



9 November 2010

The Manager Companies
ASX Limited
20 Bridge Street Sydney NSW 2000

(7 pages by email)

Dear Madam

SECURITY PURCHASE PLAN

The Directors of Sumatra Copper & Gold plc (the 'Company') advise that the Company offers eligible shareholders the opportunity to subscribe for up to A\$15,000 worth of new CHESSE Depository Interests ('CDIs') in the Company without brokerage or other transaction costs and at a discount to the prevailing market share price under a Security Purchase Plan ('SPP').

The Company's CDIs are being offered under the SPP at A\$0.30 per CDI, a discount of approximately 19% to the volume weighted average share price in the five trading days immediately prior to the date of this announcement.

The SPP is available to shareholders with a registered address in either Australia or New Zealand on the record date of 8 November 2010. The offer is non-renounceable and is scheduled to close on 9 December 2010.

Full SPP details are set out in the attached offer document which will be sent to eligible shareholders.

For further information, contact Peter Nightingale or Richard Edwards on (61-2) 9300 3377.

Yours sincerely

A handwritten signature in black ink, appearing to read "R Edwards", is written over a light blue horizontal line.

Richard Edwards
Company Secretary

pjn5701



9 November 2010

Dear Shareholder

SUMATRA COPPER & GOLD SECURITY PURCHASE PLAN

Sumatra Copper & Gold plc ('Sumatra' or 'the Company') is pleased to offer Eligible Shareholders the opportunity to participate in a capital raising initiative of Sumatra through a Security Purchase Plan ('SPP'). The issue price is A\$0.30, representing a discount of approximately 19% to the weighted average market price of the Company's CDIs for the five business days preceding the date of this announcement.

Background

Since the Company listed on the ASX in 2009, considerable success has been achieved from the A\$12.0 million IPO including:

- Agreement to increase ownership of all material mineral tenements to 100%.
- Newcrest Mining Limited subscribing for a 7.1% equity stake in the Company and entering joint venture agreements over 2 of the Company's projects.
- Extension of the Company's mineral tenements to more than 3,000 km² and conversion of 7 of the Company's mineral tenements to IUPs, the form of tenement under the new Indonesian Mining Law.
- Completion of a first phase 5,000 metre drilling program at the Tembang project which led to the discovery of high grade mineralisation at Belinau and high grade extension of mineralisation at Berenai.
- Commencement of a second phase 10,000 metre drilling program at the Tembang project which has further extended, but not closed off, known mineralisation.
- Commencement of metallurgical testwork of samples from the Tembang project.
- Discovery of further high grade polymetallic mantos at the Sontang project.
- Mobilisation of a drill rig to commence drilling at the Sontang project.
- Continued reconnaissance, surface sampling and mapping of the Company's other projects.

The Directors are pleased that these achievements have reflected in an appreciation of 85% in the market price of the Company's securities from the IPO issue price of A\$0.20 to A\$0.37, as at the close of trading on 8 November 2010.

Purpose of the Raising

Exploration results at the Tembang project over the past year have transformed the perception of the project from a large low grade deposit to a potentially higher grade intermediate sulphidation epithermal system. The current 10,000 metre drilling program is aimed at intercepting the high grade feeder zones at depth. If successful, results from this drilling may increase the resource potential of Tembang appreciably.

SUMATRA COPPER & GOLD plc ABN 14 136 694 267 Level 2, 66 Hunter Street, Sydney NSW 2000 Australia

P +61 2 9300 3377 **F** +61 2 9221 6333 **E** info@sumatracoppergold.com **W** www.sumatracoppergold.com

Registered in England and Wales Registered Number 5777015

Registered address: 39 Parkside, Cambridge CB1 1PN United Kingdom

In addition, the 1,200 metre scout drilling program currently underway at the Company's high grade polymetallic (Au-Ag-Pb-Zn-Cu) Sontang project is planned to outline depth and strike extensions of this mineralisation. Exploration has continued to locate high grade outcrops at Sontang North and it is most likely the scout drilling will continue to test these targets as part of the planned program.

Exploration at Musi Rawas has continued to discover high grade gold vein style and possibly sediment hosted mineralisation in two known prospects. Follow up will better define these prospects and may result in the delineation of early drill targets. Further regional exploration will be carried out at the prospective Jambi IUP where there are abundant showings of alluvial gold workings and in the Company's northern IUPs.

This SPP – the first such raising by the Company – provides all Eligible Shareholders with an opportunity to meaningfully support and participate in this continued successful exploration program and planned future growth.

Specifically, funds from the SPP will contribute towards:

- the exploration drilling programs at the Tembang and Sontang projects;
- continued exploration of other defined targets, including Musi Rawas and Jambi;
- reconnaissance, surface sampling and mapping of the Company's regional exploration tenements;
- funding the cash component of the increase of the Company's mineral tenements to 100%; and
- the Company's working capital requirements.

Shareholder Benefit

The Directors encourage all Eligible Shareholders to support the Company and take advantage of this opportunity to acquire the Company's securities without brokerage or other transaction costs and at a discount of approximately 19% to the weighted average market price of the Company's securities for the five business days preceding the date that the SPP was announced.

Eligible Shareholders

The right to participate in the SPP is available to holders of the Company's fully paid ordinary shares or CDIs on the record date of 8 November 2010 and whose registered address is in Australia or New Zealand ('Eligible Shareholders'). Unfortunately, it is not practical for the SPP to be offered to holders of securities with a registered address in other countries.

Under the SPP, Eligible Shareholders are entitled to purchase up to A\$15,000 in additional securities at A\$0.30, representing a discount of approximately 19% to the weighted average market price of the Company's securities for the five business days preceding the date of this announcement.

How to Participate in the SPP

Participation in the SPP by Eligible Shareholders is entirely optional. If you are in any doubt about your participation in the SPP, then you should contact a professional adviser. The offer is non-renounceable, which means that you cannot transfer your right to purchase securities under the SPP to another person or entity. The maximum amount of A\$15,000 will apply even if you receive more than one offer from the Company.

Issue Price of Securities

The issue price of securities under the SPP is A\$0.30. This price has been set at a discount of approximately 19% to the weighted average market price of the Company's securities calculated over the five business days preceding 9 November 2010.

The market price of the Company's securities will fluctuate during this offer, but this will not affect the issue price of the securities under the SPP. This means that the market price of the Company's securities at the time the securities are allotted under the SPP may be either higher or lower than the subscription price.

Maximum Raising

The maximum number of securities that the Company will issue under the SPP is 32,000,000 and the maximum amount that would be raised under the SPP is A\$9.6 million. If the Company receives acceptances for more than the maximum, it will reduce the number of securities allotted to each holder of securities on a pro-rata basis.

Application Instructions

This offer will close at 5:00 pm (Sydney time) on 9 December 2010. Further details of the SPP are set out in the terms and conditions below. If you wish to participate in the SPP, please read the terms and conditions and return the application form that will be sent to you with payment prior to 9 December 2010.

The Directors encourage you to read these terms and conditions carefully and in their entirety. You should seek your own financial advice in relation to this offer and your participation in the SPP.

Yours sincerely



Jocelyn Waller
Managing Director

Sumatra Copper & Gold plc Security Purchase Plan

Offer Terms and Conditions

Sumatra Copper & Gold plc ('Sumatra') is giving Eligible Shareholders the opportunity to subscribe for CHESS Depository Interests ('CDIs') in Sumatra through a Security Purchase Plan ('SPP'). Participation in the SPP is optional and subject to the following terms and conditions.

Who is eligible to apply under this offer?

You are eligible to subscribe for CDIs under this SPP if you were a registered holder of fully paid ordinary shares or CDIs of Sumatra at the close of business on the Record Date of 8 November 2010, with a registered address in either Australia or New Zealand ('Eligible Shareholders').

The offer under the SPP is non-renounceable, which means that you cannot transfer your right to purchase securities under the offer to anyone else.

How much can you invest?

Eligible Shareholders may choose to apply for one of the following offers:

	Number of Securities	Payment Amount
Offer A:	50,000 CDIs	A\$15,000.00
Offer B:	33,000 CDIs	A\$9,900.00
Offer C:	17,000 CDIs	A\$5,100.00
Offer D:	7,000 CDIs	A\$2,100.00

No brokerage or other transaction costs are payable by participants in the SPP.

How to pay for the securities

You may pay for securities under the SPP only in accordance with the instructions on the other side of this page.

If your payment is not for the exact amount for one of the four offers, Sumatra reserves the right to return your Application Form and funds and not issue any additional Sumatra securities to you.

Eligible Shareholders who wish to pay by BPAY, must follow the instructions on the Application Form so that it is received by the Company before 5.00pm (AEDT) on Thursday, 9 December 2010. Your personalised Application Form carries the Biller Code and your unique personalised Customer Reference Number which you must use to take up the offer. If you make your payment with BPAY you do not need to return your Application Form. 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. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time.

When does the offer close?

The Closing Date is 9 December 2010. Applications received after 5.00pm (Sydney time) on 9 December 2010 will not be accepted.

How was the issue price determined?

The issue price for each security under the SPP is A\$0.30, which represents a discount of approximately 19% to the weighted average market price of Sumatra securities for the five business days on which sales of CDIs occurred preceding 9 November 2010, the date the SPP was announced.

The market price of Sumatra securities may rise or fall. This means that the issue price of A\$0.30 under the SPP may exceed the market price at the time of allotment of securities under the SPP. Accordingly, you should consult your stockbroker or professional adviser in relation to this offer and your participation under the SPP. Any change in the market price of Sumatra securities will not affect the issue price of A\$0.30.

Why is your investment limited to A\$15,000?

The SPP must comply with the Australian Securities & Investments Commission Class Order [CO 09/425] ('the Class Order'), which limits the participation of each Eligible Shareholder to A\$15,000 worth of securities. This limit applies to all Eligible Shareholders even if you receive more than one offer from Sumatra (for example, because you are a joint holder of securities or because you have more than one holding of securities under separate accounts). Sumatra reserves the right to reject any application for securities where it believes that an Eligible Shareholder has not complied with this requirement.

Where a trustee or nominee is noted on the Sumatra securities register as holding securities on behalf of another person (beneficiary), the trustee or nominee may, in respect of each such beneficiary, apply under the SPP for securities with a subscription price of up to A\$15,000. For the purposes of this acceptance, the beneficiary is deemed to be the registered holder of the relevant securities.

Allotment of Securities

The securities will be allotted as soon as practicable after the offer closes. Statements will be issued in respect of securities allotted to you under the SPP. You should await confirmation before trading in any securities you have applied for under this offer.

Securities allotted under the SPP will rank equally in all respects with all other fully paid ordinary shares and CDIs in Sumatra on the date of issue.

Sumatra will, promptly after allotment of CDIs under the SPP, make application for the CDIs to be listed for quotation on the official list of the ASX Limited ('ASX').

Refunds if the SPP is oversubscribed

If the total number of securities applied for by Eligible Shareholders under the SPP exceeds 32,000,000, then the number of securities allotted to each accepting Eligible Shareholder will be reduced on a pro-rata basis, subject to rounding the adjusted number of securities at the Directors' discretion.

Application moneys to be refunded will be posted to accepting Eligible Shareholders as soon as practical after the Closing Date. Interest will not be paid on money refunded.

Change of offer

The SPP may be modified or terminated by Sumatra any time. Sumatra will advise the ASX of any modification or termination.

Without limiting the above, Sumatra may resolve to allot to any person fewer securities than that person applied for under the SPP if the allotment of those securities would contravene any law or Listing Rule of the ASX.

Dispute resolution

If any dispute arises in connection with the SPP, Sumatra may settle it in any manner it thinks fit. It can do that generally, or in relation to any particular participant, application or security. Sumatra's decision will be final and binding.

Sumatra reserves the right to waive strict compliance with any provision of the SPP's terms and conditions. The power of Sumatra in these circumstances may be exercised by the Directors or any delegate of the Directors in accordance with the Corporations Act 2001 and Sumatra's Constitution.

How can you make further inquiries?

If you have any questions in respect of the SPP, please contact Richard Edwards or Peter Nightingale on +61-2 9300 3377.

pjn5681



COPPER & GOLD

Sumatra Copper & Gold plc

ABN 14 136 694 267

Please return the completed Form to:

Sumatra Copper & Gold plc
Level 2, 66 Hunter Street
Sydney NSW 2000
Australia

Enquiries +61 2 9300 3377

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SUM

MR JOHN SMITH 1

FLAT 123

123 SAMPLE STREET

THE SAMPLE HILL

SAMPLE ESTATE

SAMPLEVILLE VIC 3030



Securityholder Reference Number (SRN)



I 1234567890

I N D

For your security keep your SRN/HIN confidential.

Entitlement Number:

Record Date:

8 November 2010

Offer Closes:

5pm (AEDT) 9 December 2010

Price per Security:

A\$0.30

SECURITY PURCHASE PLAN APPLICATION FORM

This personalised form can only be used in relation to the securityholding represented by the SRN or HIN printed above. This is an important document and requires your immediate attention. If you are in doubt about how to deal with this document, please consult your financial or other professional adviser.

Under the rules of the Sumatra Copper & Gold plc ("Sumatra") Security Purchase Plan (SPP) contained in the letter to Sumatra securityholders dated 9 November 2010, Sumatra is offering eligible securityholders the opportunity to purchase CHESS Depository Interests ("CDIs") up to a maximum value of A\$15,000.00 per eligible securityholder, subject to a minimum application of A\$2,100.00.

If you do not wish to purchase additional CDIs under this offer there is no need to take action.

By making your payment, you agree to be bound by the constitution of Sumatra and agree that the submission of this payment constitutes an irrevocable offer to you by Sumatra to subscribe for CDIs in Sumatra under the rules of the SPP. In addition, by submitting the Application Form and payment you certify that the aggregate of the application price paid by you for:

- the CDIs the subject of this application; and
- any other securities and interests in the class applied for by you under the SPP or any similar arrangement in the past 12 months, does not exceed A\$15,000.00.

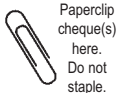
METHOD OF ACCEPTANCE

You can apply for CDIs and make your payment utilising one of the payment options detailed overleaf.

Sumatra may make determinations in any manner it thinks fit, in relation to any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP whether generally or in relation to any participant or application. Any determinations by Sumatra will be conclusive and binding on all eligible securityholders and other persons to whom the determination relates. Sumatra reserves the right to waive strict compliance with any provision of the rules of the SPP, to amend or vary those rules and to suspend or terminate the SPP at any time. Any such amendment, variation, suspension or termination will be binding on all eligible securityholders even where Sumatra does not notify you of that event.

SUM

SPRB



Paperclip
cheque(s)
here.
Do not
staple.

Please see overleaf for Payment Options



Billor Code: 999999

Ref No: 1234 5678 9012 3456 78

I/We wish to purchase:

7,000 CDIs for A\$2,100.00 or 17,000 CDIs for A\$5,100.00 or 33,000 CDIs for A\$9,900.00 or 50,000 CDIs for A\$15,000.00

* These share amounts may be subject to scale-back in accordance with the rules of the SPP.

Payment Details – Please note that funds are unable to be directly debited from your bank account

Drawer	Cheque number	BSB number	Account number	Cheque amount
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$ <input type="text"/>

Make your cheque or bank draft payable to Sumatra Copper & Gold plc

Contact Details

Please provide your contact details in case we need to speak to you about this Application

Name of contact person

Contact person's daytime telephone number

How to accept the Security Purchase Plan

Payment Details

You can apply for CDIs by utilising the payment options detailed below. There is no requirement to return this Form if you are paying by BPAY®. By making your payment using either electronic means or by cheque, bank draft or money order, you confirm that you agree to all of the rules of the SPP as enclosed with this Form.

Make your cheque, bank draft or money order payable to "Sumatra Copper & Gold plc" in Australian currency and cross it Not Negotiable. Your cheque or bank draft must be drawn on an Australian branch of a financial institution. Please ensure you submit the correct amount. Incorrect payments may result in your application being rejected. Complete cheque details in the boxes provided. **Please note that funds are unable to be directly debited from your bank account.**

If paying by cheque, return this Application Form with Cheque, Bank Draft or money order to the address indicated below.

Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your application being rejected. Paperclip (do not staple) your cheque(s) to this Application Form where indicated. Cash will not be accepted. A receipt for payment will not be forwarded.

Contact Details

Enter the name of a contact person and telephone number. These details will only be used in the event that Sumatra has a query regarding the Application.

Lodgement of Application

If you are paying by cheque, bank draft or money order, the slip below must be received by Sumatra by no later than 5pm (Sydney time) on 9 December 2010. You should allow sufficient time for this to occur. Return this Application Form with cheque, bank draft or money order attached. Sumatra does not accept any responsibility if you lodge this Application form at any other address or by any other means.

If you are applying for CDIs and your payment is being made by BPAY®, you do not need to return this Application Form. Your payment must be received by no later than 5pm (Sydney time) on 9 December 2010. 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. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time.

Privacy Statement

Personal information is collected on this form by Computershare Investor Services Pty Limited ("CIS"), as registrar for securities issuers ("the issuer"), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by the issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS. You can contact CIS using the details provided on the front of this form or e-mail privacy@computershare.com.au

If you have any enquiries concerning this form or your entitlement, please contact us on +61 2 9300 3377.

This form may not be used to notify your change of address. For information, please visit www.computershare.com (certificated/issuer sponsored holders only).

CHESS holders must contact their Controlling Participant to notify a change of address

Payment Options:



Billers Code: 999999
Ref No: 1234 5678 9012 3456 78

Telephone & Internet Banking – BPAY

Call your bank, credit union or building society to make this payment from your cheque or savings account. More info: www.bpay.com.au



By Mail
Sumatra Copper & Gold plc
Level 2, 66 Hunter Street
Sydney NSW 2000
Australia



Entitlement Number: <xxxxxxxxxx>

SAMPLE CUSTOMER
SAMPLE STREET
SAMPLE STREET
SAMPLE STREET
SAMPLE STREET
SAMPLETOWN TAS 7000

