



25 February 2010

The Manager Companies
ASX Limited
20 Bridge Street
Sydney NSW 2000

(5 pages by email)

Dear Madam

**FIRST TEMBANG PROJECT DRILLING RESULTS
and
TANDAI PROJECT SURFACE SAMPLE RESULTS**

The Directors of Sumatra Copper & Gold plc ('Sumatra Copper & Gold' or 'the Company') are pleased to announce the first drilling results from the Tembang project and surface sample results from the Tandai project.

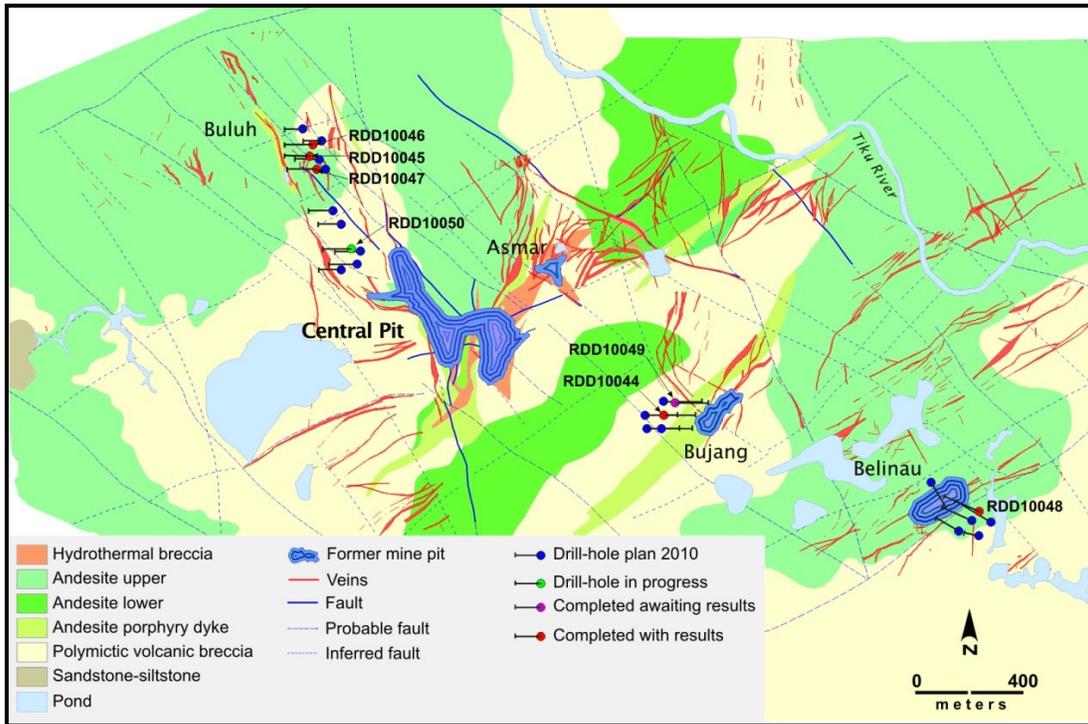
- **High grade intercepts obtained from initial Tembang drilling**
- **Best result at Belinau – 1.60 metres @ 17.89 g/t Au and 17.0 g/t Ag**
- **Mapping, float and channel sample results at Glumbuk (Tandai project) indicate the potential for a significant subsurface drill target**

Tembang Project

Drilling at Tembang started on 3 January 2010. The principal objective of this initial program of 25 diamond holes, approximately 5,000 metres of drilling, is to test the down dip potential of the higher grade veins at Bujang, Belinau and Buluh with a program of step out drilling on a 50 metre x 50 metre grid. A second objective is to obtain better geological definition of the halo mineralisation and to obtain samples of halo mineralisation for further metallurgical test work.

Results so far show that the vein mineralisation does, generally, extend deeper than established by prior drilling with a particularly strong showing at Belinau. This, and the definition of the halo mineralisation encountered, will contribute to an upgraded resource on the conclusion of the drilling program.

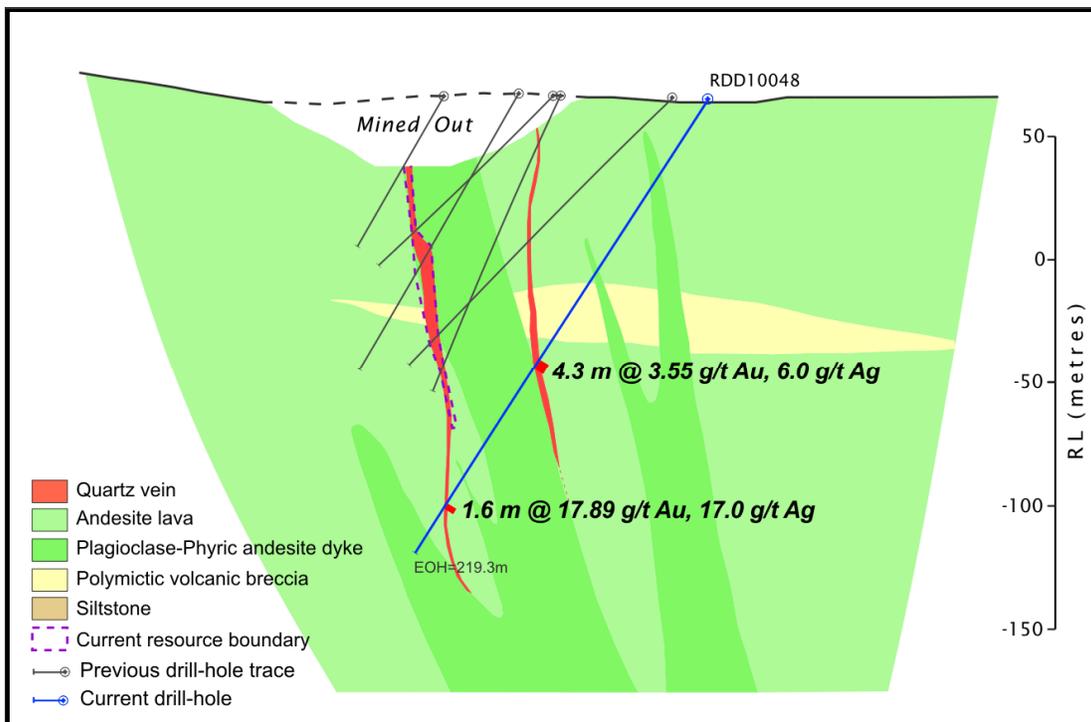
To date, a total of 6 holes (being 2 holes at Bujang, 3 holes at Buluh North and 1 hole at Belinau) have been completed for approximately 1,200 metres. Drilling of the seventh hole, located at Buluh South, is in progress.



Geology map of the Tembang vein system showing location of drill holes

Assay results have been received for the first 5 holes and are detailed in Table 1.

The best result to date is at Belinau, where the main vein returned 1.60 metres @ 17.89g/t Au and 17.0g/t Ag, with a hanging wall vein giving 4.30 metres @ 3.55g/t Au and 6.0g/t Ag.



RDD10048 drill section through Belinau

Results from the three holes at Buluh North would indicate that mineralisation, whilst present, is beginning to weaken at depth, however one intercept from the central hole in the main vein returned 4.55 metres @ 3.56g/t Au and 106.3g/t Ag indicating good continuity at depth in this section.

At Bujang we seem to have reached the base of gold mineralisation.

Hole No	Location	Type	From	Length	Au g/t	Ag g/t
RDD10044	Bujang	Halo	149.85	3.15	0.81	28.5
RDD10044	Bujang	Halo	165.40	1.00	0.47	3.1
RDD10044	Bujang	Vein	213.00	1.10	2.02	4.9
RDD10044	Bujang	Vein	223.30	1.05	1.01	3.2
RDD10045	N. Buluh	Halo	4.60	3.30	1.01	6.3
RDD10045	N. Buluh	Halo	12.60	1.00	2.08	6.4
RDD10045	N. Buluh	Vein	144.60	4.55	3.56	106.3
RDD10046	N. Buluh	Vein	123.70	1.50	0.60	11.8
RDD10046	N. Buluh	Vein	153.05	1.65	BARREN	
RDD10047	N. Buluh	Halo	13.00	1.00	0.41	37.0
RDD10047	N. Buluh	Halo	17.00	3.00	0.42	5.8
RDD10047	N. Buluh	Halo	26.00	3.60	1.06	2.4
RDD10047	N. Buluh	Halo	66.90	1.00	1.50	26.2
RDD10047	N. Buluh	Vein	173.45	1.60	1.30	3.9
RDD10048	Belinau	Halo	34.80	1.00	2.00	1.3
RDD10048	Belinau	Vein	125.00	4.30	3.55	6.0
RDD10048	Belinau	Vein	196.30	1.60	17.89	17.0

Length weighted significant drill intersections above 0.35g/t Au cut-off.

All results are for diamond drill cores, with drill cores either PQ or HQ in size. Core samples were halved with a diamond saw with one half-core submitted to Intertek Caleb Brett Laboratories in Jakarta for analysis; gold analysis by 50gm fire assay, silver by AAS.

The Tembang project is located approximately 120 kilometres north-northeast of Bengkulu in South Sumatra province. Tembang is a large low-sulphidation epithermal deposit comprising gold-silver bearing quartz veins hosted by Tertiary volcanics. The property was previously mined from late 1997 until March 2000 when production ceased due to a declining gold price. The Company has rights to two IUPs totalling an area of some 850 km² over and around the old mine-site.

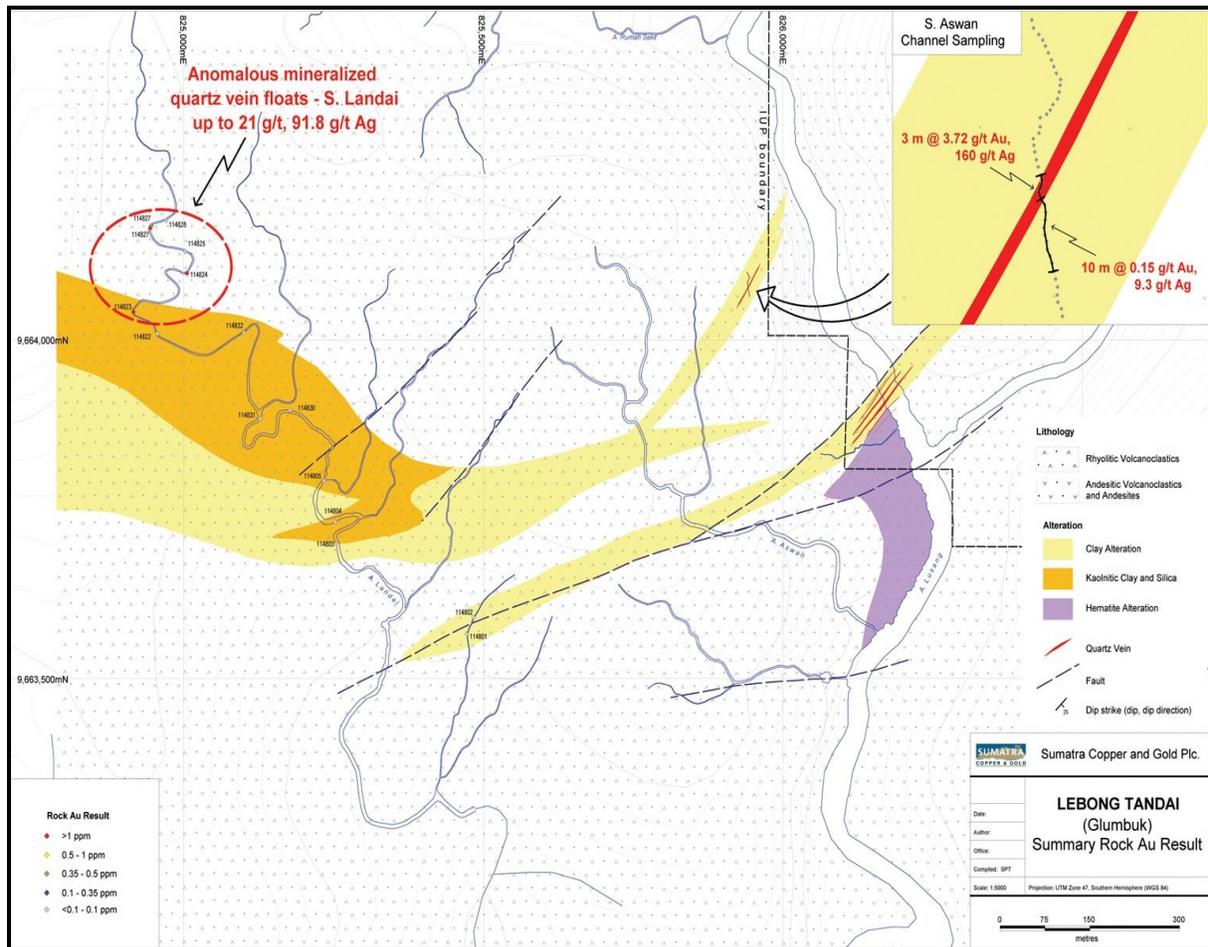
Tandai Project

At Tandai, recent surface mapping of alteration has confirmed the westward continuation of the Glumbuk structure. Clay-silica alteration has so far been traced for a distance of some 1.5 kilometres. The zone of alteration is thought to indicate the continuation of epithermal veining beneath a cover of less receptive sedimentary host rocks.

Quartz float samples collected from the Sungai Landai drainage to the north of the Glumbuk structure returned a best result of 21.0g/t Au and 91.8g/t Ag.

Additionally, channel sampling, using a diamond saw, of a quartz vein in the hanging wall to the Glumbuk system exposed near the Sungai Aswan drainage gave 3 metres @ 3.72g/t Au and 160g/t Ag.

Work at Tandai will resume in the second quarter of 2010 with the intention of defining drill targets at Glumbuk for drilling subsequently.



Plan showing extent of alteration at Glumbuk and location of samples

The Tandai project is located within the northern part of the 1,000 km² Bengkulu Utara IUP, in the regency of Bengkulu Utara, Bengkulu province, approximately 100 kilometres north of the city of Bengkulu. Tandai has a long history of formal underground mining from the early part of the 20th Century until post World War II with recorded production of some 1.4 million ounces of gold at an average grade of 15.4g/t Au and 167g/t Ag. The Company's tenements control a district in which at least three Dutch companies worked portions of the system. The old Dutch mining camp at Tandai still remains, and was re-furbished by PT Lusang Mining Ltd (in a joint venture with CSR, then Billiton) when the mine was redeveloped and worked between 1985 and 1995.

Summary

Managing Director, Jocelyn Waller, comments: "We are pleased that the results from the first few holes of our latest drilling at Tembang confirm that the vein system there runs deeper than in the currently defined resource. The 17.89g/t Au intercept at Belinau shows too that the system contains significant high grade portions. We are hopeful that these results and the better definition of the halo mineralisation we are obtaining will lead to a meaningful resource upgrade on the completion of the program.

At Tandai the latest results at Glumbuk underpin our belief that Glumbuk has the potential to host a high grade gold/silver vein system comparable to the Tandai vein system to the north previously mined by the Dutch and post-war. In our view, Glumbuk is shaping up to be an outstanding drill target and work will now intensify there to ready it for drilling later this year.”

Other

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by David Stock, geologist, who is a Member of the Australasian Institute of Mining and Metallurgy. David Stock is a consultant to the Company who 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'. David Stock has consented to the inclusion in this report of the matters based on his information in the form and context in which they appear.

For further information, please contact Warwick Morris, Peter Nightingale or Richard Edwards on (61 2) 9300 3377.

Yours sincerely



Warwick G. Morris
Chairman

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