

ASX Announcement
8 May 2013



www.sumatracoppergold.com

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

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Registered in England and Wales

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Registered Number 5777015

ASX Code: SUM

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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:

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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.