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The Manager Companies  
ASX Limited  
20 Bridge Street  
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(4 pages by email)

Dear Madam

## UPDATED RESOURCE FOR TEMBANG PROJECT

### Highlights

- **Improved overall gold and silver grades at Tembang**
- **Findings underpin staged development plan for Tembang**
- **Southern high grade shoot at Berenai remains open at depth**
- **Belinau deposit confirmed as a potential stand alone underground resource**

Sumatra Copper & Gold plc ('Sumatra' or 'the Company') is pleased to announce the updated resource for its Tembang gold and silver project, located in central Sumatra, Indonesia.

A 5,618 metre infill drilling program has further defined the resource and formed the basis of the upcoming Feasibility Study. The Company also carried out an extensive Specific Gravity verification of various lithological groups as recommended by Hellman and Schofield.

The project has a total combined resource of 22.6 million tonnes with 976,000 ounces of gold at a grade of 1.35 g/t Au and 12,794,000 ounces of silver at a grade of 17.6 g/t Ag. Further definition has been added to the ore zones, improving resource confidence in some key areas.

Sumatra Chief Executive Officer Julian Ford said the updated resource produced in line with the JORC guidelines and the confirmation of Belinau's potential as a stand alone underground resource gives the Company confidence to proceed with its two stage development plan at Tembang.

"Our strategy, as outlined in the June quarterly report, is to move our high grade Belinau deposit (as well as two smaller satellite pits) into production during stage 1. By doing so, we will substantially reduce the time and capital costs required to move into production. We aim to move the remaining larger pits at Tembang into production following completion of stage 1", said Mr Ford.

"In line with our development plan, we published the Belinau Resource as a discrete underground resource using a higher cut-off grade.

"The latest resource is very similar to the previous global resource albeit with a tighter drill pattern and an increased data set. We will provide an updated development plan and schedule in the coming weeks."

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## Increased Definition at Belinau and Berenai

The infill drilling program succeeded in better defining the resource at Belinau and Berenai, with further scope to add to Berenai's resource following the extension of the southern high grade shoot which still remains open at depth.

Drilling at Belinau increased the size of the Northern high grade shoot and gave further definition to the Southern high grade shoot. The size and grade of the Belinau resource now constitutes a stand alone potential underground resource. Both high grade shoots at Belinau are now closed off, though potential remains to explore for additional vein development along the strike of this highly prospective structural corridor.

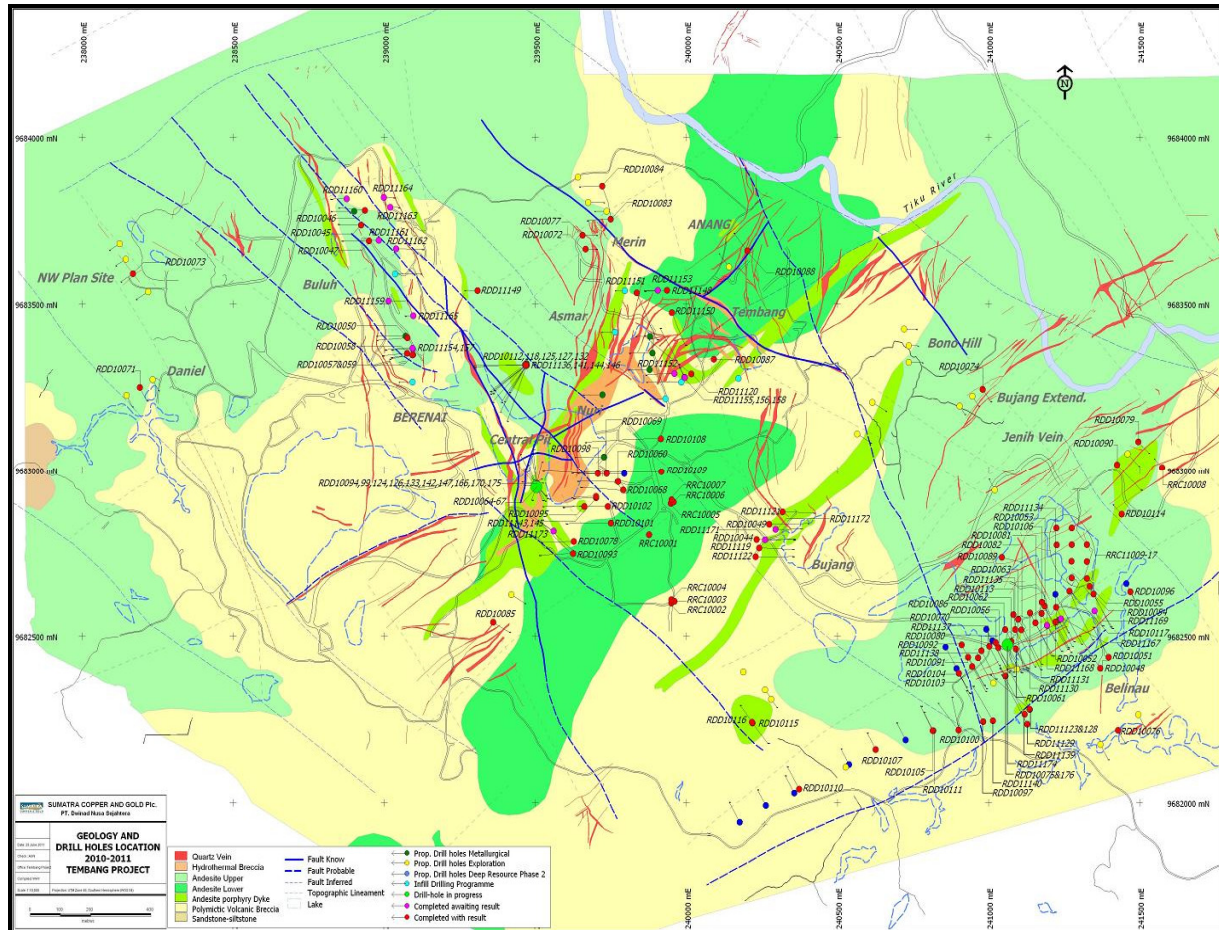
Follow up work on rock densities has added a much better defined set of density values for modeling. Tighter search parameters have resulted in a reduction in inferred resources and a limitation on the influence of high grade assays. Drilling at Buluh and Bujang trimmed away some inferred high grades.

A revision of the use of density data has resulted in a slight loss of tonnage in the veins as the Company now models density values for each block which recognises that in some areas the vein includes intercalated mineralised wall rocks which have lighter densities. Halo mineralisation, renamed as peripheral sheeted veins (PSV) to more correctly reflect the style of mineralisation, saw a 5% drop in tonnages due to the revision downwards by some 20% for the density of oxidised zone.

As with the previous March resource the new model and estimate have been reviewed by Hellman & Schofield.

| Tembang Mineral Resource August 2011 Reported to JORC Code Standards   |       |   |        |        |        |        |
|--|-------|---|--------|--------|--------|--------|
|  |       | Belinau Above 2.78g/t Underground Cut-Off                 |        |        |        |        |
|  |       | Ktonnes   | Au g/t | Ag g/t | Au koz | Ag koz |
| BELINAU  | VEIN  | Measured  | 149    | 7.22   | 35     | 361    |
|  |       | Indicated   | 266    | 8.02   | 69     | 580    |
|  |       | Inferred  | 72     | 10.50  | 24     | 188    |
|  |       | Sub-Total   | 487    | 8.14   | 72.2   | 127    |
|  |       |   |        |        |        |        |
|  |       | All Veins Excluding Belinau Above 0.5g/t Open Pit Cut-Off |        |        |        |        |
|  |       | Ktonnes   | Au g/t | Ag g/t | Au koz | Ag koz |
| OTHER  | VEINS | Measured  | 2,598  | 2.27   | 37.8   | 3,156  |
|  |       | Indicated   | 4,423  | 1.80   | 256    | 3,637  |
|  |       | Inferred  | 3,554  | 1.80   | 202    | 2,319  |
|  |       | Sub-Total   | 10,575 | 1.91   | 26.8   | 648    |
|  |       |   |        |        |        |        |
|  |       | PSV Material Above 0.3g/t Open Pit Cut-Off                |        |        |        |        |
|  |       | Ktonnes   | Au g/t | Ag g/t | Au koz | Ag koz |
| PSV  |       | Measured  |        |        |        |        |
|  |       | Indicated   | 11,323 | 0.54   | 198    | 2,523  |
|  |       | Inferred  | 194    | 0.50   | 3      | 29     |
|  |       | Sub-Total   | 11,517 | 0.54   | 6.9    | 201    |
|  |       |   |        |        |        |        |
|  |       | Combined Total Resource Open Pit + Underground            |        |        |        |        |
|  |       | Ktonnes   | Au g/t | Ag g/t | Au koz | Ag koz |
| ALL  |       | Measured  | 2,747  | 2.54   | 224    | 3,517  |
|  |       | Indicated   | 16,012 | 1.02   | 13.1   | 6,741  |
|  |       | Inferred  | 3,820  | 1.90   | 20.7   | 2,536  |
|  |       | Total   | 22,579 | 1.35   | 17.6   | 976    |
|  |       |   |        |        |        |        |
| Note: Rounding errors may occur, reporting cut-offs as indicated, significant figures do not imply any added level of precision. |       |   |        |        |        |        |

The principal differences between this and the March 2011 resource lie in the revisions to the density values used and their application, estimated for each block, inferred, and the change to a higher reporting cut-off for Belinau to reflect the change in mining method.



## Other

The information in this report that relates 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 by the Australasian Code for the reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code 2004 Edition) 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'. Mr. Spiers has consented to the inclusion in this report of the matters based on their information in the form and context in which it appears.

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Yours sincerely



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