



ASX ANNOUNCEMENT

21 March 2012

(29 pages by email)

**PRESENTATION TO INVESTORS**

I attach a PowerPoint presentation which is being delivered to investors at Mines and Money – Hong Kong.

For further information please contact:

Julian Ford  
Chief Executive Officer  
Sumatra Copper & Gold plc  
+61 2 9300 3377

Richard Edwards  
Company Secretary  
Sumatra Copper & Gold plc  
+61 2 9300 3377

Melanie Gray Stokes  
Investor Relations  
Walbrook IR  
+61 424 135 294

Yours faithfully

A handwritten signature in black ink, appearing to read "R Edwards", is written over a light blue horizontal line.

Richard Edwards  
Company Secretary

pjn6596



# INDONESIA'S EMERGING GOLD AND SILVER PRODUCER

March 2012

Mines and Money – Hong Kong



# Disclaimer



This document is prepared as a presenter's aid and support. It is not a stand alone document. Best efforts have been taken to ensure the accuracy of information contained at the time of presentation. In some instances forward targets and/or assumptions have been included. All such instances are indicative only and subject to alteration and/or cancellation as and when the management of Sumatra Copper & Gold plc sees fit. All information contained herein is general in nature.

Potential investors are cautioned against using the content of this presentation in isolation for making investment decisions.

Research and the counsel of a qualified financial adviser or accountant are strongly recommended to anyone considering investing in listed company securities, including Sumatra Copper & Gold plc.

The information in this presentation 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 Australasian Institute of Mining and Metallurgy. Mr. Farmer is an employee of the Company who has sufficient experience which is relevant to the styles of mineralization and types 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. Farmer has consented to the inclusion in this document of the matters based on his information in the form and context in which they appear.

# Investment Highlights

- Emerging gold and silver producer
- Flagship Tembang project on-track for production during 2013
- PFS confirmed Tembang as robust and profitable
- Newcrest a major shareholder (7%) and JV partner
- Significant greenfields to brownfields land holdings of more than 3,200km<sup>2</sup>
- 100% ownership of 7 exploration permits (IUPs) across Sumatra



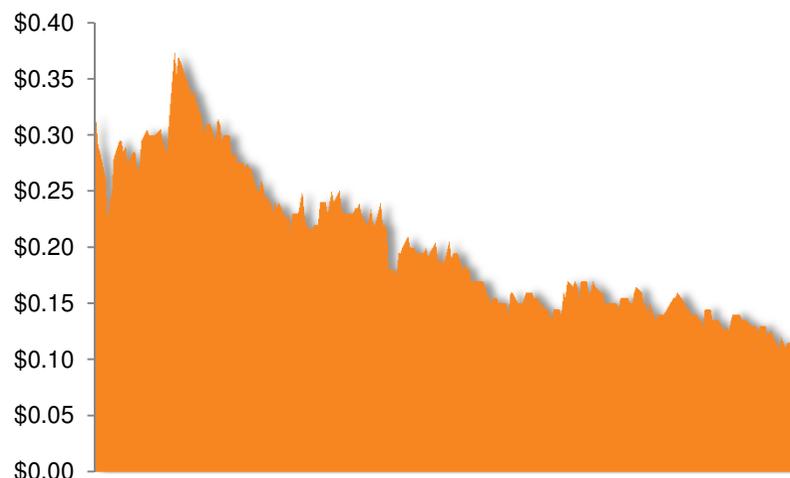
# Corporate Overview



## Corporate

Code	SUM
Shares/CDIs issued*	190.6M
Unlisted options	22.8M
Fully diluted	213.4M
52 wk high/low	A\$0.395 - A\$0.11
Share price	A\$0.13
Market cap	~\$25M
Avg daily vol	~330,000

## 12 months share price @ 15 March 2012



## Top shareholders

Directors/Management	9.6%
Macquarie Bank	9.2%
Newcrest	7.0%
Rand Merchant Bank	3.3%

## Board and management

Warwick Morris	Non-Exec Chairman
Julian Ford	Managing Director
Adi Sjoekri	Executive Director
Peter Nightingale	Non-Exec Director
Jocelyn Waller	Non-Exec Director

# SCG's Short Term Plan



## 2-Stage Development Strategy of Tembang Project

### Stage 1 Development Strategy – Short Term Plan

#### Stage 1: Belinau Deposit (O/P & U/G) & Asmar Resource (O/P)

- Low risk, small scale mine
- **Belinau:** High-grade vein system with strong exploration upside
- Reduced upfront capital costs
- **Asmar:** Perfect oxide blend for Belinau with low strip ratio
- Fund development and expansions from Cashflow
- Production targeted for Q3, 2013
- Comprises 16% of total Tembang resource

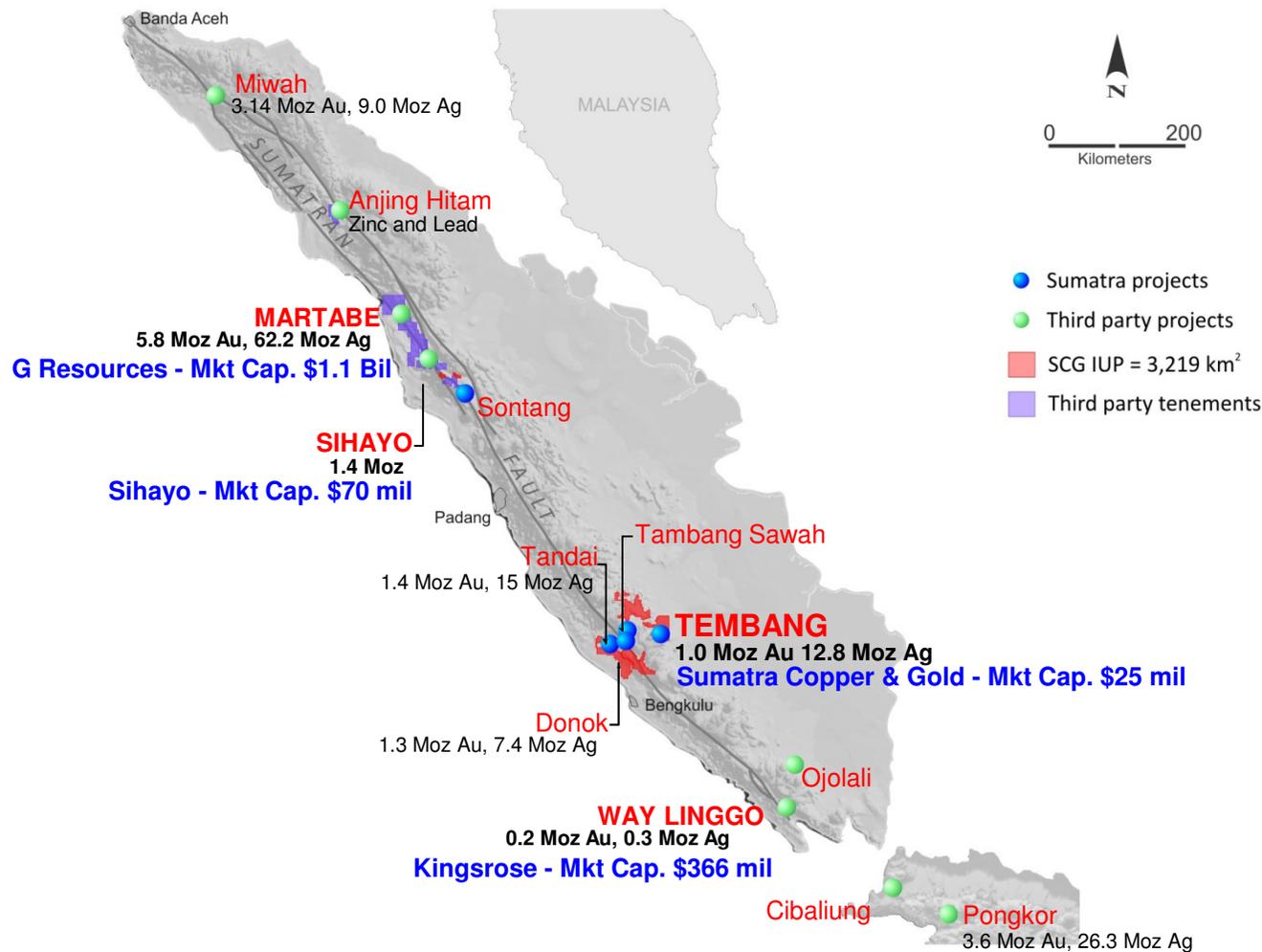
### Stage 2 Development Strategy

#### Stage 2: Other Tembang deposits

- Commence production following completion Stage 1
- Larger mine and throughput
- Implement energy cost reduction strategy for Stage 2

# Sumatra's Prolific Mineralisation

**SUMATRA**  
COPPER & GOLD



# Project Portfolio

## **Tembang Project** (100% SUM)

- Advanced gold and silver project

## **Tandai Project** (30% SUM, 70% Newcrest)

- Exploration JV project with Newcrest

## **Sontang Project** (100% SUM)

- High-grade exploration project

## **Other greenfield projects** (100% SUM)

- Exploration IUPs covering more than 1,370km<sup>2</sup>



# Tembang Project: Overview



<b>Production timeline</b>	2013 – 2 <sup>nd</sup> Half
<b>Total Resource</b>	976,000 oz gold 12.8M oz silver <sup>(1)</sup>
<b>Total mine life</b>	10 years
<b>Infrastructure</b>	Brownfield from previous production
<b>Mine type</b>	Open pit and underground
<b>Upside</b>	Numerous regional targets



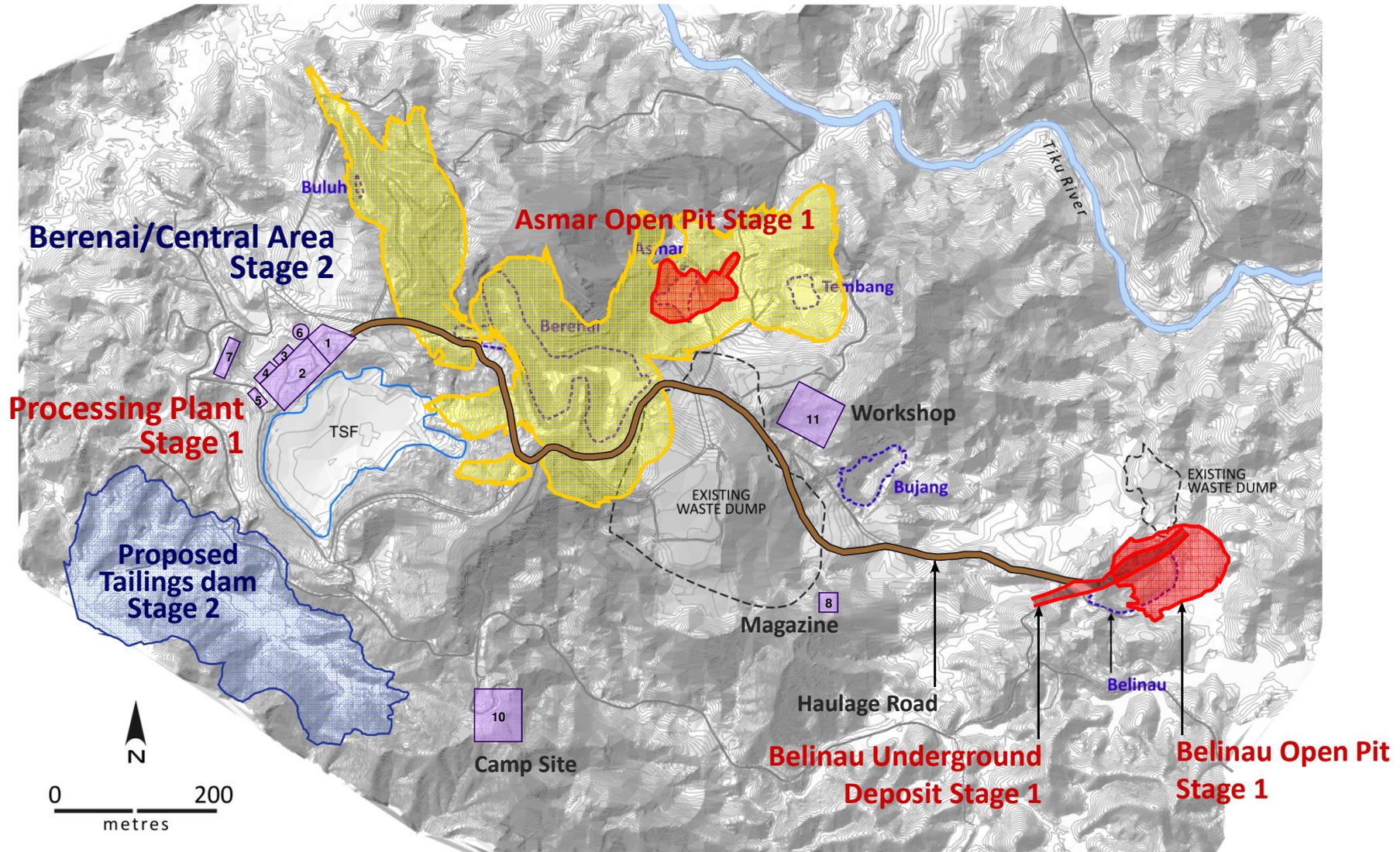
**Aerial view of Tembang Project**

Note 1: refer to Appendix 1 for full resource statement

# Tembang Project Location & Infrastructure



# Tembang: Production Plan



# Tembang PFS & Optimisation



## Pre-Feasibility Study (PFS) (February 2012)

- Underground only
- Focus Belinau deposit only
- PFS confirmed Belinau as a robust and profitable standalone project

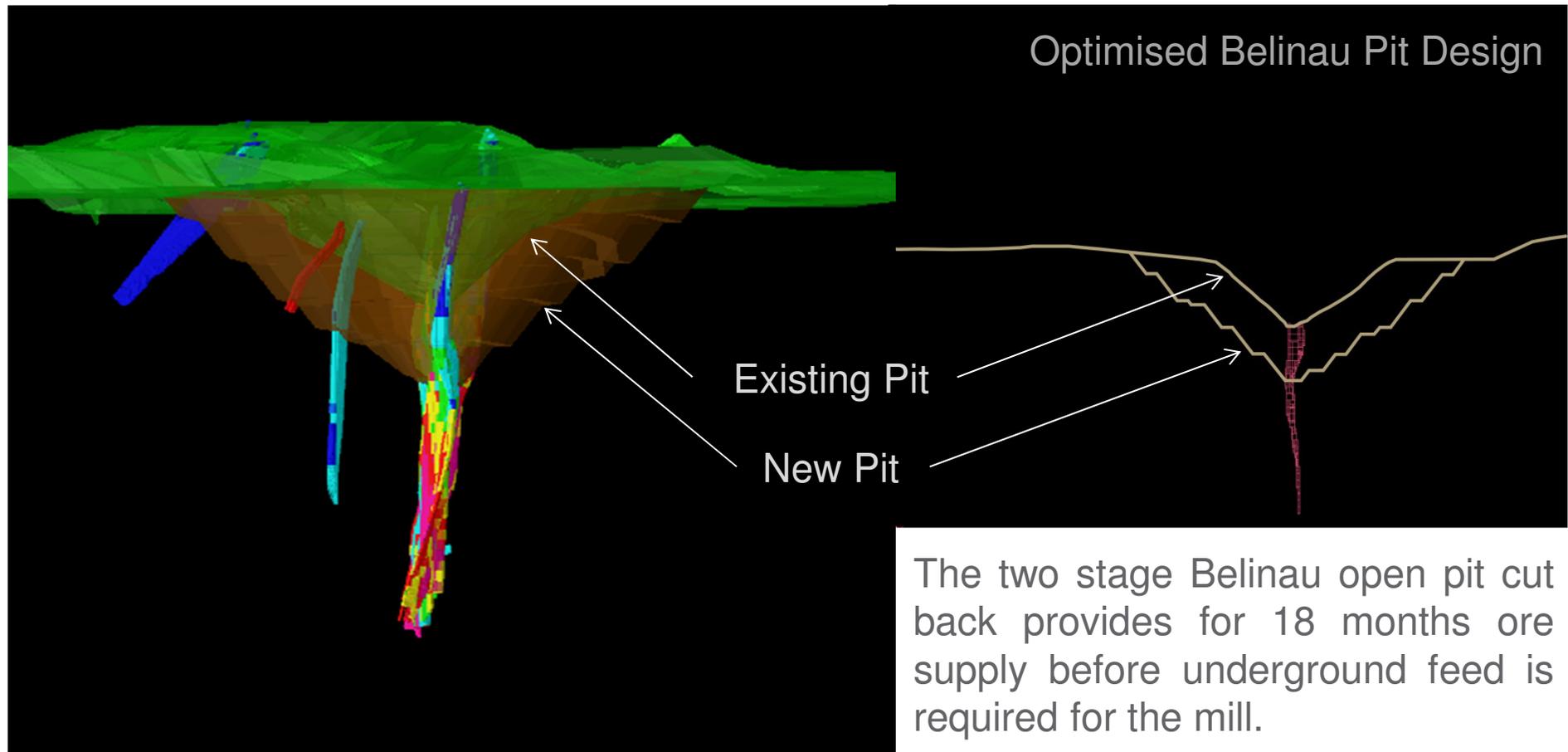
## Optimisation Study (March 2012)

- Belinau open pit & U/G, Asmar open pit
- Further de-risked and improved Belinau's economics
- Potential 55% reduction in pre-production mine capital from US\$22m to US\$10m
- Provides 10 months of low cost high-grade feed of 5.8 g/t AuEq to the mill
- Expected reduction in operating cost per ounce
- Readily available experienced local open pit contractors

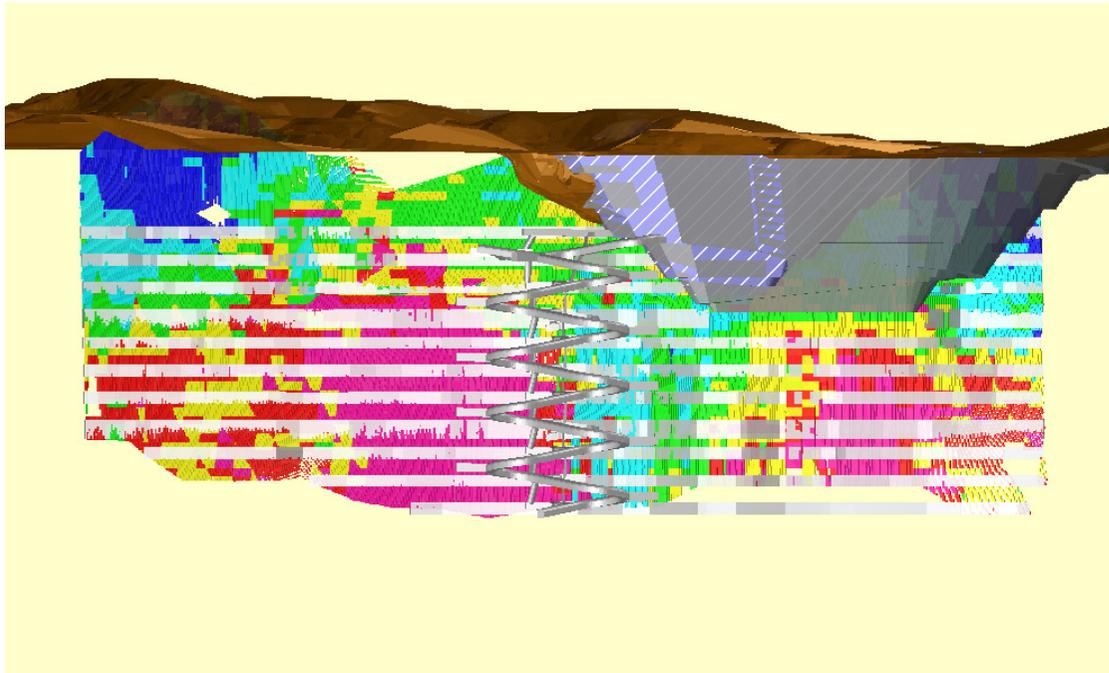
## PFS Update

<b>Gold Equivalent Production</b>	40,000 - 45,000 oz Au equivalent per annum
<b>C1- Target Cash Operating Costs</b> (including silver credits)	US\$350 to US\$450 per Oz Au
<b>Stage 1 Production LOM</b>	180,000 oz Au Eq
<b>Mine life</b>	4-5 years (stage 1)
<b>Production rate</b>	400,000 tpa
<b>Resource in Stage 1 Production Plan</b>	16% of resource

# Belinau Open Pit - Expansion



# Belinau Underground – March Optimisation Update



**Optimised Belinau Design (March 2012)**

## Advantages of open pit cut back followed by underground development:

- 2 Stage cut back of Belinau with 10 months open pit production before underground development starts
- Reduction of 540 metres of decline development and \$1M of ventilation shaft costs
- No requirement for Ventilation Shaft in oxides material
- Portal located in fresh rock from within pit
- Allows early access to underground operations
- Asmar open pit adds additional ounces to stage 1 production plan
- Asmar Open Pit feed material with initial 3:1 strip ratio significantly reduces production risk for project

# Tembang – 2012 Milestones

## PERMITTING

### Forestry

- In-principle Approval
- Borrow and Use - Pinjam Pakai

### Manpower

- Collaborative Agreement

**Decision to Mine**

### AMDAL



- Environmental Management Plan
- Environmental Impact Assessment

### Mining Licence

- Conversion of IUP from exploration to mining

### Operational

- Technical Head
- Masterlists
- Electricity Generation
- Explosives
- Local Permitting

Q1 2012

Q1 2012

Q2/Q3 2012

Q3 2012

Q4 2012

Q1 2012

Q2 2012

Q3 2012

**Pre-Feasibility Stage 1**

**Resource to Reserve Optimisation Report**

**Definitive Feasibility Stage 1**

## TECHNICAL

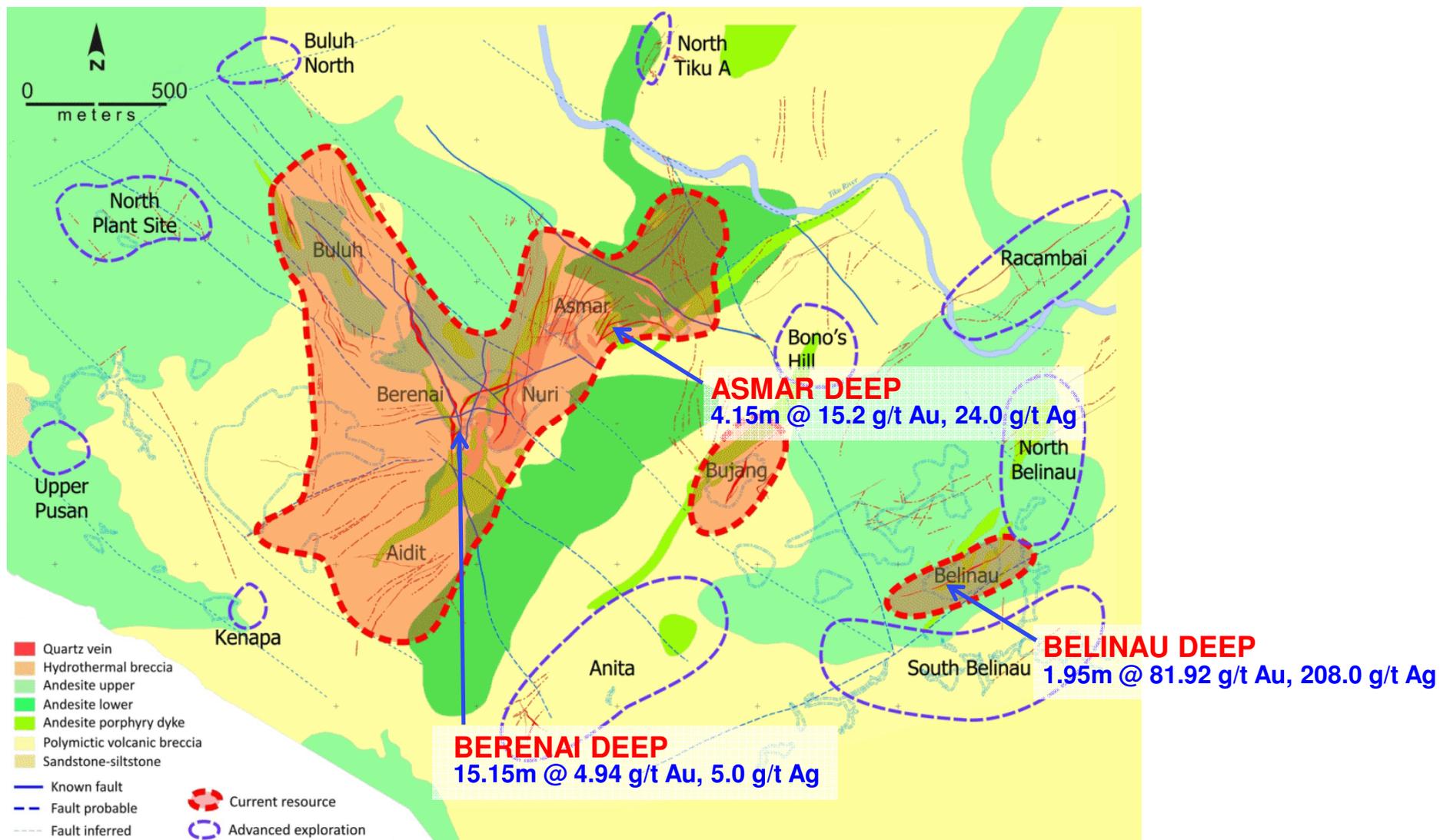
## Epithermals – Long Life from Brownfield Exploration



*“The Indonesian mine (Gosowong) is a very rich mine. We currently have a five year reserve life. We had a five year reserve life ten years ago, we had a five year reserve life five years ago and I am anticipating that where we are going with exploration we will have another five year reserve life in another five years.”*

Brett Robinson, Managing Director - Newcrest Limited  
Melbourne Mining Club Address, February 2012

# Tembang Exploration: Near Mine Targets



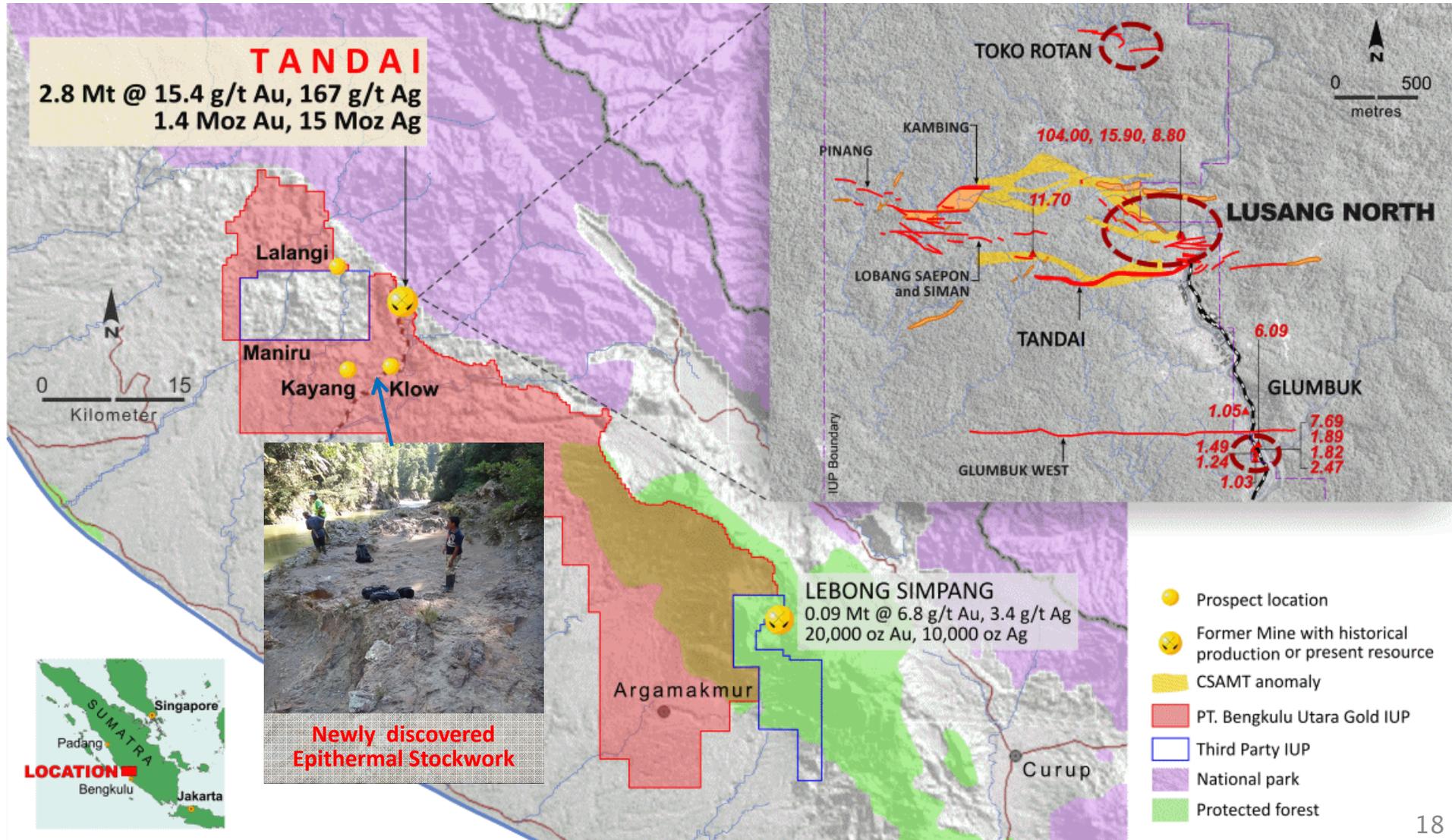
# Tandai JV: Exploration Success

## Newcrest JV

- **JV Terms**
  - Newcrest to spend US\$12 million to earn 70% interest in the project within 5 years
  - Newcrest has already met minimum expenditure of US\$1.8 million
  - Sumatra currently managing project
- **2011/12**
  - Budget of A\$4.3 million
  - 2011: Heli-supported drill program targeting existing known epithermal systems
  - Target is to drill out one new mineralised vein system in 2012
  - Identify one new greenfield discovery in 2012 and drill test it

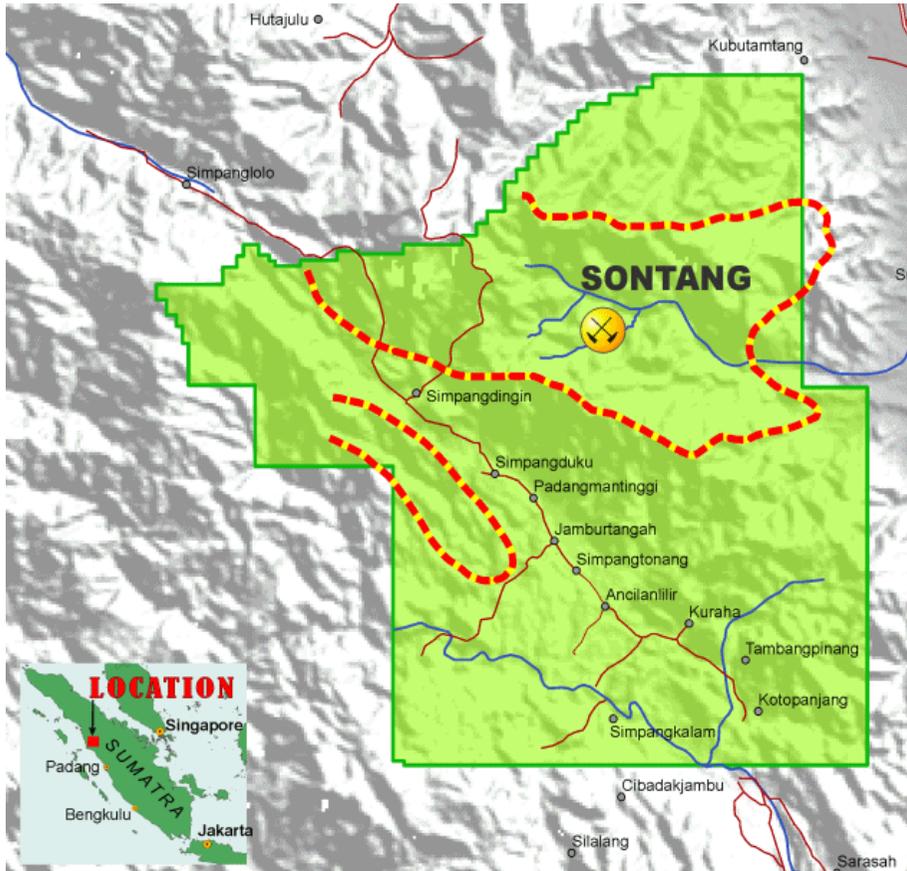


# Tandai: Ulukau Prospect - New Discovery



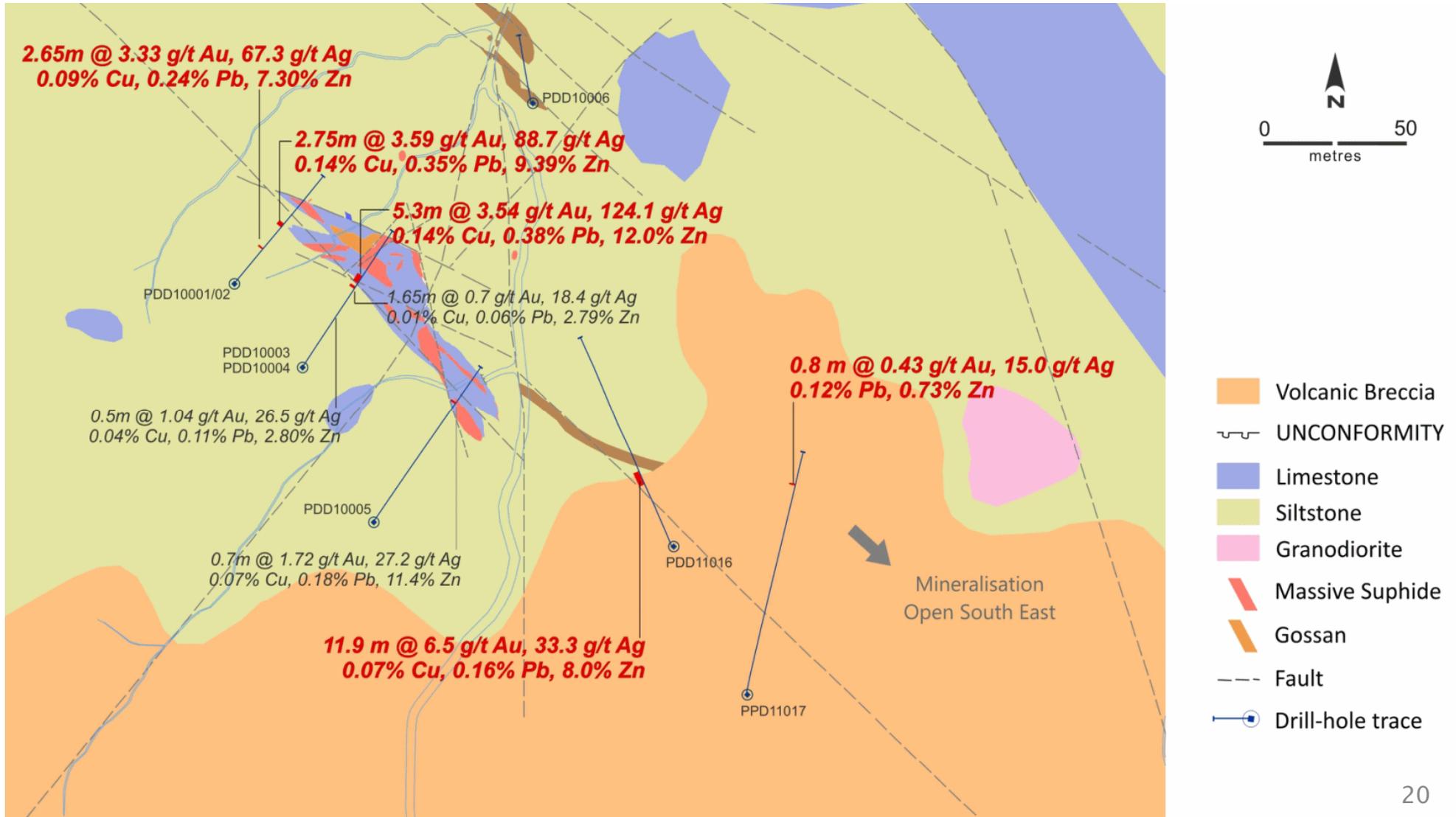
# Sontang Project: Overview

**SUMATRA**  
COPPER & GOLD



- Polymetallic discovery
- Located in Pasaman regency West Sumatra province
- Best intersection of 11.9 metres @ 6.5 g/t Au, 33 g/t Ag, 8.0 % Zn
- Mineralisation over +150 metre strike length depth to 75 metres

# Sontang East Drilling Results



- **Soon to be “self funded explorer”**
  - Emerging Producer - Gold and silver production targeted for 2013
  - Two stage development allows for relatively small initial capex
- **Tembang**
  - Relatively low capital intensity
  - Production costs expected to be in 2<sup>nd</sup> quartile
  - Brownfields project means relatively low technical risk
- **Major competitive advantage in Sumatra**
  - Large tenement position
  - Demonstrated capacity and ability to acquire projects, attract quality JV partners
- **News flow in 2012**
  - Tembang development milestones
  - Newcrest funded exploration at Tandai JV

# Appendices



# 1: Tembang Project Resource



## Tembang Mineral Resource August 2011 Reported to JORC Code Standards

### Belinau Vein Above 2.78g/t Au Underground Cut-Off

	Category	Ktonnes	Au g/t	Ag g/t	Au koz	Ag koz
BELINAU VEIN	Measured	149	7.22	75.5	35	361
	Indicated	266	8.02	67.9	69	580
	Inferred	72	10.50	81.4	24	188
	<b>Sub-Total</b>	<b>487</b>	<b>8.14</b>	<b>72.2</b>	<b>127</b>	<b>1,130</b>

### All Veins Excluding Belinau Above 0.5g/t Au Open Pit Cut-Off

	Category	Ktonnes	Au g/t	Ag g/t	Au koz	Ag koz
OTHER VEINS	Measured	2,598	2.27	37.8	190	3,156
	Indicated	4,423	1.80	25.6	256	3,637
	Inferred	3,554	1.80	20.3	202	2,319
	<b>Sub-Total</b>	<b>10,575</b>	<b>1.91</b>	<b>26.8</b>	<b>648</b>	<b>9,112</b>

### PSV Material Above 0.3g/t Au Open Pit Cut-Off

	Category	Ktonnes	Au g/t	Ag g/t	Au koz	Ag koz
PSV	Measured	-	-	-	-	-
	Indicated	11,323	0.54	6.9	198	2,523
	Inferred	194	0.50	4.6	3	29
	<b>Sub-Total</b>	<b>11,517</b>	<b>0.54</b>	<b>6.9</b>	<b>201</b>	<b>2,552</b>

### Combined Total Resource Open Pit + Underground

	Category	Ktonnes	Au g/t	Ag g/t	Au koz	Ag koz
ALL	Measured	2,747	2.54	39.9	224	3,517
	Indicated	16,012	1.02	13.1	522	6,741
	Inferred	3,820	1.90	20.7	229	2,536
	<b>Total</b>	<b>22,579</b>	<b>1.35</b>	<b>17.6</b>	<b>976</b>	<b>12,794</b>

Note: Rounding errors may occur, reporting cut-offs as indicated, significant figures do not imply any added level of precision.

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.

## 2. Sumatra Board



### **Warwick Morris**

*BSc (Hons), MSc, MAusIMM*  
Non-Executive Chairman

Mr Morris and has more than 30 years experience in the resources industry. He was recently a director of Macquarie Bank Ltd, where he was Chairman of the Metals and Energy Capital Division and head of Metals and Mining.

**Appointed to the Board in 2008**

### **Julian Ford**

*BSc(Eng), BCom, Grad Dip  
(Bus. Mgt)*  
Managing Director

Mr Ford has more than 25 years within the global resources industry. He has held senior positions within several major resource companies and co-founded Zambezi Resources in 2004

**Appointed to the Board in 2012**

### **Peter Nightingale**

*BEC, CA*  
Non-Executive Director

Mr Nightingale has over 20 years senior financial experience and is Director of ASX listed Augur Resources, Cockatoo Coal, Planet Gas and unlisted Equus Resources and Nickel Mines.

**Appointed to the Board in 2010**

### **Jocelyn Waller**

*MA (Hons) (Cantab)*  
Non-Executive Director

Mr Waller co-founded Sumatra Copper & Gold in 2006. Prior to this was CEO of Trans Siberian Gold plc, an AIM listed company which Mr Waller established in 2000. He currently serves as a Non-Executive Director of RusAnt Ltd.

**Appointed to the Board in 2006**

### **Richard Edwards**

*BComm, CPA, A Fin*  
CFO and Company Secretary

Mr Edwards spent eight years as an owner/manager of his own business, and subsequently spent over ten years providing financial reporting and company secretarial services to a range of publicly listed companies. He is also CFO and Company Secretary of ASX listed Callabonna Uranium Ltd.

## 3. Tembang Project Management Team



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### **Adi Sjoekri**

*BSc ,MSc, MBA (Management)*

Director (Govt Liaison, Permitting, Forestry)

Mr Sjoekri has over 17 years corporate experience, working for major companies such as CSR and Newmont. More recently he was a consultant for the mining industry.

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### **Don Harper**

*B.Eng (Mining Engineering), B.Surv (Surveying)*

Mine Manager

Mr Harper is qualified mining engineer with more than 21 years' industry experience, Don has a strong track-record of project management and taking resources projects from pre-feasibility stage into production.

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### **Grant Harding**

*B.AppSc, FAusIMM*

Project Manager

Mr Harding is a qualified extractive metallurgist with more than 25 years experience in the mining industry. He has extensive senior operational, engineering and project management experience; most of this in Indonesia.

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### **Matthew Farmer**

*BSc (Hons) Geology, MAusIMM, FGS*

Exploration Manager

Mr Farmer has over 27 years experience in exploration and mining mostly focused in South East Asia. His experience spans a mix of major and junior companies including BP Minerals and Newmont

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## 4. Positive PFS outcome – March 2012



### Stage 1 Development Plan: Belinau Deposit

- Pre-Feasibility Study (PFS) confirmed Belinau as a robust and profitable standalone project
- Belinau comprises ~13% of Tembang resource
- Optimisation studies ongoing
- Evaluating open pit opportunities
- Definitive Feasibility Study (DFS) has commenced

### PFS - Key outcomes for Belinau

<b>Total revenue</b>	\$175 million
<b>Operating costs, royalties &amp; sustaining capital</b>	\$75 million
<b>Pre-tax project operating cash flow</b>	\$100 million
<b>Pre-production capital</b>	\$48 million
<b>Internal Rate of Return</b>	31%
<b>C1 cash operating costs (including silver credits)</b>	US\$511
<b>Mine life</b>	3 years (stage 1)
<b>Production rate</b>	200,000 tpa

#### Note:

The Belinau Underground PFS was published on the 23 February 2012 and included only the Belinau Underground Study. Updates based on optimisations will be posted by Sumatra. The first update was posted on 12 March 2012.

# 5. Sumatra Peer Comparisons



Notes, Please see next page for notes and details on the values quoted in this table.

	Sumatra Copper & Gold	Intrepid Mines	Kingrose Mining	Medusa Mining	Sihayo Gold	G Resources	Archi-pelago
	Tembang	Tujuh Project	Way Linggo	Co-O Mine	Sihayo Pungkut	Martabe	Toka Tindung
<b>Market cap</b> (AUD M)	25	477 <sup>†</sup>	363 <sup>†</sup>	1,100 <sup>†</sup>	109 <sup>†</sup>	1,000 <sup>†</sup>	630 <sup>†</sup>
<b>Gold Equivalent Resource*</b> EV (\$/ Oz Au Resource)	19	16	1093	2019	97	167	244
<b>JORC resource</b> (M oz)	1.0	25*	0.39*	2.6*	1.42*	9 <sup>#</sup>	2.58 <sup>#</sup>
<b>Resource grade</b> (g/t)	1.35	0.46*	11*	9.6*	2.75*	1.34 <sup>#</sup>	1.53 <sup>#</sup>
<b>Est Capital Cost</b> (AUD M)	32 <sup>##</sup>	155*		225*	82.9*	576 <sup>#</sup>	
<b>Annual Production</b> (oz Au pa)	38,000 <sup>##</sup>	114,000*	43,000*	77,000*	88,000*	250,000 <sup>#</sup>	61,191 <sup>#</sup>
<b>Cash costs production</b> (AUD / oz)	350 to 450	376*	145*	206*	678*	350 <sup>#</sup>	579 <sup>#</sup>
<b>Est Mine Life</b> (Years)	10		4+ <sup>#</sup>		10+ <sup>#</sup>	8+ <sup>#</sup>	9+ <sup>#</sup>
<b>Production/(Forecast)</b> (Year)	2013		2010 <sup>#</sup>	2007 <sup>#</sup>	[2014] <sup>#</sup>	2012 <sup>#</sup>	2011 <sup>#</sup>
<b>Project ownership</b>	100%	80%*	85%*	100%*	75%*	100% <sup>#</sup>	95% <sup>#</sup>

Sources: \*Gold Nerds March 2011; <sup>#</sup>Company presentations; <sup>†</sup>Yahoo Finance 14 March 2012; <sup>##</sup> SUM March Optimisation Update

# 6. Rim Of Fire: Prolific mineralisation



- World's Largest Gold Deposit – Grasberg
- Lowest Costs Producers – Gosowong, Co-O, Way Linggo

- Sumatra projects
- Au deposit
- Cu-Au deposit

