



ASX Compliance Pty Limited
ABN 26 087 780 489
20 Bridge Street
Sydney NSW 2000
PO Box H224
Australia Square
NSW 1215

Telephone 61 2 9227 0133
Facsimile 61 2 9241 7620
www.asx.com.au

1 May 2012

Mr Richard Edwards
Company Secretary
Sumatra Copper & Gold plc
Level 2
66 Hunter Street
Sydney NSW 2000

By Email

Dear Richard,

Sumatra Copper & Gold plc (the "Company")

I refer to the Company's Quarterly Report in the form of Appendix 5B for the period ended 31 March 2012, released to ASX Limited ("ASX") on 30 April 2012 (the "Appendix 5B").

ASX notes that the Company has reported the following.

1. Receipts from product sales and related debtors of \$NIL.
2. Net negative operating cash flows for the quarter of \$938,000.
3. Cash at end of quarter of \$461,000.

In light of the information contained in the Appendix 5B please respond to each of the following questions.

1. It is possible to conclude on the basis of the information provided that if the Company were to continue to expend cash at the rate for the quarter indicated by the Appendix 5B, taking into account future administration costs, the Company may not have sufficient cash to fund its activities. Is this the case, or are there other factors that should be taken into account in assessing the Company's position?
2. Does the Company expect that in the future it will have negative operating cash flows similar to that reported in the Appendix 5B for the quarter and, if so, what steps has it taken to ensure that it has sufficient funds in order to continue its operations at that rate?
3. What steps has the Company taken, or what steps does it propose to take, to enable it to continue to meet its business objectives?
4. Can the Company confirm that it is in compliance with the listing rules, and in particular, listing rule 3.1?
5. Please comment on the Company's compliance with listing rule 12.2, with reference to the matters discussed in the note to the rule.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in the rule.

In responding to this letter you should consult listing rule 3.1 and the guidance note titled "Continuous disclosure: listing rule 3.1".

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

This letter and your response may be released to the market. If you have any concerns about your response being released, please contact me immediately. Your response should be sent to me **via email to Kimberley.brown@asx.com.au**. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than **5:00 p.m A.E.S.T. on Monday, 7 May 2012**.

If you are unable to respond by the time requested you should consider a request for a trading halt in the Company's securities.

If you have any queries, please do not hesitate to contact me on 02 9227 0133.

Yours sincerely,

{Sent electronically without signature}

Kimberley Brown
Senior Adviser, Listings (Sydney)



3 May 2012

Australian Stock Exchange Limited
20 Bridge Street
SYDNEY NSW 2000
Attention: Kimberley Brown, Senior Adviser, Listings (Sydney)

Dear Kimberley,

I refer to your letter dated 1 May 2012 and respond to your questions, using your numbering, as follows:

1. The Company has sufficient cash to fund its activities were expenditure to continue at the rate of the March 2012 quarter. During the March 2012 quarter the Company signed a A\$5 million convertible debt finance facility with Macquarie Bank Limited. Although the facility agreement was executed before the end of the quarter the A\$5 million was not received until 2 April 2012 and hence did not appear in the Appendix 5B.
2. Yes and refer to 1 above.
3. Refer to 1 above.
4. The Company confirms that it is in compliance with the ASX Listing Rules and, in particular, ASX Listing Rule 3.1.
5. The Company is of the opinion that it remains in compliance with ASX Listing Rule 12.2. The Company continues to progress development of its Tembang project, with production on-track to commence during 2013. At the same time the Company manages its Tandai project in which its joint venture partner Newcrest Mining Limited is earning a 70% interest by spending US\$12 million on the project over five years.

Yours sincerely

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

Richard Edwards
Company Secretary

pjn6707