

ASX Announcement

16 December 2014



Retirement of Managing Director

Julian Ford has informed the Company of his decision to retire as Managing Director of Sumatra Copper & Gold plc ("the Company"). Julian has held this position since June 2011 and has been instrumental in successfully transitioning the Company from junior explorer to funded project-development status.

Julian has recruited an excellent executive and project team that has positioned the Company well for the development of the Tembang Gold-Silver Project which is currently under construction. Julian's commitment to understanding the cultural and political characteristics of Indonesia has been outstanding.

David Fowler, currently CFO, has been appointed Acting CEO. David's material terms of employment are attached as Annexure A to this announcement.

Gavin Caudle, who represents the major shareholders, commented that "we were surprised to hear of Julian's decision but I guess it's understandable as his major strength is in getting projects through the development phase to be fully funded. He has built an excellent team and managed to obtain funding for a mining project in Indonesia at an extremely difficult time and so he leaves the Company in good shape".

We wish Julian the very best in his future undertakings and welcome David into the position of Acting CEO.

Steve Robison
Chairman

END

For further information please contact:

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About Sumatra Copper & Gold

Sumatra Copper & Gold Plc (ASX:SUM) is an emerging gold and silver producer in southern Sumatra, Indonesia. The Company has a significant project portfolio encompassing greenfields exploration projects to brownfields, near-production opportunities. The Company's Tembang Gold/Silver Project is currently under construction and targeting production in Q4 of 2015. The 5-year LOM Project will ramp up to average annual production of 30,000oz gold and 345,000oz of silver with C₁ cash costs of US\$470/oz and AISC of US\$745/oz net of silver credits.

Directors

Steve Robison
Non-Executive Chairman

Jocelyn Waller
Non-Executive Director

Julian Ford
Managing Director & CEO

Gavin Caudle
Non-Executive Director

Adi Sjoekri
Executive Director

Contact

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ANNEXURE A

In accordance with ASX Listing Rule 3.16.4, the terms of the remuneration and employment of new Acting CEO Mr David Fowler are as follows –

- Term: Mr Fowler is appointed as Acting CEO for a term of 4 months commencing 15 December 2014. Mr Fowler currently holds the position of Chief Financial Officer and will undertake the role of Acting CEO in conjunction with his current duties.
- Base salary: Mr Fowler will be paid a base salary, during his term as Acting CEO, of A\$300,000 plus 9.5% superannuation.
- Incentive Plans: Mr Fowler's current terms of employment as CFO remain unchanged in regards to his eligibility to participate in the Company's short term incentive plan and Long Term Incentive Plan.
- Termination and Notice: Mr Fowler's current terms of employment as CFO remain unchanged in regards to termination and notice. Termination other than for cause may be by Mr Fowler or the Company with 3 months' notice. The Company may make a payment in lieu of notice based on Mr Fowler's base salary at the date of termination plus statutory leave entitlements. The Company may terminate for cause without prior notice. The Company may also terminate Mr Fowler for poor performance with 1 months' notice. Termination in the event of material diminution or redundancy requires 3 months' notice plus the payment of 6 months' base salary plus superannuation and statutory leave entitlements.

Terms of Mr Ford's retirement -

- Mr Ford provided the Company with 3 months' notice on 15 December 2014. The Company may make a payment in lieu of notice based on Mr Ford's base salary at the date of termination plus statutory leave entitlements. Mr Ford is not entitled under the terms of his contract to any termination benefits or payments other than statutory leave entitlements.