



25 May 2010

The Manager Companies  
ASX Limited  
20 Bridge Street  
Sydney NSW 2000

(6 pages by email)

Dear Madam

### **FURTHER TEMBANG HIGH GRADE DRILLING RESULTS**

- **Latest results extend high grade SW shoot at Belinau**
- **Best intercept 19.11 g/t Au and 119.5 g/t Ag over 1.15 metres**
- **Encouraging intercepts at Nuri and in waste dumps**

#### **Tembang Drilling Update**

The Tembang project is located approximately 120 kilometres north-northeast of Bengkulu in South Sumatra province. Tembang is a large intermediate-sulphidation epithermal deposit comprising gold-silver bearing quartz veins hosted by Tertiary volcanics. The Company has rights to two IUPs totalling an area of some 850 km<sup>2</sup> over and around the former Rawas mine that operated between 1997 and 2000.

A total of 21 holes have been completed during the current programme of diamond drilling designed to test the down dip extensions of the higher grade vein systems at Buluh, Bujang and Belinau.

At Belinau RDD10061 returned 1.15 metres @ 19.11g/t Au and 119.5g/t Ag, RDD 11062 2.60 metres @ 14.18g/t Au and 63.1g/t Ag. Both these intercepts were hosted by colloform banded sulphidic quartz veins which are typical of the high grade vein parts of the system. This shows the continuation of the southern shoot at depth. The long section depicted below shows all the recent drill pierce points and intercepts.

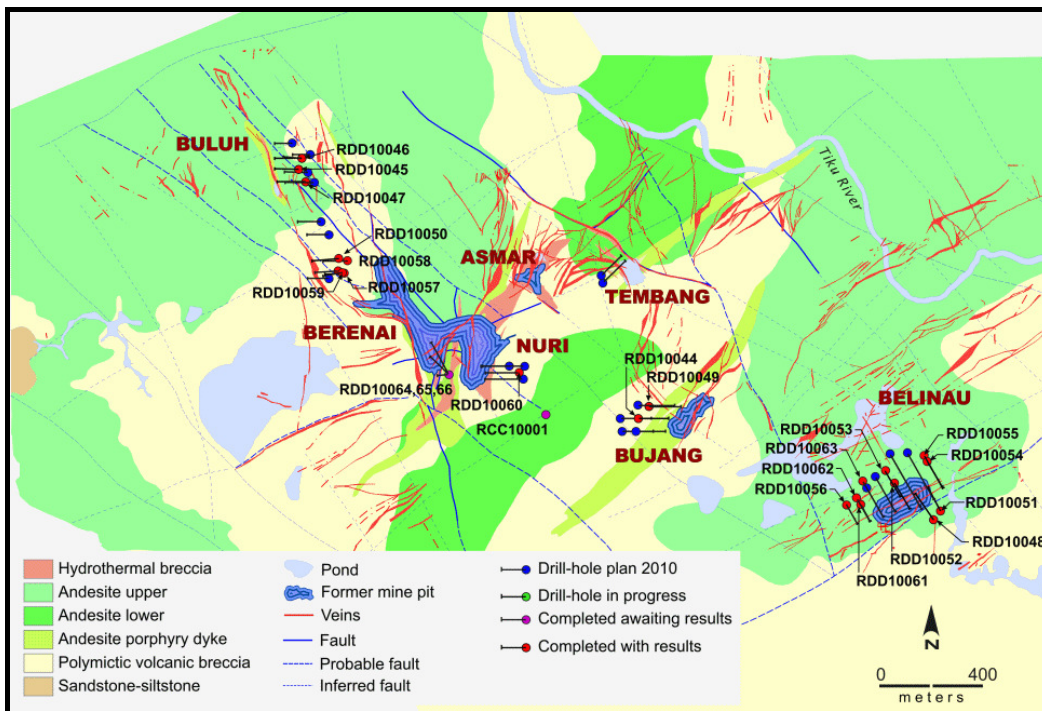
At Nuri RDD 10060 returned a wide intersection of 18.9 metres @ 1.49g/t Au, 19.8g/t Ag. This included a higher grade intercept of 5.4 metres @ 3.18g/t Au, 53.3g/t Ag.

Two significant intercepts were returned in the waste dumps at both Nuri and Belinau. At Nuri RDD 10060 returned 17 metres @ 0.67g/t Au, 1.2g/t Ag. At Belinau RDD 10061 intersected 17 metres @ 0.65g/t Au, 0.9g/t Ag (including 9 metres @ 1.06g/t Au). These results are encouraging and show the potential for further significant mineralisation in the waste dumps in addition to known resources of both vein and halo mineralisation. A preliminary program of close spaced drilling is planned to test tenor and continuity of mineralisation in two waste dump areas.

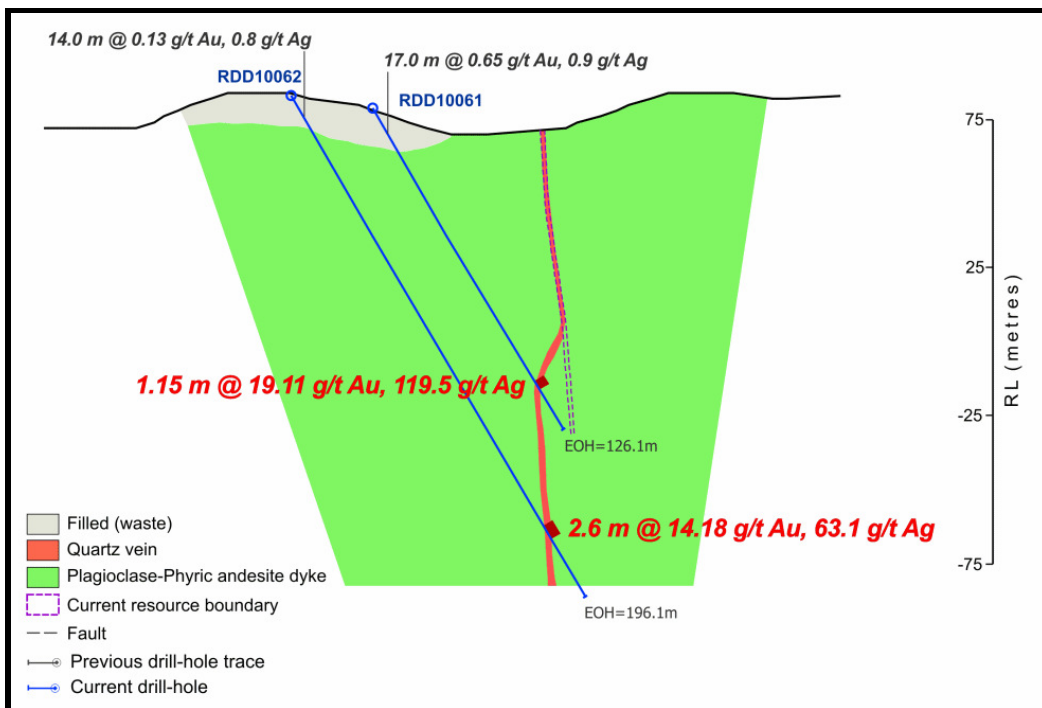
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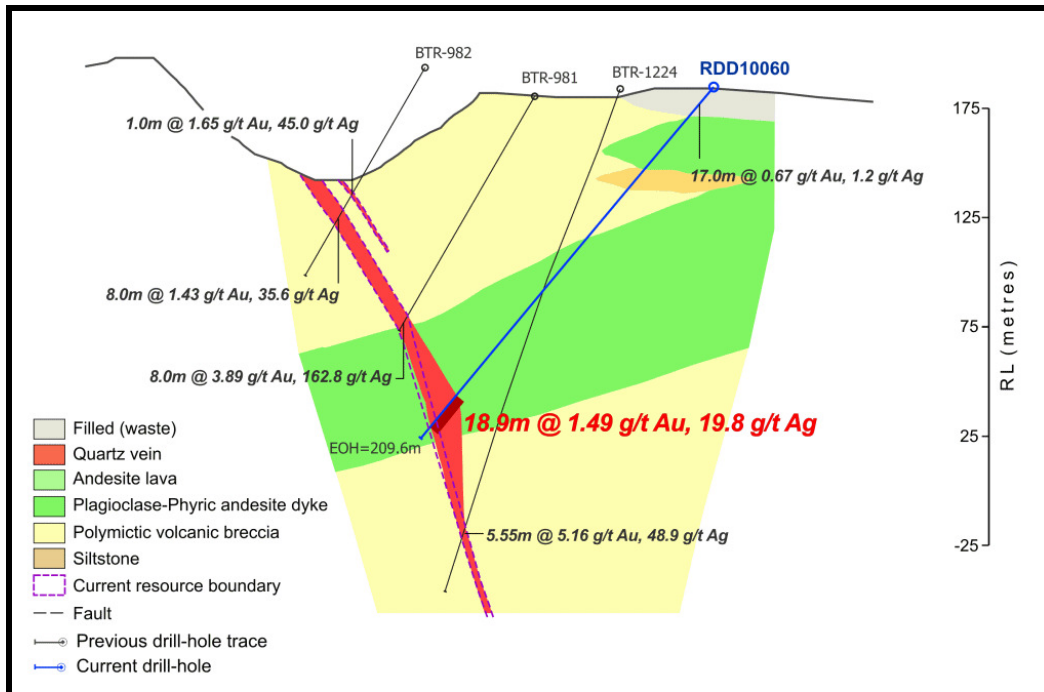
**E** [redwards@sumatracoppergold.com](mailto:redwards@sumatracoppergold.com) **W** [www.sumatracoppergold.com](http://www.sumatracoppergold.com)



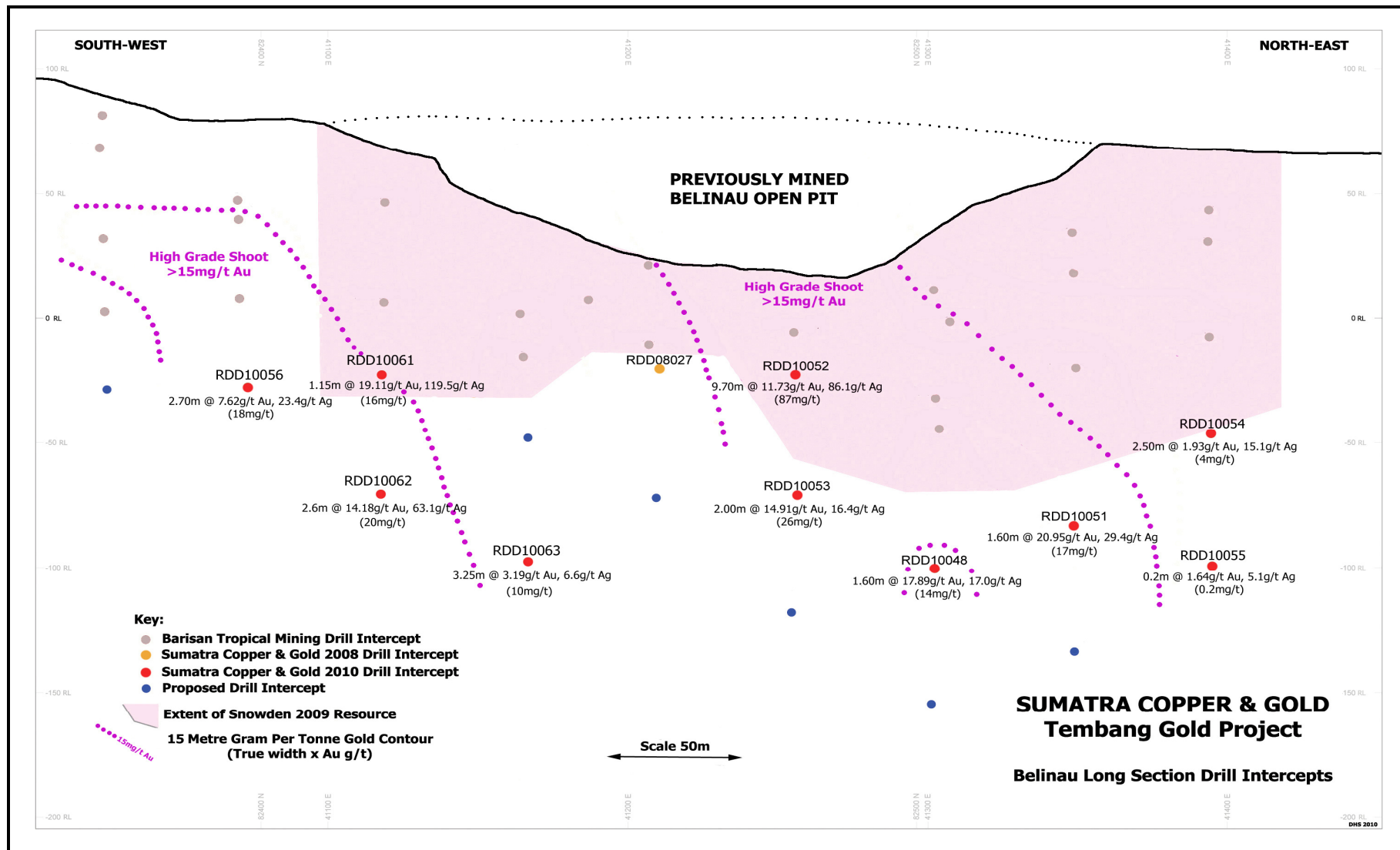
Plan of Tembang Drilling Programme



Belinau Drill-hole section RDD10061 and 62 (Looking North East)



**Nuri Drill-hole Section RDD10060 (Looking North)**



Long Section through Belinau Showing Drill Pierce Points

Tembang 2010 Resource Drilling Significant Intersections Au >0.35g/t							
Hole No	Location	Type	From	To	Length	Au g/t	Ag g/t
RDD10044	Bujang	W.Dump	0.00	11.00	7.00	0.18	2.8
RDD10044	Bujang	Halo	149.85	153.00	3.15	0.81	28.5
RDD10044	Bujang	Halo	165.40	166.40	1.00	0.47	3.1
RDD10044	Bujang	Vein	213.00	214.10	1.10	2.02	4.9
RDD10044	Bujang	Vein	223.30	224.35	1.05	1.01	3.2
RDD10045	N. Buluh	Halo	4.60	7.90	3.30	1.01	6.3
RDD10045	N. Buluh	Halo	12.60	13.60	1.00	2.08	6.4
RDD10045	N. Buluh	Vein	144.60	149.15	4.55	3.56	106.3
RDD10046	N. Buluh	Vein	123.70	125.20	1.50	0.60	11.8
RDD10046	N. Buluh	Vein	153.05	154.70	1.65	BARREN	
RDD10047	N. Buluh	Halo	13.00	14.00	1.00	0.41	37.0
RDD10047	N. Buluh	Halo	17.00	20.00	3.00	0.42	5.8
RDD10047	N. Buluh	Halo	26.00	29.60	3.60	1.06	2.4
RDD10047	N. Buluh	Halo	66.90	67.90	1.00	1.50	26.2
RDD10047	N. Buluh	Vein	173.45	175.05	1.60	1.30	3.9
RDD10048	Belinau	Halo	34.80	35.80	1.00	2.00	1.3
RDD10048	Belinau	Vein	125.00	129.30	4.30	3.55	6.0
RDD10048	Belinau	Vein	196.30	197.90	1.60	17.93	17.0
RDD10049	Bujang	Halo	29.00	31.00	2.00	0.43	7.6
RDD10049	Bujang	Halo	147.00	148.00	1.00	0.67	38.0
RDD10049	Bujang	Vein	175.30	177.40	2.10	0.38	5.4
RDD10049	Bujang	Vein	183.20	189.00	5.80	1.61	7.6
RDD10049	Bujang	Halo	195.00	196.00	1.00	0.76	2.5
RDD10050	S. Buluh	Vein	143.40	148.05	4.65	1.57	40.2
RDD10051	Belinau	Vein	172.80	174.40	1.60	20.95	29.4
RDD10052	Belinau	Vein	57.70	60.70	3.00	2.00	10.6
RDD10052	Belinau	Halo	64.10	65.10	1.00	8.65	7.3
RDD10052	Belinau	Vein	110.00	119.70	9.70	11.73	86.1
RDD10053	Belinau	Halo	74.70	77.70	3.00	0.60	5.7
RDD10053	Belinau	Vein	215.80	217.80	2.00	14.91	16.4
RDD10054	Belinau	Vein	144.60	147.10	2.50	1.93	15.1
RDD10055	Belinau	Vein	246.85	247.05	0.20	1.64	5.1
RDD10056	Belinau	Vein	121.70	124.40	2.70	7.62	23.4
RDD10057	S. Buluh	Vein	73.10	74.60	1.50	1.39	54.1
RDD10057	S. Buluh	Halo	93.10	94.10	1.00	2.01	41.8
RDD10057	S. Buluh	Halo	112.00	113.00	1.00	0.70	2.0
RDD10057	S. Buluh	Vein	133.60	134.90	1.30	0.44	13.1
RDD10057	S. Buluh	Vein	157.20	157.90	0.70	1.35	20.7
RDD10058	S. Buluh	Halo	24.50	25.50	1.00	2.12	3.0
RDD10058	S. Buluh	Vein	79.00	80.00	1.00	0.45	25.6
RDD10058	S. Buluh	Halo	85.80	86.80	1.00	0.85	49.6
RDD10058	S. Buluh	Vein	100.60	101.80	1.20	3.82	97.4
RDD10058	S. Buluh	Vein	114.60	121.60	7.00	0.80	43.8

Hole No	Location	Type	From	To	Length	Au g/t	Ag g/t
RDD10059	S. Buluh	Vein	170.00	172.00	2.00	0.74	52.7
RDD10060	Nuri	W.Dump	0.00	17.00	17.00	0.67	1.2
RDD10060	Nuri	Vein	183.40	202.30	18.90	1.49	19.8
RDD10061	Belinau	W.Dump	0.00	17.00	17.00	0.65	0.9
RDD10061	Belinau	Vein	108.95	110.10	1.15	19.11	119.5
RDD10062	Belinau	W.Dump	0.00	14.00	14.00	0.13	0.8
RDD10063	Belinau	Halo	120.00	121.00	1.00	2.15	2.5
RDD10062	Belinau	Vein	171.70	174.30	2.60	14.18	63.1
RDD10063	Belinau	W.Dump	0.00	12.00	12.00	WASTE	
RDD10063	Belinau	Halo	53.00	55.00	2.00	0.42	1.5
RDD10063	Belinau	Halo	216.00	217.00	1.00	1.67	2.8
RDD10063	Belinau	Vein	234.00	237.25	3.25	3.19	6.6

### Significant Intersections as of 20th May 2010

#### Summary

**Managing Director, Jocelyn Waller, comments:** “Further evidence of significant high grade shoots at Tembang is encouraging us to reappraise development options and consider underground mining of the high grade. Further drilling will seek to extend these shoots and look for parallels elsewhere in the deposit. Finding that the waste dumps from previous mining have conglomerated and appear to have heap leachable grades could also be significant in the economic mix.”

#### Other

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Matthew Farmer, geologist, who is a member of the Australian Institute of Mining and Metallurgy. Matthew Farmer is an employee of 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 the Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Matthew Farmer 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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