Shareholders have, under the Second Sponsor Support Agreement, agreed to, after the Major Equity Raise and by no later than 30 June 2017:

- if at the closing date of the Major Equity Raise, the CDI price is equal to or greater than the Exercise Price, to exercise their rights to convert all Convertible Notes; or
- if at the closing date of the Major Equity Raise the CDI price is less than the Exercise Price: to subscribe for a placement of CDIs (to the value of the Convertible Notes) at an issue price equal to the lower of 90% of the 10-day VWAP prior to the closing date of the Major Equity Raise and the then lowest issue price permitted under the Listing Rules; and to redeem all Convertible Notes.

Resolution 7 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the placement of up to US\$25.0 million worth of CDIs at an issue price not less than 80% of the volume weighted average market price of the Company's CDIs calculated over the last 5 days prior to the date of issue on which the Company's CDIs were traded.

The purpose of this Resolution is to gain shareholder approval for the Major Equity Raise, with capacity to place an additional US\$8.0 million of CDIs, in the event of the Major Shareholders redeeming their Convertible Notes including capitalised interest, and the capacity to place up to an additional US\$4.5 million of CDIs within 3 months of the date of the Meeting to fund further operational improvement projects, exploration and working capital.

6.2 ASX Listing Rules

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, and without shareholder approval, issue or agree to issue Equity Securities during any 12 month period if the number of those Equity Securities exceeds 15% of the number of securities on issue at the commencement of that 12 month period.

If the issue of CDIs pursuant to Resolution 7 exceeds the Company's 15% placement capacity, the Company will require the approval of Shareholders, and if it does not exceed the 15% placement capacity, the CDIs to be issued will not be included in the 15% placement capacity if Shareholders approve the issue.

The effect of obtaining Shareholder approval for Resolution 7 will be to allow the Company to issue up to US\$25.0 million in CDIs at a price not less than 80% of the volume weighted average market price of the Company's CDIs 5 days prior to the date of issue during the period of 3 months after the General Meeting (or such longer period, if permitted by ASX), without using the Company's 15% annual placement capacity.

6.3 Regulatory information

The following information is provided for the purposes of ASX Listing Rule 7.3:

- (a) Maximum number of securities to be issued

The Company intends to issue CDIs up to the value of US\$25.0 million which equates to approximately A\$32,942,417 million at an exchange rate of 1 AUD per 0.7589 USD (calculated according to the RBA exchange rate on 13 April 2017).

The exact number of CDIs to be issued will be calculated using an issue price per CDI of not less than 80% of the volume weighted average market price of the Company's CDIs calculated over the 5 trading days prior to the date of issue of the CDIs.

Based on an issue price of A\$0.02 per CDI, being the lowest closing price of the Company's CDIs over the last 12 months, up to 1,647,120,850 CDIs would be issued to raise up to US\$25.0 million.

Based on an issue price of A\$0.057 per CDI, being the highest closing price of the Company's CDIs over the last 12 months, up to 577,937,140 CDIs would be issued to raise up to US\$25.0 million.

Based on an issue price of A\$0.024 per CDI, being the closing price of the Company's CDIs as at 13 April 2017, up to 1,372,600,708 CDIs would be issued to raise up to US\$25.0 million.

(b) Date of issue

The CDIs will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of all CDIs will occur on the same date.

(c) Issue price

The issue price of the CDIs will be at a price per CDI of not less than 80% of the volume weighted average market price of the Company's CDIs, calculated over the last 5 trading days of the CDIs prior to the date of issue of the CDIs.

(d) Terms of the securities

The CDIs to be issued will rank equally with the existing quoted CDIs of the Company. The Company will apply to ASX for official quotation of the CDIs.

(e) Recipients of the securities

The Directors will determine the parties to whom the CDIs will be issued and will ensure that these persons will not be related parties of the Company.

(f) Intended use of funds raised

The Company intends to use US\$10 million to repay the principal of the senior secured debt facility and the remainder for the purposes of financing exploration and operational improvement projects at Tembang and for general working capital purposes.

(g) Voting exclusion statement

A voting exclusion statement for Resolution 7 is included in the Notice of General Meeting.

6.4 Directors' recommendation

The Directors (other than Gavin Caudle) recommend that Shareholders vote in favour of Resolution 7 as it is a component of the Amended Facility, that will improve the financial position of the Group by reducing debt and lowering the cost of debt. Gavin Caudle does not give a recommendation as he is a nominee to the board of the Company from Provident Minerals Pte Limited who will participate in the issue by virtue of the Second Sponsor Support Agreement as detailed in Section 6.1 above.

7. Resolution 8 – Authority to allot

This Resolution gives the Directors the authority to allot Shares, or grant rights over Shares, up to an aggregate nominal amount equal to £21,000,000 representing 2,100,000,000 Shares of £0.01 each. This amount represents approximately 163% of the issued ordinary share capital of the Company as at 28 April 2017, the latest practical date prior to the printing of this Notice.

The authority sought under Resolution 8 will expire at the conclusion of the annual general meeting of the Company to be held in 2018.

7.1 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 8.

8. Resolution 9 – Disapplication of pre-emption rights

The Directors also require additional authority from Shareholders to allot Shares or grant rights over Shares where they propose to do so for cash and otherwise than to existing Shareholders in proportion to their existing holdings. Accordingly, Resolution 9 is proposed as a special resolution to grant such authority. The disapplication of pre-emption rights will apply to the issue of Shares up to an aggregate amount of 2,100,000,000 Shares being approximately 163% of the issued ordinary share capital of the Company as at 28 April 2017, the latest practical date prior to the printing of this Notice.

The authority sought under Resolution 9 will expire at the conclusion of the annual general meeting of the Company to be held in 2018.

8.1 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 9.

9. Glossary

In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

£	British Pounds Sterling.
\$ or A\$	Australian Dollars.
Annual General Meeting or Meeting	Annual general meeting of Shareholders or any meeting adjourned thereof, convened by the Notice.
Annual Report	The Company's annual report, including the reports of the Directors and the Auditor and the Financial Statements of the Company for the year ended 31 December 2016, which can be downloaded from the Company's website at www.sumatracoppergold.com .
Associate	Has the meaning given to it by Division 2 of Part 1 of the Corporations Act.
ASX	ASX Limited and its Related Bodies Corporate, or the financial market known as the Australian Securities Exchange, as the context requires.
Board	The board of Directors of the Company.
CDI	CHESS Depository Interest in respect of a Share.
CDI Holder	A holder of CDIs.
CDI Voting Instruction Form	The CDI voting instruction form accompanying this Notice of Meeting.
Companies Act	Companies Act 2006 (UK).
Company or Sumatra	Sumatra Copper & Gold plc, being a company registered in England and Wales with registered number 5777015, ABN 14 136 694 267 in Australia and registered address of 39 Parkside, Cambridge CB1 1PN United Kingdom.
Company Secretary	The company secretary of the Company at the time of the Annual General Meeting, Ms Susan Hunter.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Director	A director of the Company.
Explanatory Statement	This explanatory statement which accompanies and forms part of the Notice of Annual General Meeting.
Glossary	This glossary of terms.
Listing Rules	The listing rules of ASX.
Member	A person entered in the register as a member of the Company.
Notice or Notice of Meeting	The notice of Annual General Meeting which accompanies this Explanatory Statement.
Proxy Form	The proxy form accompanying this Notice of Meeting
Related Party	Has the same meaning as given to that term in section 228 of the Corporations Act.
Resolution	A resolution set out in the Notice.
Securities	Has the same meaning as in the Listing Rules.

Share	Fully paid ordinary share in the capital of the Company.
Shareholder	A holder of Shares.
Trading Day	A day determined by ASX to be a trading day in accordance with the Listing Rules.
US\$	US Dollars.
VWAP	Volume weighted average price as that term is defined in the Listing Rules.
WST	Western Standard Time, Perth, Australia.

SUMATRA COPPER & GOLD PLC
Registered number 5777015 (England and Wales)/ABN 14 136 694 267 (Australia)
PROXY FORM

I/We (name of Shareholder)
of (address)
being a member/members of Sumatra Copper & Gold plc hereby appoint:
(name).....
of (address)
and/or failing him/her (name)
of (address)

or failing that person then the Chairman of the Annual General Meeting as my/our proxy to act generally for me/us and to vote in accordance with the following directions or, if no directions are given, as the proxy sees fit at the Annual General Meeting of the Company to be held at the offices of Sumatra Copper & Gold plc Level 1, 5 Ord Street, West Perth, Western Australia at 10.00am (WST) on Wednesday, 31 May 2017 and at any adjournment of the Annual General Meeting.

Important Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my proxy by default) and I/we have not specified the way he/she is to vote on a resolution, I/we acknowledge that the Chairman may exercise my proxy in accordance with his/her stated intention.
The Chairman of the Annual General Meeting intends to vote all available undirected proxies in favour of all Resolutions.

Should you wish to direct the proxy how to vote, you should place a cross in the appropriate boxes below:

I/We direct my/our Proxy to vote in the following manner:

		For	Against	Abstain
Resolution 1	Receipt of financial statements and reports	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr Jocelyn Waller as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Mr Gavin Caudle as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Election of Mr Andrew Robb as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Ratification of CDI Issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Ratification of CDI Issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval for Placement of CDIs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Authority to allot	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Disapplication of pre-emption rights	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no directions are given my proxy may vote as the proxy thinks fit or may abstain.

*This Proxy is appointed to represent _____% of my voting right, or if two proxies are appointed Proxy 1 represents _____% and Proxy 2 represents _____% of my/our total votes.
My/our total voting right is _____ shares.*

Signed By:

Individuals and joint holders

Signature
Signature
Signature

Companies (affix common seal if appropriate)

Director
Director/Company Secretary
Sole Director

Contact Details:

Name	Email address/Telephone number

Sumatra Copper & Gold plc
Registered Number 5777015 (United Kingdom) ABN 14 136 694 267 (Australia)

INSTRUCTIONS FOR COMPLETING THE PROXY FORM

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):** The proxy form must be signed personally by the Shareholder or his attorney, duly authorised in writing. If a proxy is given by a corporation, the proxy must be executed in accordance with its constitution or its duly authorised attorney. In the case of joint Shareholders, this proxy must be signed by each of the joint Shareholders, personally or by a duly authorised attorney.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to 39 Parkside, Cambridge CB1 1PN United Kingdom; or
 - (b) facsimile to +61 8 9323 2033; or
 - (c) hand deliver to Computershare Investor Services Pty Limited, Level 11, 172 St Georges Terrace, Perth WA 6000.

Please note that the Proxy Forms must be received by the Company an address given below not later than 10.00am (WST) on 29 May 2017 being not later than 48 hours before the commencement of the General Meeting.

Proxy Forms received later than this time will be invalid.

SUMATRA

COPPER & GOLD

Sumatra Copper & Gold plc

ABN 14 136 694 267

SUM

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:

  **Online:**
www.investorvote.com.au

 **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

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

CDI Voting Instruction Form

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Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999 PIN: 99999

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



 **For your vote to be effective it must be received by 10:00am (WST) Sunday, 28 May 2017**

How to Vote on Items of Business

Each CHESS Depository Interest (CDI) is equivalent to one share of Company Common Stock, so that every 1 (one) CDI that you own at 28 May 2017 entitles you to one vote.

You can vote by completing, signing and returning your CDI Voting Instruction Form. This form gives your voting instructions to CHESS Depository Nominees Pty Ltd, which will vote the underlying shares on your behalf. You need to return the form no later than the time and date shown above to give CHESS Depository Nominees Pty Ltd enough time to tabulate all CHESS Depository Interest votes and to vote on the underlying shares.

Signing Instructions

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 Australian registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Only duly authorised officer/s can sign on behalf of a company. Please sign in the boxes provided, which state the office held by the signatory, ie Sole Director, Sole Company Secretary or Director and Company Secretary. Delete titles as applicable.

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

GO ONLINE TO VOTE 
or turn over to complete the form

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

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.



I 9999999999

I ND

CDI Voting Instruction Form

Please mark to indicate your directions

STEP 1 CHESSE Depository Nominees Pty Ltd will vote as directed

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Voting Instructions to CHESSE Depository Nominees Pty Ltd

I/We being a holder of CHESSE Depository Interests of Sumatra Copper & Gold plc hereby direct CHESSE Depository Nominees Pty Ltd to vote the shares underlying my/our holding at the Annual General Meeting of Sumatra Copper & Gold plc to be held at Sumatra Copper & Gold plc, Level 1, 5 Ord Street, West Perth, Western Australia on Wednesday, 31 May 2017 at 10:00am (WST) and at any adjournment or postponement of that meeting.

By execution of this CDI Voting Form the undersigned hereby authorises CHESSE Depository Nominees Pty Ltd to appoint such proxies or their substitutes to vote in their discretion on such business as may properly come before the meeting.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing CHESSE Depository Nominees Pty Ltd or their appointed 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
Resolution 1 Receipt of Financial Statements and Reports	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Re-election of Mr Jocelyn Waller as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Re-election of Mr Gavin Caudle as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Election of Mr Andrew Robb as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Ratification of CDI Issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 Ratification of CDI Issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 Approval for Placement of CDIs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 Authority to Allot	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9 Disapplication of Pre-emption Rights	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote all undirected proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date ____ / ____ / ____

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