

Underwritten Rights Issue to Raise \$20M to Underpin Development of Tembang Gold-Silver Project in Indonesia

Key Points

- Fully underwritten non-renounceable rights issue to raise ~\$20M through the issue of 117.8 million CDIs @ A\$0.17 per CDI.
- Rights issue to be underwritten by Patersons Securities and fully sub-underwritten by Sumatra's major shareholder, Provident Capital Partners Pte Ltd.
- Offer expected to open on 22 May 2013 and is expected to be finalised by 14 June 2013, clearing the way for construction to proceed.

Sumatra Copper & Gold plc (ASX: SUM) ("Sumatra" or the "Company") is pleased to advise that it has today launched a fully underwritten rights issue to raise approximately ~\$20 million.

This represents a key component of the funding package to secure development of the Company's flagship Tembang Gold-Silver Project in Sumatra, Indonesia and follows the award of the Final Forestry Permit, clearing the way for construction to proceed.

The rights issue will proceed on the basis of two New CDIs for every five CDIs held on the record date, and will involve the issue of up to 117.8 million New CDIs to raise approximately ~\$20 million (**Offer**).

Sumatra's major shareholder and cornerstone investor, Provident Capital Partners Pte Ltd, has agreed to fully sub-underwrite the Offer.

It is expected that the Offer will open on 22 May 2013 and is anticipated to be finalised by 14 June 2013.

Attached to this ASX announcement is a copy of the offer document relating to the Offer (Offer Document) and an Appendix 3B in respect of the Offer

An offer document relating to the Offer (Offer Document) will be sent to eligible Shareholders after the record date.



Directors

Warwick Morris
Non-Executive Chairman

Julian Ford
Managing Director and CEO

Adi Sjoekri
Executive Director

Jocelyn Waller
Director (Non-Executive)

Contact

Ground Floor, 20 Kings Park Rd, West
Perth, WA, 6005
T: +61 8 9389 2111
F: +61 8 9389 2199
E: info@scgplc.com

Registered in England and Wales

Registered address
39 Parkside, Cambridge
United Kingdom CB1 1PN

Registered Number 5777015

ASX Code: SUM

www.sumatracoppergold.com

Indicative Timetable

Event	Date
Announcement of Offer	8 May 2013
Offer Document, Appendix 3B and Section 708AA cleansing notice released to ASX	8 May 2013
Notice sent to Securityholders	10 May 2013
Ex Date (date from which CDIs commence trading without the Entitlement to participate in the Rights Issue)	13 May 2013
Record Date 5pm (WST) (date for determining Entitlements of eligible Securityholders to participate in the Rights Issue)	17 May 2013
Offer Document Dispatched to Securityholders (expected date of dispatch of Offer Document, Entitlement and Acceptance Forms)	22 May 2013
Offer Opening Date	22 May 2013
Offer Closing Date* 5pm (WST)	5 June 2013
Securities quoted on a deferred settlement basis	6 June 2013
ASX notified of under subscriptions	11 June 2013
Dispatch holding statements	13 June 103
Trading of New CDIs expected to commence	14 June 2013

Subject to the Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the Shares.

These dates are indicative only.

Use of Funds

The proceeds raised under the Offer will be used to meet the expenses of the Offer, with the remainder to be used for working capital in relation to progressing the Tembang Project in Sumatra, Indonesia and assess and progress potential new opportunities.

The proposed use of funds is a “best estimate” only. It is important to recognise that the use of funds may be subject to change in line with results, circumstances and other opportunities.

Notice under section 708AA of the Act

The Company hereby confirms that (as per the requirements of section 708AA(2)(f) of the Corporations Act) as notionally modified by ASIC Class Order 08/35:

- a) the Company will offer the CDIs for issue without disclosure to investors under Part 6D.2 of the Act as notionally modified by ASIC Class Order 08/35;
- b) the Company is providing this notice under paragraph 2(f) of section 708AA of the Act as notionally modified by ASIC Class Order 08/35;
- c) as at the date of this announcement, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company;
- d) as at the date of this announcement, the Company has complied with section 674 of the Act; and
- e) as at the date of this announcement, there is no information:
 - (i) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - (ii) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (A) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - (B) the rights and liabilities attaching to the Shares.

For further information please contact:

Julian Ford
Managing Director
Sumatra Copper & Gold plc
T: +61 8 9389 2111

Nicholas Read / Paul Armstrong
Read Corporate
T: +61 8 9388 1474
M: +61 419 929 046
nicholas@readcorporate.com.au

About Sumatra Copper & Gold

Sumatra Copper & Gold plc (ASX: SUM) is an emerging gold and silver producer and the pre-eminent precious metals explorer in southern Sumatra, Indonesia. The Company has a significant project portfolio covering an area of more than 3,200km² and encompassing a pipeline of projects ranging from greenfields exploration projects to brownfields, near-production opportunities.

Sumatra's flagship asset, the 100%-owned Tembang Gold-Silver Project, is on track for production during 2014. Tembang has Proven Reserves of 2.4Mt at 2.5 g/t Au and 38.7 g/t Ag for a total of 0.2Moz of gold and

3Moz of silver and Probable Reserves of 3.1Mt at 2.1 g/t Au and 25.6 g/t Ag for a total of 0.2Moz of gold and 2.5Moz of silver (total of 0.4Moz of gold and 5.5Moz of silver) which are compliant with the 2004 JORC Code.

The Stage 1 production plan is a low-cost, high-grade operation targeting 400,000 tonnes per annum (tpa) process capacity to produce 30,000oz per annum of gold and 200,000oz per annum of silver. Sumatra plans to fund the Stage 2 upgrade from cash flow, increasing throughput to 900,000tpa and production to 50,000oz of gold per annum and silver production to 500,000oz per annum. The ramp-up is expected to take place over a one year period. The current life-of-mine plan is for 7.5 years based on the current resource inventory.

Under a joint venture with Newcrest Mining Ltd, Sumatra is currently exploring the Tandai project (30% Sumatra; 70% Newcrest). Newcrest has already met its minimum expenditure position of US\$1.75 million and has an option to earn a 70% interest by spending US\$12 million over 5 years. Sumatra has identified significant gold mineralisation at Tandai, which has historic high-grade production of 1.4Moz ounces gold.

Sumatra also has the 100%-owned Sontang Project, which is an early-stage high-grade zinc, gold and silver exploration project.

Competent Person's Statement – Mineral Resources

The information relating to Mineral Resources is based on information compiled by Mr David Stock MAusIMM who is an independent Geological Consultant to the Company and is a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' and has consented to the inclusion in this report of the matters based on his information in the form and context in which they appear. In addition, the Mineral Resource estimates were reviewed by Mr Robert Spiers who is a member of AIG and a full time employee of Hellman & Schofield Pty Ltd. Mr Spiers has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Competent Person's Statement – Ore Reserves

The information in this report that relates to Open Pit and Underground Ore Reserves is based on information compiled by Mr Shane McLeay of Entech Pty Ltd, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr McLeay has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr McLeay consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.



SUMATRA COPPER & GOLD plc

Registered Number 5777015 (United Kingdom)

ABN 14 136 694 267 (Australia)

OFFER DOCUMENT

For a pro rata non-renounceable rights offer to Eligible Securityholders on the basis of two New CDIs for every five CDIs held by Securityholders on the Record Date at an issue price of \$0.17 per New CDI issued to raise approximately \$20 million (**Offer**).

The Offer is underwritten by Patersons Securities Limited and fully sub-underwritten by Provident Capital Partners Pte Limited. Further details are set out in section 3.19 of this Offer Document.

Each New CDI represents one Share. The Company will issue such number of Shares as CDIs are taken up under the Offer.

IMPORTANT NOTICE

This Offer Document is not a prospectus, disclosure document, product disclosure document or other offering document under Australian law or any other law and does not contain all of the information that an investor may require in order to make an informed decision regarding the New CDIs offered by this document.

This is an important document that requires your attention, and it should be read in its entirety. If you do not understand its content or are in doubt as to the course you should follow, you should consult your professional adviser without delay.

This Offer opens on 22 May 2013 and closes at 5:00pm WST on 5 June 2013.

Valid acceptances must be received before the Offer closes.

Please read the instructions in this Offer Document and on the accompanying Entitlement and Acceptance Form regarding the acceptance of your Entitlement.

This document may not be released or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

Legal advisor



Underwriter



IMPORTANT NOTES

This Offer Document and enclosed personalised Entitlement and Acceptance Form have been prepared by Sumatra Copper & Gold plc (**Sumatra** or the **Company**). This Offer Document is dated 8 May 2013.

Certain terms and abbreviations used in this Offer Document are defined in the Defined Terms section at the conclusion of this Offer Document.

The information contained in this Offer Document is important and should be read in its entirety prior to making an investment decision. If you do not fully understand this Offer Document or are in any doubt as to how to deal with it, you should consult your professional adviser. In particular, it is important that you consider the risk factors contained at section 5 of this Offer Document that could affect the performance of the Company before making an investment decision.

This Offer Document has been prepared in accordance with section 708AA of the Corporations Act as modified by ASIC Class Order 08/35. Accordingly, neither this Offer Document nor the Entitlement and Acceptance Form are required to be lodged or registered with ASIC and no prospectus for the Offer will be prepared. In broad terms, section 708AA of the Corporations Act relates to rights issues by certain entities that do not require the provision of a prospectus or other offer document. Accordingly, this Offer Document does not contain all the information which a prospective investor may require to make an investment decision and it does not contain all of the information which would otherwise be required under Australian law or any other law to be disclosed in a prospectus.

Eligible Securityholders should rely on their own knowledge of the Company, refer to disclosures made by the Company to ASX and consult their professional advisers before deciding whether to accept the Offer. Announcements made by Sumatra to ASX are available from the ASX website at www.asx.com.au. The information in this Offer Document does not constitute a securities recommendation or financial product advice.

Before applying for New CDIs you should consider whether such an investment, and the information contained in this Offer Document, are appropriate to your particular needs, and considering your individual risk profile for speculative investments, investment objectives and individual financial circumstances. You should consult your professional adviser without delay.

Investors should note that the past Security price performance of the Company provides no guidance as to its future Security price performance.

By returning an Entitlement and Acceptance Form or lodging an Entitlement and Acceptance Form with your stockbroker or otherwise arranging for payment for your New CDIs through BPAY® in accordance with the instructions on your Entitlement and Acceptance Form, you acknowledge that you have received and read this Offer Document, you have acted in accordance with the terms of the Offer detailed in this Offer Document and you agree to all the terms and conditions as detailed in this Offer Document.

Patersons Securities Limited and Allion Legal have provided, and not withdrawn, their consent to be named in this Offer Document in the form and context in which they are named.

Eligibility

Applications for New CDIs by Eligible Securityholders can only be made on an original Entitlement and Acceptance Form, as sent with this Offer Document. The Entitlement and Acceptance Form sets out an Eligible Securityholder's Entitlement to participate in the Offer.

Overseas Securityholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Offer Document.

The Offer is not being extended, and New CDIs will not be issued, to Securityholders with a registered address which is outside Australia, New Zealand, the United Kingdom, Singapore or Indonesia.

The Offer is also not being extended in respect of persons holding Shares (rather than CDIs) as at the Record Date.

Applicability of the Corporations Act

Sumatra is a company incorporated in England and Wales registered as a “foreign company” under Chapter 5B of the Corporations Act. Sumatra is not subject to a number of provisions of the Corporations Act including Chapter 6 of the Corporations Act and in particular:

- the 20% prohibition rule contained section 606 of the Corporations Act; and
- the substantial holder notification provisions contained in section 671B of the Corporations Act.

Sumatra is not subject to the jurisdiction of the Australian Takeovers Panel.

Privacy Act

If you complete an Entitlement and Acceptance Form, you will be providing personal information to the Company (directly or by the Share Registry). The Company collects, holds and uses that information to assess your Application, service your needs as a Securityholder, facilitate distribution payments and corporate communications to you as a Securityholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Share Registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or the Share Registry if you wish to do so at the relevant contact numbers set out in this Offer Document.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Data Protection Act 1998* (UK), *Privacy Act 1988* (Cth) (as amended), the *Corporations Act 2001* (Cth) and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required by the Entitlement and Acceptance Form, the Company may not be able to accept or process your Application. Personal data may be processed outside the European Economic Area.

TABLE OF CONTENTS

1. CHAIRMAN’S LETTER..... 5

2. INDICATIVE TIMETABLE..... 6

3. DETAILS OF THE OFFER..... 7

4. ACTION REQUIRED BY SECURITYHOLDERS 23

5. RISK FACTORS..... 25

6. CAPITAL STRUCTURE AND FINANCIAL INFORMATION 32

DEFINED TERMS 35

1. CHAIRMAN'S LETTER

8 May 2013

Dear Securityholder

On behalf of Sumatra Copper & Gold plc (**Sumatra** or the **Company**), I am pleased to invite you to participate in a pro rata non-renounceable rights issue on the basis of two New CDIs for every five CDIs held on the Record Date at an issue price of \$0.17 per New CDI issued to raise approximately \$20 million (the **Offer**).

The Company intends to apply the funds raised from the Offer as set out in section 3.2 of this Offer Document.

Entitlements are non-renounceable and will not be tradeable on ASX or otherwise transferable. Eligible Securityholders who do not take up all or any part of their Entitlements will not receive any payment or value in respect of those Entitlements and their equity interest in the Company will be diluted. Securityholders who are not eligible to participate in the Offer and holders of Shares will also be diluted.

This Offer Document contains important information about the Offer, including:

- (a) details of the Offer, including key dates;
- (b) actions required by Eligible Securityholders; and
- (c) risk factors associated with the Offer.

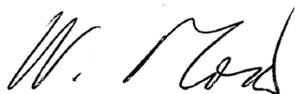
A personalised Entitlement and Acceptance Form which details your Entitlement must be completed in accordance with the instructions provided if you wish to participate.

This Offer Document should be read carefully and in its entirety before deciding whether or not to participate in the Offer. In particular, you should consider the key risk factors included in section 5 of this Offer Document.

Securityholders who have any queries about the Offer should contact the Company at any time from 8:30am to 5:00pm (WST) during the Offer period. Refer to section 3.27 of this Offer Document for the contact details for any enquiries relating to the Offer.

On behalf of the Board of Sumatra, I invite you to consider this investment opportunity and thank you for your ongoing support of the Company.

Yours faithfully,



Warwick Morris
Non-Executive Chairman

2. INDICATIVE TIMETABLE

Event	Date
Announcement of Offer	8 May 2013
Offer Document, Appendix 3B and Section 708AA cleansing notice released to ASX	8 May 2013
Notice sent to Securityholders	10 May 2013
Ex Date (date from which CDIs commence trading without the Entitlement to participate in the Rights Issue)	13 May 2013
Record Date 5pm (WST) (date for determining Entitlements of eligible Securityholders to participate in the Rights Issue)	17 May 2013
Offer Document Dispatched to Securityholders (expected date of dispatch of Offer Document, Entitlement and Acceptance Forms)	22 May 2013
Offer Opening Date	22 May 2013
Offer Closing Date 5pm (WST)	5 June 2013
Securities quoted on a deferred settlement basis	6 June 2013
ASX notified of under subscriptions	11 June 2013
Dispatch holding statements	13 June 103
Trading of New CDIs expected to commence	14 June 2013

These dates are indicative only. Subject to the requirements of the Listing Rules and the Corporations Act, the Directors reserve the right to vary the above dates at their discretion.

3. DETAILS OF THE OFFER

3.1 The Offer

The Company is making a pro rata non-renounceable offer to Eligible Securityholders of New CDIs at an issue price of \$0.17 each on the basis of two New CDIs for every five CDIs held on the Record Date (the **Offer**).

The Offer is underwritten by Patersons Securities Limited and fully sub-underwritten by Provident Capital Partners.

At the date of this Offer Document, the Company has 296,621,681 Shares and CDIs and 59,881,332 Options on issue.

On the basis that no further CDIs are issued (including as a result of Options being exercised) prior to the Record Date, the Offer is for 117,845,964 New CDIs.

Where the determination of the Entitlement of any Eligible Securityholder results in a fraction of a New CDI, such fraction will be rounded up to the nearest whole New CDI.

3.2 Use of funds

Completion of the Offer will result in an increase in cash in hand of up to approximately \$20 million (before the payment of costs associated with the Offer).

The Company intends to apply the funds raised from the Offer to:

- (a) provide working capital generally and in relation to progressing the Tembang Project in Sumatra, Indonesia;
- (b) assess and progress potential new opportunities; and
- (c) fund the issue costs associated with the Offer.

Further information regarding the Tembang Project can be found in the Company's announcements to the ASX.

3.3 Debt and equity funding mix

During the period 10 April 2013 to the date of this Offer Document the price of gold has experienced substantially increased levels of volatility. In the event that the price of gold continues to fluctuate in this manner this may impact hedging costs and hence the attractiveness of the debt financing as currently contemplated in the ASX announcement of 22 February 2013, in respect of the Tembang Project.

In view of the Directors seeking to maximise the revenue flows with respect to the Tembang Project and further the best interests of the Company, the Directors may seek to adjust the mix of debt and equity funding for the Tembang Project which may result in the Company reducing the project financing facility with Credit Suisse (as announced to ASX on 22 February 2013) by US\$10 million and conducting a further placement of CDIs valued at up to US\$10 million to Institutional Investors within the 3 months following the Closing Date. Should the Company undertake such a placement this would dilute the equity holdings of Securityholders following this Offer.

3.4 Effect on capital structure

The Company currently has 296,621,681 Shares on issue. On ASX, 294,614,681 Shares are represented by 294,614,681 CDIs, which are issued by CDN. Each CDI represents a beneficial

interest in one Share. There are 2,007,000 Shares on issue which are not represented by CDIs which are not tradeable on ASX.

If the Offer is fully subscribed, no holders of Shares (not already represented by CDIs) convert to CDIs before the Record Date and no existing Options are exercised before the Record Date, the effect of the Offer will be that approximately 117,845,964 New CDIs will be issued by CDN, which will increase the number of CDIs on issue from 294,614,681 to approximately 412,460,645 CDIs. An equivalent number of underlying Shares will also be issued to CDN by the Company, having the effect of increasing the number of Shares on issue from 296,621,681 to approximately 414,467,645 Shares.

In the event that the Offer is fully subscribed, all holders of Shares (not already represented by CDIs) convert to CDIs before the Record Date and all existing Options are exercised before the Record Date, the effect of the Offer will be that 142,601,294 New CDIs will be issued by CDN, which will increase the number of CDIs on issue from 294,614,681 to approximately 499,104,297 CDIs. An equivalent number of underlying Shares will also be issued to CDN by the Company, having the effect of increasing the number of Shares on issue from 296,621,687 to approximately 499,104,297 Shares.

3.5 Opening and Closing Dates

The Offer opens on the Opening Date, being 22 May 2013, and closes on the Closing Date, being 5 June 2013. The Company will accept Entitlement and Acceptance Forms until the Closing Date or such other date as the Directors in their absolute discretion shall determine, subject to the Listing Rules.

3.6 Who is entitled to participate in the Offer?

Every Eligible Securityholder who is registered as a holder of CDIs at 5pm WST on the Record Date is entitled to participate in the Offer.

As the Offer is only made to holders of CDIs, holders of Shares must convert to CDIs, and holders of Options must exercise their Options, by the Record Date, in order to participate in the Offer.

See section 3.14 of this Offer Document for further details on how to convert Shares to CDIs.

3.7 No rights trading

The Entitlements under the Offer are non-renounceable. Accordingly, there will be no trading of Entitlements on ASX (or any other exchange) and you may not dispose of your Entitlements under the Offer to any other party. If you do not take up your Entitlement to New CDIs under the Offer by the Closing Date, the Offer to you will lapse, you will receive no benefit and your equity interest in the Company will be diluted.

3.8 Applying for Additional New CDIs

Eligible Securityholders may, in addition to their Entitlement, apply for Additional New CDIs regardless of the size of their present holding. If you wish to apply for Additional New CDIs, please complete the accompanying Entitlement and Acceptance Form specifying the number of Additional New CDIs you wish to apply for.

Any Entitlements not taken up may become available as Additional New CDIs which may be allocated by the Company in its absolute discretion. It is possible that there will be few or no Additional New CDIs available for issue, depending on the level of take up of Entitlements by Eligible Securityholders. There is also no guarantee that in the event Additional New CDIs are

available for issue, they will be allocated to all or any of the Eligible Securityholders who have applied for them.

It is an express term of the Offer that applicants for Additional New CDIs will be bound to accept a lesser number of Additional New CDIs allocated to them than applied for if so allocated.

If you do not receive all of the Additional New CDIs you applied for, any excess Application Monies will be returned to you (without interest). The Company reserves the right to scale back any applications for Additional New CDIs in its absolute discretion.

Directors (and other related parties of the Company) are not eligible to apply for Additional New CDIs. Additionally, Provident Minerals will not be applying for Additional New CDIs on the basis that it is fully sub-underwriting the Offer.

3.9 Allotment and Application Monies

Application Monies will be held in a subscription account on trust until allotment of the New CDIs. If the amount of your cheque, bank draft or money order for Application Monies is insufficient to pay in full for the number of New CDIs you have applied for, you will be taken to have applied for such lower whole number of New CDIs as your cleared Application Monies will pay for. Alternatively, your Application will be rejected. If you have inadvertently applied for CDIs in excess of your Entitlement (other than by way of an application for Additional New CDIs) the relevant Application Monies will be refunded to you as soon as practicable, without interest.

No allotment of the New CDIs will occur until ASX grants permission to quote the New CDIs.

3.10 ASX quotation

Application for admission of the New CDIs to official quotation on ASX will be made.

Subject to the approval being granted by ASX, it is expected that quotation and trading of New CDIs issued under the Offer will commence on a deferred settlement basis on 6 June 2013.

The fact that ASX may agree to grant official quotation of the New CDIs is not to be taken in any way as an indication of the merits of the Company or the New CDIs.

3.11 CHESS

The Company is a participant in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that Eligible Securityholders will not be issued with certificates. Instead, Eligible Securityholders will be provided with a statement (similar to a bank account statement) that sets out the number of New CDIs allotted to them under the Offer if they return a valid and complete Application together with the relevant Application Monies. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

3.12 Options

The Offer is only made to Eligible Securityholders holding CDIs on the Record Date. In order to participate in the Offer, holders of Options must exercise their Options in accordance with their terms of issue to acquire CDIs by the Record Date.

3.13 CDIs

CDIs are electronic depositary receipts issued and are units of beneficial ownership in Shares registered in the name of CDN. CDN is a wholly owned subsidiary of ASX.

With the exception of voting arrangements, CDI holders have the same rights as holders whose securities are legally registered in their own name. The ASX Settlement Operating Rules require the Company to give notices to CDI holders of general meetings of shareholders. The notice of meeting must include a form permitting the CDI holder to direct CDN to cast proxy votes in accordance with the CDI holder's written directions. CDI holders cannot vote personally at shareholder meetings. The CDI holder must convert their CDIs into Shares in order to vote at the meeting in person.

3.14 Converting shares into CDIs

As the Offer is only made to holders of CDIs, holders of Shares must convert to CDIs by the Record Date in order to participate in the Offer.

A holder of Shares may convert their Shares to CDIs by contacting the Company Secretary in the United Kingdom (at 39 Parkside Cambridge CB1 1PN or a.barr@barrellison.co.uk), Computershare Investor Services Pty Limited in Australia, or their stockbroker (or applicable controlling participant). The Shares will be transferred from the shareholder's name into the name of CDN and a holding statement will be issued for the CDIs. The CDIs will be tradeable on ASX following the grant of official quotation of the CDIs by ASX.

3.15 New Zealand, United Kingdom, Singapore and Indonesia Eligible Securityholders

New Zealand

The New CDIs are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of New CDIs is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand).

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

United Kingdom

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Services Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the New CDIs. This document is issued on a confidential basis to fewer than 150 persons (other than "qualified investors" (within the meaning of section 86(7) of FSMA)) in the United Kingdom, and the Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA. This document should not be

distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 FSMA) received in connection with the issue or sale of the New CDIs has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) FSMA does not apply to the Company.

Singapore

This document and any other materials relating to the New CDIs have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New CDIs may not be issued, circulated or distributed, nor may these securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the **SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are an existing holder of the Company's shares. In the event that you are not such a shareholder, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New CDIs being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New CDIs. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Indonesia

A registration statement with respect to the New CDIs has not been, and will not be, filed with the Capital Market and Financial Institutions Supervisory Agency (Bapepam-LK) of the Republic of Indonesia. Therefore, the New CDIs may not be offered or sold or be the subject of an invitation for subscription or purchase. Neither this document nor any other document relating to the offer or sale, or invitation for subscription or purchase, of the New CDIs may be circulated or distributed, whether directly or indirectly, in the Republic of Indonesia or to Indonesian citizens, corporations or residents, except in a manner that will not be considered as a "public offer" under the law and regulations in the Republic of Indonesia.

Notice to nominees and custodians

Nominees and custodians may not distribute any part of this Offer Document or any Entitlement and Acceptance Form in any country outside Australia, except to Eligible Securityholders in New Zealand, the United Kingdom, Singapore and Indonesia and any other country where the Company may determine it is lawful and practical to make the Rights Issue.

3.16 Non-resident Securityholders

No action has been taken to register or qualify the New CDIs or the Offer, or otherwise permit the public offering of the New CDIs in any jurisdiction outside of Australia, New Zealand, the United Kingdom, Singapore and Indonesia. No Offer will be made to Eligible Securityholders resident outside Australia, New Zealand, the United Kingdom, Singapore and Indonesia.

This Offer Document does not constitute an offer of New CDIs in any jurisdiction in which it would be unlawful. New CDIs may not be offered or sold in any country outside Australia except to the extent permitted in section 3.15.

The distribution of this Offer Document and accompanying Entitlement and Acceptance Form may be restricted by law and persons who come into possession of this Offer Document and accompanying Entitlement and Acceptance Form should seek advice and observe those restrictions. Any failure to comply with those restrictions may constitute a violation of applicable securities laws.

New CDIs to which any Securityholders who are not resident in Australia, New Zealand, the United Kingdom, Singapore or Indonesia would otherwise be entitled and not allocated in response to an application for Additional New CDIs will form part of the Shortfall.

In particular, this Offer Document may not be released or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

3.17 Entitlements and acceptance

The Entitlement of Eligible Securityholders will be determined on the Record Date. Your Entitlement is shown on the Entitlement and Acceptance Form accompanying this Offer Document.

3.18 Directors Interests and Participation

Each Director's interest in the Securities of the Company at the date of this Offer Document and their Entitlement is set out in the table below.

Director	CDIs	Options	Entitlement
Warwick Morris	7,243,328	2,500,000	2,897,332
Julian Ford	-	9,500,000	-
Jocelyn Waller	1,866,411	3,000,000	746,565
Adi Sjoekri	4,974,000	1,500,000	1,989,600

Notes: Each of Messrs Morris, Waller and Sjoekri have agreed to take up their Entitlements in whole or in part.

3.19 Underwriting

Pursuant to an underwriting agreement between the Company and the Underwriter dated 8 May 2013 (**Underwriting Agreement**), the Underwriter has agreed to fully underwrite the Offer.

Upon completion of the Offer, the Underwriter will receive an underwriting fee of 5% of the amount ultimately underwritten (being the amount of CDIs on issue at 5pm WST on the Record Date multiplied by $\frac{3}{4}$ multiplied by \$0.17, being the Offer price). In addition, the Underwriter will receive a corporate fee of \$60,000. The Underwriter will also receive payment of reasonable costs and expenses (including legal costs) incurred by it in connection with the Offer. The Company will pay any GST applicable to any fee payable to the Underwriter under the Underwriting Agreement.

The Underwriter has entered into a sub-underwriting agreement with Provident Capital Partners Pte Limited (**Provident Capital Partners**) pursuant to which Provident Capital Partners has agreed to fully sub-underwrite the Offer. The Underwriter will pay to Provident Capital Partners a sub-underwriting fee of 4% of the amount ultimately sub-underwritten (see above). Please note the sub-underwriting arrangement may affect the control of the Company. Please see section 3.20 of this Offer Document for further details.

The obligation of the Underwriter to underwrite the Offer is subject to certain events of termination. The Underwriter may terminate its obligations under the Underwriting Agreement if at any time before completion of the Offer:

- (a) **(Indices fall)**: the All Ordinaries Index as published by the ASX or the price of gold per ounce in US dollars as published in the Australian Financial Review is at any time after the date of the Underwriting Agreement 15% or more below its respective level as at the close of business on the business day prior to the date of the Underwriting Agreement;
- (b) **(ASX Materials and Offer Document)**: the Company does not lodge this Offer Document or the cleansing notice (**Cleansing Notice**) required to be given by the Company under section 708AA(2)(f) of the Corporations Act (as modified by ASIC Class Order 08/35) in respect of the Offer and any announcement or material accompanying the Cleansing Notice (collectively, the **ASX Materials**), on the date specified in the timetable set out in the Underwriting Agreement or the Offer is withdrawn by the Company;
- (c) **(No Official Quotation)**: Official Quotation (as defined in the Listing Rules) has not been granted by the "Shortfall Notice Deadline Date" (being the date specified in the timetable set out in the Underwriting Agreement by which the Company must give the Underwriter notice of any Shortfall) or, having been granted, is subsequently withdrawn, withheld or qualified;
- (d) **(Offer Document)**: a statement contained in this Offer Document is or becomes misleading or deceptive or likely to mislead or deceive, or this Offer Document omits any information it is required to contain;
- (e) **(Cleansing Notice)**: the Cleansing Notice is defective within the meaning of section 708AA(11) of the Corporations Act, or a corrective notice is issued or is required to be issued under section 708AA(10) of the Corporations Act or the Company fails to issue a corrective notice required to be issued under section 708AA(10) of the Corporations Act;
- (f) **(Corrective Notice without consent)**: a corrective notice is issued under section 708AA(10) of the Corporations Act without the prior approval of the Underwriter (not to be unreasonably withheld or delayed);

- (g) **(CDI Price):** the closing price of the Company's CDIs as quoted by the ASX is less than the issue price for New CDIs under the Offer, on five consecutive days;
- (h) **(Restriction on allotment):** CDN is prevented from allotting the New CDIs pursuant to valid Applications or the Company is prevented from allotting Shares to CDN relating to the New CDIs to be issued by CDN within the time required by the Underwriting Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;
- (i) **(ASIC application):** an application is made by ASIC for an order under section 1324B or any other provision of the Corporations Act in relation to the ASX Materials or this Offer Document, the "Shortfall Notice Deadline Date" (see above) has arrived, and that application has not been dismissed or withdrawn;
- (j) **(Takeovers Panel):** the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, or an application for such a declaration is made to the Takeovers Panel;
- (k) **(Hostilities):** there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, the United States of America, India, Pakistan, or the Peoples Republic of China, or any member of the European Union, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world;
- (l) **(Authorisation)** any authorisation which is material to anything referred to in this Offer Document is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter;
- (m) **(Indictable offence):** a director or senior manager of the Company (or a subsidiary) is charged with an indictable offence;
- (n) **(Termination Events):** subject always to the events below having a material adverse effect or otherwise giving rise to a liability for the Underwriter, any of the following events occurs:
 - (i) **(Default):** default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking;
 - (ii) **(Incorrect or untrue representation):** any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect;
 - (iii) **(Contravention of constitution or Act):** a contravention by the Company (or a subsidiary) of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
 - (iv) **(Adverse change):** an event occurs which gives rise to a material adverse effect or any adverse change or any development including a prospective adverse change after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of the Company (or a subsidiary) including, without limitation, if any forecast in this Offer Document

becomes incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time;

- (v) **(Error in Due Diligence Results):** it transpires that any of the Company's due diligence results or any part of the Offer Document verification was false, misleading or deceptive or that there was an omission from them;
- (vi) **(New circumstance):** an obligation arises on the Company to give ASX a notice in accordance with section 708AA(12) of the Corporations Act (as inserted by ASIC Class Order 08/35), in relation to a matter that the Underwriter reasonably considers to be adverse, or a new circumstance that the Underwriter reasonably considers to be adverse, arises or becomes known which, if known at the time of issue of the ASX Materials and this Offer Document would have been included in such documents;
- (vii) **(Public statements):** without the prior approval of the Underwriter a public statement is made by the Company in relation to the Offer or this Offer Document;
- (viii) **(Misleading information):** any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Offer or the affairs of the Company (or a subsidiary) is or becomes misleading or deceptive or likely to mislead or deceive;
- (ix) **(Official Quotation qualified):** the Official Quotation (as defined in the Listing Rules) is qualified or conditional other than being conditional only on the allotment of the New CDIs;
- (x) **(Change in Act or policy):** there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;
- (xi) **(Prescribed Occurrence):** a "Prescribed Occurrence" (as defined in the Underwriting Agreement to include the entering into of various transactions regarding the Company's capital structure or significant corporate transaction) occurs;
- (xii) **(Suspension of debt payments):** the Company suspends payment of its debts generally;
- (xiii) **(Event of Insolvency):** an insolvency event occurs in respect of the Company (or a subsidiary);
- (xiv) **(Judgment against a Relevant Company):** a judgment in an amount exceeding \$25,000 is obtained against the Company (or a subsidiary) and is not set aside or satisfied within 7 days;
- (xv) **(Litigation):** litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced or threatened against the Company (or a subsidiary), other than any claims foreshadowed in this Offer Document;
- (xvi) **(Board and senior management composition):** there is a change in the composition of the Board or a change in the senior management of the

Company before completion of the Offer without the prior written consent of the Underwriter;

- (xvii) **(Change in shareholdings)**: there is a material change in the major or controlling shareholdings of the Company (or a subsidiary) or a takeover offer or scheme of arrangement is publicly announced in relation to the Company (or a subsidiary);
- (xviii) **(Timetable)**: there is a delay in any specified date in the timetable for the Offer set out in the Underwriting Agreement which is greater than 7 business days;
- (xix) **(Force Majeure)**: a force majeure event affecting the Company's business or any obligation under the Underwriting Agreement lasting in excess of 7 days occurs;
- (xx) **(Certain resolutions passed)**: the Company (or a subsidiary) passes or takes any steps to pass a resolution:
 - (A) that the whole or a part of its unpaid capital be called up “only if the Company (or a subsidiary) becomes externally-administered”;
 - (B) to allow it to buy back its own securities;
 - (C) approving any financial assistance by the Company (or a subsidiary) to assist a person to acquire securities in the Company (or a subsidiary) or a holding company of the Company (or a subsidiary); or
 - (D) amending its Constitution,without the prior written consent of the Underwriter;
- (xxi) **(Capital Structure)**: the Company (or a subsidiary) alters its capital structure in any manner not contemplated by this Offer Document;
- (xxii) **(Investigation)**: any person is appointed under any legislation in respect of companies to investigate the affairs of the Company (or a subsidiary); or
- (xxiii) **(Market Conditions)**: a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets.

The Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to the Underwriter that are considered customary and usual for an agreement of its type.

3.20 Effect of the Rights Issue on control of the Company

(a) General

Assuming no existing Options are exercised and no Shares (not already represented by CDIs) are converted to CDIs prior to the Record Date, the maximum number of New CDIs which will be issued pursuant to the Offer is approximately 117,845,964. This equates to approximately 29% of all the issued CDIs in the Company following completion of the Offer.

Assuming all existing Options are exercised to acquire CDIs and all Shares (not already represented by CDIs) are converted to CDIs prior to the Record Date, the maximum number of New CDIs which will be issued pursuant to the Offer is approximately 142,601,294. This equates to approximately 29% of all the issued CDIs in the Company following completion of the Offer.

The potential effect the Offer will have on the control of the Company will depend on the extent to which Eligible Securityholders take up their Entitlements under the Offer.

This section sets out the potential control effects the Offer may have on the Company in relation to the Underwriter and sub-underwriter (Provident Capital Partners) of the Offer.

(b) Underwriter and control of the Company

As at the date of this Offer Document, the Underwriter does not beneficially hold any CDIs or Shares in the Company.

The Underwriter is not a related party of the Company as defined in section 228 of the Corporations Act.

The Underwriter has entered into a sub-underwriting agreement with Provident Capital Partners pursuant to which Provident Capital Partners has agreed to fully sub-underwrite the Offer. In the event that Eligible Securityholders do not take up some or all of their Entitlements under the Offer and these Entitlements are not taken up by way of applications for Additional New CDIs, then a Shortfall will result and Provident Capital Partners (or its nominees) will be entitled to subscribe for the Shortfall Securities.

As the Offer is fully sub-underwritten, the Underwriter will not acquire voting power in the Company as the result of a Shortfall.

(c) The Provident Capital Group and control of the Company

On 16 April 2013 Provident Minerals Pte Limited (**Provident Minerals**) filed a substantial holder notice under section 671B of the Corporations Act which indicated that Provident Minerals was entitled to be the registered holder of 71,057,109 CDIs which is equivalent to 24% of the total voting securities in the Company (which includes CDIs and ordinary shares not represented by CDIs).

Please note that as set out in section 3.21 of this Offer Document neither the Company nor persons with interests in CDIs (with respect to their interests (of whatever nature) in the issued capital of the Company) are subject to Chapter 6 or section 671B of the Corporations Act. We note however that historically the Company and Provident Minerals have provided substantial holder notices under section 671B of the Corporations Act to ASX.

Provident Minerals is part of a group of entities owned or controlled by Provident Capital Partners (the **Provident Capital Group**).

As set out above Provident Capital Partners has agreed to fully sub-underwrite the Offer. In addition, Provident Minerals intends to take up all of its Entitlements under the Offer.

In the event of a Shortfall, Provident Capital Partners will be required to subscribe for the Shortfall Securities. This may cause an increase in the total number of CDIs held by members of the Provident Capital Group to up to approximately 213,658,403 or 42.8% of the Shares on issue and accordingly the Offer may have an impact on the control of the Company.

The present holdings of members of the Provident Capital Group of CDIs, and approximate changes under several scenarios, are set out in the table below:

Event	CDIs held by members of the Provident Capital Group	% of CDIs	% of total voting rights
Date of Offer Document	71,057,109	24.1%	24.0%
On completion of Offer			
Offer fully subscribed*	99,899,392	24.2%	24.1%
Offer 50% subscribed*	144,401,232	35.0%	34.8%
Offer 0% subscribed (or only subscribed for by Provident Minerals)	188,903,073	45.8%	45.6%
Offer 0% subscribed (or only subscribed for by Provident Minerals) and all Shares converted and all Options exercised	213,658,403	42.8%	42.8%

* either by way of a take up of Entitlements and/or applications for Additional New CDIs

The number of CDIs held by members of the Provident Capital Group in the table above shows the potential effect of its participation both by way of Provident Capital Partners sub-underwriting the Offer and Provident Minerals taking up all of its Entitlements under the Offer. The sub-underwriting obligation and therefore the holding of CDIs held by members of the Provident Capital Group will reduce by a corresponding amount for the amount of Entitlements taken up under the Offer by other Eligible Securityholders.

The Provident Capital Group has informed the Company that if it were to gain effective control of the Company by virtue of the Offer and its sub-underwriting of the Offer, it currently has no intentions to:

- (i) change the Company's current ongoing business and operations;
- (ii) inject further capital into the Company;
- (iii) change the current or future employment of the current employees of the Company;
- (iv) transfer any property between the Company and Provident or any person associated with any of them; or
- (v) redeploy the fixed assets of the Company.

The intentions and statements of future conduct set out above must also be read as being subject to the legal obligation of the Directors at the time to exercise their powers for proper purposes and to promote the success of the Company.

The implementation of the Provident Capital Group's current intentions in relation to its ownership interest in the Company will be subject to the law as it applies to the

Directors and the Company, the Listing Rules and the Company's Articles of Association.

(d) Dilution

Securityholders and holders of Shares should also be aware that if they do not participate in the Offer, their holdings will be diluted by approximately 29% (as compared to their holdings and number of CDIs on issue as at the date of this Offer Document).

Examples of how the dilution may impact Securityholders are set out approximately in the table below:

Holder	Holding at Offer Document Date	% at Offer Document Date	Entitlements under the Offer	Holding if Offer not taken up	% post Offer
Securityholder 1	2,946,147	1%	1,178,459	2,946,147	0.71%
Securityholder 2	14,730,734	5%	5,892,294	14,730,734	3.57%
Securityholder 3	29,461,468	10%	11,784,587	29,461,468	7.14%

3.21 Application of Chapter 6 of the Corporations Act and City Code on Takeovers and Mergers (UK)

Sumatra is a company incorporated in England and Wales registered as a “foreign company” under Chapter 5B of the Corporations Act. Sumatra is not subject to a number of provisions of the Corporations Act including Chapter 6 of the Corporations Act and in particular:

- the 20% prohibition rule contained section 606 of the Corporations Act; and
- the substantial holder notification provisions contained in section 671B of the Corporations Act.

Sumatra is not subject to the jurisdiction of the Australian Takeovers Panel.

Additionally, as previously announced to the ASX on 13 February 2013 Sumatra is currently not subject to the jurisdiction of the City Code on Takeovers and Mergers (the **Code**) on the basis that it is not considered to have its place of central management and control in the UK, Channel Islands or Isle of Man.

As a result of the above, the Offer, and any potential effects of the Offer on the control of the Company (as set out in section 3.20 of this Offer Document), are not subject to the takeovers prohibitions in the Corporations Act and in the Code.

3.22 Differences between UK and Australian Corporate Law

As set out above, the Company is incorporated under the laws of England and Wales. The following table sets out the principal differences between the laws and regulations and investor guidelines concerning shares in a company incorporated in England and Wales as opposed to Australia.

This summary is provided as a general guide only, and is not a comprehensive summary or analysis of all of the consequences resulting from acquiring, holding or disposing of shares or interests in such companies. The laws, rules, regulations and procedures described are subject to change from time to time, and investors should seek their own independent advice in relation to such differences.

Position in England and Wales	Position in Australia
Pre-emption rights	
<p>The Companies Act requires the offer of any issue of new shares for cash to be made first to existing shareholders in proportion to their holdings, subject to a provision in the Company's articles of association or the passing of a special resolution of the shareholders (being a majority of not less than 75% of the Company's shareholders at a general meeting) to dis-apply such pre-emption rights.</p> <p>There is no binding limit on the dis-application of pre-emption rights, however UK institutional guidelines for listed companies state that such dis-application rights should be limited to 5% of the issued share capital in any 12 month period (subject to an aggregate of 7.5% of the issued ordinary share capital in any rolling three-year period).</p> <p>Pre-emption rights do not apply to allotments of shares which are wholly or partly paid up otherwise than for cash.</p> <p>Pre-emption rights do not apply to shares issued under an employee share scheme and to bonus shares.</p>	<p>The ASX Listing Rules permit directors to allot unissued shares without shareholder approval (and without first offering them to existing shareholders) up to a maximum number equivalent to 15% of the issued capital of the company prior to the allotment in any 12 month period.</p> <p>Certain companies not in the ASX / S&P 300 can seek shareholder approval by special resolution at the annual general meeting to issue an additional 10% of issued capital over a 12 month period.</p>

Position in England and Wales	Position in Australia
Auditors	
<p>Auditors of a public company have to be appointed before the end of each meeting at which the company's annual accounts are laid. There is no deemed re-appointment of auditors of public company.</p>	<p>There is no such requirement under Australian law, although shareholders are required to approve the appointment of a company's auditors at the first annual general meeting after their appointment.</p>

Position in England and Wales	Position in Australia
Purchase of own securities	
<p>A publicly traded company incorporated in England and Wales can only purchase its own shares if the purchase has been authorised by a shareholders' resolution and it is not prevented from doing so by its articles of association. Whilst English law requires approval of a market purchase by an ordinary resolution (i.e. a resolution passed by a simple majority of the company's shareholders at a company general meeting), UK institutional guidelines recommend that a special resolution of shareholders is passed to authorise the purchase of a company's own shares. Such resolution must set out the amount of shares that the company can purchase, guidelines for price and details of when the authority will expire. Off-market purchases must be sanctioned by a special resolution of the shareholders.</p> <p>Institutional guidelines currently recommend that the authority</p>	<p>A company has the right to buy back its shares under Australian law.</p> <p>Depending on the type of share buy-back conducted and the number of shares that the company proposes to buy back, the proposal may need to be approved by a resolution of the shareholders.</p> <p>The Company is not presently subject to the provisions of the Corporations Act relating to buy-backs.</p>

<p>to buy-back shares should be limited to between 10% and 15% of the issued share capital.</p> <p>Companies listed in the UK must comply with disclosure obligations set out in the Listing Rules.</p> <p>If a company listed in the UK wants to acquire 15% or more of any class of its shares, the purchase must be by way of a tender offer unless the full terms of the share buyback have been specifically approved by shareholders.</p> <p>Rule 9 of the City Code on Takeovers and Mergers (the Code) could apply after a public company purchases its own shares if the percentage holding of the continuing shareholders increases.</p> <p>Shares cannot be purchased unless they are fully paid-up and the consideration for the purchase of shares must be paid on purchase.</p>	
---	--

Position in England and Wales	Position in Australia
Takeovers	
<p>As a Company with its registered office in the UK but not listed in the UK, the Code would normally only apply if the Company is considered by the Panel to have its place of central management and control in the UK, the Channel Islands or the Isle of Man (the "Residency Test"). Since early 2012, the central management and control of the Company has fallen outside the scope of the Residency Test and as such the Company is not subject to the Code. Accordingly, investors are currently able to increase their interest in shares carrying 30% or more of the voting rights without having to make a mandatory offer under the Code.</p> <p>However, on 5 July 2012 the Panel published a Public Consultation Paper which, amongst other things, proposed to remove the Residency Test from the Code. If and when these amendments are implemented, the Code may apply to the Company. If the Company is to become subject to the Code it will make an announcement.</p> <p>If the Company becomes subject to the Code, then, subject to certain exceptions and limitations, a mandatory offer would be required to be made under</p> <p>Rule 9 of the Code where:</p> <ul style="list-style-type: none"> a person and any persons acting in concert acquire an interest in shares carrying 30% or more of the voting rights of a target company; or if a person, together with any concert parties, increases its holding by way of acquisition of an interest in shares where its holding is not less than 30% but not more than 50% of the voting rights. <p>Rule 9 requires a mandatory offer to be made in cash and at the highest price paid by the bidder (or any persons acting in concert with it) for any interest in shares of the relevant class during the 12 months prior to the announcement of the offer.</p> <p>Where a bidder obtains acceptances of at least 90% of the shares subject to the takeover offer (which excludes any shares held by it or its concert parties) and acceptances of at least 90% of the voting rights carried by the shares subject to the offer, it can require the remaining shareholders who have not accepted the offer to sell their shares on the terms of the offer.</p>	<p>The Corporations Act governs a takeover, and contains a general rule that a person must not acquire a 'relevant interest' in issued voting shares of a company, if because of the transaction, a person's voting power in the company increases from 20% or below to more than 20%, or increases from a starting point which is above 20% but less than 90%.</p> <p>Certain exceptions apply, such as acquisitions of relevant interests in voting shares made under takeover bids or made with shareholder approval, or creeping acquisitions of not more than 3% in a 6 month period.</p> <p>Australian law similarly permits compulsory acquisition by persons holding a 90% interest in the relevant securities.</p> <p>As discussed in section 3.21 of this Offer Document, the Company is not subject to the provisions of the Corporations Act relating to changes in control and takeovers of public companies.</p>

Position in England and Wales	Position in Australia
Substantial Shareholders	
<p>A shareholder in a company incorporated in England and Wales and listed in the UK must notify the company of the percentage</p>	<p>Under the Corporations Act a shareholder who begins or ceases to have a substantial holding in a listed company</p>

<p>of its voting rights if the percentage of voting rights which he holds as a shareholder (or holds, or is deemed to hold through his direct or indirect holding of financial instruments) reaches, exceeds or falls below 3%, 4%, 5%, 6%, 7%, 8%, 9%, 10% and each percentage threshold thereafter up to 100% as a result of an acquisition or disposal of shares or financial instruments.</p> <p>A shareholder may also be required to notify the company if there is a change in his percentage of the voting rights as a result of a change in the company's total voting rights (even if there is no acquisition or disposal of shares).</p>	<p>or has a substantial holding in a listed company and there is a movement by at least 1% in their holding, must give notice to the company and the ASX.</p> <p>A person has a substantial holding if that person and that person's associates have a relevant interest in 5% or more of the voting shares in the company.</p> <p>As discussed in section 3.21 of this Offer Document, the Company is not subject to the provisions of the Corporations Act relating to the disclosure of substantial holdings.</p>
---	--

3.23 Market Price of CDIs

The highest and lowest market sale prices of the Company's CDIs on ASX during the three months immediately preceding the date of this Offer Document and the respective dates of those sales were:

Highest: \$0.245 on 25 February 2013

Lowest: \$0.17 on 15 April 2013

The latest available closing sale price of the Company's CDIs on ASX prior to the date of this Offer Document was \$0.21 on 7 May 2013.

3.24 Issue and despatch

The issue of New CDIs offered by this Offer Document and despatch of holding statements is expected to occur on the dates specified in the timetable set out in section 2 of this Offer Document.

It is the responsibility of Applicants to determine the allocation prior to trading in the New CDIs. Applicants who sell New CDIs before they receive their holding statements will do so at their own risk.

3.25 Taxation implications

The Directors do not consider it appropriate to give Securityholders advice regarding the taxation consequences of subscribing for New CDIs under this Offer Document. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Securityholders.

Securityholders should consult their professional tax adviser in connection with subscribing for New CDIs under this Offer Document.

3.26 Risk factors

An investment in New CDIs should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are specific risks associated with an investment in the Company which are described in section 5 of this Offer Document.

3.27 Enquiries concerning Offer Document

Enquiries relating to the Offer or this Offer Document should be directed to the Company Secretary, Graeme Smith, by telephone on +61 8 9 389 2111.

4. ACTION REQUIRED BY SECURITYHOLDERS

4.1 How to Accept the Offer

Your acceptance of the Offer must be made on the Entitlement and Acceptance Form accompanying this Offer Document. Other than by way of an application for Additional New CDIs, your acceptance must not exceed your Entitlement as shown on that form. If it does, your acceptance will be deemed to be for the maximum Entitlement.

You may participate in the Offer as follows:

- (a) if you wish to accept your Entitlement in full:
 - (i) complete the Entitlement and Acceptance Form, filling in the details in the spaces provided; and
 - (ii) attach your cheque for the amount indicated on the Entitlement and Acceptance Form or pay via BPAY® by following the instructions set out in the Entitlement and Acceptance Form; or
- (b) if you only wish to accept part of your Entitlement:
 - (i) fill in the number of New CDIs you wish to accept in the space provided on the Entitlement and Acceptance Form; and
 - (ii) attach your cheque for the appropriate Application Monies (at \$0.17 per CDI) or pay via BPAY® by following the instructions set out in the Entitlement and Acceptance Form; or
- (c) if you wish to apply for Additional New CDIs in addition to your Entitlement:
 - (i) complete the Entitlement and Acceptance Form, specifying the Additional New CDIs you wish to apply for; and
 - (ii) attach your cheque for the appropriate Application Monies (at \$0.17 per CDI) (a single cheque should be used for Application Monies for your Entitlement and the number of Additional New CDIs applied for) or pay via BPAY® by following the instructions set out in the Entitlement and Acceptance Form; or
- (d) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

The Offer is non-renounceable. Accordingly, a holder of CDIs may not sell or transfer all or part of their Entitlement.

4.2 Declarations and certifications

By completing your Entitlement and Acceptance Form with the requisite Application Monies or making a payment by BPAY®, you will be deemed to have represented that you are an Eligible Securityholder.

4.3 Payment method

All cheques must be drawn on an Australian bank or bank draft made payable in **Australian currency** to **“Sumatra Copper & Gold plc – Share A/C”** and crossed **“Not Negotiable”**.

If paying via BPAY®, Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the Applicant to ensure that funds are submitted through BPAY® by the date and time mentioned above. If you elect to pay via BPAY®, you must follow the instructions for BPAY® set out in the Entitlement and Acceptance Form and you will not need to return the Entitlement and Acceptance Form. It is your responsibility to ensure that funds submitted through BPAY® are received by **3.00pm (WST) on the Closing Date.**

Your completed Entitlement and Acceptance Form and cheque must reach the Company no later than 5:00pm (WST) on the Closing Date.

4.4 Entitlements not taken up

If you do not wish to accept any of your Entitlement, you are not obliged to do anything.

4.5 Queries concerning your Entitlement

If you have any queries concerning your Entitlement please contact Computershare Investor Services Pty Limited, on 1300 850 505 (within Australia) +61 3 9415 4000 (outside Australia).

5. RISK FACTORS

5.1 General

The New CDIs offered under this Offer Document should be considered speculative because of the nature of the Company's business.

There are numerous risk factors involved with the Company's business. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, return of capital or price at which securities will trade.

The following is a summary of the more material matters to be considered. However, this summary is not exhaustive and potential investors should examine the contents of this Offer Document in its entirety and consult their professional advisors before deciding whether to apply for the New CDIs.

Based on the information available, a non-exhaustive list of risk factors which may affect the Company's financial position, prospects and the price of its listed securities include the following.

SPECIFIC RISKS

5.2 Dilution risk

During the period 10 April 2013 to the date of this Offer Document the price of gold has experienced substantially increased levels of volatility. In the event that the price of gold continues to fluctuate in this manner this may impact hedging costs (see also section 5.4) and therefore the overall debt financing costs of the Tembang Project.

As discussed in section 3.3, in view of the Directors seeking to maximise the revenue flows with respect to the Tembang Project and further the best interests of the Company, the Directors may seek to adjust the mix of debt and equity funding for the Tembang Project which may result in the Company conducting a further placement of CDIs valued at up to US\$10 million to Institutional Investors within the 3 months following the Closing Date. Should the Company undertake such a placement this would dilute the equity holdings of Securityholders following this Offer.

5.3 Debt financing package

As announced on 22 February 2013 the Company has received "credit approval" only from Credit Suisse AG with respect to a US\$30 million senior debt financing facility and a \$5 million cost overrun facility to fund the Tembang Project. This debt financing remains subject to final documentation and conditions precedent customary for financing of this nature.

There can be no definite assurance that this debt finance will ultimately be forthcoming or that it will be provided on the terms set out in the existing term sheet. If this debt financing is not forthcoming the Company may be required to seek debt financing elsewhere or otherwise raise additional equity capital and may be required to reduce the scope of the Tembang Project or otherwise alter its development path.

5.4 Gold hedging

A requirement for the provision of the debt financing package is that the Company will be required to enter into and maintain hedging arrangements with Credit Suisse. The hedging arrangements will include the forward selling of gold.

The benefit of forward selling is that a predetermined price for its production and avoids the risk of making a loss should the gold price fall. The disadvantage of this practice is that in a rising gold market, forward estimates of gold prices tend to underestimate future prices, a condition known as “backwardation”. Consequently, in this situation, forward selling results in miners failing to realise the maximum profit from their production. Additionally, if the Company is unable to meet delivery obligations in relation to its forward selling it may be required to purchase gold on market for delivery to its hedging counterparts. If the market price of gold is higher than the forward price the Company will receive, the Company will incur a financial loss on the transaction.

5.5 Exploration and operational risk

The current and future operations of the Company, including exploration, appraisal and possible production activities may be affected by a range of factors, including:

- geological conditions;
- limitations on activities due to seasonal weather patterns and cyclone activity;
- alterations to joint venture programs and budgets;
- unanticipated operational and technical difficulties encountered in seismic survey, drilling and production activities;
- mechanical failure of operating plant and equipment;
- adverse weather conditions, industrial and environmental accidents, acts of terrorism or political or civil unrest and other force majeure events;
- industrial action, disputation or disruptions;
- unavailability of aircraft or drilling equipment to undertake airborne electromagnetic and other geological and geophysical investigations;
- shortages or unavailability of manpower or appropriately skilled manpower;
- unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment; and
- prevention or restriction of access by reason of political unrest, outbreak of hostilities, and inability to obtain consents or approvals.

Many regions of Indonesia are frequently subject to adverse weather conditions over a prolonged period. Many regions of Indonesia are also subject to significant volcanic and seismic activity. These conditions can adversely affect exploration and mining operations and the timing of revenues.

Mining is an industry that in Indonesia has become subject to increasing legislative regulation including but not limited to environmental responsibility and liability, taxation, mineral export restrictions and protectionism in relation to national interests. The potential for liability is an ever present risk. The use and disposal of chemicals in the mining industry is under constant legislative scrutiny and regulation. The introduction of new laws and regulations or changes to underlying policy may adversely impact on the operations of the Company.

5.6 Resource estimate

Resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates, which were valid when made, may change significantly when new information becomes available. In addition, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. Should the Company encounter mineralisation or formations different from those predicted by past sampling and drilling, resource estimates may have to be adjusted and mining plans may have to be altered in a way which could have either a positive or negative effect on the Company's operations.

5.7 Gold and silver prices

It is anticipated that any revenues derived from mining will primarily be derived from the sale of gold and silver from the Tembang Project. Consequently, any future earnings are likely to be closely related to the price of gold and silver and the terms of any offtake agreements which it enters into.

The price of gold, silver and other precious metals fluctuates widely and is affected by numerous factors beyond the control of the Company such as industrial and retail supply and demand, exchange rates, inflation rates, changes in global economies, confidence in the global monetary system, forward sales of metals by producers and speculators as well as other global or regional political, social or economic events.

Future serious price declines in the market value of gold or silver could cause the continued development of, and eventually the commercial production from, the Tembang Project to be rendered uneconomic. Depending on the prices of gold and silver, the Company could be forced to discontinue production or development and may lose its interest in, or may be forced to sell, some of its properties. There is no assurance that, even as commercial quantities of gold and silver are produced, a profitable market will exist for them.

In addition to adversely affecting the reserve estimates of the Company and its financial condition, declining gold and silver prices could impact operations by requiring a reassessment of the feasibility of the Tembang Project. The need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

5.8 Future financing

The Company will be required to raise additional equity and/or debt capital to finance its activities in the future. There can be no assurance that the Company will be able to raise that finance on acceptable terms or in a timely manner.

Any additional equity financing will dilute shareholdings and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, the Company may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be.

5.9 Environmental risks

The proposed activities of the Company in Indonesia are subject to Indonesian laws and regulation concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. These impacts are minimised by the Company's application of best practice principles. The Company will be subject to environmental laws and regulations in connection with activities and operations it may pursue. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws. However, the Company may be the subject of accidents or unforeseen circumstances that could subject it to extensive liability.

Approval may be required from the relevant authorities before the Company can undertake activities that are likely to impact the environment. Failure to obtain such approvals will prevent the Company from undertaking its desired activities. The Company is unable to predict the effect of additional environmental laws and regulations that may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area.

5.10 Title

The exploration licences comprising some of the tenements which the Company holds or in which it has an interest may be the subject of applications for extension or renewal in the future. Although the Company believes that exploration licences and tenements will be extended or renewed (as the case may be) according to applicable laws, there can be no assurance that they will be extended or renewed or as to the terms of any such extension or renewal.

If an exploration licence or a tenement is not extended or renewed, the Company may suffer significant damage through loss of the opportunity to discover and/or develop any mineral resources on that tenement.

In addition, the Company cannot guarantee that those tenements that are applications for tenements will ultimately be granted in whole or in part.

5.11 Changes in legislation or regulation

Changes to the mining law or to the other government legislation and regulations in Indonesia, or to the division of regulatory powers between the Central Government in Jakarta and local and provisional bodies, may materially impact on the ability of the Company to operate in Indonesia and on the ultimate profitability of any potential projects to be developed in Indonesia.

The Company will need to obtain regulatory approvals and licences to undertake its operations in Indonesia. There is no guarantee that such approvals and licences will be granted or renewed. In addition, various conditions may be imposed on the grants of such regulatory approvals and licences which may impact on the cost or the ability of the Company to exploit the tenements.

Although the Company is reasonably familiar with the Indonesian regulatory regime and has undertaken all reasonable due diligence in assessing and managing the risks associated with investing and operating in Indonesia, the legal and political conditions of the country and any changes thereto are outside the control of the Company.

While there is currently a strong relationship between Australia and Indonesia, there can be no assurance that Indonesia's regulatory requirements will not change, which may affect the Company's operations. Changes may include, but are not limited to, foreign ownership of licences, taxation and royalties and land access.

5.12 Country risk

The Company's activities are subject to the risks associated in operating in a foreign country. These risks may include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, mine safety, labour relations as well as government control over mineral properties or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents.

Indonesian mining is highly competitive by international standards. The mining sector in Indonesia faces challenges of legal, governance and labour issues in transition to regional autonomy. For the avoidance of doubt, these risks will continue to pervade the mining sector and hence can be expected to adversely impact the mining exploration and mineral production and exports in Indonesia.

Additionally, the risk of terrorism, war and social upheaval activities in Indonesia or indeed the whole Asia Pacific region or other areas in which the Company operates or may operate and the resulting impact upon the projects, is also a relevant risk factor.

The legal system operating in Indonesia may be less developed than in more stable and advanced countries, which may result in such risks as:

- political difficulties in obtaining effective legal redress in the courts, whether in respect of a breach of law or regulation, or in an ownership dispute;
- a higher degree of discretion on the part of governmental agencies; and
- inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions.

Furthermore, there can be no assurance that joint ventures, licences, licence applications or other legal arrangements will not be adversely affected by the actions of the government authorities or others and the effectiveness of and enforcement of such arrangements cannot be assured.

Any of these risks, if they materialised, could materially and adversely affect the Company's business, results of operations and financial condition.

5.13 Tembang Project

When compared with many industrial and commercial operations, mining is a relatively high risk business. Each orebody is unique. The nature of the orebody, the occurrence and grade of the ore, and its behaviour during mining and processing can never be wholly predicted.

Estimations of the tonnes, grade and overall metal content of a deposit are not precise calculations but are based on interpretation and on samples from drilling which, even at close drill hole spacing, remain a very small sample of the whole orebody. There is always a potential error in the projection of drill hole data when estimating the tonnes and grade of the surrounding rock. Even with close-spaced drilling, significant variations may occur. The following specific risks are associated with the Tembang Project:

Resources / reserves – There is a risk that these might be overestimated for the Asmar deposit as it is based on historical information which is considered to be of poor quality and this may affect the interpretation of of the deposit.

Open pit mining – There are technical risks associated with the topography, rainfall and seismic activity. The combination of high rainfall and seismic activity represents a risk in terms of both pit and dump stabilities, but is recognised and has been taken into account in the geotechnical and hydrological proposals and design.

Environmental issues - The main environmental risk areas of the project relate to the potential for offsite water contamination via site contaminated water run-off, acid rock drainage, excess tailings decant or tailings seepage following a seismic event and settlement of the TSF main embankment. The likelihood of these occurrences however is considered low to medium, and the potential impact is reduced due to the various design elements and proposed water treatment plant and infrastructure. The inclusion of Sedimentation Dams, contaminated water

storage reservoirs (Bujang and Berenai) and water treatment plant will mitigate the risk of offsite water contamination during operation. Water treatment may be necessary for an unspecified time following mine closure to handle potential acid mine drainage from the site. Ongoing monitoring of water quality post mining will be essential to ensure that acid mine drainage impacts are not occurring.

Capital cost - Capital costs for projects in remote locations in less-developed economies are always subject to significant risk and have in recent years come under significant upward pressure. The estimating methodology used to arrive at the LOM estimate of US\$68.1M is considered generally reasonable and app

Operating costs - Mine operating costs have been estimated from quotations and first principles. The open pit costs will be dependent on equipment productivities and availability; meeting the target levels of these areas in high rainfall site will have challenges. Any material changes in fuel costs will have an impact on the mining cost.

5.14 Metallurgy

Metal and/or mineral recoveries are dependent upon the metallurgical process, and by its nature contain elements of significant risk such as:

- (a) identifying a metallurgical process through test work to produce a saleable metal and/or concentrate;
- (b) developing an economic process route to produce a metal and/or concentrate; and
- (c) changes in mineralogy in the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the project.

GENERAL RISKS

5.15 Economic risks

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

5.16 Market conditions

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (a) general economic outlook;
- (b) interest rates and inflation rates;
- (c) currency fluctuations;
- (d) changes in investor sentiment toward particular market sectors;
- (e) the demand for, and supply of, capital; and
- (f) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks

in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

5.17 Potential Acquisitions

As part of its business strategy, the Company may make acquisitions of or significant investments in companies, products, technologies or resource projects. Any such future transaction would be accompanied by the risks commonly encountered in making acquisitions of companies, products, technologies or resource projects.

5.18 Exchange rate risk

Variations in exchange rates are unpredictable and the Company may incur losses or gains from time to time in respect of its activities in West Africa or elsewhere overseas as a result of such variations.

5.19 Weather condition risk

Field operations including drilling may be delayed due to extreme weather conditions such as flooding, storms or cyclones.

5.20 Community risk

Carrying out activities on site may affect the neighbouring communities and local authorities. This can be of particular concern where the Company is operating in heavily populated areas. In this situation the Company would plan to carry out community consultation to take into account these concerns. However, there is a risk that in some circumstances there could be higher than normal community concern which could result in a project being denied permission to proceed or having permission withdrawn or having conditions imposed on continuation of the activities which make it unacceptable to the Company to proceed with those activities.

5.21 Reliance on key personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

5.22 Investment speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the securities offered under this Offer Document. Therefore, the securities to be issued pursuant to this Offer Document carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those securities.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for securities pursuant to this Offer Document.

6. CAPITAL STRUCTURE AND FINANCIAL INFORMATION

6.1 Capital structure on completion of the Offer

	Number of CDIs	Number of Shares	Number of Options
Balance at the date of this Offer Document	294,614,681	2,007,000	59,881,322
To be issued under the Offer ⁽¹⁾	117,845,964	-	Nil
Balance after the Offer	412,460,645	2,007,000	59,881,322

- (1) The number of CDIs to be issued under the Offer is approximate assumes that no existing Options are exercised and no Shares (not already represented by CDIs) are converted to CDIs prior to the Record Date Options.
- (2) 6,250,000 unlisted Options exercisable at 20 cents on or before 18/06/13;
- (3) 750,661 unlisted Options exercisable at 20 cents on or before 25/08/13;
- (4) 750,661 unlisted Options exercisable at 20 cents on or before 07/19/13;
- (5) 3,530,000 unlisted Options exercisable at 20 cents on or before 26/10/14;
- (6) 31,250,000 unlisted Options exercisable at 16 cents on or before 27/03/14;
- (7) 3,800,000 unlisted Options exercisable at 25 cents on or before 26/10/14;
- (8) 5,050,000 unlisted Options exercisable at 35 cents on or before 26/10/14;
- (9) 2,500,000 unlisted Options exercisable at 1 dollar on or before 1/06/16;
- (10) 2,500,000 unlisted Options exercisable at 50 cents on or before 1/06/16;
- (11) 3,500,000 unlisted Options exercisable at 25 cents on or before 14/06/17; and
- (12) 2,007,000 Shares unlisted and not represented by CDIs.

6.2 Consolidated Statement of Financial Position

The Statement of Financial Position as at 31 December 2012 (audited) and the Pro Forma Statement of Financial Position as at 31 December 2012 (audited) shown on the following page have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position. The Pro Forma Statement of Financial Position has been prepared on the assumption that all CDIs pursuant to the Offer are issued.

The Statement of Financial Positions have been prepared to provide shareholders with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

**Consolidated Statement of Financial Position as at 31 December 2012 and Pro Forma Statement of
Financial Position as at 31 December 2012**

	Audited 31 December 2012 USD	Pro-forma 31 December 2012 USD
Current assets		
Cash and cash equivalents	7,812,344	27,594,362
Loan to associate	113,841	113,841
Other receivables	770,987	770,987
Total current assets	8,697,171	28,479,190
Non-current assets		
Deferred exploration expenditure	25,704,122	25,704,122
Plant and equipment	181,908	181,908
Investment in equity accounted associate	2,811,177	2,811,177
Total non-current assets	28,697,207	28,697,207
Total assets	37,394,379	57,176,397
Current liabilities		
Trade and other payables	2,577,469	2,577,469
Provisions	5,355,511	5,355,511
Total current liabilities	7,932,980	7,932,980
Total liabilities	7,932,980	7,932,980
Net assets	29,461,399	49,243,417
Equity		
Issued capital	4,181,396	6,086,729
Reserves	30,101,275	47,977,960
Accumulated losses	(4,821,272)	(4,821,272)
Total equity	29,461,399	49,243,417

Notes to the Pro Forma Statement of Financial Position

6.3 Pro Forma Assumptions

The Pro Forma Statement of Financial Position has been prepared on the following assumptions:

- (a) a pro rata non-renounceable rights offer to Eligible Securityholders on the basis of two New CDIs for every five CDIs held at the Record Date at an issue price of \$0.17 per CDI (**Offer**);
- (b) all New CDIs offered pursuant to the Offer are issued; and
- (c) the total number of New CDIs issued under the Offer is 117,845,964.

6.4 Dividend policy

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

DEFINED TERMS

\$ or dollar(s) means an Australian dollar.

Additional New CDIs means New CDIs in addition to an Eligible Securityholder's Entitlement for which an Applicant makes an Application.

Applicant refers to a person who submits an Entitlement and Acceptance Form.

Application refers to the submission of an Entitlement and Acceptance Form.

Application Monies means amounts received in dollars by the Company from Applicants for New CDIs under this Offer Document.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or, where the context permits, the Australian Securities Exchange operated by ASX Limited.

ASX Settlement means ASX Settlement Pty Limited (ACN 008 504 532).

ASX Settlement Operating Rules means the settlement rules of ASX.

Board means the board of Directors of the Company.

CDI means an ordinary fully paid CHESS Depository Interest issued by CDN and representing the beneficial ownership of one Share.

CDN means CHESS Depository Nominees Pty Limited (ACN 071 346 506).

CHESS means Clearing House Electronic Subregister System, operated by ASX Settlement, which effects the exchange and registration of securities

Closing Date means the closing date for the Offer set out in section 2 of this Offer Document or such other date as may be determined by the Directors.

Code means the City Code on Takeovers and Mergers.

Company or Sumatra means Sumatra Copper & Gold plc (ABN 14 136 694 267).

Companies Act means the *Companies Act 2006* (UK).

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

Directors means the directors of the Company.

Eligible Securityholder means a Securityholder whose details appear on the Company's register of Securityholders as at the Record Date whose registered address is in Australia, the United Kingdom, New Zealand, Singapore or Indonesia.

Entitlement means the entitlement of each Eligible Securityholder to subscribe for two New CDIs for every five CDIs held by an Eligible Securityholder on the Record Date and **Entitlements** has a corresponding meaning.

Entitlement and Acceptance Form means the Entitlement and Acceptance Form accompanying this Offer Document.

Institutional Investor means:

- (a) in Australia, to whom an offer of shares in a company may be made in Australia without a disclosure document (as defined in the Corporations Act) on the basis that such a person is a “sophisticated investor or “professional investor” as defined section 708 of the Corporations Act; or
- (b) in selected jurisdictions outside Australia, to whom an offer of CDIs may be made without registration, lodgement of a formal disclosure document or other formal filing in accordance with the laws of that foreign jurisdiction (except to the extent to which the Company is willing to comply with such requirements).

Listing Rules means the Listing Rules of the ASX.

New CDI means a New CDI offered pursuant to this Offer Document and the Entitlement and Acceptance Form.

Offer or **Rights Issue** means the pro rata non-renounceable offer to Eligible Securityholders of New CDIs at an issue price of \$0.17 each on the basis of two New CDIs for every five CDIs held on the Record Date pursuant to this Offer Document.

Offer Document means this Offer Document dated 8 May 2013.

Opening Date means the opening date for the Offer set out in section 2 of this Offer Document.

Option means an option to acquire a CDI in respect of a Share.

Panel means the UK Panel on Takeovers and Mergers.

Patersons Securities Limited means Patersons Securities Limited (ACN 008 896 311).

Provident Capital Group has the meaning given in section 3.20(c) of this Offer Document.

Provident Capital Partners means Provident Capital Partners Pte Limited.

Provident Minerals means Provident Minerals Pte Limited.

Record Date means the record date for the Offer set out in section 2 of this Offer Document.

Security or **Securities** means CDIs .

Securityholder means a holder of a CDI.

Share means a fully paid ordinary share in the Company.

Share Registry means Computershare Investor Services Pty Limited (ACN 078 279 277).

Shortfall means the situation that will occur if the Company does not hold successful valid Applications for all the New CDIs by the Closing Date.

Shortfall Securities means New CDIs for which successful valid Applications have not been received by the Closing Date.

Underwriter means Patersons Securities Limited (ACN 008 896 311).

USD or **US\$** means United States Dollars.

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

WST means Australian Western Standard Time.

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

Sumatra Copper & Gold plc

ABN

14 136 694 267

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|---|
| 1 | +Class of +securities issued or to be issued | 1. CHESSE Depository Interests (CDIs) together with underlying fully paid ordinary shares
2. Fully paid ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1. Up to 142,601,294 CDIs together with 142,601,294 underlying fully paid ordinary shares

A small number of additional CDIs may be issued due to rounding of entitlements, and also the possible exercise of options by optionholders and conversion of ordinary shares by shareholders who may decide to participate in the Offer.
2. 6 fully paid ordinary shares |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 1. CDIs each representing a beneficial interest in a fully paid ordinary share
2. Fully paid ordinary shares |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes</p>
<p>5 Issue price or consideration</p>	<ol style="list-style-type: none"> 1. \$0.17 per CDI 2. \$0.20 per fully paid ordinary shares
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<ol style="list-style-type: none"> 1. Pursuant to a pro rata 2 for 5 non renounceable rights issue 2. To ensure a quorum at Meetings of the Company. With such fully paid ordinary shares to be issued to each company secretary and director.
<p>6a Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the ⁺securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>No</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>N/A</p>
<p>6c Number of ⁺securities issued without security holder approval under rule 7.1</p>	<ol style="list-style-type: none"> 1. Up to 142,601,294 CDIs together with 142,601,294 underlying fully paid ordinary shares 2. 6 fully paid ordinary shares
<p>6d Number of ⁺securities issued with security holder approval under rule 7.1A</p>	<p>N/A</p>

+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A	
6f	Number of securities issued under an exception in rule 7.2	1. Up to 142,601,294 CDIs together with 142,601,294 underlying fully paid ordinary shares	
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/A	
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	N/A	
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	1. 13 June 2013 2. 9 May 2013	
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	Number 437,215,975	+Class CHESS Depository interests (CDIs)

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)	437,215,975	Fully paid ordinary shares underlying 437,215,975 CDIs
	2,007,006	Fully paid ordinary shares not represented by CDIs
	6,250,000	18/06/13 A\$0.20 options
	750,661	25/08/13 A\$0.20 options
	750,661	07/09/13 A\$0.20 options
	3,530,000	26/10/14 A\$0.20 options
	31,250,000	27/03/14 A\$0.16 options
	3,800,000	26/10/14 A\$0.25 options
	5,050,000	26/10/14 A\$0.35 options
	2,500,000	01/06/16 A\$1.00 options
	2,500,000	01/06/16 A\$0.50 options
	3,500,000	14/06/17 A\$0.25 options
	10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	No
12 Is the issue renounceable or non-renounceable?	Non-renounceable
13 Ratio in which the +securities will be offered	2 new CDIs for every 5 existing CDIs held on the Record Date
14 +Class of +securities to which the offer relates	CHESS Depositary interests
15 +Record date to determine entitlements	5pm (WST) on 17 May 2013
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17 Policy for deciding entitlements in relation to fractions	Round up to nearest whole entitlement

+ See chapter 19 for defined terms.

18	Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	All countries except Australia, New Zealand, the United Kingdom, Singapore and Indonesia
19	Closing date for receipt of acceptances or renunciations	5.00pm (WST) 5 June 2013
20	Names of any underwriters	Patersons Securities Limited
21	Amount of any underwriting fee or commission	5% of funds raised
22	Names of any brokers to the issue	Nil
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	N/A
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	No prospectus will be issued an Offer Document and Entitlement and Acceptance Form will be dispatched on 22 May 2012
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	9 May 2013
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	N/A

+ See chapter 19 for defined terms.

Appendix 3B New issue announcement

- | | | |
|----|--|--------------|
| 31 | How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | N/A |
| 32 | How do ⁺ security holders dispose of their entitlements (except by sale through a broker)? | N/A |
| 33 | ⁺ Despatch date | 13 June 2013 |

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) Securities described in Part 1
- (b) All other securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

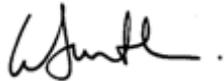
- 35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional ⁺securities

Quotation agreement

- 1 ⁺Quotation of our additional ⁺securities is in ASX's absolute discretion. ASX may quote the ⁺securities on any conditions it decides.

+ See chapter 19 for defined terms.

- 2 We warrant the following to ASX.
- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:

(Company secretary)

Date: 8 May 2013

Print name:

Graeme Smith

== == == == ==

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for ⁺eligible entities

Introduced 01/08/12

NOT APPLICABLE

⁺ See chapter 19 for defined terms.