



Sumatra Copper & Gold plc

Registered number 5777015 (England and Wales)

ABN 14 136 694 267 (Australia)

Notice of Annual General Meeting and Explanatory Statement

**Annual General Meeting to be held at
The Celtic Club
48 Ord Street, West Perth, Western Australia 6005**

On Thursday 30 May 2013 at 4:00pm (WST)

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

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Key dates

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

Event	Date
Snapshot date for eligibility to vote	28 May 2013
Last day for receipt of CDI Voting Instruction Forms*	27 May 2013
Last day for receipt of Proxy Forms*	28 May 2013
Annual General Meeting	30 May 2013

*CDI Voting Instruction Forms and Proxy Forms received after 4:00pm on this date will be disregarded.

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Sumatra Copper & Gold plc (registered number 5777015 in England and Wales and ABN 14 136 694 267 in Australia) (**Sumatra or Company**) will be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia 6005 at 4:00pm (WST) on Thursday 30 May 2013.

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

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

Agenda

Resolution 1 – Receipt of financial statements and reports

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

“That the Company’s audited financial statements, Directors’ report and Auditor’s report for the financial year ended 31 December 2012 be received.”

Resolution 2 – Re-appointment of the Company’s auditors

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

“That PricewaterhouseCoopers LLP be reappointed as the Company’s auditors and authorise the Directors to fix their remuneration.”

Resolution 3 – Re-election of Mr Adi Sjoekri as a Director

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

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

Resolution 4 – Approval of LTI Plan

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

“That for the purposes of Listing Rule 7.2, Exception 9 and for all other purposes, the Company approves the issue of Securities under the Company’s LTI Plan, as an exception to Listing Rule 7.1.”

<p>Voting exclusion: In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 4 by any Director who may participate in the LTI Plan (except one who is ineligible to participate in the LTI Plan) and any Associate of that person. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the Annual General Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.</p>

Resolution 5 – Approval of grant of LTI Performance Rights under the LTI Plan to Mr Julian Ford

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

“That, subject to Resolution 4 being approved, for the purposes of Listing Rule 10.14 and for all other purposes, the Company be authorised to grant up to 3,000,000 LTI Performance Rights under the Company’s LTI Plan to the Managing Director of the Company, Mr Julian Ford, on the terms and conditions described in the Explanatory Statement.”

ASX voting exclusion: In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 5 by Mr Julian Ford and any of his Associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the Annual General Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 6 – Approval of grant of LTI Performance Rights under the LTI Plan to Mr Adi Sjoekri

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

“That, subject to Resolution 4 being approved, for the purposes of Listing Rule 10.14 and for all other purposes, the Company be authorised to grant up to 2,000,000 LTI Performance Rights under the Company’s LTI Plan to Mr Adi Sjoekri, an executive director of the Company, on the terms and conditions described in the Explanatory Statement.”

ASX voting exclusion: In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 6 by Mr Adi Sjoekri and any of his Associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the Annual General Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 7 – Approval of grant of PDI Performance Rights under the LTI Plan to Mr Julian Ford

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

“That, subject to Resolution 4 being approved, for the purposes of Listing Rule 10.14 and for all other purposes, the Company be authorised to grant 3,000,000 PDI Performance Rights under the Company’s LTI Plan to the Managing Director of the Company, being Mr Julian Ford, on the terms and conditions described in the Explanatory Statement.”

ASX voting exclusion: In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 7 by Mr Julian Ford and any of his Associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the Annual General Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 8 – Approval of grant of PDI Performance Rights under the LTI Plan to Mr Adi Sjoekri

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

“That, subject to Resolution 4 being approved, for the purposes of Listing Rule 10.14 and for all other purposes, the Company be authorised to grant 2,000,000 PDI Performance Rights under the Company’s LTI Plan to Mr Adi Sjoekri, an executive director of the Company, on the terms and conditions described in the Explanatory Statement.”

ASX voting exclusion: In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 8 by Mr Adi Sjoekri and any of his Associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the Annual General Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 9 – Ratification of previous placement of CDIs to Provident Minerals Pte Ltd and its nominees

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the issue of 38,000,000 CDIs at an issue price of A\$0.22 per CDI to Provident Minerals Pte Ltd and its nominees by the Company, on the terms and conditions described in the Explanatory Statement.”

ASX voting exclusion: In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 9 by Provident Minerals Pte Ltd, its nominees, and any of their Associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the Annual General Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 10 – Approval for additional capacity to issue equity securities

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

“That for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders hereby approve the issue of equity securities equivalent to an additional 10% of the number of ordinary securities on issue by way of placements over a 12 month period in accordance with the requirements of Listing Rule 7.1A.2, on the terms and conditions described in the Explanatory Statement.”

ASX voting exclusion: In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 10 by those persons who may participate in the proposed issue or who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 11 - Authority to allot

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

“That, in substitution for all previous like authorities which are hereby revoked and replaced (but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities), the Directors be and are hereby generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 to exercise all powers of the Company to allot equity securities (within the meaning of Section 560 of the Act) up to a maximum aggregate nominal amount of £4,000,000.

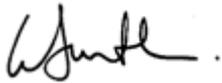
This authority shall expire (unless renewed, varied or revoked by the Company in general meeting) at the conclusion of the next annual general meeting of the Company to be held in 2014, save that the Company may before such expiry make any offer or agreement which would or might require equity securities 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.”

Resolution 12 - Disapplication of pre-emption rights

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

“That, subject to the passing of Resolution 11, and in substitution for all previous like authorities which are hereby revoked and replaced (but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities), the Directors be and are hereby empowered pursuant to Section 570 of the Companies Act to allot equity securities (within the meaning of Section 560 of the Companies Act) for cash pursuant to the authority conferred by Resolution 11 as if Section 561(1) of the Companies Act did not apply to any such allotment provided that this power shall be limited to the allotment of equity securities up to an aggregate nominal amount of £4,000,000 and shall expire at the conclusion of the annual general meeting of the Company to be held in 2014 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



Graeme Smith
Company Secretary
24 April 2013

Proxy Appointment, Voting and Meeting Instructions

Appointment of a proxy

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

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

You are entitled to appoint up to two persons as proxies to attend the Annual General Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company on +61 8 9389 2111 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 4:00pm WST on Tuesday, 28 May 2013 being not later than 48 hours before the commencement of the Annual General Meeting. Any Proxy Form received after that time will not be valid for the scheduled Annual General Meeting.

CDI voting

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

One CDI is equivalent to one Share and so each CDI held at 28 May 2013 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 4:00pm WST on Monday, 27 May 2013 being not later than 72 hours before the commencement of the Annual General Meeting. Any CDI Voting Instruction Form received after that time will not be valid for the scheduled Annual General Meeting.

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

To obtain a copy of the CHESS Depository Nominee's Financial Services Guide, go to http://www.asx.com.au/documents/settlement/CHESS_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 Annual General Meeting, Shares and CDIs will be taken to be held by the persons who are registered as holding the Shares or CDIs at 4:00pm WST on Tuesday, 28 May 2013. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.

Questions from Shareholders

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

Mr Stuart Newman of PricewaterhouseCoopers LLP, as the auditor responsible for preparing the auditor's report for the year ended 31 December 2012 (or his representative) will attend the Annual General Meeting. The Chairman will also allow a reasonable opportunity for Shareholders to ask the auditor questions about:

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

To assist the Board and the auditor of the Company in responding to questions please submit any questions you may have in writing no later than 4:00pm WST on Tuesday, 28 May 2013:

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

By email: **gsmith@scgplc.com**

Explanatory Statement

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

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

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

1. Resolution 1 – Receipt of financial statements and reports

The Company's audited financial statements, Directors' report and Auditor's report for the financial year ended 31 December 2012 have been mailed to Shareholders, together with this Explanatory Statement. The Company's financial statements are also available on its website (www.sumatracoppergold.com) and on the ASX website (www.asx.com.au).

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

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

2. Resolution 2 – Re-appointment of the Company's auditors

Resolution 2 seeks Shareholder approval for the re-appointment of PricewaterhouseCoopers LLP as the Company's auditors and for the Directors to fix their remuneration.

The Companies Act provides that shareholders may appoint auditors of public companies by ordinary resolution at the general meeting of the company at which the company's annual accounts are laid (usually the annual general meeting) defined as the "accounts meeting" (section 489(4)(a) of the Companies Act) and that there is no deemed reappointment. Resolution 2, therefore, proposes the re-appointment of PricewaterhouseCoopers LLP as the Company's auditors until the conclusion of the next "accounts meeting" of the Company.

In accordance with section 492 of the Companies Act, the remuneration of the auditors appointed by a company in general meeting is to be fixed by the company in general meeting or in a manner that the company in general meeting determines. Resolution 2 authorises the Directors to fix the remuneration of the auditors in accordance with this requirement.

3. Resolution 3 – Re-election of Mr Adi Sjoekri as a Director

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

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

Mr Sjoekri retires by rotation and offers himself for re-election as a Director.

Mr Sjoekri was appointed as an executive Director on 30 March 2011.

Mr Sjoekri is an Indonesian national who graduated with a degree and a Master of Science in Geology from the Colorado School of Mines in the U.S.A. He completed his further education with an MBA in management at Monash University in Jakarta.

Adi has more than 17 years experience working for major companies such as CSR and Newmont throughout Indonesia and more recently as a successful consultant to the mining industry. He was instrumental in recognising the opportunity to acquire mineral tenements in Indonesia in 2006.

Directors' recommendation

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

4. Resolution 4 – Approval of LTI Plan

Introduction

The remuneration policy of the Company aligns Key Management Personnel objectives with shareholder and business objectives by combining a fixed remuneration component with specific short-term incentives based on key performance areas affecting the Company's financial results. The Board considers the remuneration policy to be appropriate and effective in its ability to attract and retain the best Key Management Personnel to run and manage the Company.

As part of its incentive arrangements for senior employees, the Company proposes to implement a new long term incentive plan, described as the Sumatra Copper and Gold plc Long Term Incentive Plan (**LTI Plan**), pursuant to which the Board will be able to issue rights to acquire CDIs (to be granted in the form of Performance Rights or Options) to full time and part time employees of the Company or a Related Body Corporate of the Company as determined by the Board from time to time.

The Company also proposes to grant Performance Rights to key executives as incentives in respect of the successful development of the Tembang Project. It is proposed that these Performance Rights will be granted under the LTI Plan and be governed by the LTI Plan Rules.

If Resolution 4 is approved it is proposed that the Company will initially grant:

- (a) to the Managing Director, Mr Julian Ford (if Resolutions 5 and 7 are approved), Performance Rights as a long term incentive (**LTI Performance Rights**) and in respect of the Tembang Project (**PDI Performance Rights**); and
- (b) to executive director Mr Adi Sjoekri (if Resolutions 6 and 8 are approved), LTI Performance Rights and PDI Performance Rights,

vesting of which will be subject to the satisfaction of Vesting Conditions and Performance Hurdles.

Subject to Shareholder approval of Resolution 4, the Company has offered the Chief Operating Officer, Mr Don Harper and the General Manager, Projects, Mr Grant Harding a total of 4 million PDI Performance Rights under the LTI Plan as part of their remuneration incentive scheme. The Performance Hurdles and Performance Periods in respect of which these PDI Performance Rights will be granted are as outlined in the table in Section 5 below.

The Company may issue Performance Rights to new employees or existing employees who qualify under the LTI Plan.

Resolution 4 seeks Shareholder approval of the LTI Plan in the interests of good corporate governance practice and for the purposes of Listing Rule 7.2 (Exception 9). If Shareholder approval for Resolution 4 is obtained, all Securities issued by the Company under the LTI Plan for a period of three (3) years from the date of the approval will be excluded from the 15% limit on the issued capital of the Company which may be issued in any 12 month period without requiring Shareholder approval in advance imposed by Listing Rule 7.1.

If approved, the LTI Plan will govern all offers, acceptances and issues of Securities and Performance Rights made under the LTI Plan following the Meeting.

This is the first time the Company is seeking Shareholder approval of the LTI Plan and to date, no Securities or Performance Rights have been issued or granted under the LTI Plan.

Terms of the LTI Plan

The terms of the LTI Plan are summarised at Schedule 1.

A copy of the LTI Plan Rules will be made available on the Company's website (www.sumatracoppergold.com).

Directors' recommendation

The Directors believe that Resolution 4 is in the best interests of the Company and its Shareholders and unanimously recommend that Shareholders vote in favour of it in order for the Company to establish a long term incentive plan for employees for the overall benefit of the Company.

Resolutions 5 and 6 – Approval of grant of LTI Performance Rights under the LTI Plan to Mr Julian Ford and Mr Adi Sjoekri

Introduction

Resolutions 5 and 6 seek Shareholder approval to grant Mr Julian Ford, the Managing Director of the Company, up to 3,000,000 LTI Performance Rights under

the Company's LTI Plan and Mr Adi Sjoekri, an executive director of the Company, up to 2,000,000 LTI Performance Rights under the Company's LTI Plan.

The proposed grant of LTI Performance Rights to Messrs Ford and Sjoekri is intended to:

- (a) provide an appropriate and adequate incentive for Messrs Ford and Sjoekri;
- (b) ensure the Company may retain the services of Messrs Ford and Sjoekri; and
- (c) reinforce the commitment of Messrs Ford and Sjoekri as executives and Directors.

Subject to shareholder approval, the LTI Performance Rights will be granted in annual tranches for the years 2013 to 2015.

Regulatory requirements

Listing Rule 10.14 generally provides that the approval of shareholders is required before a director of a company can acquire securities issued under an employee incentive scheme. Accordingly, in order for a Director to acquire a beneficial interest in the LTI Performance Rights and any subsequent CDIs which may be issued on the vesting of LTI Performance Rights, the Company must first obtain Shareholder approval pursuant to Listing Rule 10.14.

Listing Rule 10.15A sets out a number of matters which must be included in a notice of meeting requesting shareholder approval under Listing Rule 10.14. In accordance with Listing Rule 10.15A, the information below is provided to Shareholders in relation to Resolutions 5 and 6.

Terms of LTI Performance Rights offered to Messrs Ford and Sjoekri

The terms of the LTI Performance Rights proposed to be granted to Messrs Ford and Sjoekri, including the conditions on which the LTI Performance Rights may vest, are set out in Schedule 2. Apart from the terms set out in Schedule 2, the LTI Performance Rights will otherwise be subject to the rules of the LTI Plan.

In summary, the key terms of the LTI Performance Rights proposed to be granted pursuant to Resolutions 5 and 6 are as follows:

- (a) The number of LTI Performance Rights to be granted is based on a value of 50% of Base Salary divided by the VWAP of Shares for the month prior to the commencement of the relevant Performance Period. A maximum of 5,000,000 LTI Performance Rights will be granted pursuant to Resolutions 5 and 6.
- (b) The LTI Performance Rights are to be granted in 3 annual tranches, with Performance Periods and Vesting Dates as specified in the table below:

	Number of LTI Performance Rights to be granted - Ford	Number of LTI Performance Rights to be granted - Sjoekri	Performance Period	Vesting Date
Tranche 1	970,588 ⁽¹⁾	705,882 ⁽²⁾	1 January 2013 to 31 December 2013	31 January 2014
Tranche 2	Based on 50% of the Base Salary for the relevant Performance Period divided by the VWAP of Shares for the month prior to commencement of the relevant Performance Period, with a maximum of 5,000,000 LTI Performance Rights (inclusive of the Tranche 1 LTI Performance Rights) to be granted.		1 January 2014 to 31 December 2014	31 January 2015
Tranche 3			1 January 2015 to 31 December 2015	31 January 2016

Note 1. The number of Tranche 1 LTI Performance Rights granted to Mr Ford is based on a Base Salary of \$330,000 and a share price of 17 cents per share.

Note 2. The number of Tranche LTI Performance Rights granted to Mr Sjoekri is based on a Base Salary of \$240,000 and a share price of 17 cents per share.

- (c) Vesting of LTI Performance Rights is subject to a Performance Hurdle, which will be satisfied if the Company's share price exceeds the performance of the Gold Index in respect of the relevant Performance Period by more than 25%, in which case 100% of the granted LTI Performance Rights will vest.
- (d) Unvested LTI Performance Rights will automatically lapse and be forfeited if the Participant voluntarily resigns otherwise than to take up employment with a Related Body Corporate of the Company or if the Participant is dismissed from employment for a material breach of his contract of employment, negligence or other conduct justifying termination without notice. LTI Performance Rights will not lapse if the Participant ceases employment due to death, permanent disablement, retirement, redundancy or any other circumstance in which the Board determines the LTI Performance Rights should not lapse.

Other information required by the Listing Rules

The following further information is provided in accordance with the requirements of the Listing Rules:

- (a) Up to 3,000,000 LTI Performance Rights will be granted to Mr Julian Ford if Resolutions 4 and 5 are approved.
- (b) Up to 2,000,000 LTI Performance Rights will be granted to Mr Adi Sjoekri if Resolutions 4 and 6 are approved.
- (c) The LTI Performance Rights are to be granted for no issue price or cash consideration. Consequently, no funds will be raised as a result of the grant of the LTI Performance Rights.
- (d) No persons have previously received LTI Performance Rights or Options under the LTI Plan.
- (e) The persons entitled to participate in the LTI Plan are executive Directors (being Mr Julian Ford and Mr Adi Sjoekri) and employees of the Company and its Related Bodies Corporate. Non-executive Directors are not entitled to participate in the LTI Plan.

- (f) There are no loans proposed to be granted to Messrs Ford and Sjoekri for the grant of the LTI Performance Rights to them.
- (g) Details of any Securities issued under the LTI Plan will be published in each annual report of the Company relating to the period during which the Securities have been issued accompanied by a statement that the Securities were issued pursuant to Shareholder approval obtained in accordance with Listing Rule 10.14.
- (h) Any additional persons who become entitled to participate in the LTI Plan after Resolutions 5 and 6 are approved and have not been named in this Notice will not participate in the LTI Plan until further Shareholder approval is obtained in accordance with Listing Rule 10.14.
- (i) LTI Performance Rights will be granted in 3 annual tranches and in any event no later than 3 years after the date of the Meeting.

Interests of Mr Julian Ford

Mr Ford has a material personal interest in the outcome of Resolution 5, which seeks Shareholder approval for the grant to him of LTI Performance Rights. In addition to the LTI Performance Rights to be issued to Mr Ford pursuant to Resolution 5, Mr Ford has been engaged under an employment agreement to provide services to the Company as Managing Director.

Under the terms of his current employment agreement, Mr Ford is presently entitled to an annual base salary of \$359,700 (including statutory superannuation), which is subject to review on an annual basis.

Set out below is a breakdown of Mr Ford's total remuneration package for the last two financial years and the current financial year.

Financial year	Salary, fees and super	Short term benefits (cash)	Long term benefits	Total remuneration
2011	A\$158,958		A\$104,773	A\$263,731
2012	A\$272,500	A\$120,000	A\$196,465	A\$590,977
2013	A\$359,700		A\$127,143	A\$486,843

Mr Ford currently has the following interests in Securities:

- 2,500,000 Options exercisable at A\$0.35 and expiring on 26/10/2014
- 2,500,000 Options exercisable at A\$1.00 and expiring on 26/10/2014
- 2,000,000 Options exercisable at A\$0.25 and expiring on 14/06/2017
- 2,500,000 Options exercisable at A\$0.50 and expiring on 01/06/2016

Interests of Mr Adi Sjoekri

Mr Sjoekri has a material personal interest in the outcome of Resolution 6, which seeks Shareholder approval for the grant to him of LTI Performance Rights. In addition to the LTI Performance Rights to be issued to Mr Sjoekri pursuant to Resolution 6, Mr Sjoekri has been engaged under an employment agreement to

provide services to the Company as Director of Government Liaison, Permitting and Forestry.

Under the terms of his employment agreement, Mr Sjoekri is presently entitled to an annual base salary of \$240,000 which is subject to review on an annual basis.

Set out below is a breakdown of Mr Sjoekri's total remuneration package for the last two calendar years and the current calendar year.

Financial year	Salary, fees and super	Short term benefits (cash)	Long term benefits	Total remuneration
2011	-	A\$80,000	A\$25,750	A\$105,750
2012	A\$241,322	A\$25,000	A\$15,135	A\$281,457
2013	A\$240,000		A\$6,023	A\$246,023

Mr Sjoekri currently has the following interests in Securities:

- 4,974,000 CDIs
- 500,000 Options exercisable at A\$0.25 and expiring on 26/10/2014
- 1,000,000 Options exercisable at A\$0.25 and expiring on 14/06/2017

Directors' recommendation

All Directors other than Mr Ford (in respect of Resolution 5) and Mr Sjoekri (in respect of Resolution 6) recommend that Shareholders vote in favour of Resolutions 5 and 6 for the following reasons:

- (a) the grant of the LTI Performance Rights as proposed to Messrs Ford and Sjoekri will provide reward and incentive for future services provided to the Company to further the growth in revenue and profitability of the Company; and
- (b) in the Company's circumstances, the Directors consider that the grant of the LTI Performance Rights provides a cost-effective and efficient long term incentive as opposed to alternative forms of incentives, such as cash bonuses.

Mr Ford declines to make a recommendation to Shareholders in relation to Resolution 5 due to his material personal interest in the outcome of the Resolution.

Mr Sjoekri declines to make a recommendation to Shareholders in relation to Resolution 6 due to his material personal interest in the outcome of the Resolution.

5. Resolutions 7 and 8 – Approval of grant of PDI Performance Rights under the LTI Plan to Mr Julian Ford and Mr Adi Sjoekri

Introduction

Resolutions 7 and 8 seek Shareholder approval to grant Mr Julian Ford, the Managing Director of the Company, 3,000,000 Performance Rights under the Company's LTI Plan and Mr Adi Sjoekri, an executive director of the Company, 2,000,000 Performance Rights under the Company's LTI Plan.

The proposed grants of Performance Rights to Messrs Ford and Sjoekri are intended to provide incentives to key executives in respect of the development of Tembang Project, and are termed “project development incentive” (**PDI**) Performance Rights. The Tembang Project is the Company’s principal asset and its successful development is the key driver for the near-term success of the Company. It is proposed that this incentive scheme be based solely on the achievement of significant major project milestones. The milestones will be identical for all executives covered by the scheme. The Directors consider that this will foster team co-operation by the achievement of material common goals.

Regulatory requirements

Listing Rule 10.14 generally provides that the approval of shareholders is required before a director of a company can acquire securities issued under an employee incentive scheme. Accordingly, in order for a Director to acquire a beneficial interest in the PDI Performance Rights and any subsequent CDIs which may be issued on the vesting of PDI Performance Rights, the Company must first obtain Shareholder approval pursuant to Listing Rule 10.14.

Listing Rule 10.15A sets out a number of matters which must be included in a notice of meeting requesting shareholder approval under Listing Rule 10.14. In accordance with Listing Rule 10.15A, the information below is provided to Shareholders in relation to Resolutions 7 and 8.

Terms of PDI Performance Rights offered to Messrs Ford and Sjoekri

The terms of the PDI Performance Rights proposed to be granted to Messrs Ford and Sjoekri, including the conditions on which the PDI Performance Rights may vest, are set out in Schedule 3. Apart from the terms set out in Schedule 3, the PDI Performance Rights will otherwise be subject to the rules of the LTI Plan.

In summary, the key terms of the PDI Performance Rights proposed to be granted to are as follows:

- (a) The PDI Performance Rights are to be granted in 3 tranches, with vesting dependent on the achievement of the following Performance Hurdles:

	Performance Hurdle	Number of PDI Performance Rights - Ford	Number of PDI Performance Rights - Sjoekri
Tranche 1	Completion of the debt and equity financing for the Tembang Project with all funds available for drawdown and;	750,000	500,000
Tranche 2	The successful commissioning of Stage 1 of the Tembang Project including the passing of any completion tests to the Board’s reasonable satisfaction	750,000	500,000
Tranche 3	The Tembang Project having achieved a production of 60,000 ozs AuE per annum equivalent in a continuous period of 6 months.	1,500,000	1,000,000

- (b) PDI Performance Rights in respect of the each Performance Hurdle achieved will vest on 1 January of the year following achievement of the Performance Hurdle.

- (c) Unvested PDI Performance Rights will automatically lapse and be forfeited if Mr Ford or Mr Sjoekri (each a Participant) voluntarily resigns otherwise than to take up employment with a Related Body Corporate of the Company or if the Participant is dismissed from employment for a material breach of his contract of employment, gross negligence or other conduct justifying termination without notice. PDI Performance Rights will not lapse if a Participant ceases employment due to death, permanent disablement, retirement, redundancy or any other circumstance in which the Board determines the PDI Performance Rights should not lapse.

Other information required by the Listing Rules

The following further information is provided in accordance with the requirements of the Listing Rules:

- (a) A total of 3,000,000 PDI Performance Rights will be granted to Mr Julian Ford if Resolutions 4 and 7 are approved.
- (b) A total of 2,000,000 PDI Performance Rights will be granted to Mr Adi Sjoekri if Resolutions 4 and 8 are approved.
- (c) The PDI Performance Rights are granted for no issue price or cash consideration. Consequently, no funds will be raised as a result of the grant of the PDI Performance Rights.
- (d) No persons have previously received PDI Performance Rights or Options under the LTI Plan.
- (e) The persons entitled to participate in the LTI Plan are executive Directors (being Mr Julian Ford and Mr Adi Sjoekri) and employees of the Company and its Related Bodies Corporate. Non-executive Directors are not entitled to participate in the LTI Plan.
- (f) There are no loans proposed to be granted to Messrs Ford and Sjoekri for the grant of the PDI Performance Rights to them.
- (g) PDI Performance Rights will be granted as soon as practicable after the Meeting and in any event within 12 months of the Meeting.
- (h) The terms and conditions of the PDI Performance Rights proposed to be granted to Messrs Ford and Sjoekri are set out in the LTI Plan and the Performance Hurdles and Vesting Conditions are set out above.

Directors' recommendation

All Directors other than Mr Ford (in respect of Resolution 7) and Mr Sjoekri (in respect of Resolution 8) recommend that Shareholders vote in favour of Resolutions 7 and 8 for the following reasons:

- (a) the grant of the PDI Performance Rights as proposed to Messrs Ford and Sjoekri will provide reward and incentive for successful development of the Tembang Project; and
- (b) in the Company's circumstances, the Directors consider that the grant of the PDI Performance Rights provides a cost-effective and efficient project development incentive as opposed to alternative forms of incentives, such as cash bonuses.

Mr Ford declines to make a recommendation to Shareholders in relation to Resolution 7 due to his material personal interest in the outcome of the Resolution.

Mr Sjoekri declines to make a recommendation to Shareholders in relation to Resolution 8 due to his material personal interest in the outcome of the Resolution.

6. Resolution 9 - Ratification of previous placement of CDIs to Provident Minerals Pte Ltd and its nominees

Background

On 22 February 2013, the Company announced to the ASX a comprehensive debt and equity funding package of approximately A\$63 million to develop the Company's Tembang Project in southern Sumatra, Indonesia.

The funding package comprised three components:

- (a) a placement of 38 million CDIs (**Placement CDIs**) to raise A\$8.36 million (**Placement**), with Provident Capital Partners Pte Ltd (**Provident Capital**) agreeing to take up the full placement but having the right to allot some of these CDIs to other long-term Indonesian-based investors;
- (b) Provident Capital will also underwrite a one for three pro rata non-renounceable entitlements offer, to be undertaken in April/May 2013 to raise approximately A\$20 million; and
- (c) US\$35 million project funding from Credit Suisse AG.

The entitlements offer was based on the Company's share price of A\$0.22. Subsequent to the announcement, gold and silver prices have fallen significantly.

On 18 March 2013 the Company announced to ASX that the Placement had been completed, with Provident Minerals Pte Ltd subscribing for 11.4 million Placement CDIs and its nominees subscribing for 26.6 million Placement CDIs.

Listing Rules information requirements

Listing Rule 7.1 provides that prior approval of shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by a company during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 states that an issue by a company of 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 issue did not breach Listing Rule 7.1 and the company's members subsequently approve it.

Under Resolution 9, the Company seeks Shareholder approval for, and ratification of, the issue of the Placement CDIs so as to restore the Company's capacity under Listing Rule 7.1 to issue further securities representing up to 15% of the Company's issued capital in the next 12 months.

For the purposes of the information requirements of Listing Rule 7.5, the following matters are noted:

- (a) the Company issued 38,000,000 Placement CDIs on 18 March 2013;

- (b) the Placement CDIs were issued at an issue price of A\$0.22 per Placement CDI;
- (c) all Placement CDIs issued rank equally with all other CDIs on issue;
- (d) the Placement CDIs were issued and allotted to Provident Minerals Pte Ltd and its nominees;
- (e) \$8,360,000 was raised from the issue of the Placement CDIs;
- (f) none of the persons to whom Placement CDIs have been issued were, at the time of issue of the Placement CDIs, a Director or an Associate of a Director; and
- (g) an appropriate voting exclusion statement is included in the Notice.

Directors' recommendation

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

7. Resolution 10 – Approval for additional capacity to issue equity securities

In 2012 ASX introduced amendments to the capital raising rules for ASX-listed entities to enable eligible entities (being entities with market capitalisation of less than \$300 million and not being included in the ASX 300 index), with prior shareholder approval in accordance with Listing Rule 7.1A, to raise an additional 10% in capital (**10% Placement Facility**) above the 15% placement capacity permitted under Listing Rule 7.1

Approval for additional capacity to issue Securities under Listing Rule 7.1A is now being sought.

The effect of Shareholders passing Resolution 10 will be to enable the number of Securities which the Company can issue within any 12 month period in accordance with Listing Rule 7.1 and 7.1A to be increased to 25% of the Company's total issued Shares, without the need to obtain Shareholders' approval prior to the capital raising.

The exact number of Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer below).

As at the date of this Notice, the Company has 296,621,681 Shares on issue and, subject to Resolution 9 being approved by Shareholders at the Meeting, therefore has the capacity to issue:

- (a) 44,493,252 Securities within its existing "15% limit" under Listing Rule 7.1 without the need for Shareholder approval beforehand; and
- (b) if Resolution 10 is approved, a further 29,662,168 Securities under the 10% Placement Facility (Securities issued under Listing rule 7.1A must be in an existing quoted class of security, such as Shares or quoted Options).

Listing Rules information requirements

Listing Rule 7.1 provides that prior approval of shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by a

company during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period.

Listing Rule 7.1A provides that, with prior shareholder approval the Company may, within the following 12 months, issue an additional 10% of issued capital by way of placements.

The number of additional Securities that may be issued under the 10% Placement Facility if Resolution 10 is approved will be calculated in accordance with the formula $(A \times D) - E$, where:

A is the number of Shares on issue 12 months before the date of issue or agreement,

- plus the number of Shares issued in the 12 months under an exception in Listing Rule 7.2,
- plus the number of Shares issued in the 12 months with approval of Shareholders under Listing Rules 7.1 or 7.4,
- less the number of Shares cancelled in the 12 months.

D equals 10%.

E equals the number of Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of Shareholders under Listing Rule 7.1 or 7.4.

Under Resolution 10, the Company seeks Shareholder approval for the issue of Securities to investors as set out below so as to increase the Company's capacity under Listing Rule 7.1 and 7.1A to issue further Securities representing up to 25% of the Company's issued capital in the next 12 months (comprised of 15% pursuant to Listing Rule 7.1 and 10% pursuant to Listing Rule 7.1A).

In accordance with the requirements of Listing Rule 7.3A, the Company provides the following information to Shareholders:

- (a) The minimum price at which Securities will be issued pursuant to the approval sought by Resolution 10 will be no less than 75% of the volume weighted average price for Securities is calculated over the 15 trading days on which trades in the same class of securities were recorded immediately before:
 - (i) the date on which the price at which the Securities are to be issued is agreed; or
 - (ii) if the securities are not issued within 5 trading days of the date in paragraph (i), the date on which the Securities are issued.
- (b) If Resolution 10 is approved by Shareholders and the Company issues Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the table below. There is a risk that:
 - (i) the market price for the Company's Securities may be significantly lower on the date of the issue of the Securities than on the date of the Meeting; and

- (ii) the Securities may be issued at a price that is at a discount to the market price for the Company's Securities on the issue date or the Securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Securities.

- (c) Listing Rule 7.3A.2 requires the Company to provide an analysis of the risk of economic and voting dilution to existing Shareholders. The table below identifies the potential dilutionary effects of various hypothetical issues of Shares on Shareholders in respect of their existing shareholdings in the Company, on the basis of the latest available market price of Shares prior to the date of this Notice and the current number of Shares, as calculated in accordance with the formula described above:

Variable A in Listing Rule 7.1A		Nominal issue price		
		\$0.175 (Market Price*)	\$0.088 (50% decrease in Market Price)	\$0.350 (100% increase in Market Price)
Current issued capital A = 296,621,681	Shares issued under LR 7.1A	29,662,168	29,662,168	29,662,168
	Voting dilution	10%	10%	10%
	Funds raised	\$5,190,879	\$2,595,440	\$10,381,759
	Economic dilution	0%	4.55%	(9.1%)
50% increase in issued capital A = 444,932,522	Shares issued under LR 7.1A	44,493,252	44,493,252	44,493,252
	Voting dilution	7.5%	7.5%	7.5%
	Funds raised	\$7,786,319	\$3,893,160	\$15,572,638
	Economic dilution	0%	4.55%	(9.1%)
100% increase in issued capital A = 593,243,362	Shares issued under LR 7.1A	59,324,336	59,324,336	59,324,336
	Voting dilution	5%	5%	5%
	Funds raised	\$10,381,759	\$5,190,879	\$20,763,518
	Economic dilution	0%	4.55%	(9.1%)

* "Market Price" is the closing price of Shares traded on ASX on 23 April 2013, being the date prior to the date of this Notice.

The table above demonstrates the effect of an issue of Shares under Listing Rule 7.1A on the position of existing Shareholders and has been prepared based on the following assumptions:

- (i) the latest available market price of Shares as at the date prior to the date of this Notice was \$0.175;
 - (ii) existing Shareholders' holdings have not changed from the date of approval of Resolution 10 to the date of the issue under the 10% Placement Facility;
 - (iii) the Company issues 100% of the Securities available to be issued under the 10% Placement Facility;
 - (iv) the Company only issues Shares, not Options;
 - (v) the dilutionary impact of any exercise of Options or placements of Securities under Listing Rule 7.1 is not included;
 - (vi) calculations in respect of voting dilution assume that a Shareholder's interest in Shares has not increased between the date of approval and date of issue; and
 - (vii) calculations in respect of economic dilution are based on the value of Shares as at the date of approval.
- (d) Any Securities issued pursuant to the 10% Placement Facility approval being sought by Resolution 10 will be issued no later than 30 May 2014, being 12 months after the date of the Meeting. The approval under Resolution 10 for the issue of the Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking).
- (e) The Company may seek to issue the Securities under the 10% Placement Facility for the following purposes:
- (i) *Cash consideration*: fund business growth and provide general working capital; and
 - (ii) *Non-cash consideration*: the acquisition of new businesses and/or assets in which case the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.
- (f) The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon the issue of any Securities.

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice, but may include existing substantial Shareholders, other Shareholders and/or new investors who are not related parties or associates of a related party of the Company.

- (g) The Company's allocation policy in respect of the Securities issued under the 10% Placement Facility will depend on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of the Securities will be determined on a case-by-case basis having regard to factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- (ii) the effect of the issue of the Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate and other advisors.

It is possible that the allottees under the 10% Placement Facility may include vendors of new assets or investments acquired by the Company.

- (h) The Company has not previously obtained Shareholder approval under Listing Rule 7.1A.

Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 10.

8. Resolution 11 – Authority to allot

This Resolution gives the Directors the authority to allot Shares, or grant rights over Shares, up to an aggregate nominal amount equal to £4,000,000 representing 400,000,000 Shares of £0.01 each. This amount represents approximately 135% of the issued ordinary share capital of the Company as at 23 April 2013, the latest practical date prior to the publication of this Notice.

The authority sought under Resolution 11 will expire at the conclusion of the annual general meeting of the Company held in 2014.

Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 11.

9. Resolution 12 – Disapplication of pre-emption rights

The Directors also require additional authority from Shareholders to allot Shares or grant rights over Shares where they propose to do so for cash and otherwise than to existing Shareholders in proportion to their existing holdings. Accordingly, Resolution 12 is proposed as a special resolution to grant such authority. The disapplication of pre-emption rights will apply to the issue of Shares up to an aggregate amount of 400,000,000 Shares being approximately 135% of the issued ordinary share capital of the Company as at 23 April 2013, the latest practical date prior to the publication of this Notice.

The authority sought under Resolution 12 will expire at the conclusion of the annual general meeting of the Company held in 2014.

Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 12.

Glossary

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

£	British Pounds Sterling.
\$ or A\$	Australian Dollars.
AASB	Australian Accounting Standards Board.
Accounting Standards	Has the meaning given to that term in the Corporations Act.
Annual General Meeting or Meeting	Annual general meeting of Shareholders or any meeting adjourned thereof, convened by the Notice.
Annual Report	The Company's annual report, including the reports of the Directors and the Auditor and the Financial Statements of the Company for the year ended 31 December 2012, which can be downloaded from the Company's website at www.sumatracoppergold.com .
Associate	Has the meaning given to it by Division 2 of Part 1 of the Corporations Act.
ASX	ASX Limited and its Related Bodies Corporate, or the financial market known as the Australian Securities Exchange, as the context requires.
Base Salary	The annual fixed salary of a participant in the LTI Plan.
Board	The board of Directors of the Company.
CDI	CHESS Depository Interest in respect of a Share.
CDI Holder	A holder of CDIs.
CDI Voting Instruction Form	The CDI voting instruction form accompanying this Notice of Meeting.
Companies Act	Companies Act 2006 (UK).
Company or Sumatra	Sumatra Copper 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.
Company Secretary	The company secretary of the Company at the time of the Annual General Meeting, Mr Graeme Smith & Ms Alison Barr.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Director	A director of the Company.
Exercise Conditions	The conditions which must be satisfied before an Option can be exercised.

Explanatory Statement	This explanatory statement which accompanies and forms part of the Notice of Annual General Meeting.
Glossary	This glossary of terms.
Key Management Personnel	Those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.
Listing Rules	The listing rules of ASX.
LTI Performance Right	A Performance Right to be granted for the purposes set out in Section 5 of the Explanatory Statement.
LTI Plan	The Sumatra Copper and Gold plc Long Term Incentive Plan.
LTI Plan Rules	The Rules of the Sumatra Copper and Gold plc Long Term Incentive Plan.
Member	A person entered in the register as a member of the Company.
Notice or Notice of Meeting	The notice of Annual General Meeting which accompanies this Explanatory Statement.
Option	An option to acquire a Share.
Participant	In the context of the Explanatory Statement, either or both of Mr Julian Ford and Mr Adi Sjoekri.
PDI Performance Right	A Performance Right to be granted for the “project development incentive” purposes set out in Section 6 of the Explanatory Statement.
Performance Hurdle	A performance hurdle in respect of a tranche of Performance Rights.
Performance Period	A period for which performance is assessed for the purposes of the LTI Plan.
Performance Right	A right to subscribe for or acquire a CDI.
Placement	The issue of 38,000,000 CDI’s at an issue price of \$0.22 per CDI to Provident Minerals Pte Ltd and its nominees on 18 March 2013.
Placement CDI	A CDI issued pursuant to the Placement.
Proxy Form	The proxy form accompanying this Notice of Meeting
Related Body Corporate	Has the meaning as given to that term in the Corporations Act.
Related Party	Has the same meaning as given to that term in section 228 of the Corporations Act.
Resolution	A resolution set out in the Notice.
Securities	Shares and or Options.

Share	Fully paid ordinary share in the capital of the Company.
Shareholder	A holder of Shares.
Vesting Conditions	The conditions which must be satisfied before a Performance Right can vest.
Vesting Date	The vesting date for a tranche of Performance Rights.
VWAP	20 day volume weighted average price.
WST	Western Standard Time, being the time in Perth, Western Australia.

Schedule 1

Summary of the Sumatra Copper & Gold plc Long Term Incentive Plan

The terms and conditions on which any Options and Performance Rights are granted to employees, including any vesting and performance criteria, will be governed by the terms set out in an offer or invitation to participate in the LTI Plan made to employees from time to time.

(a) **Eligible Employees**

The LTI Plan is open to full time and part time employees of the Company and Related Bodies Corporate of the Company, other than such persons who have given notice of resignation, or who have been given notice of termination, of his or her employment, or removed from his or her position (**Eligible Employees**).

Options and Performance Rights may not be offered to a Director or his or her Associates except where approval is given by the Shareholders in general meeting in accordance with the requirements of the Listing Rules.

(b) **Purpose of the LTI Plan**

The purpose of the LTI Plan is to:

- (i) establish a method by which Eligible Employees can participate in the future growth and profitability of the Company;
- (ii) provide an incentive and reward for Eligible Employees for their contributions to the Company;
- (iii) attract and retain a high standard of managerial and technical personnel for the benefit of the Company; and
- (iv) align the interests of Eligible Employees more closely with the interests of Shareholders, by providing an opportunity for Eligible Employees to hold an equity interest in the Company.

(c) **Board discretions**

The Board has broad discretions under the LTI Plan, including (without limitation) as to:

- (i) identifying persons eligible to participate in the LTI Plan;
- (ii) the timing of making an offer to participate in the LTI Plan;
- (iii) the terms of issue of Options and Performance Rights;
- (iv) modifying or waiving any or all of the LTI Plan Rules or any restriction or other condition relating to any Options or Performance Rights allocated under the LTI Plan;
- (v) subject to the requirements of the Listing Rules, particularly Listing Rule 6.23.2, the cancellation of Options or Performance Rights for no consideration, subject to agreement with the participant;

- (vi) the periods during which Options and Performance Rights may be exercised or vest; and
- (vii) the exercise price (if any) of Options.

(d) **Options and Performance Rights not to be quoted**

Options and Performance Rights granted under the LTI Plan will not be quoted on ASX. However, application will be made to ASX for official quotation of CDIs issued or transferred on the exercise of an Option or vesting of a Performance Right provided the CDIs are listed on ASX at that time.

(e) **CDIs issued on exercise of Options and Performance Rights**

Subject to the terms of the Options or Performance Rights, each Option or Performance Right entitles its holder to subscribe for and be issued with one CDI in the Company.

CDIs issued pursuant to the exercise of Options and Performance Rights will in all respects rank equally and carry the same rights and entitlements as other CDIs on issue in the Company.

Holders of Options and Performance Rights will not be entitled to notice of, or to vote or attend at meetings of the Company or receive dividends until CDIs are allotted on the exercise of the Options or vesting of the Performance Rights.

(f) **Lapse of Options and Performance Rights**

Unless the Directors in their absolute discretion determine otherwise, Options and / or Performance Rights shall lapse:

- (i) if not exercised or vested prior to their expiry date;
- (ii) if any Performance Hurdle(s), Vesting Conditions or Exercise Conditions are not satisfied;
- (iii) if the holder voluntarily resigns otherwise than to take up employment with a Related Body Corporate of the Company or is dismissed from employment for a material breach of contract of employment, negligence or other conduct justifying termination of employment without notice, except that:
 - A. the Options and / or Performance Rights will not lapse if the cessation of employment was due to death, permanent disablement (for example, illness or incapacity necessitating the permanent withdrawal of the employee from the work force), retirement, redundancy or any other circumstance in which the Board determines the Options or Performance Rights should not lapse;
 - B. Options may be exercised, and Performance Rights may vest, within 12 months after the holder ceases to be a participant where that cessation was by reason of permanent disablement or any other circumstance deemed by the Board to necessitate the permanent withdrawal of the participant from the workforce; and
- (iv) if, in the opinion of the Board, the holder has acted fraudulently or dishonestly or is in material breach of his or her obligations to the Company or any of its Related Bodies Corporate, and the Board determines (at its sole

and absolute discretion) the Options or Performance Rights held by that holder to have lapsed.

(g) **Restrictions on transfer**

Options and Performance Rights granted under the LTI Plan may not be assigned, transferred, novated, encumbered with a security interest in or over them, or otherwise disposed of by a participant without the prior consent of the Board or where such assignment or transfer occurs by force of law upon the death of a participant.

(h) **Participation rights of Option and Performance Right holders**

Holders of Options and Performance Rights will only be permitted to participate in a pro rata issue of CDIs by the Company if they exercise their Options or if their Performance Rights vest before the record date for the relevant issue. The Company must ensure that it notifies holders of Options of the proposed issue at least 7 business days before the record date to determine entitlements to the pro rata issue.

(i) **Adjustment of Options and Performance Rights**

If the Company makes a pro rata bonus issue, and an Option or Performance Right is not exercised or vested before the record date for that bonus issue, then on exercise of the Option or vesting of the Performance Right, the holder is entitled to receive the number of bonus shares which would have been issued if the Option or Performance Right had been exercised or vested before the record date.

In the event of a reorganisation (including a consolidation, subdivision, reduction or return) of the issued capital of the Company, the number of Options and Performance Rights to which each Option and Performance Right holder is entitled or the exercise price or both will be changed in the manner required by the Listing Rules and, in any case, in a manner which will not result in any benefits being conferred on holders of Options and Performance Rights which are not conferred on Shareholders.

(j) **Takeovers**

In the event of a takeover bid, certain capital reorganisations or transactions occurring that give rise to certain changes of control of the Company, restrictions on the exercise or vesting of an Option or Performance Right will lapse so that Option or Performance Right holders are able to participate in the relevant transaction.

(k) **Amending the LTI Plan**

Subject to any applicable Listing Rules or laws, the LTI Plan may be suspended, terminated or amended at any time by resolution of the Board.

Schedule 2

Terms of LTI Performance Rights for Mr Julian Ford and Mr Adi Sjoekri

1. The Company proposes to offer LTI Performance Rights to Mr Julian Ford and Mr Adi Sjoekri pursuant to the LTI Plan (together, **Offers**).
2. The Offers are made pursuant to the terms and conditions of the rules of the Sumatra Copper and Gold plc Long Term Incentive Plan (**LTI Plan Rules**) and the terms of the Offers must be read in conjunction with the LTI Plan Rules. The LTI Performance Rights will be governed by the LTI Plan Rules and the terms of the Offers.
3. To the extent of any inconsistency between the terms of the Offers and the LTI Plan Rules, the terms of the Offers will prevail.
4. Each LTI Performance Right entitles the Participant to acquire one (1) CDI, by way of issue of new CDIs or transfer of existing CDIs. The LTI Performance Rights will convert into CDIs, subject to satisfaction of the "Performance Hurdles" and "Vesting Conditions" described in paragraph 6 below and otherwise in accordance with the LTI Plan Rules.
5. The number of LTI Performance Rights to be granted will be based on a value of 50% of Base Salary divided by the VWAP of Shares for the month prior to the commencement of the relevant Performance Period – that is, in December of each year.
6. The Performance Rights are offered in 3 tranches with Performance Periods and Vesting Dates as specified in the table below:

	Number of LTI Performance Rights to be granted - Ford	Number of LTI Performance Rights to be granted - Sjoekri	Performance Period	Vesting Date
Tranche 1	970,588 ⁽¹⁾	705,882 ⁽²⁾	1 January 2013 to 31 December 2013	31 January 2014
Tranche 2	Based on 50% of the Base Salary for the relevant Performance Period divided by the VWAP of Shares for the month prior to commencement of the relevant Performance Period, with a maximum of 5,000,000 LTI Performance Rights (inclusive of the Tranche 1 LTI Performance Rights) to be granted.		1 January 2014 to 31 December 2014	31 January 2015
Tranche 3			1 January 2015 to 31 December 2015	31 January 2016

Note 1. The number of Tranche 1 LTI Performance Rights granted to Mr Ford is based on a Base Salary of \$330,000 and a share price of 17 cents per share.

Note 2. The number of Tranche LTI Performance Rights granted to Mr Sjoekri is based on a Base Salary of \$240,000 and a share price of 17 cents per share.

7. The Vesting Conditions in respect of each tranche of the LTI Performance Rights are as follows:
 - (a) Subject to the conditions set out in this paragraph 6, all of a tranche of LTI Performance Rights will vest on the Vesting Date applicable to that tranche.

- (b) Vesting of LTI Performance Rights is subject to a Performance Hurdle, which will be satisfied if the Company's share price exceeds the performance of the Gold Index in respect of the relevant Performance Period by more than 25%, in which case 100% of granted LTI Performance Rights will vest.
- (c) If a Performance Hurdle for a Performance Period in respect of a tranche of LTI Performance Rights is not achieved, that tranche of LTI Performance Rights will not vest, subject to the terms of the Offers and the LTI Plan Rules.
- (d) As soon as practicable after the end of each Performance Period, the Company's share price performance compared to the Gold index will be determined by the Company and compared against the Performance Hurdle for that Performance Period. The Company's determination of share price performance shall be final.
- (e) Satisfaction of the Vesting Conditions is to be determined in relation to each Performance Period and each tranche of LTI Performance Rights, subject to the terms of the Offers and the LTI Plan Rules.
- (f) The LTI Performance Rights may also vest in the circumstances set out in the LTI Plan Rules. Please see in particular rule 8 of the LTI Plan Rules.
- (g) The Vesting Date in respect of a tranche of LTI Performance Rights is the earlier of:
 - (i) the date specified in paragraph 5 above;
 - (ii) the date a Change in Control Event (as defined in the LTI Plan Rules) occurs; and
 - (iii) the date the Company makes an announcement to the effect that the Board recommends that Shareholders accept a takeover bid for the Company.
- (h) If the Vesting Conditions for LTI Performance Rights are satisfied during the period of a Participant's employment with the Company or any Related Body Corporate, those LTI Performance Rights will vest and will not be subject to forfeiture.
- (i) If a Participant ceases to be employed by the Company or any Related Body Corporate prior to the vesting of any LTI Performance Rights, those LTI Performance Rights may be automatically forfeited in accordance with the LTI Plan Rules.
- (j) Any CDIs that are acquired on vesting of LTI Performance Rights in accordance with the Offers will be issued or transferred to the Participant free of any holding lock or other restriction on dealing, subject to any restriction on trading by reason of the provisions of the Corporations Act applicable to secondary trading in securities.
- (k) The grant of the LTI Performance Rights is subject to the approval of the LTI Plan by Shareholders at the Company's Annual General Meeting.

Schedule 3

Terms of PDI Performance Rights for Mr Julian Ford and Mr Adi Sjoekri

1. The Company proposes to offer
 - (a) 3,000,000 PDI Performance Rights to Mr Julian Ford; and
 - (b) 2,000,000 PDI Performance Rights to Mr Adi Sjoekri,pursuant to the LTI Plan (together, **Offers**).
2. The Offers are made pursuant to the terms and conditions of the Rules of the Sumatra Copper and Gold plc Long Term Incentive Plan (**LTI Plan Rules**) and the terms of the Offers must be read in conjunction with the LTI Plan Rules. The PDI Performance Rights will be governed by the LTI Plan Rules and the terms of the Offers.
3. To the extent of any inconsistency between the terms of the Offers and the LTI Plan Rules, the terms of the Offers will prevail.
4. Each PDI Performance Right entitles the Participant to acquire one (1) CDI, by way of issue of new CDIs or transfer of existing CDIs. The PDI Performance Rights will convert into up to 3,750,000 CDIs, subject to satisfaction of the "Performance Hurdles" and "Vesting Conditions" described in paragraph 6 below and otherwise in accordance with the LTI Plan Rules.
5. The Performance Rights are offered in 3 tranches with the following Vesting Dates (subject to satisfaction of the applicable Performance Hurdles and Vesting Conditions):

	Performance Hurdle	Number of PDI Performance Rights - Ford	Number of PDI Performance Rights - Sjoekri
Tranche 1	Completion of the debt and equity financing for the Tembang Project with all funds available for drawdown	750,000	500,000
Tranche 2	The successful commissioning of Stage 1 of the Tembang Project including the passing of any completion tests to the Board's reasonable satisfaction	750,000	500,000
Tranche 3	The Tembang Project having achieved a production of 60,000 oz pa AuE in a continuous period of 6 months.	1,500,000	1,000,000

6. The Vesting Conditions in respect of each tranche of the PDI Performance Rights are as follows:
 - (a) PDI Performance Rights in respect of the each Performance Hurdle achieved will vest on 1 January of the year following achievement of the Performance Hurdle.
 - (b) If a Performance Hurdle for a Performance Period in respect of a tranche of PDI Performance Rights is not achieved, that tranche of PDI Performance Rights will not vest, subject to the terms of the Offers and the LTI Plan Rules.

- (c) The Company's determination as to whether a Performance Hurdle has been achieved shall be final.
- (d) Satisfaction of the Vesting Conditions is to be determined in relation to each Performance Period and each tranche of PDI Performance Rights, subject to the terms of the Offers and the LTI Plan Rules.
- (e) The PDI Performance Rights may also vest in the circumstances set out in the LTI Plan Rules. Please see in particular rule 8 of the LTI Plan Rules.
- (f) The Vesting Date in respect of a tranche of PDI Performance Rights is the earlier of:
 - (i) the date specified in paragraph 6(a) above;
 - (ii) the date a Change in Control Event (as defined in the LTI Plan Rules) occurs; and
 - (iii) the date the Company makes an announcement to the effect that the Board recommends that Shareholders accept a takeover bid for the Company.
- (g) If the Vesting Conditions for PDI Performance Rights are satisfied during the period of a Participant's employment with the Company or any Related Body Corporate, those PDI Performance Rights will vest and will not be subject to forfeiture.
- (h) If a Participant ceases to be employed by the Company or any Related Body Corporate prior to the vesting of any PDI Performance Rights, those PDI Performance Rights may be automatically forfeited in accordance with the LTI Plan Rules.
- (i) Any CDIs that are acquired on vesting of PDI Performance Rights in accordance with the Offers will be issued or transferred to the Participant free of any holding lock or other restriction on dealing, subject to any restriction on trading by reason of the provisions of the Corporations Act applicable to secondary trading in securities.
- (j) The grant of the PDI Performance Rights is subject to the approval of the LTI Plan by Shareholders at the Company's Annual General Meeting.

SUMATRA COPPER AND GOLD PLC
Registered number 5777015 (England and Wales)
ABN 14 136 694 267 (Australia)

PROXY FORM

I/We (name of Shareholder)

of (address)

being a member/members of Sumatra Copper and Gold plc HEREBY APPOINT:

(name).....

of (address)

and/or failing him/her (name)

of (address)

or failing that person then the Chairman of the Annual General Meeting as my/our proxy to act generally for me/us and to vote in accordance with the following directions or, if no directions are given, as the proxy sees fit at the Annual General Meeting of the Company to be held at The Celtic Club, 48 Ord Street, West Perth Western Australia 6005 at 4:00pm (WST) on Thursday 30 May 2013 and at any adjournment of the Annual General Meeting.

<input type="checkbox"/>	<p>Important: If the Chairman of the Annual General Meeting is your nominated proxy, or may be appointed by default, and you have not directed your proxy how to vote on the Resolutions, please place a mark in this box. By marking this box, you acknowledge that the Chairperson may exercise your proxy even if he/she has an interest in the outcome of the Resolutions and votes cast by him/her other than as a proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairperson will not cast your votes on the Resolutions and your votes will not be counted in calculating the required majority if a poll is called on the Resolutions.</p> <p>The Chairman of the Annual General Meeting intends to vote all available undirected proxies in favour of the Resolutions.</p>
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Should you wish to direct the proxy how to vote, you should place a cross in the appropriate boxes below:

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

		For	Against	Abstain
Resolution 1	Receipt of financial statements and reports	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-appointment of the Company's auditors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Mr Adi Sjoekri as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of LTI Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of grant of Performance Rights under the LTI Plan to Mr Julian Ford	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval of grant of PDI Performance Rights under the LTI Plan to Mr Julian Ford	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval of grant of LTI Performance Rights under the LTI Plan to Mr Adi Sjoekri	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Approval of grant of PDI Performance Rights under the LTI Plan to Mr Adi Sjoekri	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Ratification of previous placement of CDIs to Provident Minerals Pte Ltd and its nominees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10	Approval for additional capacity to issue equity securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 11	Authority to allot	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 12	Disapplication of pre-emption rights	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

My/our total voting right is _____ shares.

By:

Individuals and joint holders

Signature
Signature
Signature

Companies (affix common seal if appropriate)

Director
Director/Company Secretary
Sole Director