



8 August 2012

The Manager Companies
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Madam

(1 page by email)

PROVIDENT CAPITAL PARTNERS SUBSCRIPTION AGREEMENT

Sumatra Copper & Gold plc ('SUM') is pleased to announce an agreement with Provident Capital Partners Pte. Ltd. ('Provident') with the following terms and conditions:

- Provident, or their nominees, will subscribe for 28 million fully paid ordinary SUM shares or CHESS Depository Interests ('Shares') at a price of A\$0.135 per Share.
- Subject to SUM shareholder approval, Provident will be granted an additional 40 million conditional options ('Options'), each exercisable to acquire one Share with the following terms:
 - exercise of the Options is conditional upon:
 - Provident, or their nominees, having acquired an additional 10 million Shares; or
 - SUM having obtained a Pinjam Pakai Eksploitasi (exploitation forestry permit) for the Tembang project;
 - each Option is exercisable at a price equal to a 15% discount to the 10 day VWAP at the time of giving notice of exercise of the Option with a maximum exercise price of A\$0.20;
 - the Options are exercisable at any time after satisfaction of one of the above conditions until the earlier of:
 - 31 December 2012; or
 - 30 days after SUM gives Provident notice that a minimum of A\$1 million of SUM Shares have traded at A\$0.20 or more.

The Company expects to complete the initial subscription within two weeks; following which the Company will seek shareholder approval for the issue of the Options.

Provident was founded in 2004 and has a number of successful investments in a variety of industries. Amongst other investments, Provident has a 19% interest in Sihayo Gold Limited, an Australian listed Indonesian based gold mining company.

Yours faithfully,

A handwritten signature in blue ink, appearing to read "Julian Ford", is written over a light blue circular stamp.

Julian Ford
Managing Director