

Tembang Operations Update

Mine Production

Sumatra Copper & Gold plc (“the Company”) announces that it has temporarily suspended open pit mining activities at its Tembang gold-silver operation located in southern Sumatra, Indonesia.

With the scheduled completion of the Berenai open pit mine this month, the majority of the remaining open pit reserves are contained within the lower grade Asmar orebody. Under Tembang’s current cost structure and the prevailing gold price, Asmar is marginally profitable.

As previously announced, the proposed connection of Tembang to the State-owned electricity grid later this year will result in considerable reductions to power charges (from US\$0.26 / Kwh to approximately US\$0.09 / Kwh) with expected savings in processing costs, underground mining costs and administration.

During this intervening period, the Company has decided to terminate the Open Pit Equipment Hire Contract and anticipates mining will restart in the fourth quarter with a lower cost, bulk mining arrangement. The lower processing costs from grid power and a new open pit mining arrangement will allow the Asmar pit to be reoptimized at a lower cut-off grade. This will also potentially allow the significant Inferred Resource at Asmar to be targeted for conversion to reserves.

Accordingly, the Company has lowered its 2018 production guidance to 37,500 – 42,500 oz AuEq from 45,000 - 55,000 oz AuEq reflecting the temporary suspension of open pit mining.

Chief Executive Officer Rob Gregory commented: “Whilst there will be a short term loss in production, our decision to temporarily suspend open pit mining will significantly improve the profitability of the Asmar orebody and secure the near term future of the operation.”

For further information please contact:

Robert Gregory
Chief Executive Officer
Sumatra Copper & Gold plc
+61 8 9480 0620
rgregory@scgplc.com

Phil Retter
Investor Relations
NWR Communications
M: +61 407 440 882
phil@nwrcommunications.com.au

About Sumatra Copper & Gold plc

Sumatra Copper & Gold plc (ASX: SUM) is a gold and silver producer and precious metals explorer in southern Sumatra, Indonesia. The Company’s flagship asset is its Tembang gold-silver mine, currently in production. The Company also has an extensive exploration portfolio with projects ranging from brownfield, near-production opportunities to strategically located greenfield holdings.

Directors

Jocelyn Waller
Non-Executive Chairman

Gavin Caudle
Non-Executive Director

Andy Robb
Non-Executive Director

Rob Gregory
Chief Executive Officer

David Fowler
Non-Executive Director

Adi Sjoekri
Executive Director

Contact

Amberley Business Centre	Registered address
IBM Building, Level 3	39 Parkside, Cambridge
1060 Hay Street	United Kingdom CB1 1PN
West Perth	Registered Number 5777015
Western Australia 6005	

T: + 61 8 9480 0620

E: info@scgplc.com ASX Code: SUM

Web: www.sumatracoppergold.com