

ASX Announcement

24 February 2014



Resource drilling delivers strong results from all key deposits at Tembang

6,000 metre drill program nearing completion: results to date support Sumatra's key strategic objectives of defining additional Measured and Indicated Resources

Key Points

- 6,000 metre Phase 3 drilling program at Tembang nearing completion with drilling completed at Berenai, Tembang-Anang, Asmar and Belinau deposits: over 5,500m completed in 64 holes.
- Some of the more significant intersections include:

Berenai:

- **6m @ 9.95 g/t Au, 10.9 g/t Au** from hole RDD 14390
- **6m @ 9.65 g/t Au, 38.2 g/t Ag** from hole RDD 14388
- **13.2m @ 1.89 g/t Au, 14.1 g/t Ag** from hole RDD 14368
- **9m @ 3.98 g/t Au, 8.5 g/t Ag** from hole RDD 14380 and
- **12m @ 4.28 g/t Au, 5.5 g/t Ag** from hole RDD 14386

Tembang-Anang:

- **6.4 m @ 2.26 g/t Au, 14.8 g/t Ag** from hole RDD 13358, **3.85m @ 4.20 g/t Au, 25.6 g/t Ag** from hole RDD 14399 and **2.6m @ 5.41 g/t Au, 30.7 g/t Ag** from hole RDD 13356.

Asmar:

- **6.8m @ 1.36 g/t Au, 11.8 g/t Ag** from hole RDD 13351 including a high grade interval of **3m @ 5.63 g/t Au, 44.2 g/t Ag**.

- Results to date support the strategic objective of the drilling program, which is to define additional Measured and Indicated Resources at Tembang in accordance with JORC Code 2012.
- Sumatra on track to update its Mineral Resource and Ore Reserve inventory and publish a new life-of-mine (LOM) plan in March 2014.
- The Company expects the drill results to support its objective of increasing the debt carrying capacity of the project.

Sumatra Copper & Gold plc ("Sumatra" or "the Company") (ASX: SUM) is pleased to advise that the ongoing Phase 3 resource in-fill and extensional drilling program at its flagship Tembang Gold-Silver Project in Sumatra, Indonesia, is progressing well with excellent results received to date across key deposits.

The drill program commenced in December 2013 with the objective of defining additional Measured and Indicated Resources. This followed the updated Mineral Resource estimate and revised life-of-mine (LOM) plan completed last year as part of the overall optimisation of the Tembang development plan.

Directors

Steve Robinson
Non-Executive Chairman

Julian Ford
Managing Director & CEO

AdiSjoekri
Executive Director

Jocelyn Waller
Non-Executive Director

Gavin Caudle
Non-Executive Director

Contact

Level 1, 5 Ord Street
West Perth 6005
Western Australia

T: +61 8 6298 6200
E: info@scgplc.com

Registered Address
39 Parkside, Cambridge
United Kingdom CB1 1PN

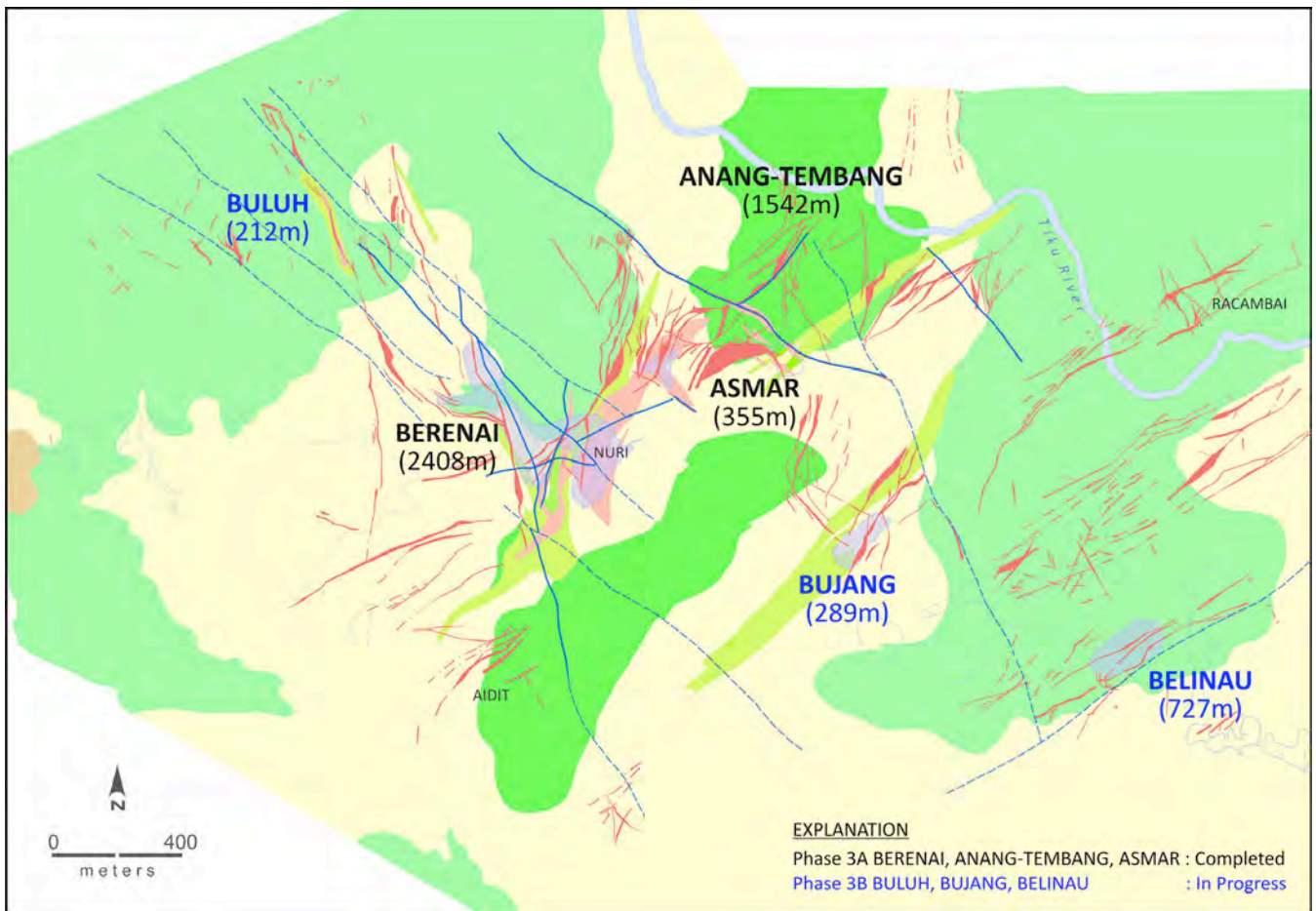
Registered No. 5777015

ASX Code: SUM
www.sumatracoppergold.com

The Phase 3 drill program is a key part of the Company's strategy, and is designed to extend the mine life of the operation, increasing its debt-carrying capacity and minimising the need for additional shareholder dilution through a more substantial equity raise.

Drilling has been completed at the Berenai, Tembang-Anang, Asmar and Belinau deposits whilst drilling is still ongoing at the Siamang and Bujang deposits, and is due to be completed later this month along with additional geotechnical and metallurgical drilling.

The location of the key deposits and status of drilling is summarised in the schematic diagram below:



A further comprehensive update of the drilling results will be provided by the Company on completion of the program.

Details of Drilling Program

To date a total of 5,532 metres has been drilled in 64 holes at Asmar, Berenai, Siamang, Tembang-Anang and Belinau. The drilling program has been planned and executed in consultation with Cube Consulting Pty Limited to maximise conversion of Mineral Resources to Ore Reserves.

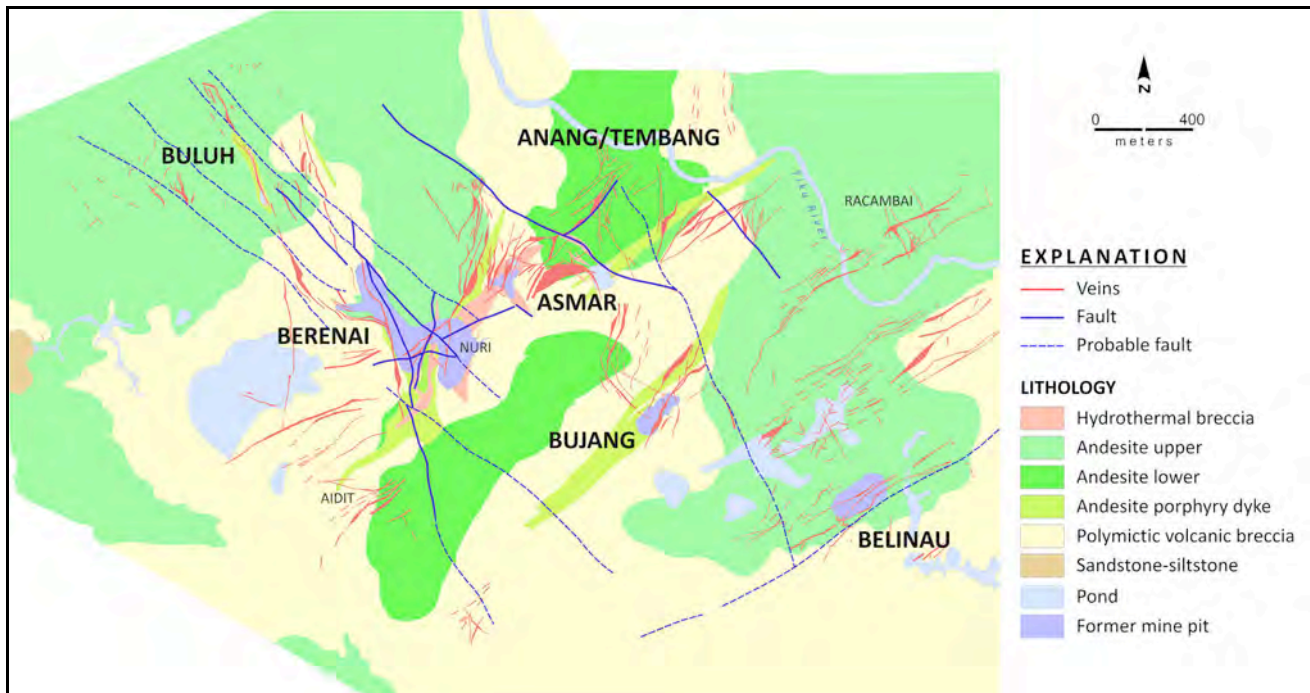


Figure 1: Tembang District

Berenai

Background: The Berenai deposit formed the backbone of the previous gold silver production in the period between 1997 to 2000 as this deposit is both high grade and the veins are relatively wide. The current resource is located below and along strike of the main pit left over from the previous mining operation. The Berenai Resource is a composite of 3 separate vein systems: Berenai, Central and Nuri. The Berenai deposit made up 26% of the contained gold in the Resource published in September 2011 in accordance with the JORC 2004 Code. The previously published Berenai Resource was based on 35,951.65 metres of drill data, comprised of 54% diamond drilling and 46% of RC drilling.

The Berenai pit was originally scheduled for Stage 2 of the planned production program and will require a 6-month dewatering program to remove the water in the current pit. However, as a result of the Company optimising the Life of Mine (“LOM”) plans using a gold price of between US\$1,000 and US\$1,150 per ounce, the Berenai deposit is now being considered as a possible inclusion in the first 5 years of the LOM plan.

Phase 3 Drill Program: The drill program at Berenai is aimed at replacing the previous DC drill holes with diamond core holes within a nominal whittle pit optimised at US\$1,000 per ounce gold on the 2011 resource model.

The target is to produce a new Resource in compliance with the JORC Code 2012 that is comprised of 100% Diamond drilling.

At Berenai 24 holes were drilled for a total of 2,407.5 metres. The drilling was targeted within a re-optimised pit over the southern shoot. Drilling successfully intersected the targeted zones of mineralisation, with typically wide zones (up to 20 metres of quartz veining and hydrothermal breccia at the intersection of the Berenai and Central Veins.

Some very wide intersections were returned including **13.2m @ 1.89 g/t Au, 14.1 g/t Ag** from hole RDD 14368, as well as high grades such as **9m @ 3.98 g/t Au, 8.5 g/t Ag** from hole RDD 14380; **12m @ 4.28 g/t Au, 5.5 g/t Ag** from hole RDD 14386; **6m @ 9.95 g/t Au, 10.9 g/t Au** from hole RDD 14390; and **6m @ 9.65 g/t Au, 38.2 g/t Ag** from hole RDD 14388. Resource modelling is now underway.

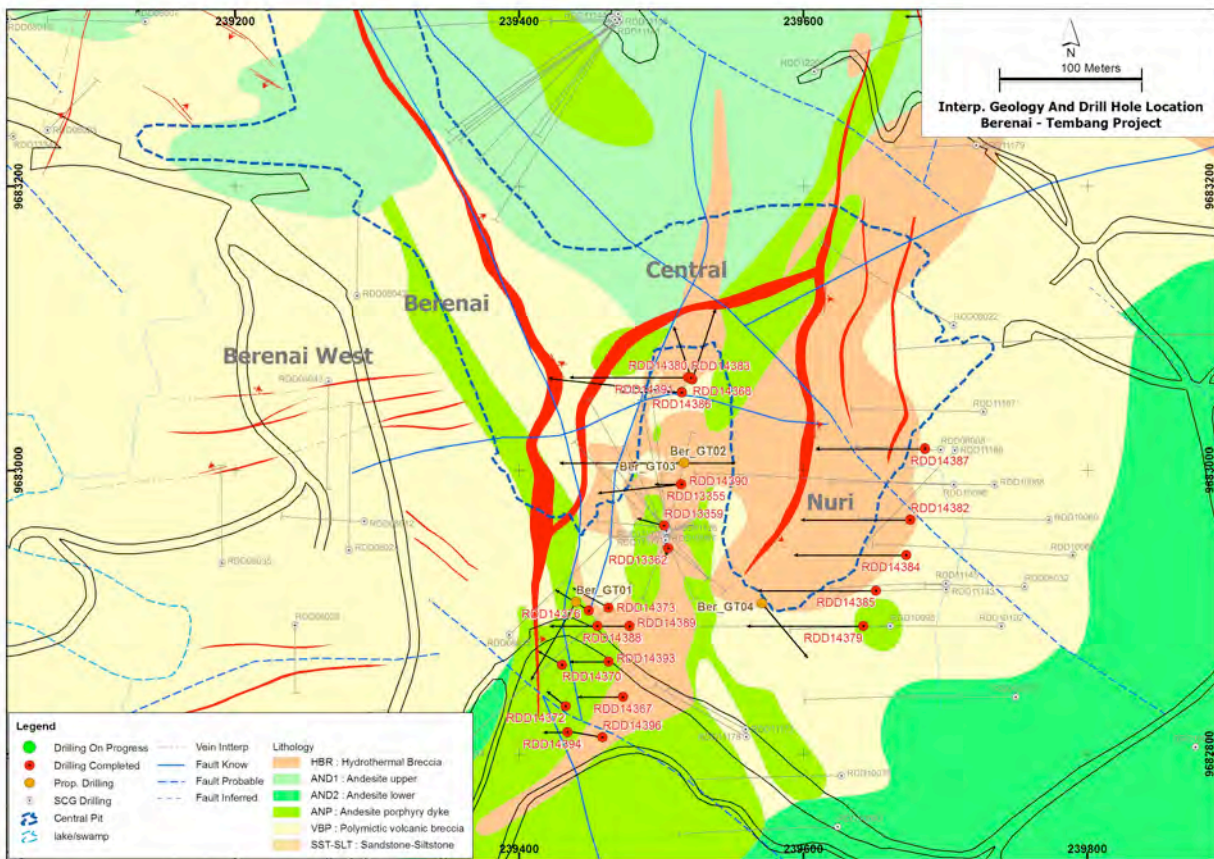


Figure 2: Berenai Drill Plan

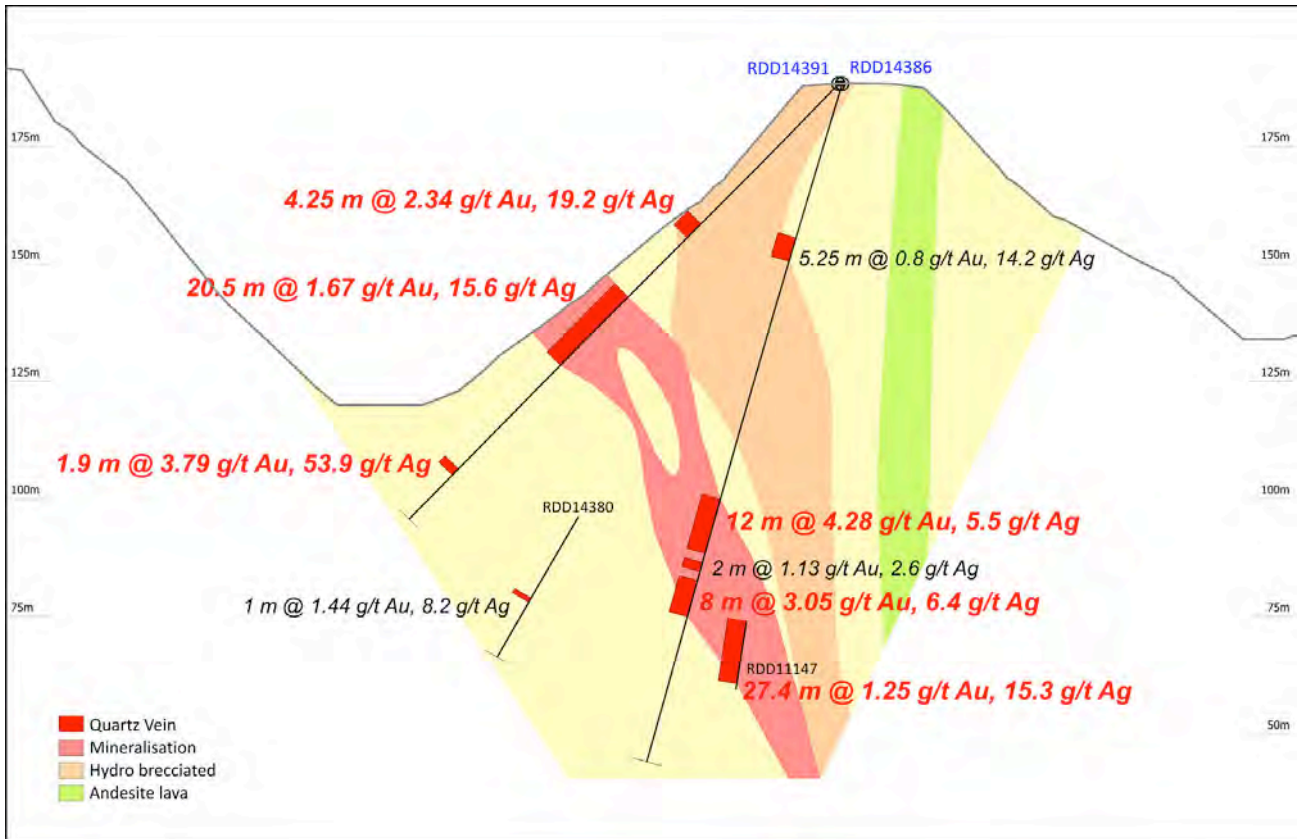


Figure 3: Berenai Drill Section RDD14386 Looking North

Tembang-Anang

Background: The Tembang-Anang deposit was never mined during the original mining phase in the period 1997 to 2000. The Tembang/Anang Deposit made up 6.5% of the contained gold in the Mineral Resource published in September 2011 in accordance with the JORC 2004 Code. The previously published Tembang-Anang Mineral Resource was based on 9,709.8 metres of drill data comprised of 25% diamond drilling and 75% RC drilling.

Phase 3 Drill Program: The drill program at Tembang-Anang is aimed at replacing the previous RC drill holes with DC drill holes within a nominal whittle pit optimised at US\$1,000 per ounce. The target is to produce a new Mineral Resource in compliance with the JORC Code 2012 that is comprised of drill data that is based on Diamond drilling.

At Tembang-Anang 21 holes were drilled for a total of 1,541.7 metres. The drilling was targeted within a shallow re-optimised pit along the vein systems. The Tembang vein was consistent in width and grade along its entire length and is open at depth and along strike to the south-east. During the drilling program the northern extension of the Asmar vein systems were identified and have returned consistent results at the intersection with the Tembang Vein system.

Anang or the continuation of the Asmar vein systems to the north-east was consistent in grade but narrower than the previous 2011 vein wireframe.

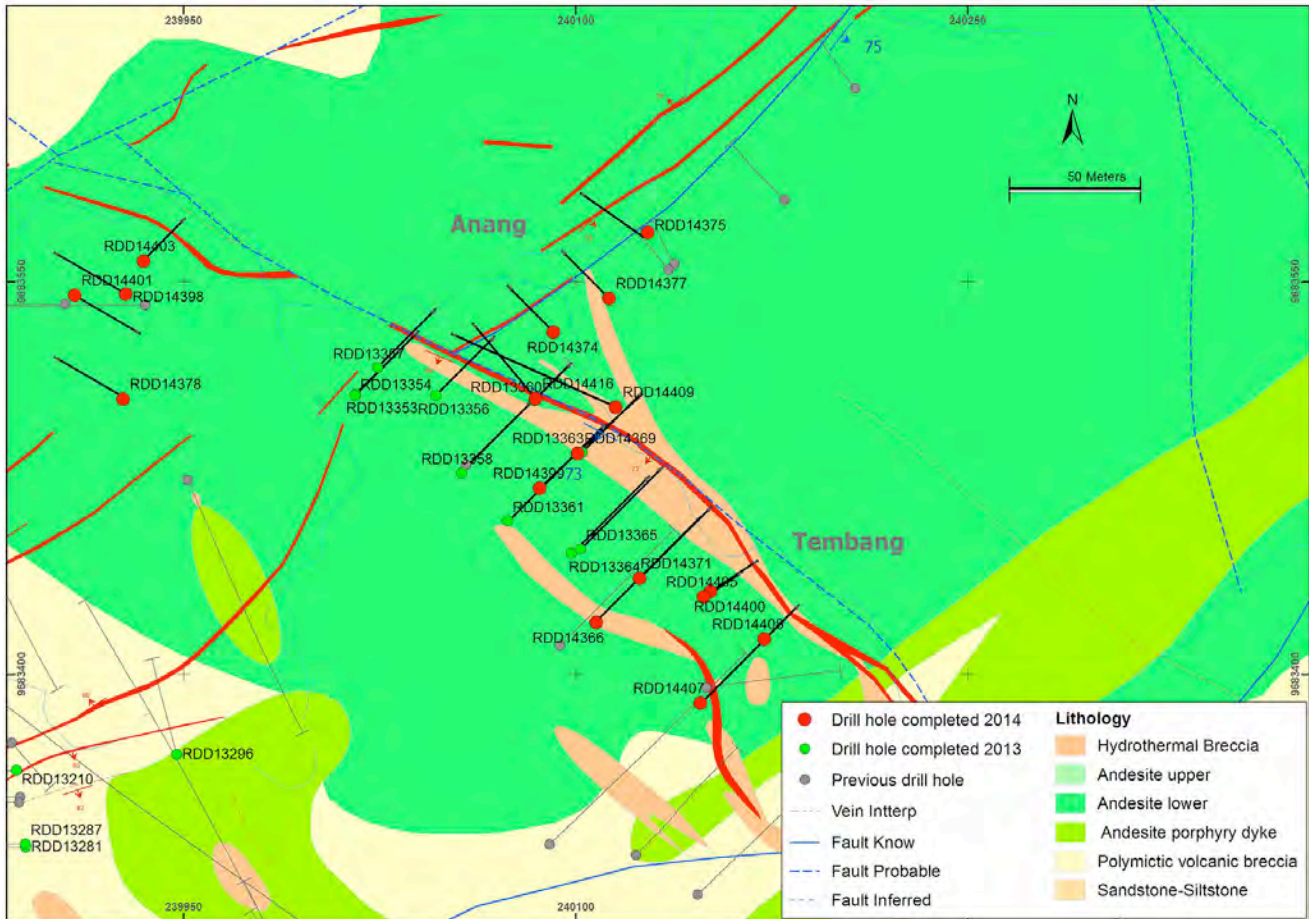


Figure 4: Tembang-Anang Drill Plan

Consistent width and grades were intersected along the entire 300 metre strike length of the system, which is still open at depth and along strike.

Results include **6.4 m @ 2.26 g/t Au, 14.8 g/t Ag** from hole RDD 13358; **3.85m @ 4.20 g/t Au, 25.6 g/t Ag** from hole RDD 14399; and **2.6m @ 5.41 g/t Au, 30.7 g/t Ag** from hole RDD 13356. A continuation of the Asmar vein system was also identified and abuts the Tembang vein in the north-west. Intersections from this zone include **8.5m @ 2.8 g/t Au, 25.9 g/t Ag** from hole RDD 14401.

Resource modelling is planned to commence this month.

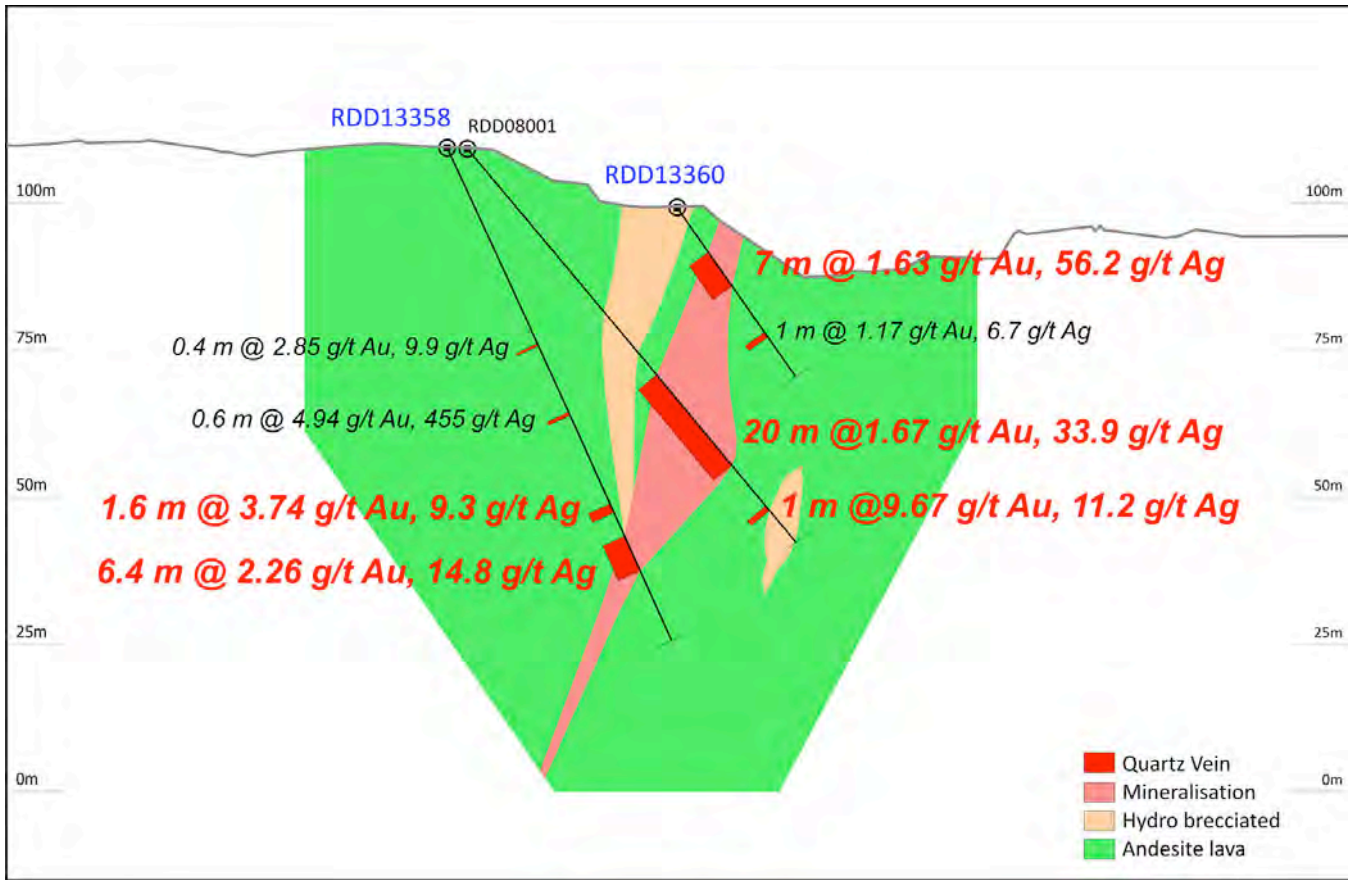


Figure 5: Tembang Drill Section RDD13358 and 13360 Looking North West

Asmar

Background: The Asmar deposit was originally included in the Stage 1 LOM, used in the DFS Study and published in September 2012. The Asmar deposit is more of a stockwork type deposit rather than discrete veins and is relatively low grade but has a relatively low strip ratio.

The Asmar deposit was previously mined during the original mining phase in the period 1997 to 2000 and a small open pit remains. This pit was dewatered prior to the Phase 2 drill program completed in November 2013 and during this phase, all the RC drilling was replaced with Diamond drilling and a new Mineral Resource published in December 2013 in accordance with the JORC 2012 code. The resource model update included 73 diamond drill holes for a total of 8,392 metres and resulted in 53% in the Indicated Resource category with the remaining 47% in the Inferred Resource category.

One final hole from the phase 2 drill program, RDD 13321, intersected 20 metres @ 2.47 g/t gold and 64.7 g/t Ag, from 47 metres below surface however was not included in the resource update. As a result this mineralised zone fell outside the LOM Pit as published in December 2013.

Phase 3 Drill Program: The Phase 3 drill program has been targeted to convert Inferred Resources to Indicated Resource category to increase bankable ounces. The program also targeted extensions of high-grade shoots at the periphery of the previously outlined LOM pit.

At Asmar 6 holes were drilled for a total of 354.8 metres. Typical low to moderate grade mineralisation hosted by quartz veining, stock work and shear zones were intersected with higher grades within individual veins. For example hole RDD 13351 intersected **6.8m @ 1.36 g/t Au, 11.8 g/t Ag** with localised high grades within individual veins such as **3m @ 5.63 g/t Au, 44.2 g/t Ag**

Resource modelling is well underway for this deposit.

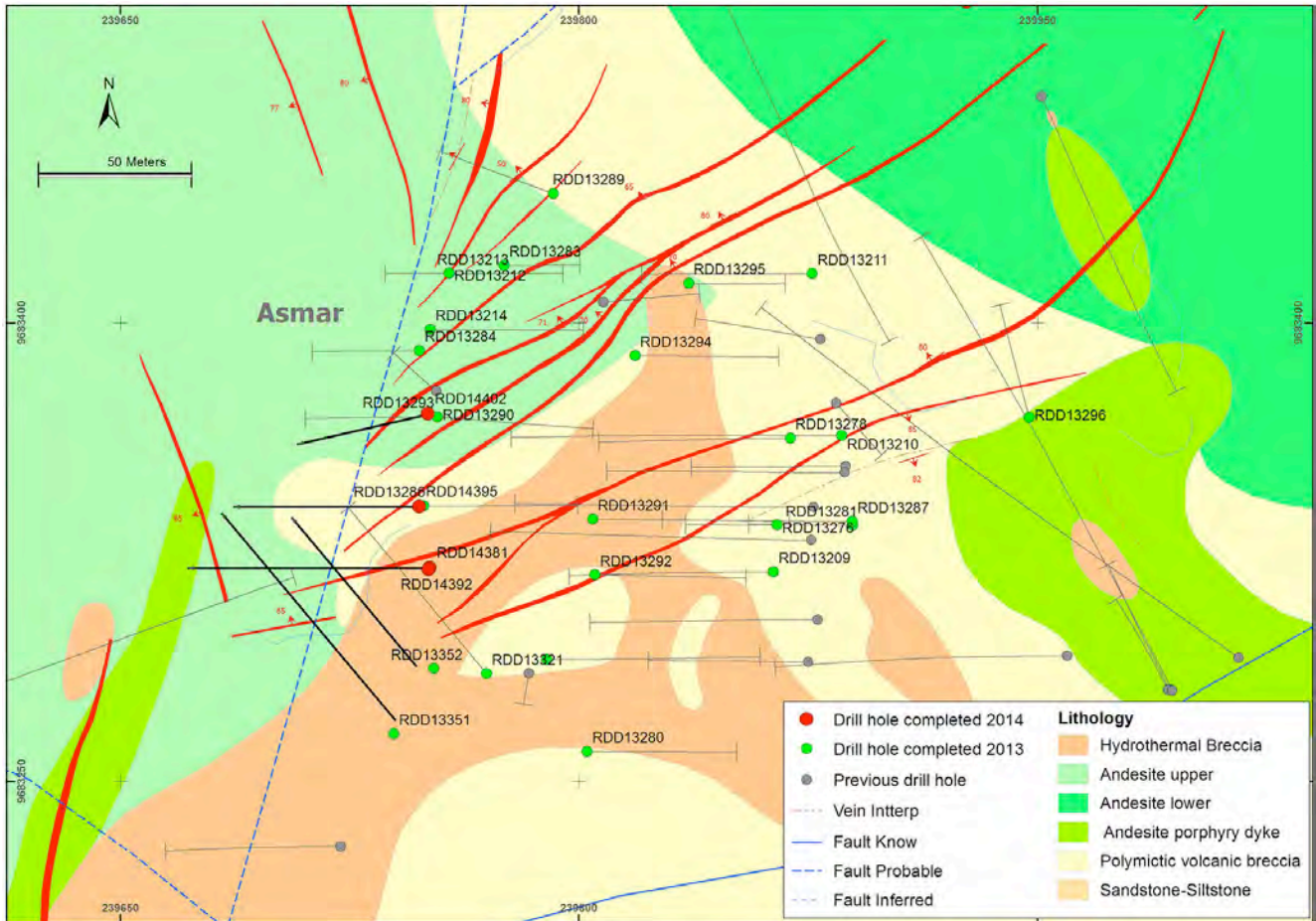


Figure 6: Asmar Drill Plan

Current Drilling

Belinau

At Belinau, 3 holes were completed for a total of 726.6 metres. The holes were targeted at depth in the southern shoot to convert Inferred to Indicated Resources. All holes successfully intersected the target vein which ranges in thickness from 0.3 metres to 1.1 metres thickness.

Results for these holes show that the tenor of the mineralisation is weakening at depth on these sections. The best result was from RDD 14406, which returned 1 metre @ 4.19 g/t Au and 3 g/t Ag.

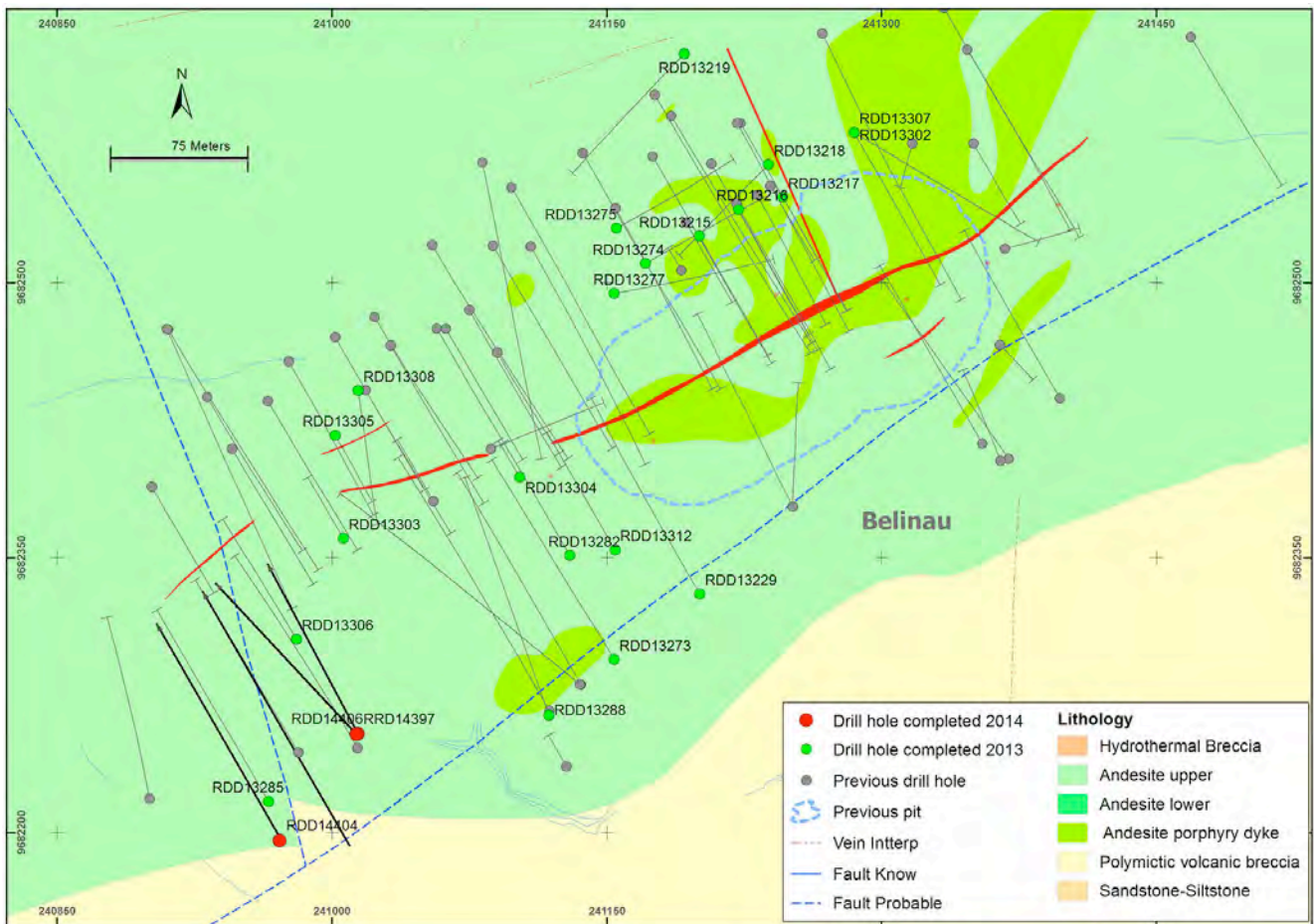


Figure 7: Belinau Drill Plan

Siamang and Bujang

Drilling is ongoing at Siamang and Bujang within optimised pit shells. At Siamang, 4 holes have been completed for a total of 212 metres. At Bujang, 3 holes have been completed for 289.4 metres.

At Bujang in particular, confirmation drilling has intersected wide zones of quartz veining from **3.25 metres to 6.1 metres**, which is very encouraging.

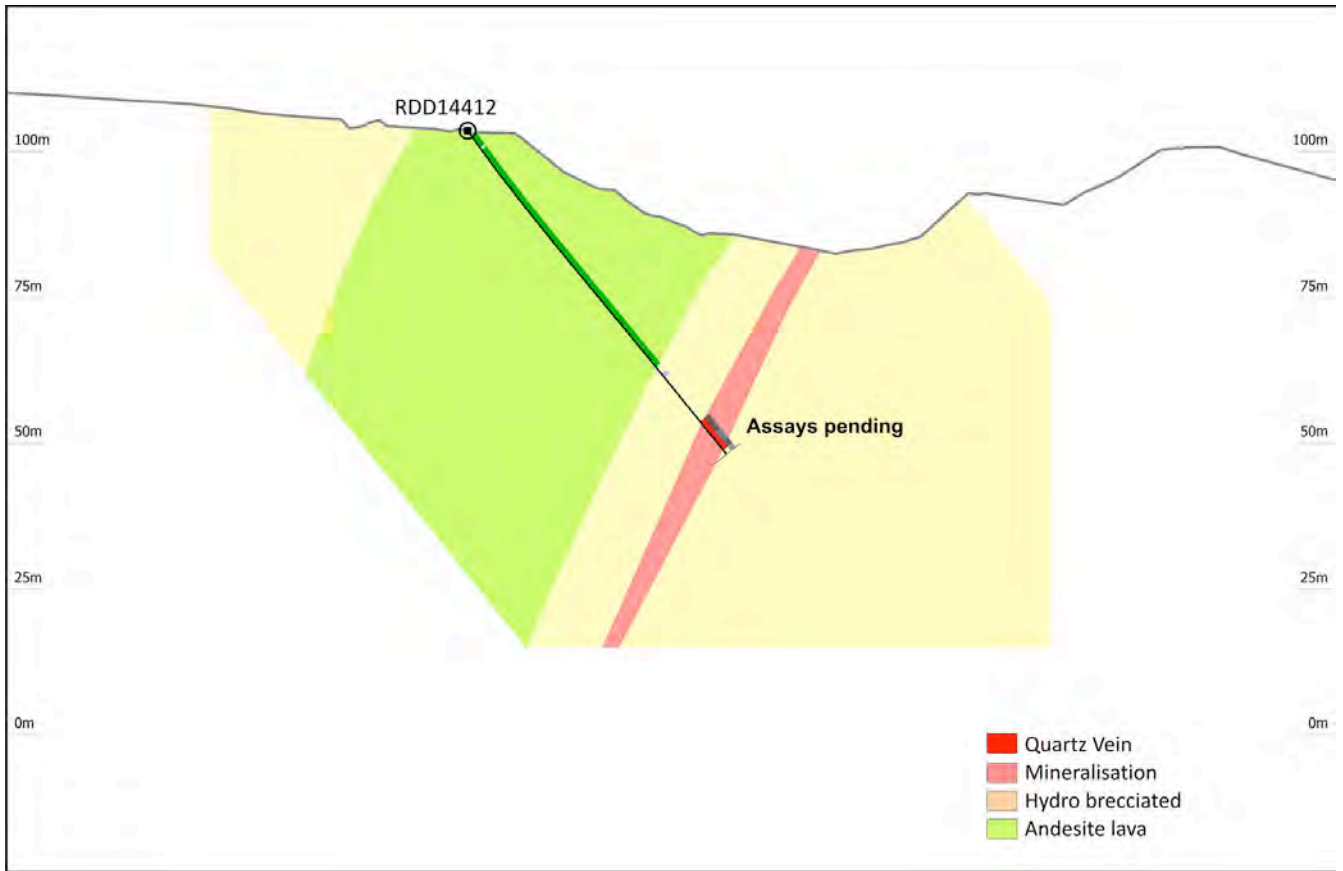


Figure 8: Bujang Drill Section RDD14412 Looking North