

Sumatra Repays \$5M Debt Facility after Completing \$8.4M Share Placement

Development timetable for Tembang Project remains on track

Sumatra Copper & Gold plc ('Sumatra' or 'the Company') is pleased to announce that it has repaid a \$5 million debt finance facility with Macquarie Bank Limited after completing the recently announced Placement of 38 million CDI's at 22 cents per share to raise A\$8.36 million.

The Placement was underpinned by the Company's major shareholder and cornerstone investor, respected Indonesian investment group Provident Minerals Pte Ltd, as part of a broader debt & equity funding package of up to A\$63 million announced last month for its flagship Tembang Gold-Silver Project in Sumatra, Indonesia (see ASX Announcement – 22 February 2013).

Provident Minerals subscribed for 11.4 million CDI's in the Placement while its nominees subscribed for 26.6 million CDI's.

Following completion of the Placement and repayment of the Macquarie facility, Sumatra's cash reserves stand at \$8.3 million, which will allow the Company to maintain the current project development schedule for Tembang ahead of the final forestry permit expected at the end of March 2013.

"The completion of the \$8.4 million placement and repayment of the Macquarie facility marks another key milestone in our march towards development of the Tembang Project," said Sumatra's Managing Director, Julian Ford.

"With cash reserves of \$8.3 million net of these transactions, the Company remains well placed to meet our development timetable at Tembang, with the next key milestone being the receipt of our final forestry permit, or Pinjam Pakai, which is expected towards the end of this month.

"That will enable us to complete the balance of our debt and equity financing package and move forward with construction and development in the second half of the year," he said.

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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 of 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.