



25 January 2010

The Manager Companies
ASX Limited
20 Bridge Street
Sydney NSW 2000

(3 pages by email)

Dear Madam

GRANT OF 3 IUPS

The Directors of Sumatra Copper & Gold plc ('Sumatra Copper & Gold' or 'the Company') are pleased to announce that the Company has been granted a further 3 Exploration IUPs (Izin Usaha Pertambangan), making a total of 7 Exploration IUPs (mining business permits) which have been granted in accordance with the 'grandfathering provisions' of the new Indonesian Mining Law promulgated on 12 January 2009.

- **The Company now holds 7 IUPs**
- **Total area secured under issued IUPs now exceeds 3,000 km²**
- **All but one of the Company's projects now covered by IUPs with the remaining project secured by title under the previous Mining Law**

New IUPs Granted

One IUP (384 Tahun 2009) has been issued to PT Bengkulu Utara Gold by the Regent of Bengkulu Utara regency in the province of Bengkulu, Sumatra. It covers an area of approximately 99,980 hectares (1,000 km²) and is valid for 4 years extendable as an exploration IUP for a further 2 years and then convertible into a mining IUP initially valid for 20 years. PT Bengkulu Utara is a PMA company owned 92.5% by Sumatra Copper & Gold and 7.5% by PT Nusa Palapa Minerals, a company owned by Sumatra Copper & Gold's Indonesian partner, Mr Adi Sjoekri, and his family.

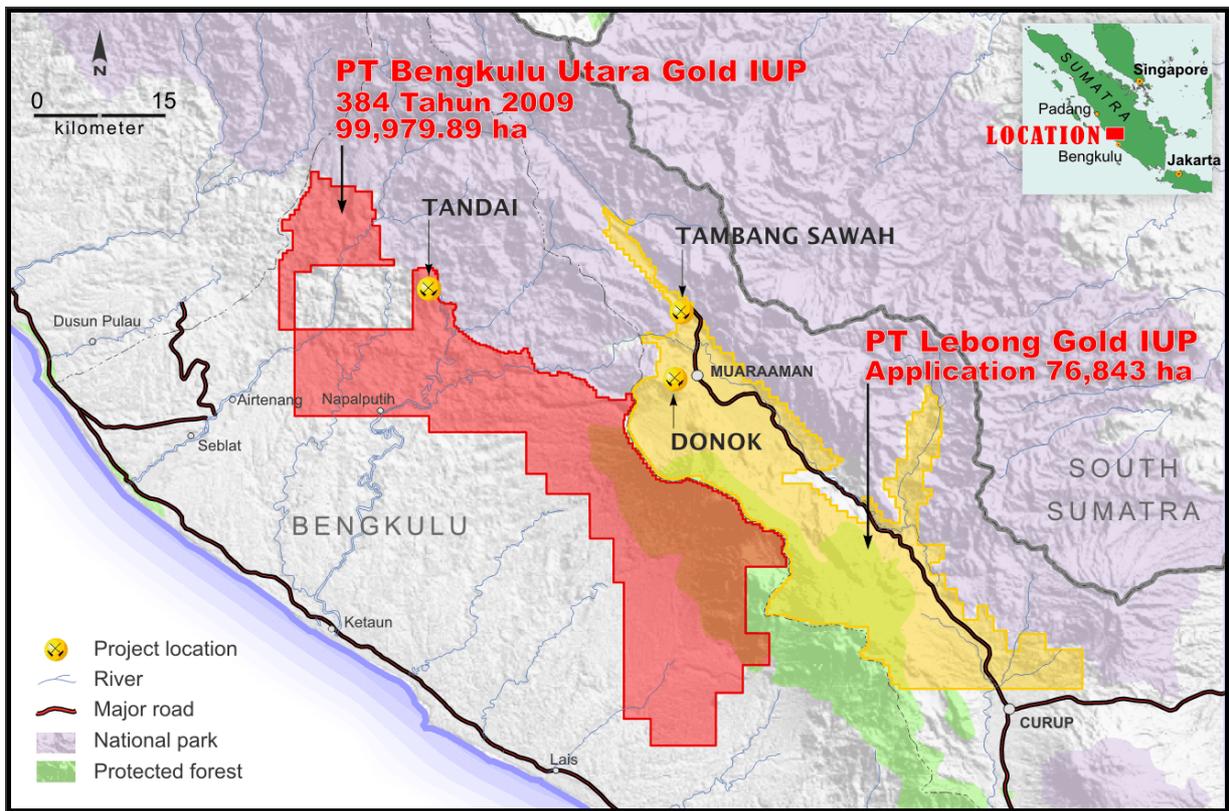
The principal prospect in this IUP is Lebong Tandai, a former Dutch underground mine that produced 1.4 million ounces of gold and 15 million ounces of silver.

The other 2 IUPs have been issued by the Regent of Mandailing Natal in the province of North Sumatra, Sumatra. One IUP (540/034/K/2010), issued to PT Kotanopan Mining, covers 4,997 hectares (50 km²) and the other (540/033/K/2010), issued to PT Mandailing Mining, covers 4,719 hectares (47 km²). Both are valid for 5 years and can be extended for a further 3 years. Both companies are owned by Sumatra Copper & Gold's Indonesian partner, Mr Adi Sjoekri and his family, however, through a Cooperation Agreement Sumatra Copper & Gold's economic interest in both tenements is 92.5%.

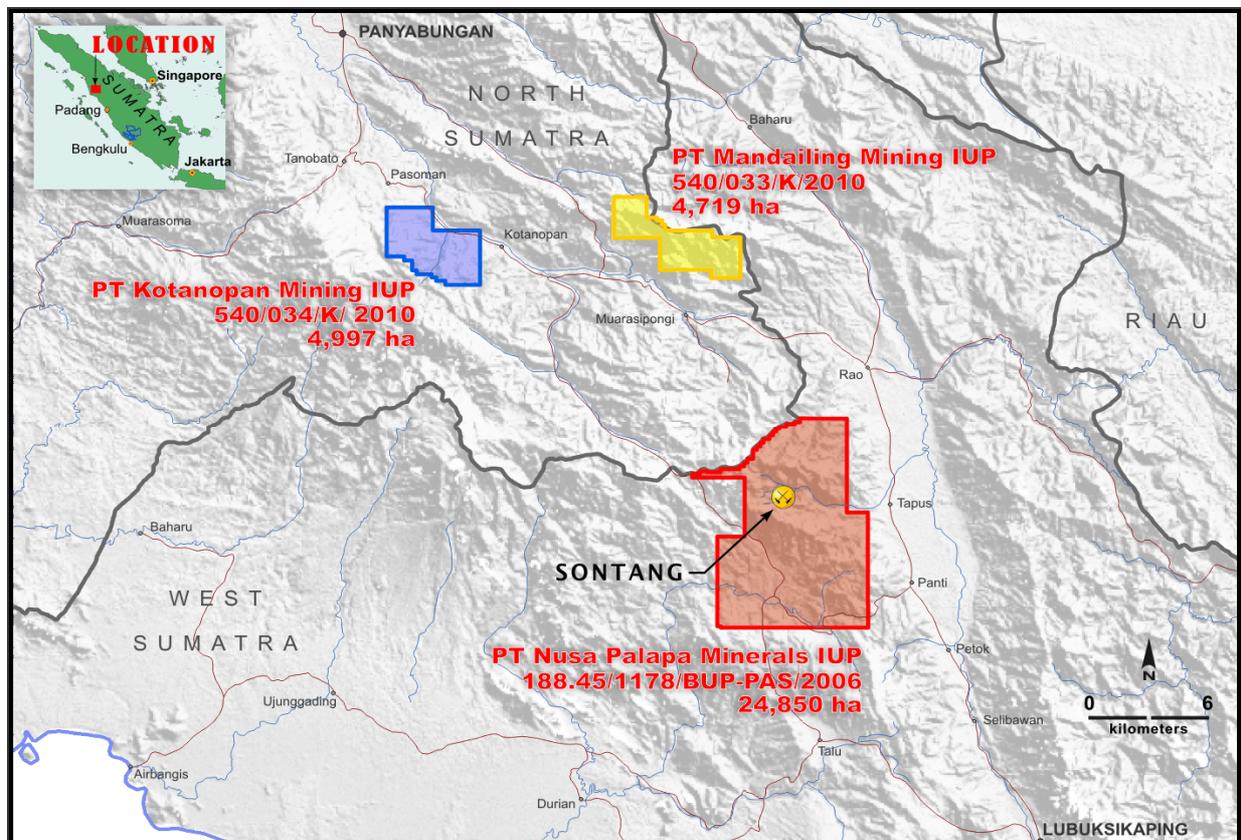
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Location of the Bengkulu Utara IUP

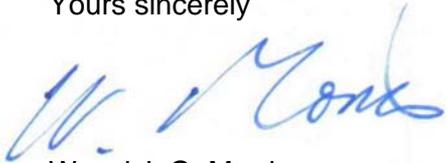


Location of the Mandailing Natal IUPs

Sumatra Copper and Gold's Managing Director, Jocelyn Waller, comments: "With the issue of these 3 IUPs we now have all of the ground, prospects and targets we held under the old mining regime, bar one, successfully converted into secure title under the new Minerals Act. This is significant and will give comfort to our investors by demonstrating that the new Indonesian Mining Law is functioning effectively, provides the Company with long term security of tenure and allays any concerns over title to these tenements. We can move ahead with our exploration programs with undiminished vigour".

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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