

ASX ANNOUNCEMENT

19 March 2012 (2 pages by email)

COMPLETION OF CRITICAL PATH ACTIVITY FOR TEMBANG PROJECT -**ENVIRONMENTAL PERMITTING APPROVED AND COMPLETE**

Sumatra Copper & Gold plc ('Sumatra' or 'the Company') is pleased to advise the critical environmental permitting ('AMDAL') for its 100%-owned Tembang gold and silver project, located in central Sumatra, is now complete.

The local authority, the Regency of Musi Rawas in the Province of South Sumatra, has granted AMDAL Permitting, approving the Environmental Management Plan/RKL ('EMP') and Environmental Impact Assessment/RPL ('EIS') for both stages of the Tembang Project.

The approval of the conversion of the IUP from Exploration to Exploitation ("Mining Lease") is expected in the next few weeks.

Sumatra Managing Director Julian Ford said the approval of AMDAL permitting was a significant milestone for the projects development, which is targeted for production in 2013.

"AMDAL was the critical path activity for Tembang, and an extremely important element of the project's permitting and feasibility studies. The Company will now progress to full project permitting throughout 2012, which will include forestry, manpower and operational permits," said Mr Ford.

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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. It has a significant greenfields to brownfields project portfolio covering more than 3,200 km².

Sumatra's 100%-owned Tembang Project is on-track for production during 2013. It has a JORC resource of 976,000 ounces gold and 12.8 million ounces silver. Initial stage 1 production plan is low cost, high grade operation, targeting 200,000 to 400,000 tonnes per annum.

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 found significant gold mineralisation at Tandai, which has historic high grade production of 1.4 million ounces gold.

Sumatra continues work at its wholly-owned Sontang Project, which is a high grade greenfields exploration project.

The Company has offices in London, Perth, Jakarta, Sumatra and Sydney