



## **SUMATRA COPPER & GOLD PLC**

**REGISTERED NUMBER 5777015 (UNITED KINGDOM)  
ABN 14 136 694 267 (AUSTRALIA)**

### **NOTICE OF GENERAL MEETING**

**TIME:** 10.00 am (WST)

**DATE:** Wednesday, 23 July 2014

**PLACE:** The offices of Sumatra Copper & Gold plc  
Level 1, 5 Ord Street  
West Perth, Western Australia

*This Notice of General Meeting should be read in its entirety.  
If Shareholders or CDI Holders are in doubt as to how they should vote, they should seek advice  
from their accountant, solicitor or other professional adviser prior to voting.*

## **SUMATRA COPPER & GOLD plc**

### **NOTICE OF GENERAL MEETING**

This Notice of General Meeting and accompanying Explanatory Statement and Proxy Form or CDI Voting Instruction Form (as applicable) should be read in their entirety. If Shareholders or CDI Holders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional advisor prior to voting.

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#### **BUSINESS OF THE MEETING**

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##### **RESOLUTION 1 – RATIFICATION OF AGREEMENT TO ISSUE CDIs TO PROVIDENT MINERALS PTE LTD – CONVERSION OF PRINCIPAL COMPONENT UNDER FACILITY**

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 7.4 and for all other purposes, Shareholders approve and ratify the agreement to issue CDIs up to the value of US\$600,000 to Provident Minerals Pte Ltd, on the terms and conditions set out in the Explanatory Statement.”**

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution 1 by any person that participated in the agreement to issue CDIs 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 the CDI Voting Instruction 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 or the CDI Voting Instruction Form to vote as the proxy decides.

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##### **RESOLUTION 2 – RATIFICATION OF AGREEMENT TO ISSUE CDIs TO PROVIDENT MINERALS PTE LTD – CONVERSION OF INTEREST COMPONENT UNDER FACILITY**

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 7.4 and for all other purposes, Shareholders approve and ratify the agreement to issue CDIs to Provident Minerals Pte Ltd, the number of CDIs, on the terms and conditions set out in the Explanatory Statement.”**

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution 2 by any person that participated in the agreement to issue CDIs 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 the CDI Voting Instruction 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 or the CDI Voting Instruction Form to vote as the proxy decides.

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### **RESOLUTION 3 – 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 A\$27.0 million, to the parties and on the terms and conditions set out in the Explanatory Statement.”**

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution 3 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 the CDI Voting Instruction 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 or the CDI Voting Instruction Form to vote as the proxy decides.

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### **RESOLUTION 4 – 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 Companies Act 2006) up to a maximum aggregate nominal amount of £20,000,000.**

**This authority shall expire (unless renewed, varied or revoked by the Company in general meeting) on the earlier of the date falling 15 months after the passing of this resolution and the conclusion of the next annual general meeting of the Company to be held in 2015, 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 an such offer or agreement as if the authority conferred hereby had not expired.”**

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## RESOLUTION 5 – 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 4, 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 2006 to allot equity securities (within the meaning of Section 560 of the Companies Act 2006) for cash pursuant to the authority conferred by Resolution 4 as if Section 561(1) of the Companies Act 2006 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 £20,000,000.**

**This authority shall expire (unless renewed, varied or revoked by the Company in general meeting) on the earlier of the date falling 15 months after the passing of this resolution and at the conclusion of the annual general meeting of the Company to be held in 2015 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  
Joint Company Secretary  
Date: 3 July 2014

**IMPORTANT INFORMATION**

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**TIME AND PLACE OF MEETING**

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Notice is given that the General Meeting of the Shareholders of Sumatra Copper & Gold plc to which this Notice of Meeting relates will be held at 10.00am (WST) on Wednesday, 23 July 2014 at:

The offices of Sumatra Copper & Gold plc  
Level 1  
5 Ord Street  
West Perth, Western Australia

**YOUR VOTE IS IMPORTANT**

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

**PROXY APPOINTMENT, VOTING AND MEETING INSTRUCTIONS**

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**Appointment of a proxy**

A member of the Company entitled to attend and vote at the 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 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 Monday, 21 July 2014 being not later than 48 hours before the commencement of the General Meeting. Any Proxy Form received after that time will not be valid for the scheduled 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 CHES Depositary Nominees Pty Ltd can vote the underlying Shares on their behalf.

One CDI is equivalent to one Share and so each CDI held at 20 July 2014 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 10am WST on Sunday, 20 July 2014 being not later than 72 hours before the commencement of the General Meeting. Any CDI Voting Instruction Form received after that time will not be valid for the scheduled 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](http://www.asx.com.au/documents/settlement/CHESSE_Depository_Interests.pdf).

### **Lodgement of Proxy Forms and CDI Voting Instruction Forms**

Proxy Forms and CDI Voting Instruction Forms may be lodged:

**By post:**                      **Computershare Investor Services Pty Limited**  
**GPO Box 242**  
**Melbourne VIC 3001**

**Fax:**                              **(Within Australia): 1800 783 447**  
**(Outside Australia): +61 3 9473 2555**

**OR**

**39 Parkside, Cambridge CB1 1PN United Kingdom**

### **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 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 Monday, 21 July 2014. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the General Meeting.

## **EXPLANATORY STATEMENT**

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders or CDI Holders in deciding whether or not to pass the Resolutions.

This Explanatory Statement should be read in conjunction with, and forms part of, the accompanying Notice of Meeting.

The Directors recommend that Shareholders and CDI Holders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

Terms used in this Explanatory Statement will, unless the context otherwise requires, have the meaning given to them in the glossary to this Explanatory Statement.

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### **1. RESOLUTION 1 - RATIFICATION OF AGREEMENT TO ISSUE CDIs TO PROVIDENT MINERALS PTE LTD – CONVERSION OF PRINCIPAL COMPONENT UNDER FACILITY**

#### **1.1 Background**

On 4 December 2013, the Company announced that it has entered into a convertible loan facility agreement (**Facility Agreement**) with Provident Minerals Pte Ltd (**Provident**) to provide an unsecured debt facility of up to US\$4,000,000. On 26 May 2014, the Company announced it had signed a variation to the Convertible Loan Facility Agreement (**Facility Variation Agreement**) to increase the facility by US\$600,000 to US\$4,600,000 (the **Facility**). The additional US\$600,000 was fully drawn for the purpose of providing the Company with working capital through to the anticipated funding of the Company's Tembang Gold-Silver Project (**Project**). As at the date of this Notice of General Meeting, the Company has fully drawn down the US\$4,600,000 Facility.

Under the terms of the Facility Variation Agreement, Provident may elect to have the outstanding debt of US\$600,000 (**Principal Component**) and accrued interest (**Interest Component**) repaid (in whole or in part) by the issue of CDIs to Provident.

The purpose of Resolution 1 is for Shareholders to ratify the agreement to issue CDIs upon conversion of the Principal Component.

The number of CDIs to be issued under the conversion will be calculated by dividing the Australian dollar equivalent of the conversion amount of the Principal Component as at 9am on the conversion date (calculated in accordance with the applicable exchange rate of the Reserve Bank of Australia for the day preceding the date the conversion notice is given) by the lower of:

- (a) A\$0.08; and
- (b) the amount that is 90% of the daily volume weighted average price of the Company's CDIs over the 10 trading days on ASX ending on the day immediately preceding the date the conversion notice is given.

If the price in (b) above is less than the A\$ equivalent of £0.01 on the conversion date, the amount of CDIs to be issued on conversion will be re-calculated by dividing the conversion amount of the Principal Component by the A\$ equivalent of £0.01.

Based on an exchange rate of 1AUD: 0.9457USD, conversion of the US\$600,000 Facility at 90% of the daily volume weighted average price of the Company's CDIs over the 10 trading days on ASX prior to the date of this Notice of Meeting of A\$0.05 would result in the issue of approximately 12,689,013 CDIs to Provident.

Based on an exchange rate of 1AUD: 0.9457USD and an issue price of A\$0.08 per CDI, conversion of the US\$600,000 Facility would result in the issue of approximately 7,930,633 CDIs to Provident.

Based on an exchange rate of 1AUD: 0.5513GBP, conversion of the US\$600,000 Facility at the A\$ equivalent of £0.01 (A\$0.01814) would result in the issue of approximately 34,975,230 CDIs to Provident.

## **1.2 ASX Listing Rules**

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period, without shareholder approval.

Listing Rule 7.4 states that an agreement by a company to issue securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 if the agreement to issue did not breach Listing Rule 7.1 and the company's members subsequently approve it.

Under Resolution 1, the Company seeks from Shareholders approval for, and ratification of, the agreement to issue the CDIs detailed in section 1.1 comprising the conversion of the Principal Component so as to minimise the restrictive effect of Listing Rule 7.1 on any further issues or agreements to issue by the Company of Equity Securities in the next 12 months.

The effect of obtaining Shareholder and CDI Holder approval and ratification under Resolution 1 will be to allow the Company to ratify the agreement to issue CDIs to Provident, should Provident elect to convert all or part of the Principal Component, without using the Company's 15% annual placement capacity.

## **1.3 Technical information required by ASX Listing Rule 7.5 for Resolution 1**

The following information is provided in relation to the agreement to issue of CDIs under Resolution 1:

(a) Number of securities agreed to be issued

The Company seeks from Shareholders approval for, and ratification of, the agreement to issue up to US\$600,000 worth of CDIs.

The exact number of CDIs to be issued will be calculated by dividing the Australian dollar equivalent of the conversion amount of the Principal Component under the Facility as at 9am on the conversion date by the issue price detailed in point (b) below.

(b) The price at which the securities were agreed to be issued

The issue price of the CDIs on conversion of all or part of the Principal Component will be calculated by dividing the Australian dollar equivalent conversion amount of the Principal Component as at 9am on the conversion date (calculated in accordance with the applicable exchange rate of the Reserve Bank



of Australia for the day preceding the date the conversion notice is given) by the lower of:

- (i) A\$0.08; and
- (ii) the amount that is 90% of the daily volume weighted average price of the Company's CDIs over the 10 trading days on ASX ending on the day immediately preceding the date the conversion notice is given.

If the price calculated in (ii) above is less than A\$ equivalent of £0.01 on the conversion date, the amount of CDIs to be issued on conversion will be re-calculated by dividing the conversion amount by the A\$ equivalent of £0.01.

(c) Terms of the securities

The CDIs agreed 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.

(d) Allottees of the securities

The CDIs were agreed to be issued to Provident Minerals Pte Ltd. Provident Minerals Pte Ltd is not a related party of the Company.

(e) Use of funds raised

There were no funds raised from the agreement to issue CDIs under Resolution 1 as the CDIs will be issued on conversion of the Principal Component in accordance with the terms of the Facility Agreement.

(f) Voting exclusion statement

A voting exclusion statement for Resolution 1 is included in the Notice of General Meeting preceding this Explanatory Statement.

**1.4 Directors' recommendation**

All of the Directors (other than Mr Gavin Caudle due to a material personal interest in the outcome of Resolution 1) recommend that Shareholders and CDI Holders vote in favour of Resolution 1 as it will allow the Company to ratify the agreement to issue the above securities and retain the flexibility to issue further Equity Securities representing up to 15% of the Company's share capital during the next 12 months.

**2. RESOLUTION 2 - RATIFICATION OF AGREEMENT TO ISSUE CDIs TO PROVIDENT MINERALS PTE LTD – CONVERSION OF INTEREST COMPONENT UNDER FACILITY**

**2.1 Background**

As detailed in the explanatory statement for Resolution 1, the Company entered into Facility Variation Agreement with Provident under which Provident may elect to have the Principal Component and/or Interest Component repaid (in whole or in part) by the issue of CDIs to Provident.

The purpose of Resolution 2 is for Shareholders to ratify the agreement to issue CDIs upon conversion of the Interest Component.

The number of CDIs to be issued upon conversion of the Interest Component will be calculated by dividing the Australian dollar equivalent of the conversion amount of the Interest Component as at 9am on the conversion date (calculated in accordance with

the applicable exchange rate of the Reserve Bank of Australia for the day preceding the date the conversion notice is given) by the lower of:

- (a) A\$0.08; and
- (b) the amount that is 90% of the daily volume weighted average price of the Company's CDIs over the 10 trading days on ASX ending on the day immediately preceding the date the conversion notice is given.

If the price in (b) above is less than the A\$ equivalent of £0.01 on the conversion date, the amount of CDIs to be issued on conversion will be re-calculated by dividing the conversion amount of the Interest Component by the A\$ equivalent of £0.01.

## **2.2 ASX Listing Rules**

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period, without shareholder approval.

Listing Rule 7.4 states that an agreement by a company to issue securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 if the agreement to issue did not breach Listing Rule 7.1 and the company's members subsequently approve it.

Under Resolution 2, the Company seeks from Shareholders approval for, and ratification of, the agreement to issue the CDIs comprising the Interest Component so as to minimise the restrictive effect of Listing Rule 7.1 on any further issues or agreements to issue by the Company of Equity Securities in the next 12 months.

The effect of obtaining Shareholder and CDI Holder approval and ratification under Resolution 2 will be to allow the Company to ratify the agreement to issue CDIs to Provident comprising the Interest Component, should Provident elect to convert all or part of the Interest Component without using the Company's 15% annual placement capacity.

## **2.3 Technical information required by ASX Listing Rule 7.5 for Resolution 2**

The following information is provided in relation to the agreement to issue of CDIs under Resolution 2:

- (a) Number of securities agreed to be issued

The Company cannot determine the exact number of CDIs agreed to be issued upon conversion of the Interest Component of the additional US\$600,000 at the Facility interest rate of 9% per annum as the final number will depend on various factors including the conversion date.

Assuming:

- an exchange rate of 1AUD: 0.5513GBP;
- an exchange rate of 1AUD:0.9457USD; and
- Provident elects to convert the Interest Component on the date that is 3 months following the date of the Meeting,

the Company has outlined below the number of CDIs to be issued depending on three issue price scenarios.

Based on an issue price per CDI of 90% of the daily volume weighted average price of the Company's CDIs over the 10 trading days on ASX prior to the date of this Notice of Meeting of A\$0.05, the Company would issue approximately 483,121 CDIs to Provident.

Based on an issue price of A\$0.08 per CDI, the Company would issue approximately 301,951 CDIs to Provident.

Based on an issue price of the A\$ equivalent of £0.01 (A\$0.01814), the Company would issue approximately 1,331,645 million CDIs to Provident.

The exact number of CDIs to be issued will be calculated by dividing the Australian dollar equivalent of the conversion amount of the Interest Component as at 9am on the conversion date by the issue price detailed in point (b) below.

If the CDIs to be issued on conversion of all or part the Interest Component are to be issued after the 3 months following the date of the Meeting, the Company will issue these CDIs using the Company's 15% annual placement capacity and/or the Company will seek Shareholder approval (to the extent required) to issue the CDIs.

(b) The price at which the securities were agreed to be issued

The issue price of the CDIs on conversion of all or part of the Interest Component will be calculated by dividing the Australian dollar equivalent conversion amount of the Interest Component as at 9am on the conversion date (calculated in accordance with the applicable exchange rate of the Reserve Bank of Australia for the day preceding the date the conversion notice is given) by the lower of:

- (i) A\$0.08; and
- (ii) the amount that is 90% of the daily volume weighted average price of the Company's CDIs over the 10 trading days on ASX ending on the day immediately preceding the date the conversion notice is given.

If the price calculated in (ii) above is less than A\$ equivalent of £0.01 on the conversion date, the amount of CDIs to be issued on conversion will be re-calculated by dividing the conversion amount of the Interest Component by the A\$ equivalent of £0.01.

(c) Terms of the securities

The CDIs agreed 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.

(d) Allottees of the securities

The CDIs were agreed to be issued to Provident Minerals Pte Ltd. Provident Minerals Pte Ltd is not a related party of the Company; and

(e) Use of funds raised

There were no funds raised from the agreement to issue CDIs under Resolution 2 as the CDIs will be issued on conversion of the Interest Component in accordance with the terms of the Facility Agreement.

- (f) Voting exclusion statement

A voting exclusion statement for Resolution 2 is included in the Notice of General Meeting preceding this Explanatory Statement.

## **2.4 Directors' recommendation**

All of the Directors (other than Mr Gavin Caudle due to a material personal interest in the outcome of Resolution 2) recommend that Shareholders and CDI Holders vote in favour of Resolution 2 as it will allow the Company to ratify the agreement to issue the above securities and retain the flexibility to issue further Equity Securities representing up to 15% of the Company's share capital during the next 12 months.

## **3. RESOLUTION 3 - APPROVAL FOR PLACEMENT OF CDIs**

### **3.1 Background**

On 3 July 2014, the Company announced its funding plans to arrange US\$21 million in senior debt finance facilities (**Debt Facility**) to fund the commercial development of its Tembang Project located in southern Sumatra, Indonesia. The Debt Facility would require mandatory hedge cover equivalent to 50% of gold and 80% of silver production over an anticipated 4.5 year loan life. Provision of the Debt Facility will be subject to bank credit committee approval, completion of project finance documentation, equity funding and conditions precedent customary for a financing of this nature. The total funding package for the development of the Project is US\$45 million of which US\$21 million is expected to be funded with the Debt Facility and US\$24 million is expected to be funded with equity through the placement of CDIs the subject of this Resolution 3.

Resolution 3 seeks Shareholder and CDI Holder approval pursuant to ASX Listing Rule 7.1 for the placement of up to A\$27.0 million in CDIs at a price not less than 80% of the volume weighted average price of the Company's CDIs 5 days prior to the date of issue.

### **3.2 ASX Listing Rules**

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period without shareholder approval.

If the issue and allotment of CDIs pursuant to Resolution 3 exceeds the 15% limit, the Company will require the approval of Shareholders and CDI Holders, and if it does not exceed the 15% limit, the CDIs to be issued will not be included in the 15% capacity if Shareholders and CDI Holders approve the issue.

The effect of obtaining Shareholder and CDI Holder approval under Resolution 3 will be to allow the Company to issue up to A\$27.0 million in CDIs at a price not less than 80% of the volume weighted average 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.

### **3.3 Technical information required by ASX Listing Rule 7.1 for Resolution 3**

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue under Resolution 3:

- (a) Maximum number of securities to be issued

The Company intends to issue up to A\$27.0 million in CDIs.

The exact number of CDIs to be issued will be calculated using an issue price per CDI not less than 80% of the 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\$0.051 per CDI being the lowest closing price of the Company's CDIs over the last 12 months, up to 529,411,764 CDIs would be issued to raise up to A\$27.0 million.

Based on an issue price of A\$0.18 per CDI being the highest closing price of the Company's CDIs over the last 12 months, up to 150,000,000 CDIs would be issued to raise up to A\$27.0 million.

Based on an issue price of A\$0.052 per CDI being the closing price of the Company's CDIs as at 2 July 2014, up to 519,230,769 CDIs would be issued to raise up to A\$27.0 million.

(b) Date of issue and allotment

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 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 average market price of the Company's CDIs, calculated over the 5 trading days 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) Allottees 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 the funds raised from the placement, together with the proceeds of the Debt Facility, for the purposes of the construction and development of the Project and for associated working capital requirements. The table below provides a summary of the application of the debt and equity total funding package to the development of the Project.

	US\$ million
Capital cost of construction	39.0
Finance costs prior to commercial production	1.8
Corporate and exploration costs	3.5
VAT payments	3.4
VAT Finance Facility	(2.7)
Debt payment	(21.0)
Equity raising	24.0

Note – the capital cost of construction includes a US\$6.5 million contingency and a US\$1 million equity contribution to a cost overrun facility.

(g) Voting exclusion statement

A voting exclusion statement for Resolution 3 is included in the Notice of General Meeting preceding this Explanatory Statement.

**3.4 Directors' recommendation**

The Directors (other than Gavin Caudle) recommend that Shareholders and CDI Holders vote in favour of this Resolution 3 as it will allow the Company to retain the flexibility to issue further Equity Securities representing up to 15% of the Company's share capital during the next 12 months. Gavin Caudle does not give a recommendation as he is a nominee to the board of the Company from Provident Minerals Pte Limited who may participate in the placement if Resolution 3 is approved.

**4. RESOLUTION 4 - AUTHORITY TO ALLOT**

**4.1 Background**

This Resolution gives the Directors the authority to allot Shares, or grant rights over Shares, up to an aggregate nominal amount equal to £20,000,000 representing 2,000,000,000 Shares of £0.01 each. This amount represents approximately 485% of the issue ordinary share capital of the Company as at 3 July 2014, the latest practical date prior to the publication of this Notice.

The authority above is in connection with the placement the subject of Resolution 3 and will only be used to the extent required to issue securities to raise up to A\$27m.

The exact number of CDIs (and underlying Shares) to be issued in the placement will be calculated using an issue price per CDI not less than 80% of the average market price of the Company's CDIs calculated over the 5 days prior to the date of issue of the CDIs. As set out in the Explanatory Note for Resolution 3, based on an issue price of A\$0.051 per CDI (being the lowest closing price of the Company's CDIs over the last 12 months), up to 529,411,764 CDIs would be issued to raise up to A\$27m.

The authority therefore sought is to accommodate the theoretical risk that the market price of the Company's CDIs could fall below the 12 month lowest closing price and also to accommodate fluctuations in the exchange rate and calculates the issue price at the nominal value of £0.01, being the lowest permissible issue price.

The authority sought under Resolution 4 will expire on the earlier of the date falling 15 months after the passing of this resolution and the conclusion of the annual general meeting of the Company held in 2015.

**4.2 Directors' recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4.

## **5. RESOLUTION 5 – DISAPPLICATION OF PRE-EMPTION RIGHTS**

### **5.1 Background**

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 5 is proposed as a special resolution to grant such authority.

The authority above is in connection with the placement the subject of Resolution 3 and will only be used to the extent required to issue CDIs to raise up to A\$27m.

The exact number of CDIs (and underlying Shares) to be issued in the placement will be calculated using an issue price per CDI not less than 80% of the average market price of the Company's CDIs calculated over the 5 days prior to the date of issue of the CDIs. As set out in the Explanatory Note for Resolution 3, based on an issue price of A\$0.051 per CDI (being the lowest closing price of the Company's CDIs over the last 12 months), up to 529,411,764 CDIs would be issued to raise up to A\$27m.

The authority therefore sought is to accommodate the theoretical risk that the market price of the Company's CDIs could fall below the 12 month lowest closing price and also to accommodate fluctuations in the exchange rate and calculates the issue price at the nominal value of £0.01, being the lowest permissible issue price.

The disapplication of pre-emption rights will therefore apply to the issue of Shares or grant of rights over Shares up to an aggregate amount of 2,000,000,000 Shares being approximately 485% of the issued ordinary share capital of the Company as at 3 July 2014, the latest practical date prior to the publication of this Notice (or such lesser amount of Shares to be issued to the extent required to raise up to A\$27m).

The authority sought under Resolution 5 will expire at the conclusion of the annual general meeting of the Company held in 2015.

### **5.2 Directors' recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 5.

## **GLOSSARY**

In this Explanatory Statement and the Notice of Meeting, the following terms have the following meanings unless the context otherwise requires:

<b>ASX</b>	means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.
<b>ASX Listing Rules</b>	means the Listing Rules of ASX.
<b>Board</b>	means the board of Directors of the Company.
<b>CDI</b>	means CHESS Depository Interests representing beneficial interests over Shares.
<b>CDI Holder</b>	means the holder of a CDI.
<b>CDI Voting Instruction Form</b>	means the CDI voting instruction form accompanying this Notice.
<b>Company</b>	means Sumatra Copper & Gold plc Registered Number 5777015 (United Kingdom) ABN 14 136 694 267 (Australia).
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth).
<b>Director</b>	means a director of the Company.
<b>Equity Securities</b>	has the meaning given to that terms in the ASX Listing Rules.
<b>Explanatory Statement</b>	means the explanatory statement accompanying the Notice.
<b>Facility</b>	means the convertible loan facility agreement between the Company and Provident to provide an unsecured debt facility of up to US\$4.6 million. On 13 March 2014, the Company announced that US\$2,000,000 of this US\$4.6 million convertible loan facility had been assigned to PT Saratoga Investama Sedaya Tbk.
<b>General Meeting or Meeting</b>	means the meeting convened by the Notice.
<b>Notice or Notice of Meeting</b>	means this notice of meeting including the Explanatory Statement and the Proxy Form and the CDI Voting Instruction Form.
<b>Provident</b>	means Provident Minerals Pte Ltd.
<b>Proxy Form</b>	means the proxy form accompanying this Notice.
<b>Resolution</b>	means a resolution contained in the Notice.
<b>Share</b>	means a fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	means the holder of a Share.



**PROXY FORM  
SUMATRA COPPER & GOLD PLC  
REGISTERED NUMBER 5777015 (UNITED KINGDOM) ABN 14 136 694 267 (AUSTRALIA)  
GENERAL MEETING**

For your vote to be effective, this form must be received by the Company by no later than  
**10.00am WST on 21 July 2014.**

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

**OR:**  the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 10.00am, on Wednesday, 23 July 2014 at the offices of Sumatra Copper & Gold plc, Level 1, 5 Ord Street, West Perth 6005, Western Australia, and at any adjournment thereof.

**The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.**

<b>Voting on business of the Meeting</b>		<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAIN</b>
Resolution 1	Ratification of agreement to issue CDIs to Provident Minerals Pte Ltd – Conversion of Principal Component under Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of agreement to issue CDIs to Provident Minerals Pte Ltd – Conversion of Interest Component under Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval for placement of CDIs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Authority to allot	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Disapplication of pre-emption rights	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Please note:** If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

**If two proxies are being appointed, the proportion of voting rights this proxy represents is:** \_\_\_\_\_ %

**Signature of Shareholder(s):**

**Individual or Shareholder 1**

Sole Director/Company Secretary

**Shareholder 2**

Director

**Shareholder 3**

Director/Company Secretary

**Date:** \_\_\_\_\_

**Contact name:** \_\_\_\_\_

**Contact ph (daytime):** \_\_\_\_\_

**E-mail address:** \_\_\_\_\_

**Consent for contact by e-mail:** YES  NO

**Instructions for Completing 'Appointment of 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 Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001; or
  - (b) facsimile Inside Australia to 1800 783 447 outside Australia +61 3 9473 2555; or
  - (c) hand deliver to Computershare Investor Services Pty Limited, Level 2, 45 St Georges Terrace, Perth WA 6000; or
  - (d) post to 39 Parkside, Cambridge CB1 1PN United Kingdom.

**Please note that the Proxy Forms must be received by the Company an address given below not later than 10.00am (WST) on 21 July 2014 being not later than 48 hours before the commencement of the General Meeting.**

**Proxy Forms received later than this time will be invalid.**



**COPPER & GOLD**

**Sumatra Copper & Gold plc**

ABN 14 136 694 267



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

**Lodge your vote:**



**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](http://www.intermediaryonline.com)

**For all enquiries call:**

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

## CDI Voting Instruction Form

**For your vote to be effective it must be received by 10:00am (WST) Sunday, 20 July 2014**

### How to Vote on Items of Business

Each CHESS Depository Interest (CDI) is equivalent to one Share, so that every 1 (one) CDI registered in your name at 20 July 2014 entitles you to 1 (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.

**Turn over to complete the form** →



View your securityholder information, 24 hours a day, 7 days a week:

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

- Review your securityholding
- Update your securityholding

**Your secure access information is:**

**SRN/HIN: I9999999999**



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

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

XX

### 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 General Meeting of Sumatra Copper & Gold plc to be held at the offices of Sumatra Copper & Gold plc, Level 1, 5 Ord Street, West Perth, Western Australia on Wednesday, 23 July 2014 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	Ratification of Agreement to issue CDIs to Provident Minerals Pte Ltd – conversion of Principal Component under Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of Agreement to issue CDIs to Provident Minerals Pte Ltd – conversion of Interest Component under Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval for placement of CDIs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Authority to allot	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Disapplication of Pre-emption Rights	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## 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 / /

SUM

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