

ASX Announcement

30 April 2014

SUMATRA
COPPER & GOLD

QUARTERLY ACTIVITIES REPORT For the 3 months ended 31 March 2014

Pivotal quarter for Sumatra with completion of Tembang drilling and new Mineral Resource and Ore Reserve estimates underpinning updated Feasibility Study

Highlights

Tembang Gold-Silver Project Development, Sumatra

- Ore Reserve updated completed:
 - Total Tembang Ore Reserve estimate of 2.01Mt ore @ 2.8 g/t gold and 32.9 g/t silver for a total of 181,000oz of contained gold and 2.12Moz of contained silver.
 - Open pit Ore Reserve estimate of 1.6Mt ore @ 2.1g/t gold and 30.2g/t silver
 - Underground Ore Reserve estimate of 0.4 Mt ore @ 5.5g/t gold and 43.0g/t silver
- Mineral Resource update completed, using only diamond drilling data, to provide a total Mineral Resource estimate of 6.5Mt grading 2.1 g/t gold and 27 g/t silver for total contained of 446,000oz of contained gold and 5.7Moz of contained silver.

Exploration and Development Drilling

- 6,985m Phase 3 Mineral Resource drilling program successfully completed at Tembang underpinning updated JORC Code 2012 compliant Mineral Resource estimates for the key Berenai, Asmar, Tembang/Anang and Bujang deposits.
- Historical RC drilling on these key deposits now replaced by diamond drilling to ensure more robust geological models and resources. RC drilling data highlights significant potential to expand these resources in multiple areas, both in the open pits but primarily in the underground extensions at the Berenai, Buluh, Tembang and Bujang deposits.

Corporate

- The Company has fully drawn-down on the US\$4M Convertible Loan Facility from its major shareholders, Provident Capital and Saratoga.
- The Company intends to provide an update to the market on the proposed funding of the Project within the first two weeks of May 2014.

Event Subsequent to 31 March 2014

Updated Tembang Definitive Feasibility Study announced on 23 April 2014, confirming low costs and robust economics for the Tembang Project.

Directors

Steve Robinson
Non-Executive Chairman

Julian Ford
Managing Director & CEO

Adi Sjoekri
Executive Director

Jocelyn Waller
Non-Executive Director

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Overview

The March 2014 Quarter was a pivotal period for Sumatra, with the Company completing extensive resource development drilling programs required to update its Mineral Resource and Ore Reserve inventory for the flagship Tembang Gold-Silver Project located in Sumatra, Indonesia.

The updated Mineral Resource and Ore Reserve estimates were completed in accordance with the JORC (2012 Edition). Historical Reverse Circulation (RC) drilling on key Tembang deposits was replaced by diamond drilling to ensure more robust geological models and resource estimation.

These activities were key to re-optimising the Tembang Life-of-Mine Plan ("LOM") and completing a new Definitive Feasibility Study ("DFS").

A relatively conservative gold price of US\$1,100 per ounce gold was used in the determination of Ore Reserves, with the global major and mid-tier producers using a price range of US\$1,100 to US\$1,300 per ounce with a median price of US\$1,250/oz. The LOM plan is based on Ore Reserves only.

Subsequent to the end of the March 2014 Quarter, the Company completed and published the revised Definitive Feasibility Study (DFS) on 23 April 2014 (see ASX Announcement – 23 April 2014).

The Company is now focused on completing negotiations and finalising the credit approval process for the proposed debt funding component of the Tembang Project, prior to completing the total funding package, with the objective of recommencing project construction subject to full funding being received.

Over the past six months the Company has undertaken a revision of the development plan and underlying business case for the Tembang Project in response to the volatility in the gold market experienced since April 2013.

The DFS is based on a five-year plan mining Ore Reserves at a nameplate plant throughput rate of 400,000 tonnes per annum (tpa) to produce a total of 169,000oz of gold and 1.8Moz of silver. A full copy of the DFS announcement is available on the Company's website.

1.1 Corporate Activities

The Company Convertible Loan Facility ("CLF") announced on the 4th December 2013 was fully drawn-down during the March Quarter.

On 13 March 2014, the Company announced that Provident Capital Partners Pte Ltd has assigned half the CLF to PT Saratoga Investama Sedaya. The first US\$2.5 million of this facility was drawn-down during December 2013.

1.2 Community Relations

PT Dwinad Nusa Sejahtera, holding company which owns the Tembang Project, received an official "clean and clear" certificate from the Ministry of Energy and Mineral Resources ("ESDM") on 11 March 2014. While this process was a formality, this certificate is an important part of the final permitting process for the development of the Tembang Project.

The Company continues to work closely with the local authorities. During the Quarter, a full delegation from the newly created local Regency, Musi Rawas Utara, including the newly appointed Bupati, Pak Akisropi Ayub, and his Mining and Forestry department heads visited the Tembang Project site.

In addition, the Company's local Community Relations Manager was appointed to the position of General Secretary of the "Sumatera Regional Forum on Forests Land Reclamation".

The Company is also please to inform its shareholders that the general election for members of Indonesia's parliament was completed in a peaceful and efficient manner on 9 April 2014, which demonstrates the maturity of Indonesia's democracy and relatively new constitutional reforms.

1.0 Mineral Resource & Ore Reserve Estimates in Compliance with JORC Code 2012

1.1 Resource Estimates

The Company announced updates to the Mineral Resource estimates for the Asmar, Tembang-Anang and Bujang deposits in March. This brings all the Mineral Resource estimates in-line with the 2012 JORC reporting requirements.

Table 1: Berenai – Mineral Resource Estimate

Resource Category	Tonnes	Grade Au g/t	Grade Ag g/t	Gold (oz)	Silver (oz)
Indicated	1,546,500	2.2	34.9	108,700	1,735,600
Inferred	322,500	1.4	25.6	14,100	265,500
Total	1,869,000	2.0	33.3	122,800	2,001,100

(Using a 0.5 g/t Au cut off)

Table 2: Asmar – Mineral Resource Estimate

Resource Category	Tonnes	Grade Au g/t	Grade Ag g/t	Gold (oz)	Silver (oz)
Indicated	1,636,000	1.2	20.6	64,300	1,081,800
Inferred	1,509,000	1.4	11.9	67,700	577,200
Total	3,145,000	1.3	16.4	132,000	1,659,000

(Using a 0.5 g/t Au cut off)

Table 3: Tembang-Anang – Mineral Resource Estimate

Resource Category	Tonnes	Grade Au g/t	Grade Ag g/t	Gold (oz)	Silver (oz)
Indicated	170,000	2.5	29.3	13,700	160,400
Inferred	56,000	2.1	29.9	3,800	53,300
Total	226,000	2.4	29.4	17,500	213,700

(Using a 0.5 g/t Au cut off)

Table 4: Bujang – Mineral Resource Estimate

Resource Category	Tonnes	Grade Au g/t	Grade Ag g/t	Gold (oz)	Silver (oz)
Indicated	204,000	2.8	38.7	18,600	254,300
Inferred	68,000	2.0	20.0	4,400	43,500
Total	272,000	2.6	34.0	23,000	297,800

(Using a 0.5 g/t Au cut off)

Notes to Tables above:

1. Figures in above tables may not sum due to rounding.
2. Significant figures do not imply an added level of precision.
3. Mineral Resource estimates completed by Cube Consulting.

Information material to understanding the Mineral Resource estimates was published by the Company on the 19 March 2014.

The Mineral Resource updates for the Asmar, Bujang, Berenai and Tembang-Anang deposits were completed by Cube Consulting. Mineral Resources estimates for Belinau and Buluh were reported under the 2012 guidelines in December 2013.

1.2 Ore Reserve Update

The updated Ore Reserves for the Tembang Project were published on 25 March 2014. The updated Ore Reserve estimation was completed in accordance with the guidelines of the JORC Code (2012 Edition) using a price of US\$1,100 per ounce for gold and US\$20 per ounce for silver.

Table 5: Ore Reserve Summary Table as published on 25 March 2014

Deposit	Resource Category	Tonnes ('000t)	Grade Au (g/t)	Contained Gold (oz)	Grade Ag (g/t)	Contained Silver (oz)
Open Pit Reserves						
Asmar	Proved	-	-	-	-	-
	Probable	802	1.5	40,000	23.8	613,000
Berenai	Proved	-	-	-	-	-
	Probable	706	2.2	50,000	31.0	704,000
Bujang	Proved	-	-	-	-	-
	Probable	55	3.9	7,000	60.2	107,000
Siamang	Proved	4	8.2	1,000	108.2	13,000
	Probable	31	8.0	8,000	64.8	64,000
Tembang Anang	Proved	-	-	-	-	-
	Probable	59	1.7	3,000	32.7	61,000
Total Open Pit Reserves	Proved	4	8.2	1,000	108.2	13,000
	Probable	1,653	2.0	108,000	29.1	1,549,000
	Total	1,657	2.0	109,000	29.3	1,562,000
Underground Reserves						
Belinau	Proved	204	6.0	39,000	41.5	272,000
	Probable	214	5.1	35,000	44.4	306,000
	Total	418	5.5	74,000	43.0	578,000
Total Reserves 2014						
Tembang	Proved	208	6.0	40,000	42.6	285,000
	Probable	1,867	2.4	143,000	30.9	1,855,000
	Total	2,075	2.7	183,000	32.1	2,140,000

Calculations have been rounded to the nearest 10,000 t, 0.1 g/t grade and 1,000 oz. metal.

1.3 Comment on the Tembang Drill Database

The Tembang Project has nearly 183km of drill holes in more than 1,800 drill holes. This is a major asset for the Company and would cost an estimated US\$25-40 million, in current dollars, to reproduce from inception.

In 2013, the Company took a major strategic decision to discard the RC drill database from its calculation of Measured and Indicated Mineral Resources. The majority of the RC drilling came from the BRM database acquired in 2008.

Table 6: Tembang Drill Summary Database

Period (from)	Period (to)	Drill Holes	Drill Metres
1987	2000	1,378	130,287
	Subtotal	1,378	130,287
Mar, 2008	Sept, 2008	43	5,564
2009	2009	-	-
Jan, 2010	Dec, 2010	83	13,649
Jan, 2011	Aug, 2011	91	12,939
	Subtotal	217	32,153
Jan, 2012	Aug, 2012	16	1,353
Feb, 2013	Oct, 2013	142	12,028
Dec, 2013	Mar, 2014	81	7,086
	Subtotal	239	20,466
2008-2014	Total	1,834	182,906

Over the past year, the Company has drilled more than 200 drill holes for nearly 20,000m. This drilling has primarily been focused on the Belinau Underground and the open pit, in-filling drilling the mineralisation defined by the whittle pits using a US\$1,100 gold price to Measured and Indicated Mineral Resource status.

The Company remains optimistic at the potential to effectively add to the Mineral Resource and Ore Reserve estimates, particularly where there is significant underground potential as highlighted in the now extensive Tembang database. This is well illustrated by Figure 1 and Figure 2 below.

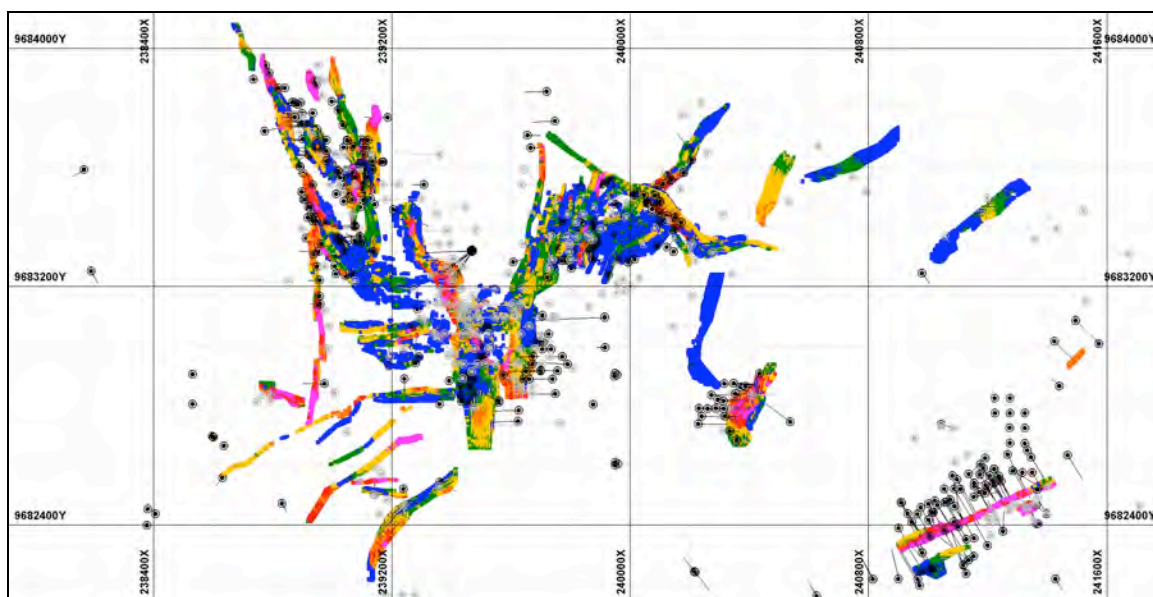


Figure 1: Tembang Plan View of Sept 2012 Mineral Resource Model

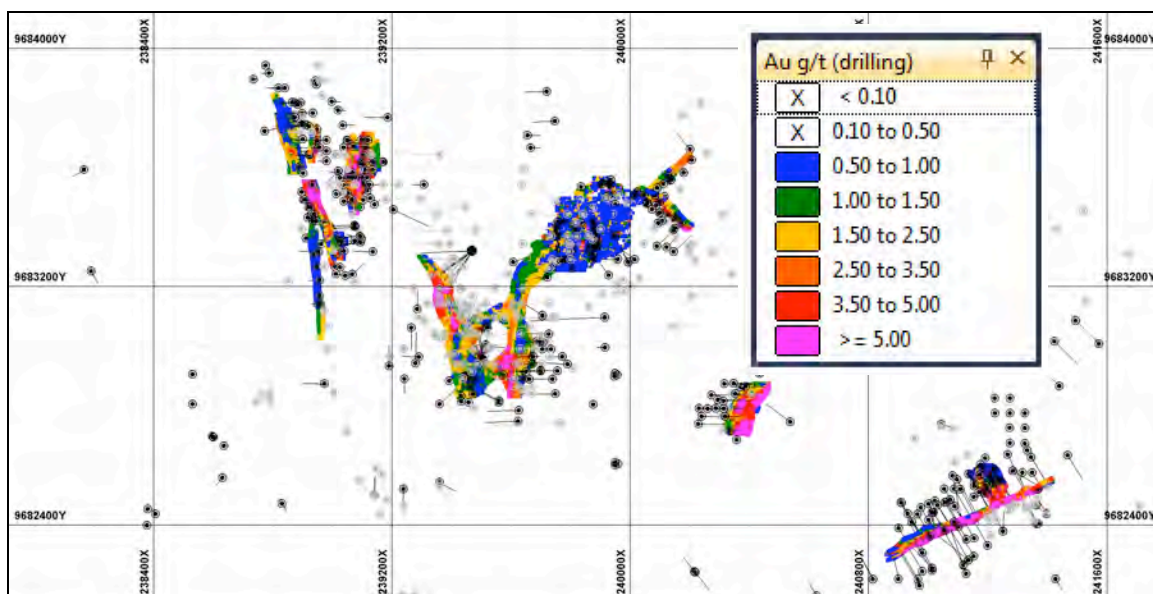


Figure 2: Tembang Plan View of Mineral Resource Models as at March, 2014

2.0 Tembang Development Drilling and Exploration

2.1 Development Drilling

The Company completed a Mineral Resource definition and geotechnical drilling program (Phase 3) during the Quarter with the objective of increasing Mineral Resources and Ore Reserves at the Tembang Project. A total of 79 drill holes for 6,985m were completed.

The program achieved all of its objectives, which were to ensure full compliance with the JORC Code 2012; to convert Mineral Resources to Ore Reserves within optimised pits; to increase the Ore

Reserve base to support a 5-year life-of-mine plan; and to improve the Tembang Project's debt-carrying capacity.

The historical RC drilling in the key deposit areas of Anang Tembang, Asmar, Bujang and Berenai was replaced by diamond drilling resulting in more robust geological models and resources.

The RC drilling data also highlights significant potential to expand resources in multiple areas, both in the open pits and also by underground extensions.

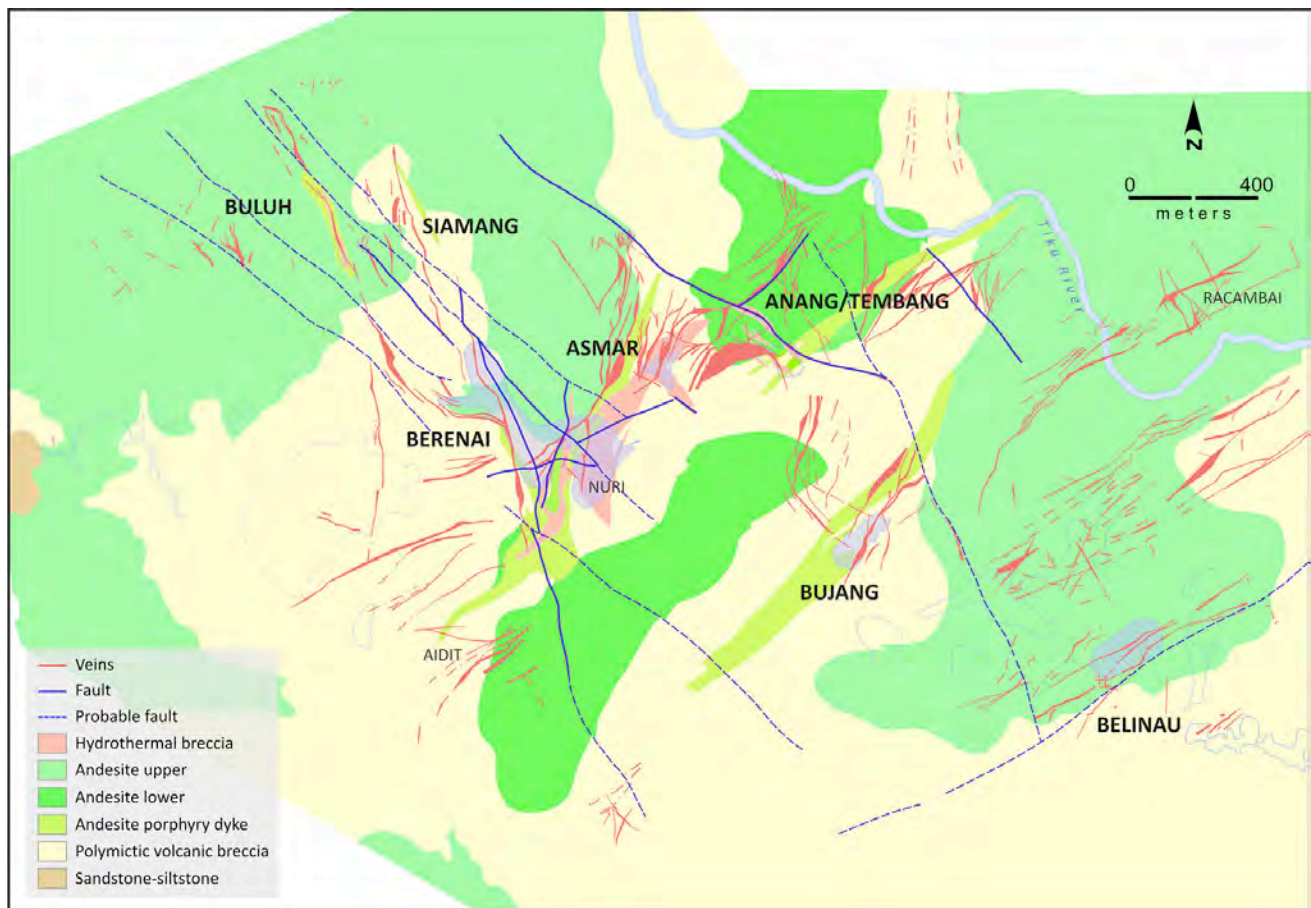


Figure 3: Tembang District

Berenai

The recently completed Phase 3 drill program at Berenai was designed to upgrade the Mineral Resource estimate to be in full compliance with JORC Code 2012 by replacing historical RC drilling with diamond drilling and increasing drill density where required to ensure minimum Indicated Mineral Resources were achieved within a nominal whittle pit shell optimised at US\$1,000/oz Au on the 2011 Mineral Resource model.

At Berenai, 24 drill holes have been completed for a total of 2,407.5m. The drilling program successfully targeted mineralisation around the southern shoot plunging to depth along the main Berenai structure (Figure 2) and infill drilling along both the Central and Nuri structures.

The shoot is open well below the current pit limits and has the potential for additional high-grade resource additions (Figure 3).

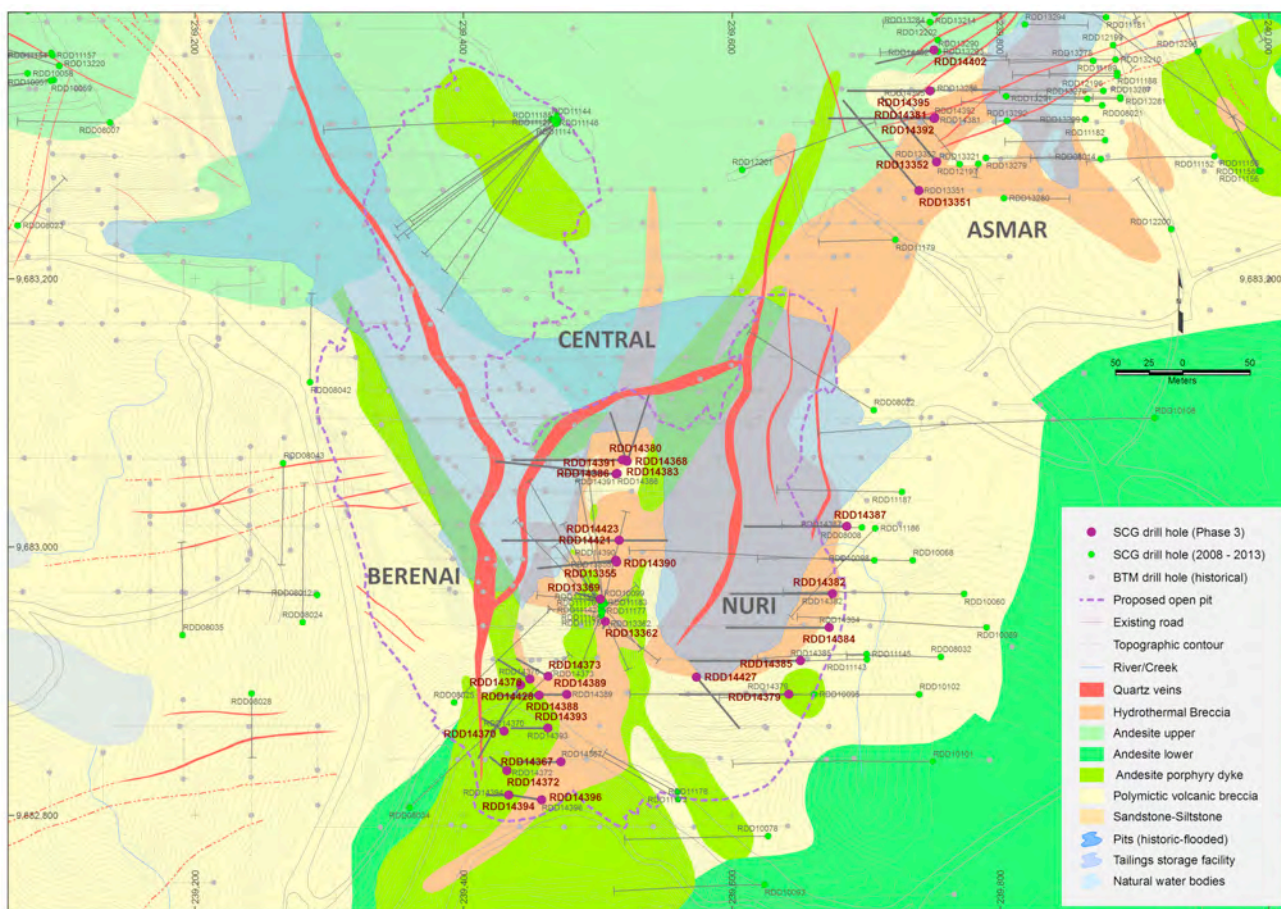


Figure 4: Berenai schematic geology and drill hole plan

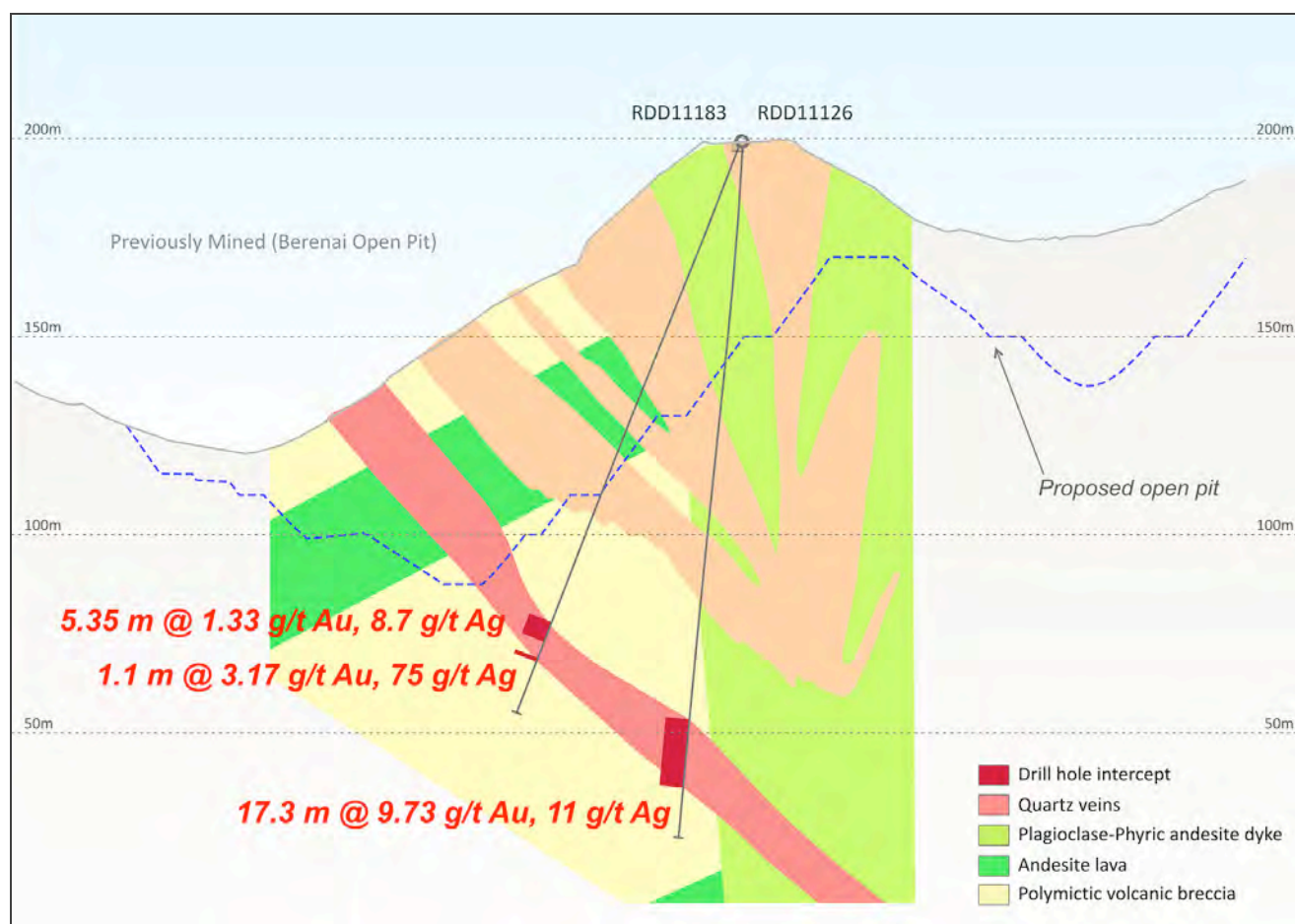


Figure 5: Berenai Drill Section RDD11126 Looking North East

Asmar

At Asmar, the Phase 3 drill program targeted conversion of Inferred Mineral Resources to Indicated Mineral Resources category. The program also targeted the extension high-grade shoots at the periphery of the previously outlined LOM pit. Six drill holes were completed for a total of 354.8m intersecting typical low-to-moderate grade mineralisation hosted by quartz veining, stock work and shear zones with sporadic higher grades encountered within individual veins.

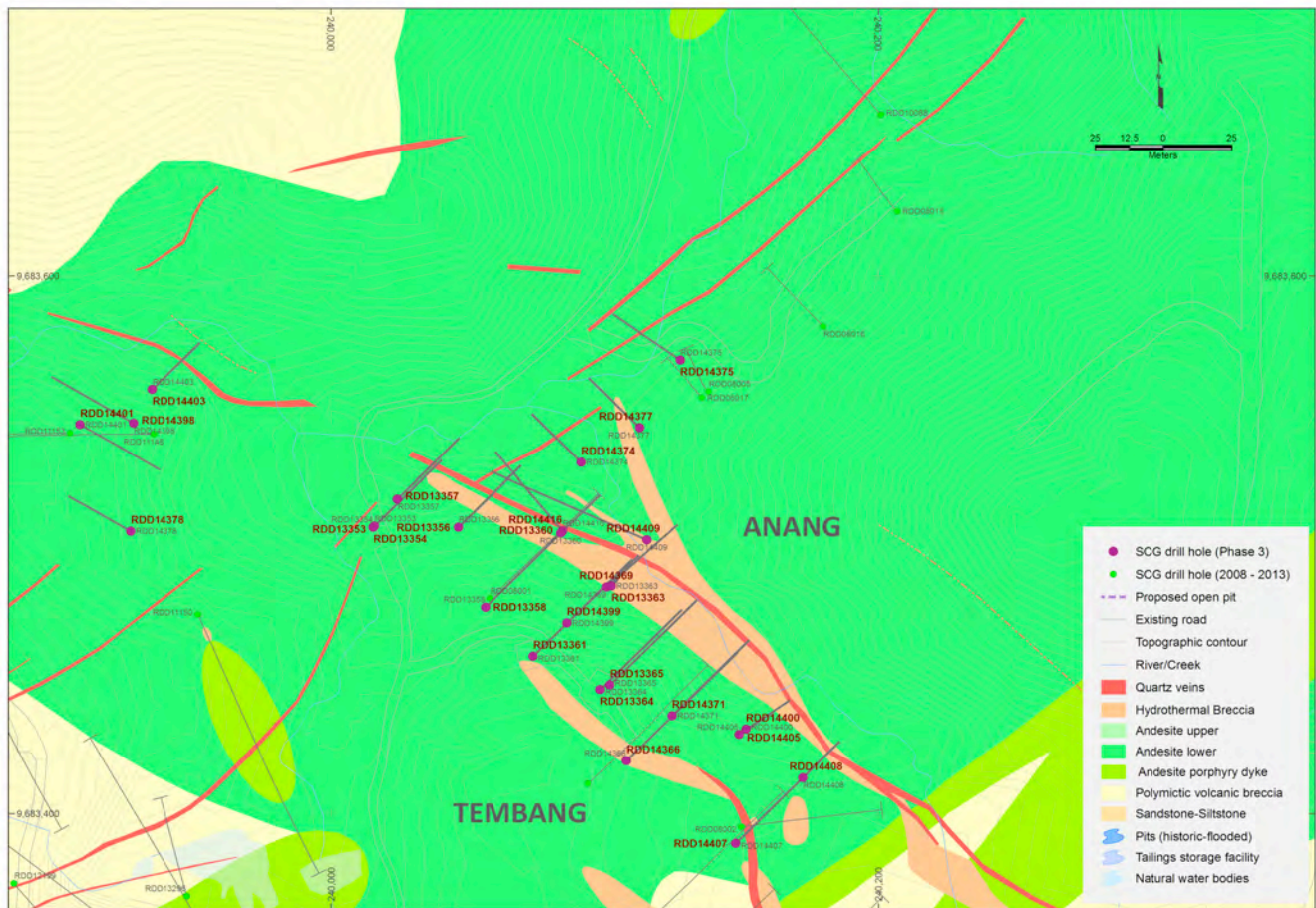


Figure 7: Tembang/Anang schematic geology and drill hole plan

Bujang

The objective of the recent drill program at Bujang was to complete a JORC Code 2012 compliant Mineral Resource model and estimate based on 100% diamond drilling.

The drill program was designed to convert Mineral Resources within a nominal whittle pit shell optimised at US\$1,000/oz Au based on the 2011 Mineral Resource model. The drilling targeted conversion of shallow Mineral Resources along a well-constrained quartz vein lode.

Seven Mineral Resource definition drill holes for 752.7 metres and three geotechnical holes for 278.3 metres were completed (See Figure 6). Results of the drill program confirmed continuous mineralization along the entire length of the deposit except on the northernmost section where drilling has effectively closed off mineralization in this direction. Drilling to the south of the deposit intersected high grades and remains open to the southwest (Figure 7).

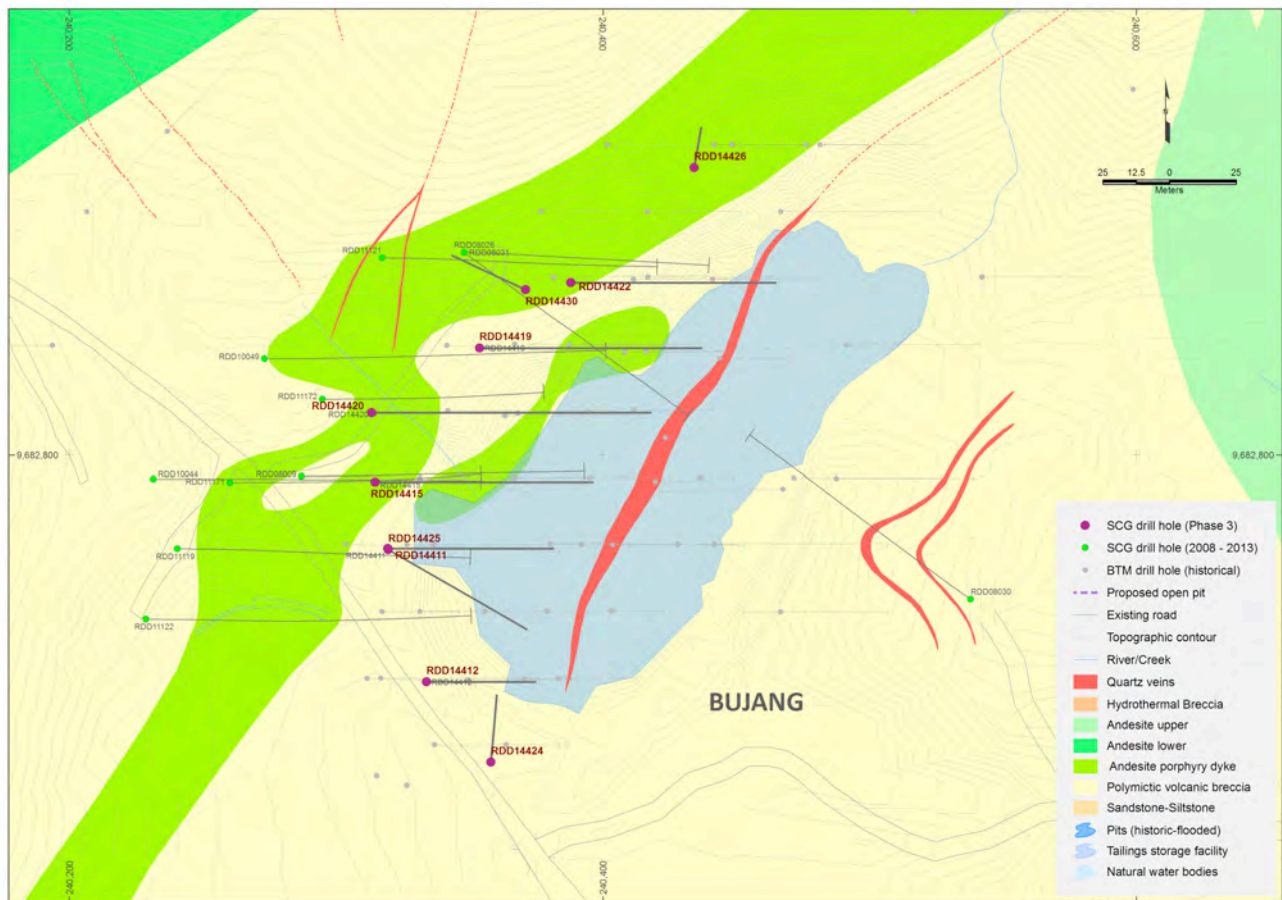


Figure 8: Bujang schematic geology and drill hole plan

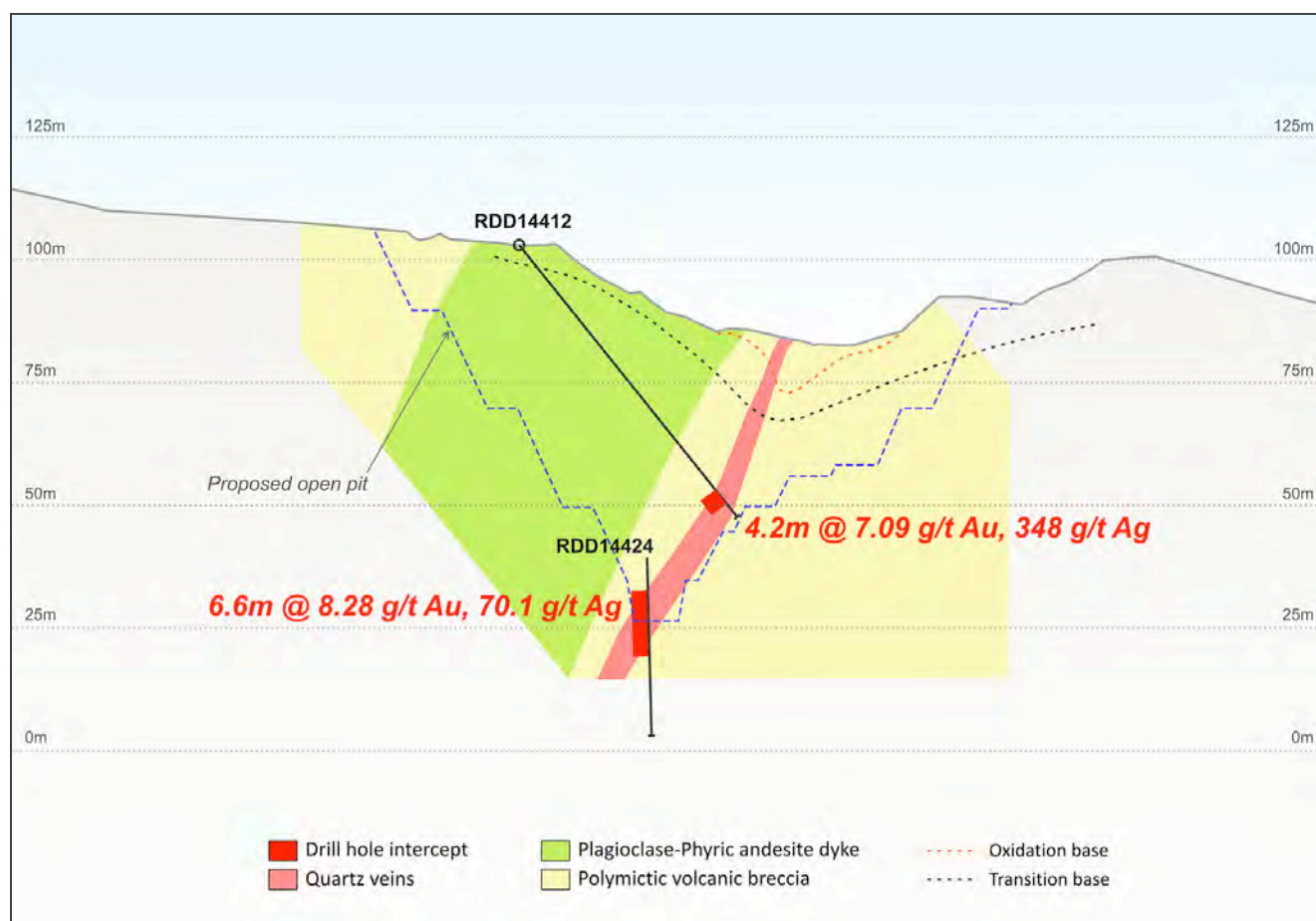


Figure 9: Bujang Drill Section RDD14412 Looking Northeast

Siamang and Belinau

No updates have been made to the Siamang and Belinau Mineral Resources as the Company chose to restrict the additional drilling at these projects during the recent drilling campaign. The Siamang deposit was previously reported as part of the Buluh deposit (Figure 1), although it is currently expected that only the Siamang deposit will be considered as a potential open pit mine.

Both the Belinau and Buluh Mineral Resource estimates were updated and were reported to the ASX on 4 December 2013 and are considered compliant with the JORC Code (2012 Edition).

Table 7 – Tembang Resource Drilling: Significant Intersections Au >0.5g/t since 10 March 2014

Hole ID	Prospect/Deposit	Drill Type	Northing	Easting	RL (m)	Az	Incl	From	To	Interval	Au (ppm)	Ag (ppm)
RDD14418	Siamang	DDH	239026	9683565	214	90.00	-60.00	42.50	43.10	0.60	2.99	5.2
RDD14418	Siamang	DDH	239026	9683565	214	90.00	-60.00	44.00	45.00	1.00	0.65	4.0
RDD14419	Bujang	DDH	240354	9682840	115	90.00	-42.00	99.00	103.00	4.00	3.01	25.7
RDD14419	Bujang	DDH	240354	9682840	115	90.00	-42.00	110.95	111.50	0.55	0.61	4.6
RDD14420	Bujang	DDH	240313	9682816	117	90.00	-39.00	121.60	125.20	3.60	6.03	43.6
RDD14423	Berenai	DDH	239516	9683005	193	270.00	-60.00	34.85	35.30	0.45	2.07	39.6
RDD14423	Berenai	DDH	239516	9683005	193	270.00	-60.00	110.80	122.50	11.70	6.58	9.0
RDD14423	Berenai	DDH	239516	9683005	193	270.00	-60.00	169.70	171.00	1.30	10.95	250.0
RDD14424	Bujang	DDH	240358	9682685	98	5.00	-75.00	67.80	81.80	14.00	4.68	54.4
RDD14424	Bujang	DDH	240358	9682685	98	5.00	-75.00	94.00	94.80	0.80	0.96	2.1
RDD14425	Bujang	DDH	240320	9682765	109	120.00	-55.00	90.60	91.60	1.00	4.21	121.0
RDD14427	Nuri	DDH	239574	9682903	174	140.00	-60.00	91.40	99.00	7.60	2.63	19.3
RDD14428	Berenai	DDH	239443	9682897	223	210.00	-65.00	17.00	21.20	4.20	4.35	7.1
RDD14428	Berenai	DDH	239443	9682897	223	210.00	-65.00	23.40	33.30	9.90	4.85	80.8
RDD14431	Kenapa	DDH	238832	9682471	134	150.00	-50.00	0.00	3.10	3.10	0.92	3.4

Notes:

Results to RDD 14418 previously released in ASX announcement "Tembang Infill Mineral Resource Drilling – Program Complete" and were reported on 10 March 2014

2.2 Tandai Exploration

The Tandai Project is located within the northern part of the Bengkulu Utara IUP, in the Kabupaten area of Bengkulu Utara, approximately 100km north of Bengkulu. No material work was carried out in the Tandai Joint Venture ("Tandai JV") during the quarter.

The Company is in the final stages of negotiating the buy-out of Newcrest interest in the Tandai JV. Under the terms of the Tandai JV agreement; the Company has the right to acquire Newcrest's original 100% interest in the Tandai JV for a cost of one hundred US dollars.

3.0 Tenement Status

Category	Details
Company:	PT Bengkulu Utara Gold
Ownership:	70.00% Newcrest Mining 27.75% Sumatra Copper & Gold 2.25% PT Nusa Palapa Minerals
Type of Permit:	Mining Business Permit – IUP for Exploration
Permit Number:	Decree of Bengkulu Utara Regent Nr. 390 of 2012
Total Area:	16,688 Ha
Location:	Subdistrict : Napal Putih, Padang Jaya, and Arga Makmur Regency : Bengkulu Utara Province : Bengkulu
Date Issued:	29 December 2012
Permit Period:	3 years to 22 December 2015

Category	Details
Company:	PT Dwinad Nusa Sejahtera
Ownership:	99.95% Sumatra Copper & Gold 00.05% Adi Adriansyah Sjoekri
Type of Permit:	Mining Business Permit – IUP for Operation Production
Permit Number:	Decree of Musi Rawas Regent Nr. 263/KPTS/DISTAMBEN/2012
Total Area:	9,979 Ha
Location:	Village : Suka Menang Subdistrict : Karang Jaya Regency : Musi Rawas (Now is Musi Rawas Utara) Province : Sumatera Selatan
Date Issued:	04 April 2012
Permit Period:	20 years to 03 April 2032

Category	Details
Company:	PT Musi Rawas Gold
Ownership:	92.50% Sumatra Copper & Gold 07.50% PT Nusa Palapa Minerals
Type of Permit:	Mining Business Permit – IUP for Exploration
Permit Number:	Decree of Musi Rawas Regent Nr. 657/KPTS/DISTAMBEN/2012
Total Area:	9,848 Ha
Location:	Subdistrict : Karang Jaya Regency : Musi Rawas (Now is Musi Rawas Utara) Province : Sumatera Selatan
Date Issued:	28 December 2012
Permit Period:	5 years to 27 December 2017

Category	Details
Company:	PT Nusa Palapa Minerals
Ownership:	99.95% Sumatra Copper & Gold 00.05% Adi Adriansyah Sjoekri
Type of Permit:	Mining Business Permit – IUP for Exploration
Permit Number:	Decree of Pasaman Regent Nr. 188.45/933/BUP-PAS/2012
Total Area:	24,850 Ha
Location:	Subdistrict : Duo Koto, Rao, and Rao Selatan Regency : Pasaman Province : Sumatera Barat
Date Issued:	13 November 2012
Permit Period:	3 years to 24 March 2015

During the previous six months the Company relinquished the following tenements:

- PT Jambi Gold
- PT Kotanopan Mining
- PT Mandailing Mining

Tenement status for PT Lebong Gold is currently being discussed with the Department of Energy and Mines and also with BKPM (Investment Board).

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, which encompasses a pipeline of projects ranging from greenfields exploration projects to brownfields, near-production opportunities.

Competent Person's Statement – Exploration Results

The information in this report that relates to Mineral Resources is based on information compiled by Mr Matthew Farmer, who is a full time employee of the company and a Member of the Australasian Institute of Mining and Metallurgy. Mr Farmer 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Farmer consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Competent Person's Statement – Mineral Resources

The information in the report to which this statement is attached that relates to the Mineral Resource estimates for Asmar, Berenai, Tembang-Anang & Bujang is based on information compiled by Mr Chris Black who is a member of AIG and a full time employee of Cube Consulting. Mr Chris Black has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australian code for reporting of Exploration Results, Mineral Resource and Ore Reserves'. Mr Chris Black consents to the inclusion in the report of the matter based on his information in the form and context in which it appears.