

ASX ANNOUNCEMENT

23 November 2011

GRANT AND CANCELLATION OF PERFORMANCE OPTIONS

On 4 July 2011 Sumatra Copper & Gold plc ('the Company') announced the grant of 5,000,000 Performance Options to Mr Julian Ford following his appointment as the Company's Chief Executive Officer, as part of Mr Ford's employment package.

The Options had an exercise price of A\$1.00, an expiry date of 1 June 2016, and are subject to the Performance Condition of the completion of the first post-commissioning calendar month of gold production at the Tembang project with gold production at or above the Board approved budgeted gold production total for that month.

Following recent declines in world equity markets the Board has resolved to cancel 2,500,000 of Mr Ford's Performance Options and to grant 2,500,000 Performance Options with an exercise price of A\$0.50. All other terms of the new Performance Options are the same as the Performance Options cancelled including that the clause that if the Performance Condition is not met by 31 December 2013 the options will lapse.

Chairman Warwick Morris noted, "The Board believes this amended pricing of part of Mr Ford's Performance Options aligns more closely Mr Ford's interests with those of the Company and Shareholders. This amendment is a Board initiative and was not undertaken at the request of Mr Ford."

Yours faithfully



Richard Edwards
Company Secretary

pjn6357

SUMATRA COPPER & GOLD plc

CORPORATE DETAILS

ASX Code: SUM

ABN: 14 136 694 267

Registered Number 5777015

Shares on issue¹: 190,144,181

BOARD AND MANAGEMENT

Warwick Morris

Chairman (Non-Executive)

Julian Ford

Chief Executive Officer

Adi Sjoekri

Executive Director

Peter Nightingale

Director (Non-Executive)

Dr Michael Price

Director (Non-Executive)

Jocelyn Waller

Director (Non-Executive)

CONTACT DETAILS

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¹Chess Depository Interests 1:1

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

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 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

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 | Options, each to acquire one CHESS Depository Interest in the Company |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 2,500,000 |
| 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) | 2,500,000 options granted, each exercisable at A\$1.00, an expiry date of 1 June 2016 and providing the Performance Condition is met by 31 December 2013
. |

+ See chapter 19 for defined terms.

4	<p>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>No - the options are not quoted</p> <p>From the date of exercise, the securities will rank equally with existing fully paid ordinary shares and chess depositary interests.</p> <p>The options do not participate in dividends, distributions or interest payments.</p>	
5	Issue price or consideration	Nil	
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Options granted as part of the Chief Executive Officer's remuneration package.	
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	23 November 2011	
8	Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	Number	+Class
		190,144,181	Fully paid ordinary shares and CHESSE Depositary Interests
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	Number	+Class
		10,000,000	20/02/12 A\$0.38 options
		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
		3,750,000	26/10/14 A\$0.20 options
		3,800,000	26/10/14 A\$0.25 options
		5,250,000	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
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Remains unchanged	

+ See chapter 19 for defined terms.

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A
15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
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

+ See chapter 19 for defined terms.

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	N/A
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	N/A
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
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	N/A

+ See chapter 19 for defined terms.

Part 3 - Quotation of securities

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

N/A

34 Type of securities
(tick one)

(a) Securities (CHESS Depository Interests) 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

N/A

Tick to indicate you are providing the information or documents

35 N/A 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 N/A 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 N/A A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

+ See chapter 19 for defined terms.

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- 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

N/A

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

N/A

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)	N/A	N/A

+ See chapter 19 for defined terms.

Quotation agreement

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

- 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:

Date: 23 November 2011

Company Secretary

Print name: Richard Edwards

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+ See chapter 19 for defined terms.