

## Variation to Finance Facility, Placement and Director Changes

Sumatra Copper & Gold plc (“the Company”) advises that the Company and its wholly owned subsidiary PT Dwinad Nusa Sejahtera (“DNS”) have agreed terms with its lenders and major shareholders to vary the amended US\$45 million senior secured debt facility (“Amended Facility”)<sup>1</sup>.

Under the terms of the Amended Facility, the following was required to be completed by 30 June 2017:

- Completion of an equity raise of a minimum of US\$12.5 million by the Company (“Major Equity Raise”<sup>2</sup>);
- Application of US\$10 million, using proceeds of the Major Equity Raise, towards repayment of the senior secured debt facility;
- Conversion by the major shareholders of US\$7 million in convertible notes, plus accrued interest, into CDIs<sup>3</sup> or, in the event of the convertible notes being redeemed prior to 30 June 2017, subscription for a placement of CDIs to the value of the convertible notes; and
- Repayment by DNS of deferred out-of-the-money hedges.

Under the terms of the variation to the Amended Facility, the lenders and major shareholders have agreed, subject to completion of documentation, to:

- Defer US\$7.5 million of the Major Equity Raise to a date no later than 30 November 2017, with US\$5 million to be raised by 30 June 2017;
- Defer US\$7.5 million of the repayment of the senior secured debt facility to a date no later than 30 November 2017;
- Apply US\$2.5 million of the US\$5 million proceeds from the Major Equity Raise to the repayment of the senior secured debt facility before 30 June 2017;
- Defer any further funding of the Debt Service Reserve Account, under the senior secured debt facility, until 30 November 2017; and
- Defer the date for the conversion of convertible notes, or placement of CDIs to the value of any redeemed convertible notes, until 30 November 2017.

The Company is pleased to announce that it has received irrevocable and firm applications for a total of 656,857,593 CDIs at a price of A\$0.01 per CDI to raise gross proceeds of approximately A\$6.569 million (equivalent to US\$5.0 million at an exchange rate of 0.7612) from its major shareholders Provident Minerals Pte Ltd and PT Saratoga Investama Sedaya Tbk (“Placement”). The Placement satisfies the Major Equity Raise under the variation to the Amended Facility and is being undertaken using the Company’s placement capacity as approved by Shareholders at the Annual General Meeting on 31 May 2017. Issue of the CDIs is scheduled for Thursday 29 June 2017.

The Company also advises that Mr Stephen Robinson has resigned as Non-Executive Director and Chairman of the Company effective 30 June 2017 due to his taking up of a full time executive director role at another ASX-listed mining company. Mr Jocelyn Waller, Non-Executive Director and a founding director of the Company, has been appointed as interim Chairman.

As a further measure to reduce corporate costs, the base remuneration (excluding superannuation) of David Fowler (Managing Director) and Adi Sjoekri (Executive Director) will be reduced from A\$330,000

<sup>1</sup> For a detailed description of the Amended Facility refer to ASX announcement of 23 December 2016.

<sup>2</sup> At the Annual General Meeting of the Company on 31 May 2017 shareholders provided approval for the Company to issue CDIs up to the value of US\$25 million.

<sup>3</sup> CHES Depository Interest (“CDI”) in the Company.

to A\$211,000 and A\$265,000 to A\$130,000 respectively effective 1 July 2017. All other remuneration terms and conditions for Mr Fowler and Mr Sjoekri remain unchanged.

Managing Director David Fowler commented: "The deferral of the main component of the capital raise will allow us to complete another quarter of production before going to market. During this period, we expect production from the Belinau underground and Berenai open pit mines to improve as previously foreshadowed. I would also like to thank Steve Robinson for his dedication and commitment over the past 4 years."

**For further information please contact:**

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**About Sumatra Copper & Gold plc**

Sumatra Copper & Gold plc (ASX: SUM) is a gold and silver producer and precious metals explorer in southern Sumatra, Indonesia. The Company's flagship asset is its Tembang gold-silver mine, currently in production. The Company also has an extensive exploration portfolio with projects ranging from brownfield, near-production opportunities to strategically located greenfield holdings.

**Directors**

Steve Robinson Non-Executive Chairman	Jocelyn Waller Non-Executive Director	Gavin Caudle Non-Executive Director
David Fowler Managing Director	Adi Sjoekri Executive Director	Andy Robb Non-Executive Director

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