



SUMATRA COPPER & GOLD PLC

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

Security Purchase Plan to Raise Up To \$500,000

Eligible CDI Holders may subscribe for parcels of New CDIs at an issue price of \$0.023 per New CDI, with parcels of New CDIs available from \$500 (21,739 New CDIs) up to a maximum value of \$15,000 (652,173 New CDIs) per Eligible CDI Holder.

The Offer closes at 5.00pm (WST) on Monday 27 February 2017.

This is an important document that requires your attention.

This document is not a prospectus or other disclosure document under the Corporations Act.

The Offer does not take into account the individual investment objectives, financial situation or particular needs of each Eligible CDI Holder. Accordingly, before making a decision on whether or not to accept the Offer, you should consult your financial or other professional adviser.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES OR TO US PERSONS



3 February 2017

Dear CDI Holder,

On behalf of the Directors of Sumatra Copper & Gold plc ("**Company**"), I am pleased to be able to offer you the opportunity to increase your investment in the Company through a Security Purchase Plan ("**Plan**").

The Plan is an offer to Eligible CDI Holders to apply for between \$500 and \$15,000 worth of new CHESS Depository Interests ("**New CDIs**") in the Company at an attractive price and free of brokerage and other related transaction costs.

The Company will offer up to 21,739,130 New CDIs to raise a maximum of \$500,000 under the Plan to finance ongoing exploration activities at the Tembang gold-silver operation in southern Sumatra, Indonesia ("**Tembang**") and for general working capital.

The issue price will be \$0.023 per New CDI which represents a discount of approximately 15% to the closing price of the Company's CDIs on the day prior to the announcement of the Plan on 27 January 2017, and 8% to the volume average weighted closing market price of the Company's CDIs traded on ASX in the 5 trading days prior to the announcement of the Plan on 27 January 2017.

Also on 27 January 2017, the Company announced an equity raising at \$0.023 per CDI of approximately \$3.46 million ("**Placement**") as the Initial Equity Raise condition of the amendment of its existing US\$45 million senior secured debt facility and warrants ("**Amended Facility**", refer to ASX Announcement of 23 December 2016). The purpose of the Plan is to provide the opportunity to the Company's CDI Holders to acquire equity in the Company at the same issue price as the Placement.

The Placement is the first stage of the restructure of the Company's subsidiary, PT Dwinad Nusa Sejahtera's US\$45 million senior secured debt facility ("**Debt Facility**") that was used to fund the development of Tembang:

- Interest on the Debt Facility has been reduced to 7.5% and the "redemption premium" (deferred interest) converted to equity in the Company, or capitalised;
- 250,597,351 warrants in the Company held by the lenders have been converted to equity;
- an initial equity raise of approximately AU\$3.46 million has been completed with the proceeds used to pay down US\$2.5 million of a working capital facility provided by the Company's major shareholders with the balance applied to general working capital.

As announced on 10 January 2017, the Company met guidance for 2016 with production from Tembang of 30,509 gold-equivalent ounces ("**AuEq oz**"). Mine productivity, gold and silver recoveries and production continued to increase during the December 2016 quarter. Belinau underground, the key mine at Tembang, significantly increased its ore output and mined grade during the December quarter and also recorded a positive reconciliation of mined ounces against the resource model. Decline development is on track to enable low cost bottom-up stoping to commence at the beginning of the June 2017 quarter, at which point a step change in production from Tembang is forecast.

With continuing operational improvements, a clean capital structure, a significantly lower interest rate and underground development at Belinau on-track, the Company is well positioned for 2017. Production guidance for 2017 remains unchanged at 45,000 – 55,000 oz AuEq.

It is important that you read the details of the Plan in the pages that follow and consider seeking independent financial advice if you have any queries. Further information, including the Company's latest ASX announcements and presentations, is available on the Company's website.

Applications must be received by no later than at 5.00pm (WST) on Monday 27 February 2017.

I commend the Plan to you as an opportunity to continue to be a part of the Company's exciting future.

Yours sincerely,

A handwritten signature in dark ink, appearing to read "S. Robinson". The signature is fluid and cursive, with a prominent initial "S" and a long, sweeping underline.

Stephen Robinson
Non-executive Chairman

THE OFFER AT A GLANCE

Key Dates*

Date	Details
Wednesday 25 January 2017	Record Date 5.00pm (WST) The date on which the Company determined CDI Holders eligible to participate in the Plan, being CDI Holders registered on that date with an address in Australia or New Zealand.
Friday 3 February 2017	Opening Date The date the Plan opens.
Monday 27 February 2017	Closing Date The date on which the Plan closes. Applications and payments (including BPAY) must be received by 5.00pm (WST).
Monday 6 March 2017	Issue Date The date New CDIs are issued.
Tuesday 7 March 2017	Despatch Date The date on which holding statements are sent to CDI Holders who subscribed for New CDIs under the Plan.
Tuesday 7 March 2017	CDI Trading Date The date on which it is expected that the New CDIs will commence trading on the ASX.

*The timetable is indicative only and the Company may, at its discretion, vary any of the above dates other than the Record Date.

Offer Details

Item	Detail
Issue Price	The issue price is \$0.023 per New CDI which represents a discount of approximately 15% to the closing price of the Company's CDIs on the day prior to the announcement of the Plan on 27 January 2017, and 8% to the volume average weighted closing market price of the Company's CDIs traded on ASX in the 5 trading days prior to, the announcement of the Plan on 27 January 2017.
Minimum Application Amount	The minimum application amount is \$500.
Maximum Application Amount	The maximum application amount is \$15,000.
Permitted Application Amounts	Each Eligible CDI Holders is entitled to purchase a parcel of New CDIs valued at any of \$500, \$1,500, \$2,500, \$5,000, \$7,500, \$10,000, \$13,500 or \$15,000.

QUESTIONS AND ANSWERS

1. What is the Plan?

The Plan is an opportunity for Eligible CDI Holders to purchase up to \$15,000 worth of New CDIs each in the Company without brokerage and commission costs.

All New CDIs issued to Eligible CDI Holders under the Plan will rank equally with existing CDIs and will carry the same voting rights and other entitlements.

2. Who is eligible to participate in the Plan?

CDI Holders who are registered as holders of CDIs at 5.00pm (WST) on the Record Date of Wednesday 25 January 2017 and whose registered address is in Australia or New Zealand are eligible to participate in the Plan.

3. What is the issue price of the New CDIs?

The issue price is \$0.023 per New CDI. This price represents a discount of approximately 15% to the closing price of the Company's CDIs on the day prior to the announcement of the Plan on 27 January 2017, and 8% to the volume average weighted closing market price of the Company's CDIs traded on ASX in the 5 trading days prior to, the announcement of the Plan on 27 January 2017.

You should note that the market price of the Company's CDIs may rise or fall between the date of this Offer and the date the New CDIs are issued under the Plan. This means that the market price may be higher, equal or lower than the offer price of \$0.023 for the CDIs under the Plan at the time the New CDIs applied for under the Plan are issued.

4. How many New CDIs can I apply for under the Plan?

Regardless of the number of CDIs you currently own, you are entitled to apply for a parcel of New CDIs in the Company valued at any of \$500, \$1,500, \$2,500, \$5,000, \$7,500, \$10,000, \$13,500 or \$15,000.

If you hold CDIs in more than one capacity (for example you are both a joint holder and a sole holder), the maximum amount you can apply for under the Plan in all capacities is \$15,000.

The Directors reserve the right to issue to an Eligible CDI Holder less New CDIs than the number specified in the Application Form for whatever reason, including the possible subscription of over \$15,000 worth of New CDIs by an Eligible CDI Holder through multiple applications or joint holdings.

Fractional entitlements will be rounded down to the nearest whole New CDI.

By applying to purchase New CDIs under the Plan, you will have agreed to be bound by the terms and conditions of the Plan as set out in this offer document.

5. How do I apply for New CDIs under the Plan?

If you wish to participate in the Plan, please follow the instructions set out on the enclosed personalised application form and send this form together with your cheque or money order made payable to "Sumatra Copper & Gold plc" to:

Sumatra Copper & Gold plc
c/- Computershare Investor Services Pty Limited
GPO Box 505
MELBOURNE VIC 3001

Alternatively, you can make a BPAY payment as shown on the Application Form. If you make a BPAY payment, you do not need to return the Application Form. Please note that New Zealand CDI Holders are not able to make a BPAY payment.

If you wish to participate you should ensure that your Application Form and payment is received by no later than 5.00pm (WST) on Monday 27 February 2017.

Please allow adequate time for mail deliveries.

You will not be able to withdraw or revoke your application once you have sent the completed Application Form and payment.

6. How long is the Plan offer open for?

The Plan opens on Friday 3 February 2017 and is expected to close on Monday 27 February 2017. The Directors reserve the right to vary the Closing Date.

If you wish to participate you should ensure that your **Application Form and payment is received by no later than 5.00pm (WST) on Monday 27 February 2017.**

7. Do I have to participate in the Plan?

Participation in the Plan is optional. However, the Offer under the Plan is non-renounceable (i.e. you may not transfer your right to acquire New CDIs to anyone else).

If you are an Eligible CDI Holder and do not wish to subscribe for New CDIs under the Plan, you are not obliged to do anything. You will not receive any benefits or New CDIs.

Before you apply for New CDIs we recommend you seek independent financial advice from your professional advisor or stockbroker.

8. Further assistance

If you have any questions in relation to the Plan please contact your professional advisor or stockbroker.

If you require information on how to complete the Application Form please contact the Company's share registry on (08) 9323 2000.

1. SECURITY PURCHASE PLAN

The Plan is intended to raise a maximum of approximately \$500,000 and entitles Eligible CDI Holders, irrespective of the size of their existing CDI holding, to purchase up to \$15,000 worth of New CDIs at a price of \$0.023 per New CDI, free of brokerage and commission.

The issue price of \$0.023 per New CDI represents an approximate 8% discount to the volume weighted average market price over the last 5 days on which sales in the Company's CDIs were recorded prior to the announcement of the Plan on Friday 27 January 2017 ("**Announcement Date**"). The volume weighted average market price of the CDIs traded on the ASX during the 5 trading days immediately prior to the Announcement Date was \$0.025 and the closing price of the CDIs immediately prior to the Announcement Date was \$0.027.

Eligible CDI Holders should be aware that the market price of CDIs may rise or fall between the Announcement Date and the date on which New CDIs are issued under the Plan ("**Issue Date**"). This means the price you pay for New CDIs under the Plan may exceed the market price of CDIs at the time the New CDIs are issued.

An outline of the Plan is set out below and the enclosed Terms and Conditions. An Application Form for the Plan and reply paid envelope are included in this package.

2. CDI HOLDERS ELIGIBLE TO PARTICIPATE IN THE PLAN

The right to participate in the Offer under the Plan is optional and is available exclusively to CDI Holders who are registered as holders of CDIs at 5pm (WST) on the Record Date of 25 January 2017 and whose registered address is in Australia or New Zealand.

The Company has determined that it is not lawful or practicable for CDI Holders in other jurisdictions to participate in the Plan.

3. HOW MUCH CAN YOU INVEST?

Eligible CDI Holders may acquire between a minimum of 21,739 New CDIs worth \$500 and a maximum of 652,173 New CDIs worth \$15,000 under the Plan.

4. SUBSCRIPTION AND APPLICATION PROCEDURE

If you would like to participate in the Offer, you can either:

- a) make a BPAY® payment from your cheque or savings account by using the Biller Code and Reference Number shown on your Application Form which is required to identify your holding.
 - If you have multiple holdings you will have multiple BPAY Reference Numbers. To ensure you receive your New CDIs under the Offer in respect of that holding you must use the specific Biller Code and Reference Number shown on each personalised Application Form when paying for any New CDIs that you may wish to apply for in respect of that holding.
 - If you inadvertently use the same Reference Number for more than one of your applications, you will be deemed to have applied only for that application to which that Reference Number applies and any excess amount will be refunded.
 - If you make your payment using BPAY® you do not need to return your Application Form.
 - New Zealand holders will not be able to make a payment using BPAY®.
 - Payments made by BPAY® received after 5pm (WST) on **Monday 27 February 2017** may not be accepted.
 - Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment.
 - You may also have your own limit on the amount that can be paid via BPAY. It is your responsibility to check that the amount you wish to pay via BPAY does not exceed your limit.

- b) complete the enclosed Application Form and send it together with your payment by cheque made payable to “Sumatra Copper & Gold plc” and drawn in Australian currency for the correct amount, to the Company’s share registry, Computershare Investor Services, at Computershare Investor Services Pty Ltd, PO Box 505, Melbourne VIC 3001, to be received no later than **5pm (WST)** on the **Closing Date of Monday 27 February 2017**.

Late applications may not be accepted.

Applicants should not forward cash and direct bank transfers are not permitted.

Eligible CDI Holders may participate by selecting only one of the following offers to purchase New CDIs under the Plan:

Offer	Total amount payable at \$0.023 per New CDI	Number of New CDIs *
Offer A	\$ 500	21,739
Offer B	\$ 1,500	65,217
Offer C	\$ 2,500	108,695
Offer D	\$ 5,000	217,391
Offer E	\$ 7,500	326,086
Offer F	\$ 10,000	434,782
Offer G	\$ 13,500	586,956
Offer H	\$ 15,000	652,173

* Any fractional entitlements will be rounded down to the nearest whole New CDI.

Once an application for New CDIs under the Offer has been made it cannot be revoked. All valid applications shall be deemed accepted if received before **5pm (WST)** on the **Closing Date of Monday 27 February 2017**. If the exact amount of money is not tendered with your application, the Company reserves the right to either:

- a) return your Application Form and/or payment and not allot any New CDIs to you; or
- b) allot to you the number of New CDIs that would have been allotted had you applied for the highest designated amount that is less than the amount of your payment and refund the excess application money to you by cheque as soon as possible, without interest.

The maximum investment any CDI Holder may apply for will remain \$15,000 even if a CDI Holder receives more than one offer under the Plan (whether in respect of a joint holding or because the CDI Holder has more than one holding under a separate account). If two or more persons are recorded in the register as jointly holding CDIs to which the Offer under the Plan relates, they are taken to be a single registered holder.

If you apply for less than \$500 worth of New CDIs, the Company may not allot any New CDIs to you in which case it will refund your application monies to you.

5. CUSTODIANS AND NOMINEES

Eligible CDI Holders who hold CDIs as a custodian or a nominee (“**Custodian**”) for one or more persons on the Record Date (“**Beneficiary**”) may apply for up to a maximum amount of \$15,000 worth of New CDIs in respect of each Beneficiary who is resident in Australia or New Zealand, subject to providing a Custodian Certificate to the Company, as described in the Terms and Conditions enclosed with this letter. Please refer to the Terms and Conditions for more details.

6. DIRECTORS AND EMPLOYEES

Directors and employees of the Company who hold CDIs may be Eligible CDI Holders.

7. ACCEPTANCE OF RISK FACTORS

On the last trading day immediately prior to the Announcement Date, the closing price of the CDIs traded on ASX was \$0.027.

By making an application under this Offer for New CDIs under the Plan, each Eligible CDI Holder will be acknowledging that although the issue price under the Plan is at a discount to the volume weighted average market price over the last 5 days on which sales in the Company's CDIs were recorded prior to the announcement of the Plan, the New CDIs are a speculative investment and the price of CDIs on ASX may change between the Announcement Date and the Issue Date.

This offer document is not a prospectus and does not require the types of disclosures required under the Corporations Act. You must rely on your own knowledge of the Company, previous disclosures made by the Company to ASX and, if necessary, consult your professional adviser when deciding whether or not to accept the Offer and participate in the Plan.

The Board recommends that you obtain your own financial advice in relation to the Offer and consider price movements of CDIs in the Company prior to making an application under this Offer.

8. SCALE BACK AND OVERSUBSCRIPTION

The Offer cannot be transferred and the Directors of the Company reserve the right to reject, or scale back, on an equitable basis, any application for New CDIs under the Offer. New CDIs allotted under the Plan will be issued no later than 10 business days after the Closing Date of the Offer. Application for quotation on ASX of the New CDIs will be made by the Company immediately following the issue of those New CDIs.

The maximum amount proposed to be raised under the Offer is \$500,000. The Company, however, reserves absolute discretion regarding the final amount raised under the Plan, subject to the ASX Listing Rules.

In the event of oversubscription by the Closing Date the Directors may, in their absolute discretion, scale-back applications on an equitable basis. Scale-back for New CDIs held by Custodians will be applied at the level of the underlying Beneficiary. Directors may in their absolute discretion decide to increase acceptances in the event of oversubscriptions.

If the Company rejects or scales-back an application or purported application for New CDIs under the Offer, the Company will promptly return to the CDI Holder the relevant application monies, without interest.

9. FOREIGN OFFER RESTRICTIONS

This offer document may not be released or distributed in any country other than Australia and New Zealand. This offer document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in any country other than Australia and New Zealand. In particular, any securities described in this letter have not been, and will not be, registered under the US Securities Act of 1933 (as amended) and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

10. NEW ZEALAND CDI HOLDERS

The New CDIs offered under the Plan are not being offered or sold to the public within New Zealand other than to existing CDI Holders of the Company with registered addresses in New Zealand and to whom the Offer is being made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand). Members of the public in New Zealand who were not existing CDI Holders on the Record Date are not entitled to apply for any New CDIs. This document has not been registered, filed with or approved by any New Zealand regulatory authority under the *Securities Act 1978* (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

11. INDICATIVE TIMETABLE

Date	Details
Wednesday 25 January 2017	Record Date 5.00pm (WST) The date on which the Company determined CDI Holders eligible to participate in the Plan, being CDI Holders registered on that date with an address in Australia or New Zealand.
Friday 3 February 2017	Opening Date The date the Plan opens.
Monday 27 February 2017	Closing Date The date on which the Plan closes. Applications and payments (including BPAY) must be received by 5.00pm (WST).
Monday 6 March 2017	Issue Date The date New CDIs are issued.
Tuesday 7 March 2017	Despatch Date The date on which holding statements are sent to CDI Holders who subscribed for New CDIs under the Plan.
Tuesday 7 March 2017	CDI Trading Date The date on which it is expected that the New CDIs will commence trading on the ASX.

These dates are indicative only. The Company may vary the dates and times of the Offer. Accordingly, CDI Holders are encouraged to submit their Application Forms as early as possible.

Should you wish to discuss any information contained in this letter, do not hesitate to contact:

- (i) the Company's share registry, Computershare Investor Services, between 8.30am and 5.00pm (WST), Monday to Friday on (08) 9323 2000 during the Offer period; or
- (ii) the Company's Company Secretary, Ms Susan Hunter, or Managing Director, Mr David Fowler, on +61 8 6298 6200.

SECURITY PURCHASE PLAN TERMS AND CONDITIONS

1. PURPOSE

The purpose of the Plan is to offer CDI Holders of the Company the opportunity to acquire additional CDIs in the capital of the Company up to a maximum of \$15,000 (when combined with any CDIs issued under any security purchase plan in the 12 months preceding the date of the Plan) at an issue price of \$0.023 per New CDI and upon such terms and conditions as the Directors of the Company in their absolute discretion, see fit.

2. CDI HOLDERS ELIGIBLE TO PARTICIPATE

Holders of CDIs that are registered as at 5.00pm WST on the Record Date, Wednesday 25 January 2017, with an address in Australia or New Zealand are Eligible CDI Holders and may participate in the Plan, unless such registered CDI Holder holds CDIs on behalf of another person who resides outside Australia or New Zealand.

Due to foreign securities laws, the Company has determined that it is not practical for CDI Holders resident in other countries to be offered the opportunity to participate in the Plan.

If two or more persons are recorded in the register as jointly holding CDIs that are registered as at 5.00pm WST on the Record Date, they are taken to be a single registered holder.

Participation in the Plan is optional and is subject to these terms and conditions.

Offers made under the Plan are non-renounceable (i.e. Eligible CDI Holders may not transfer their rights to apply for New CDIs under the Plan to another person).

An offer may, at the discretion of the Directors, be made under a security purchase plan once a year.

The maximum amount which any CDI Holders may subscribe for under a security purchase plan in any consecutive 12 month period is \$15,000. The Directors may also determine in their discretion the minimum amount for participation, the multiple of New CDIs to be offered under the Plan and the period the Offer is available to Eligible CDI Holders.

3. CUSTODIANS, TRUSTEES AND NOMINEES

If you are an Eligible CDI Holders and hold CDIs as a Custodian (as defined in ASIC Class Order CO 09/425 (refer below) or in any more specific ASIC relief granted to the Company in relation to the Plan), you may apply for up to the maximum amount of \$15,000 worth of

New CDIs for each beneficiary for whom you act as Custodian provided you annex to your Application Form a certificate to the Company (“Custodian Certificate”) with the following information:

- that you held CDIs on behalf of one or more other persons who are resident in Australia or New Zealand (each a “Participating Beneficiary”) at 5.00pm (WST) on 25 January 2017 who have subsequently instructed you to apply for New CDIs under the Plan on their behalf;
- the number of Participating Beneficiaries and their names and addresses;
- the number of CDIs that you hold on behalf of each Participating Beneficiary;
- the dollar amount of New CDIs that each Participating Beneficiary has instructed you, either directly or indirectly through another Custodian, to apply for on their behalf;
- that the application price for New CDIs applied under the Offer for each Participating Beneficiary for whom you act plus the application price for any other CDIs issued to you as Custodian for that Participating Beneficiary under any arrangement similar to the Plan in the prior 12 months does not exceed \$15,000;
- that a copy of the written offer document was given to each Participating Beneficiary; and
- where you hold CDIs on behalf of a Participating Beneficiary indirectly, through one or more interposed Custodians, the name and address of each interposed Custodian.

For the purposes of ASIC Class Order CO 09/425 you are a ‘custodian’ if you are a registered holder that:

- holds an Australian Financial Services Licence (“AFSL”) that allows you to perform custodian or depositary services or operate IDPS accounts;
- is exempt under:
 - (a) paragraph 7.6.01(1)(k) of the Corporations Regulations;
 - (b) paragraph 7.6.01(1)(na) of the Corporations Regulations;
 - (c) ASIC Class Order 14/1000 to the extent that it relates to ASIC Class Order 14/1001;

- (d) ASIC Corporations (Repeal and Transitional) Instrument 2013/396;
- (e) an individual instrument of relief granted by ASIC to the person in terms similar to one of the class orders referred to in subparagraph (d) above; or
- (f) paragraph 911A(2)(h) of the Corporations Act;

from holding an AFSL;

- is a trustee of a self-managed superannuation fund;
- is a trustee of superannuation master trusts;
- is a responsible entity of IDPS like schemes;
- is noted on the Company's register of members as holding the CDIs on account of another person.

If you hold CDIs as a trustee or nominee for another person or persons but are not a Custodian as defined above, you cannot participate in the Plan on behalf of Beneficiaries in the manner described above. In this case, the rules for multiple single holdings (above) apply.

Custodians should request a Custodian Certificate when making an application on behalf of Beneficiaries. To request a Custodian Certificate you should contact Computershare Investor Services between 8.30am and 5.00pm (WST), Monday to Friday on (08) 9323 2000 during the Offer period.

The Company reserves the right to reject any application for New CDIs to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these Terms and Conditions. The Company reserves the right to reject applications in accordance with these Terms and Conditions.

4. PRICE OF THE COMPANY CDIS

The price of New CDIs to be issued under the Plan is \$0.023 per New CDI. This price represents an approximate 8% discount to the volume weighted average market price over the last 5 days on which sales in the Company's CDIs were recorded prior to the announcement of the Plan on 27 January 2017.

You should note that the market price of the Company's CDIs may rise or fall between the date of this Offer and the date the New CDIs are issued under the Plan. This means that the market price may be higher, equal or

lower than the price of the New CDIs at the time the New CDIs applied for under the Plan are issued.

5. APPLICATIONS AND ALLOTMENT

All application money received before the New CDIs are issued will be held in a special purpose account. After any application money is refunded (if required) and New CDIs are issued to applicants, the balance of funds in the account plus accrued interest will be received by the Company.

Subject to ASX granting the New CDIs official quotation, it is expected that the New CDIs will be quoted on the ASX by 7 March 2017. If you trade any New CDIs before you receive your CDI holding statement, then you do so at your own risk.

6. ISSUE OF NEW CDIS

New CDIs to be issued under the Plan will be issued no later than 10 business days after the Closing Date.

New CDIs issued under the Plan will be issued on the same terms as all other CDIs quoted on ASX and will rank equally in all respects with all other CDIs from the date of issue. CDI holding statements or CHESS notification will be issued in respect of all New CDIs issued under the Plan. The Company will, promptly after the issue of New CDIs under the Plan, make application for those New CDIs to be listed on ASX.

7. MODIFICATION AND TERMINATION OF THE PLAN

The Company may modify or terminate the Plan at any time. The Company will notify ASX of any modification to, or termination of, the Plan. The omission to give notice of any modification to, or termination of, the Plan or the failure of ASX to receive such notice will not invalidate the modification or termination.

Without limiting the above, the Company may issue to any person fewer New CDIs than the person applied for under the Plan if the issue of the New CDIs applied for would contravene any applicable law or the Listing Rules.

8. OVERSUBSCRIPTION AND SCALE-BACK

The maximum number of New CDIs that may be issued pursuant to this Offer is 21,739,130 New CDIs to raise approximately \$500,000. The Company, however, reserves absolute discretion regarding the final amount raised under the Plan, subject to the ASX Listing Rules. In the event of an oversubscription by the Closing Date the Directors may, in their absolute discretion, scale-back all applications on a pro-rata basis. If the Company

rejects or scales-back an application or purported application, the Company will promptly return to the CDI Holder the relevant excess application monies, without interest.

9. COSTS OF PARTICIPATION

No brokerage, commission, stamp duty or other transaction costs will be payable by an Eligible CDI Holder in respect of a subscription for, and issue of, New CDIs under the Plan.

10. TAXATION AND FINANCIAL IMPLICATIONS

Eligible CDI Holders may be subject to taxation upon the sale of the New CDIs purchased under the Plan.

Eligible CDI Holders should consult with their taxation or investment advisers to clarify the financial and taxation implications for them of applying for New CDIs under the Plan.

11. REPRESENTATIONS AND WARRANTIES

Returning a completed Application Form or paying the issue price for New CDIs by BPAY®, will be taken to constitute a representation, warranty and agreement by the Applicant that:

- (a) they are an Eligible CDI Holder, have read and understood these terms and conditions and subscribe for New CDIs in accordance with these terms and conditions (and in particular that they have not applied for CDIs with an aggregate application price in excess of \$15,000 under the Plan or any similar arrangements in the 12 months prior to the date of the Plan, even though they may have received more than one offer under the Plan or received offers in more than one capacity under the Plan);
- (b) they authorise the Company to correct minor errors in the Application Form if required, and to complete the Application Form by inserting any minor missing details;
- (c) they acknowledge that the market price of CDIs may rise or fall between the date of this offer and the issue date of the New CDIs and that the issue price paid for the New CDIs may exceed the market price of the CDIs on the Issue Date;
- (d) the New CDIs have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction in the US, or in any other jurisdiction outside Australia or New Zealand, and may not be offered, sold, transferred or otherwise disposed of except in accordance with an available exemption form, or in a transaction not subject to, the registration

requirements of the US Securities Act and any other applicable securities laws;

- (e) they are eligible under all applicable securities laws to receive an offer under the Plan;
- (f) they are not in the United States, are not US Persons and are not acting for the account or benefit of US Persons;
- (g) they have not and will not send this disclosure document or the Application Form to any person in the United States or that is, or is acting for the account or benefit of, a US Person; and
- (h) if in the future they decide to sell or otherwise transfer their New CDIs, they will only do so in the regular way transactions on ASX where neither they nor any person acting on their behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is in the United States or is a US Person.

12. RISK CONSIDERATIONS

By making an application under this Offer for New CDIs under the Plan, each Eligible CDI Holder will be acknowledging that although the issue price under the Plan is at a discount to the 5 day volume weighted average market price of the CDIs prior to the announcement of the Plan on 27 January 2017, the New CDIs are a speculative investment and the price of CDIs on ASX may change between the Announcement Date and the Issue Date.

This Offer is not a prospectus and does not require the types of disclosures required under the Corporations Act. You must rely on your own knowledge of the Company, previous disclosures made by the Company to ASX and, if necessary, consult your professional adviser when deciding whether or not to accept the Offer and participate in the Plan.

13. DISPUTE RESOLUTION

The Company may, in any manner it thinks fit, settle any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Plan, whether generally or in relation to any participant, application or New CDIs. The decision of the Company in this respect will be conclusive and binding on all CDI Holders and other persons to whom that determination relates.

The Company reserves the right to waive strict compliance with any provision of these Terms and Conditions. The powers of the Company under these Terms and Conditions may be exercised by the Directors or any delegate of the Directors.

14. QUESTIONS AND CONTACT DETAILS

If you have any questions please contact the Company's Company Secretary, Ms Susan Hunter, or Managing Director, Mr David Fowler, on +61 8 6298 6200.

Glossary

Announcement Date means the date of announcement of the Plan to ASX, being Friday 27 January 2017.

Application Form means the application form attached to or accompanying this offer document.

ASIC means the Australian Securities and Investment Commission.

ASX means ASX Limited (ABN 98 008 624 691).

ASX Listing Rules means the Listing Rules of the ASX.

CDI means CHESS Depository Interest in respect of a Share.

CDI Holder means the holder of a CDI.

Closing Date means Monday 27 February 2017 or such other date as may be determined by the Directors.

Company means Sumatra Copper and 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.

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

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

Director means a director of the Company.

Eligible CDI Holder means a CDI Holder as at the Record Date other than a Non-Qualifying Foreign CDI Holder.

Issue Date means the date of issue of New CDIs to Eligible CDI Holders who subscribe for New CDIs under the Plan, being Monday 6 March 2017 or such other date as may be determined by the Directors.

New CDI means a CDI to be issued under the Plan.

Non-Qualifying Foreign CDI Holder means a CDI Holder whose registered address is not situated in Australia or New Zealand.

Offer means the offer of New CDIs pursuant to the Plan.

Opening Date means Friday 3 February 2017.

Plan means the issue of up to 21,739,130 New CDIs to Eligible CDI Holders, each of which is entitled to apply for a parcel of New CDIs valued at up to \$15,000 in accordance with the terms and conditions.

Record Date means 5pm WST on Wednesday 25 January 2017.

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

Shareholder means the holder of a Share.

US Person has the meaning given to that term in Regulation S under the US Securities Act.

US Securities Act means the United States Securities Act of 1933 as amended.

WST means Australian Western Standard Time.

Caution Regarding Forward Looking Information

This document may contain forward looking statements concerning the projects owned by the Company. Statements concerning mining reserves and resources may also be deemed to be forward looking statements in that they involve estimates based on specific assumptions.

Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on the Company's beliefs, opinions and estimates of the Company as of the dates the forward looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

There can be no assurance that the Company's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that the Company will be able to confirm the presence of additional mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties. Circumstances or management's estimates or opinions could change. The reader is cautioned not to place undue reliance on forward-looking statements.

Technical Glossary

The Company it is not aware of any new information or data that materially affects the information included in this offer document.



COPPER & GOLD

Sumatra Copper & Gold plc

ABN 14 136 694 267

For all enquiries:

Phone:



Sumatra Copper & Gold Plc (08) 6298 6200

Sumatra Copper & Gold Plc +61 8 6298 6200



SUM

MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Make your payment:



See overleaf for details of the Offer and how to make your payment

Security Purchase Plan Application Form

 **Your payment must be received by 5:00pm (WST) Monday 27 February 2017**

This is an important document that requires your immediate attention.

It can only be used in relation to the CDI holding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

By making payment you agree to be bound by the Constitution of Sumatra Copper & Gold Plc and that the submission of this payment constitutes an irrevocable offer by you to subscribe for Sumatra Copper & Gold Plc CDIs on the terms of the Security Purchase Plan (SPP).

In addition, by making payment you certify that the aggregate of the application price paid by you for:

- the New CDIs the subject of the payment slip overleaf; and
- any other CDIs and interests in the class applied for by you under the SPP or any similar arrangement in the 12 months prior to the date of submission of the payment,

does not exceed \$15,000.

Sumatra Copper & Gold Plc may make determinations in any manner it thinks fit, in relation to any difficulties which may arise in connection with the SPP whether generally or in relation to any participant or application.

Any determinations by Sumatra Copper & Gold Plc will be conclusive and binding on all Eligible CDI Holders and other persons to whom the determination relates. Sumatra Copper & Gold Plc reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions or to suspend or terminate the SPP at any time. Any such amendment, suspension or termination will be binding on all Eligible CDI Holders even where Sumatra Copper & Gold Plc does not notify you of that event.

Step 1: Registration Name & Offer Details

Details of the CDI holding and the Offer are shown overleaf.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

Step 2: Make Your Payment

Your payment must correspond to one of the options detailed overleaf. You may choose one option only. Note that the amount chosen may be subject to scale back in accordance with the terms of the SPP.

Choose one of the payment methods shown below.

BPAY®: See overleaf. Do not return the payment slip with BPAY payment.

By Mail: Complete the reverse side of this payment slip and detach and return with your payment. Make your cheque, bank draft or money order payable in Australian dollars to "**Sumatra Copper & Gold Plc**" and cross "**Not Negotiable**". The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the payment slip. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

Sumatra Copper & Gold Plc Security Purchase Plan Application Form
Payment must be received by 5:00pm (WST) Monday 27 February 2017

© Registered to BPAY Pty Limited ABN 69 079 137 518

Turn over for details of the Offer →

Security Purchase Plan Application Form

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I ND

STEP 1

Registration Name & Offer Details

 For your security keep your SRN/
HIN confidential.

Registration Name: MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Entitlement No: 12345678

Offer Details: Record date: **5:00pm (WST) Wednesday 25 January 2017**

Minimum value available to purchase: **\$500**

Maximum value available to purchase: **\$15,000**

STEP 2

Make Your Payment



Bill Code: 344218
Ref No: 1234 5678 9123 4567 89

Pay by Mail:



Make your cheque, bank draft or money order payable to "**Sumatra Copper & Gold Plc**" and cross "**Not Negotiable**".

Return your cheque with the below payment slip to:

Computershare Investor Services Pty Limited
GPO BOX 505 Melbourne Victoria 3001 Australia

Contact your financial institution to make your payment from your cheque or savings account.

Lodgement of Acceptance

If you are applying for New CDIs and your payment is being made by BPAY, you do not need to return the payment slip below. Your payment must be received by no later than 5:00pm (WST) Monday 27 February 2017. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. Neither Computershare Investor Services Pty Limited (CIS) nor Sumatra Copper & Gold Plc accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time.

If you are paying by cheque, bank draft or money order the payment slip below must be received by CIS by no later than 5:00pm (WST) Monday 27 February 2017. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for CDI Holders in Australia. Other Eligible CDI Holders will need to affix the appropriate postage. Return the payment slip below with cheque attached. Neither CIS nor Sumatra Copper & Gold Plc accepts any responsibility if you lodge the payment slip below at any other address or by any other means.

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.

Detach here

Purchase Details for Sumatra Copper & Gold Plc (choose one option)

- \$500 worth of CDIs OR \$1,500 worth of CDIs OR \$2,500 worth of CDIs
 \$5,000 worth of CDIs OR \$7,500 worth of CDIs OR \$10,000 worth of CDIs
 \$13,500 worth of CDIs OR \$15,000 worth of CDIs



Entitlement No: 12345678

MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Payment must be received by **5:00pm (WST) Monday 27 February 2017**

Contact Details

Contact Name _____ Daytime Telephone _____

Cheque Details

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
				A\$

123456789123456789+000000001-3051+14