



SUMATRA

COPPER & GOLD

ASX Code: SUM

Creating wealth and skills through low-cost gold and silver production
Investor Update – January 2013

- 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 (ABN 14 136 694 267) 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 report that relates to Exploration Results 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 mineralisation 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.
- The information in this report that relates to Tembang 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.
- The information in this report that relates to Tembang Ore Reserves is based on information compiled by Mr Shane McLeay of Entech Pty Ltd, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr McLeay 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 McLeay consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

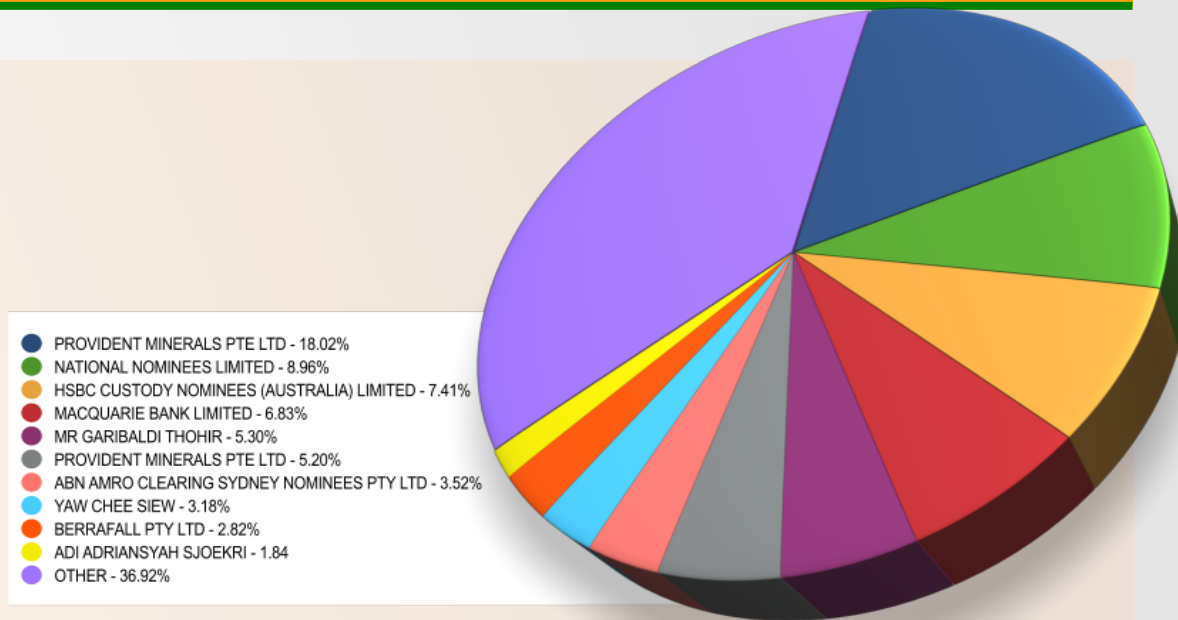
Gold Equivalent reporting

- Gold Equivalent = gold assay + (silver assay / 50) where the number 50 represents the ratio where 50 g/t Ag = 1 g/t Au. This ratio was calculated from the average of the 12 months of Financial Year 2011 from July 2010 to June 2011 taken from published World Bank Commodity Price Data and rounded up from 47 to 50. The metal prices thus used in the calculation are the average gold price of US\$1,500 per ounce and average silver price of US\$30 per ounce. Metal recoveries assumptions are 90% for gold and 80% recovery for silver for Belinau.

Corporate

ASX Code	SUM (Listed Nov 2009)
Shares/CDI's issued	258.6M
52 week high/low	A0.195 – A\$0.06
Share Price	A\$0.195
Market Cap	~\$50.5M
Debt	\$5M
Ave daily volume	~345,000
Cash on Hand (December 2012)	\$7.5M
Enterprise Value	\$48M

Top 10 Shareholders – 50.1%



Major Shareholders

Provident Minerals Pte Ltd	<i>Major private investment house with substantial interests in many leading Indonesian businesses in partnership with Saratoga Capital, including Tower Bersama Infrastructure. Cornerstone investor in several ASX-listed Indonesian resource companies including Sumatra Copper & Gold, Finders Resources and Sihayo Gold.</i>
Mr Garibaldi Thohir	<i>Indonesian billionaire, ranked by Forbes as country's 18th richest man, founder, President and Director of leading Indonesian coal company Pt Adaro Energy Tbk.</i>
Mr Yaw Chee Siew	<i>Prominent Singapore-based sophisticated investor and businessman, CEO and Managing Director of Otto Marine Ltd. Investor in emerging ASX-listed companies including Sumatra Copper & Gold, Sihayo Gold and Balamara Resources.</i>



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

+30 years experience; former Director – Macquarie Bank (Chairman – Metals and Energy Capital Division and head of Metals and Mining).



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

+25 years experience; previously co-founder of Zambezi Resources and senior executive at several mining companies.



Adi Sjoekri *BSc, MSc, MBA (Management) – Director (Government Liaison, Permitting, Forestry)*

Founder of Sumatra Copper & Gold in 2006. +17 years corporate mining experience, working for major companies such as CSR and Newmont;



Jocelyn Waller *MA (Hons) (Cantab) – Non-Executive Director*

Co-founder of Sumatra Copper & Gold with Adi Sjoekri – in 2006; founded Avocet Mines in 1995 which operated in Malaysia and Indonesia. Currently Non-Executive Director – RusAnt Ltd.



Graeme Smith *BEC, MBA, MComLaw, FCPA, FCIS, MAusIMM – CFO and Company Secretary*

Finance professional with + 25 years experience in accounting and company administration; previously CFO and Company Secretary with several Top-10 Australian and overseas mining companies.

Board and Management

Strong Indonesian experience and extensive project development expertise



Don Harper *B.Eng (Mining Engineering), B.Surv (Surveying), FAusIMM – Chief Operating Officer*

Qualified mining engineer with +21 years' experience; specialist in narrow-vein underground gold mining. Strong track-record in project management and taking resource projects from pre-feasibility into production.



Grant Harding *B.AppSc, FAusIMM – General Manager, Projects*

Qualified extractive metallurgist with +25 years experience, specialist in gold and silver process plants. Extensive senior operational, engineering and project management experience, principally in Indonesia.



Ali Ahmid *BTEC (Chemistry), M Env Mgm – General Manager Environment and Community Relations*

Responsible for local and regional Government liaison, environmental compliance, and liaison and communication with local communities. 20+ years experience, 15+ years at Kelian Gold Mine with Rio Tinto.



Budin Umar *B.Env Sc., B.Eng (Geology), AusIMM – General Manager, Tembang*

Responsible for mining, process, environment, community and administration activities. 30+ years of experience as a Mining Geologist.



The Flagship: Tembang Copper-Gold Project

A robust, low-cost project on track for production in 2014

- Located in **South Sumatra**, Indonesia
- **100 per cent owned** under 2009 Indonesian Mining Laws
- Previously mined, **producing 140koz** in 1997-2000 (closed when gold was <A\$270/oz)
- Proven and Probable Reserves = **0.4Moz gold + 5.5Moz silver**¹
- JORC resources of **~1Moz of gold + 12.8Moz of silver**
- 8-year mine life with LOM production of **395,000oz gold + 4.8Moz silver**, revenue of **US\$738M**, net cash flow of **US\$222M**
- Total **pre-production CAPEX = US\$40M**, balance of US\$65M total CAPEX to be funded out of cash flow
- **First production Q1 2014** in low-cost, staged approach:
 - *Stage 1 production = 30koz pa gold + 200koz pa silver @ US \$487/oz cash cost in 2014*
 - *Stage 2 production = 50koz pa gold + 500koz pa silver by 2015, @ US\$431/oz cash cost in 2014*

Note 1: see Appendix 1B on page 31 for a full statement of Tembang Project reserves.

Note 2: See Appendix 1A on page 30 for a full statement of Tembang Project resources.



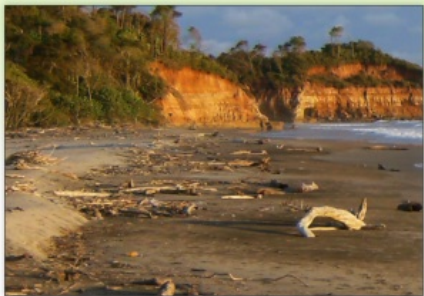
The Tembang Timetable

On track for production in 2014

2010 / 11

ACHIEVED

- 100% ownership of 7 exploration permits (IUPs) across 3,200km²



1H 2012

ACHIEVED

- Amdal Permitting
- 20-year Mining Licence granted
- Tembang Stage 1 PFS
- 0.5Moz AuEq Reserve
- Expansion of production management team



2H 2012

ACHIEVED

- Indonesian cornerstone investment partner
- Tembang Stage 1 DFS
- Tembang Stage 2 PFS
- In-principle Forestry Licence granted



2013

TARGETED

- Full permitting
- Project finance
- Start of construction



2014

TARGETED

- Start of production and cash flow



Tembang Location and Infrastructure

Brownfields project located close to existing mines, power, gas, roads, ports and airports



Concession holdings as at 30 November 2012



Tembang Project – Overview

Low-risk, staged development – open pit and underground

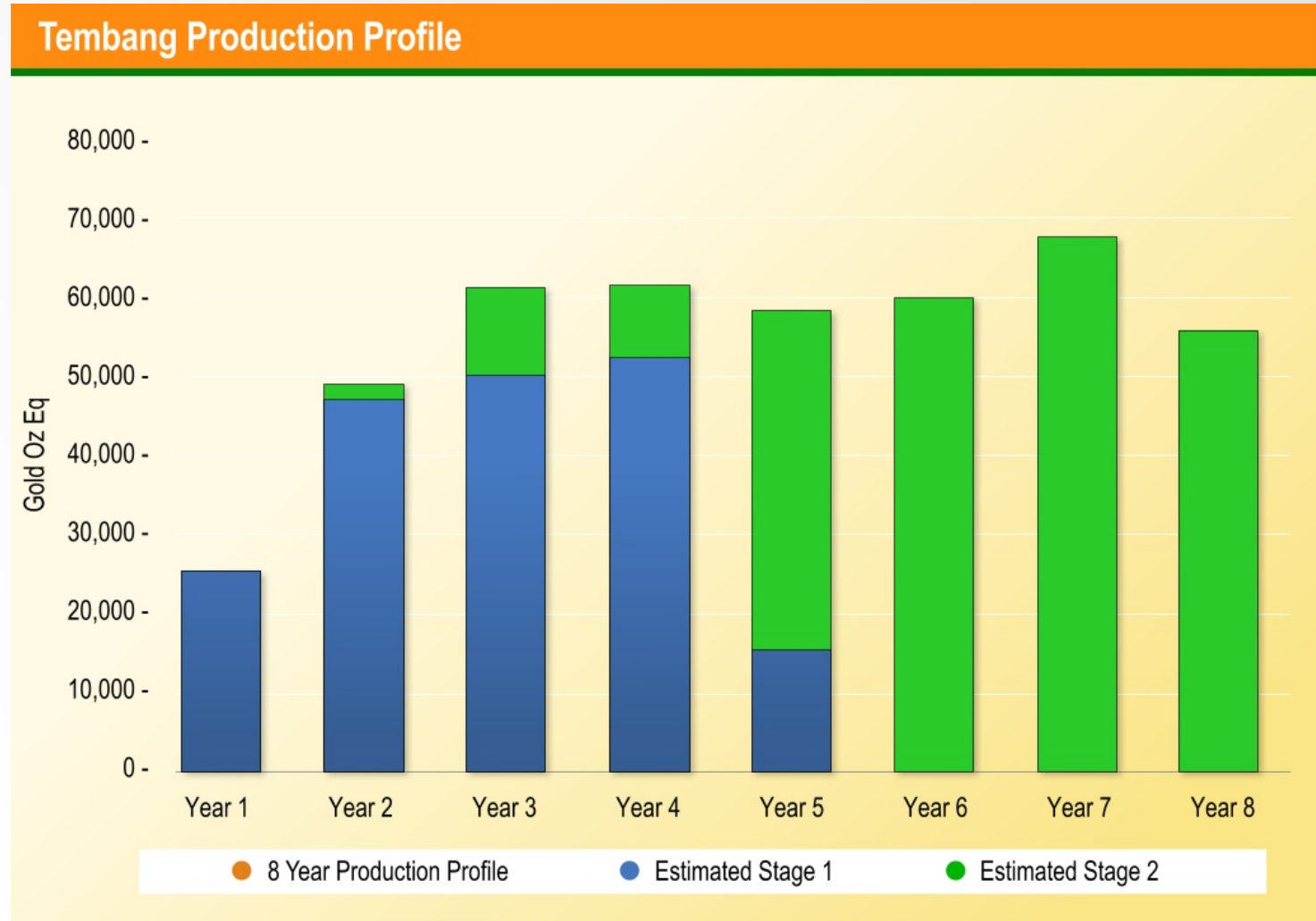
- ✓ Brownfields – previously mined in 1996-2000
- ✓ SUM pegged the ground in 2006 – acquiring 100,000m drilling database
- ✓ Additional 55,000m of diamond drilling completed
- ✓ Low Risk Project – 2-stage development, known metallurgy and geotechnical issues
- ✓ Combination of Open Pit & Underground
- ✓ Excellent Metallurgy
- ✓ Conventional process flowsheet



Tembang Project – Overview

Growing production profile over 8-year mine life

- 8-year reserve Life-of-Mine (LOM)
- Production = **395,000z gold + 4.8Moz silver**
- LOM revenue US\$738M, net cash flow US\$222M
- Pre-production CAPEX = US\$40M, total LOM sustaining capital US\$65.5M
- LOM C1 cash costs US\$431/oz
- Low-cost, 2-stage approach to development
 - *Stage 1 (30kozpa Au + 200kozpa Ag)*
 - *Stage 2 (50kozpa Au + 500kozpa Ag)*
- Significant exploration upside



Note a) C1 Costs are as defined by Brook Hunt and are cash costs before tax and royalties and after silver credits using a silver price of US\$30 per ounce and a recovery of 80%.

Note b) Refer to appendices for full Statement of Reserves and Resources

Note c) Economics based in US\$1,500 gold price and US\$30 silver price

Note d) Gold equivalent based on above metal prices and 80% silver recovery

Reasons for a Staged Approach

Three key reasons underpinning Sumatra's development approach

- **Community relations:**

- *Stage 1 provides opportunity to train up local employees and operators before expanding*
- *Maximises employment of local people*
- *Enables SUM to establish its credentials and licence to operate on a smaller scale before expanding*

- **Water and environmental management:**

- *Stage 1 enables pit de-watering at Belinau to be managed in a sustainable manner before the environmental footprint of the operation is expanded*

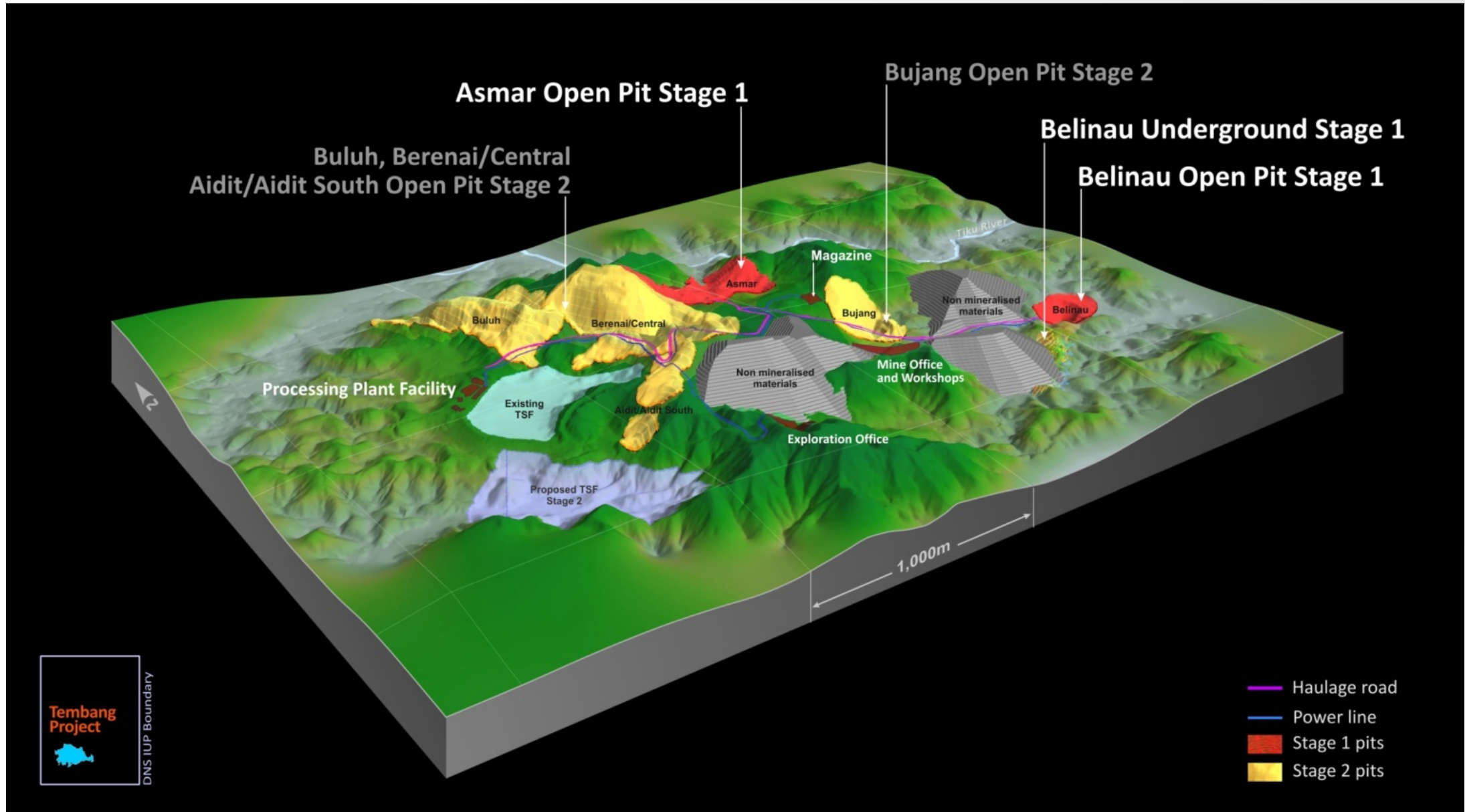
- **Exploration potential:**

- *Cash flow from Stage 1 to fund development of two exploration declines at Berenai to follow up previous high-grade intersections at depth and develop additional production sources*



Tembang Project – Mine Layout

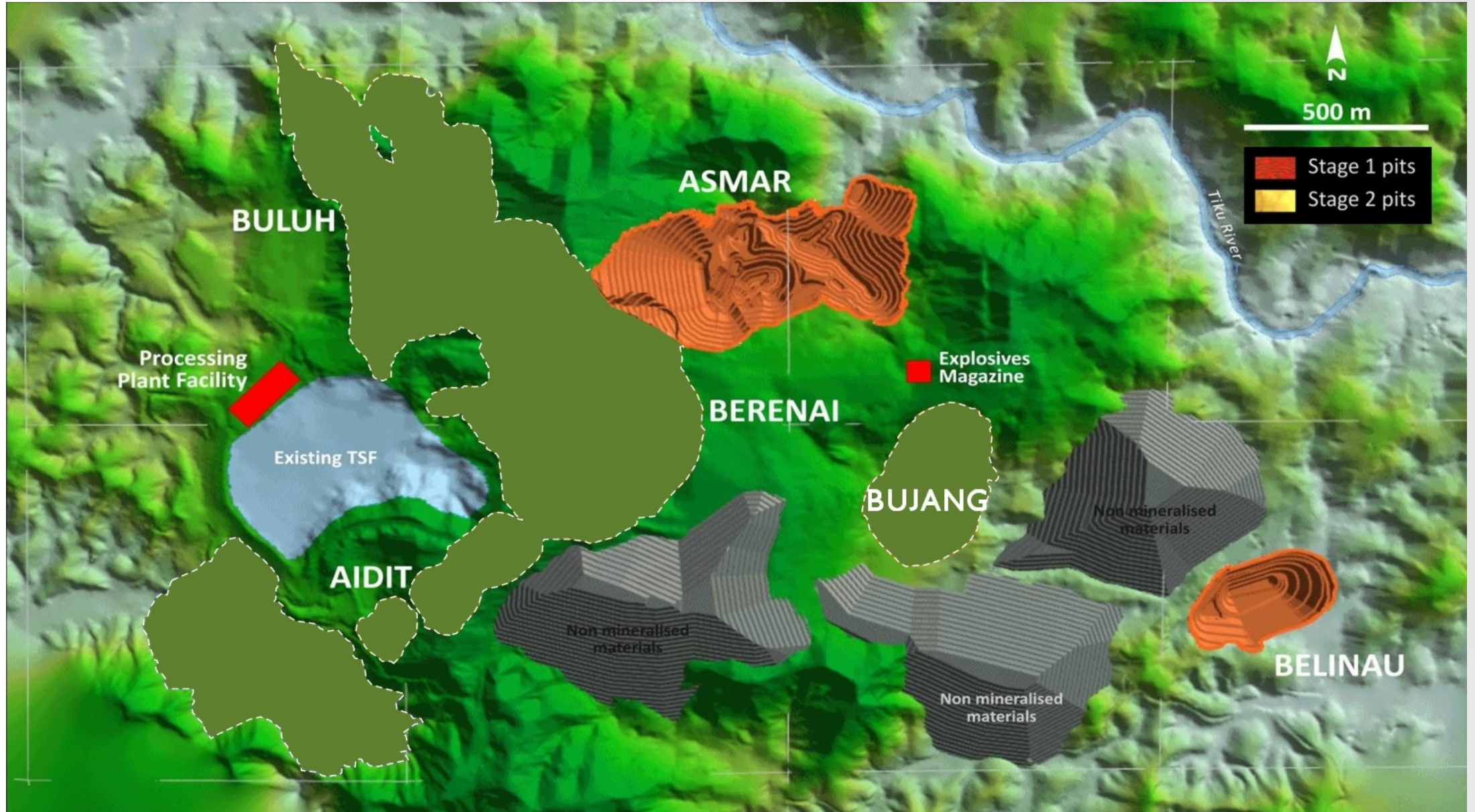
Stage 1 and Stage 2



- Haulage road
- Power line
- Stage 1 pits
- Stage 2 pits

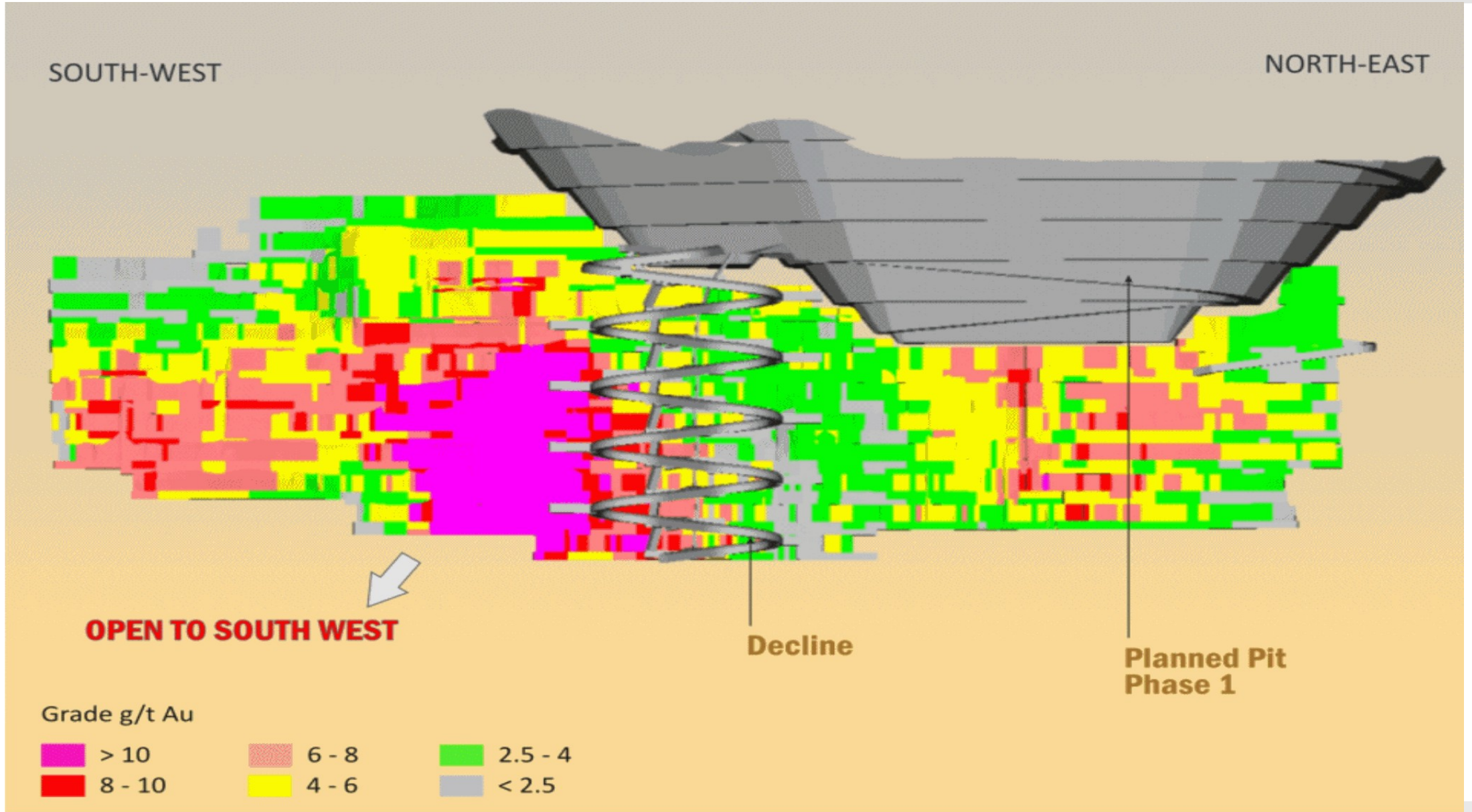
Tembang Mine

Stage 1 – Plan View



Belinau Underground

Stage 1 – Long Section 3D view



- Stage One DFS

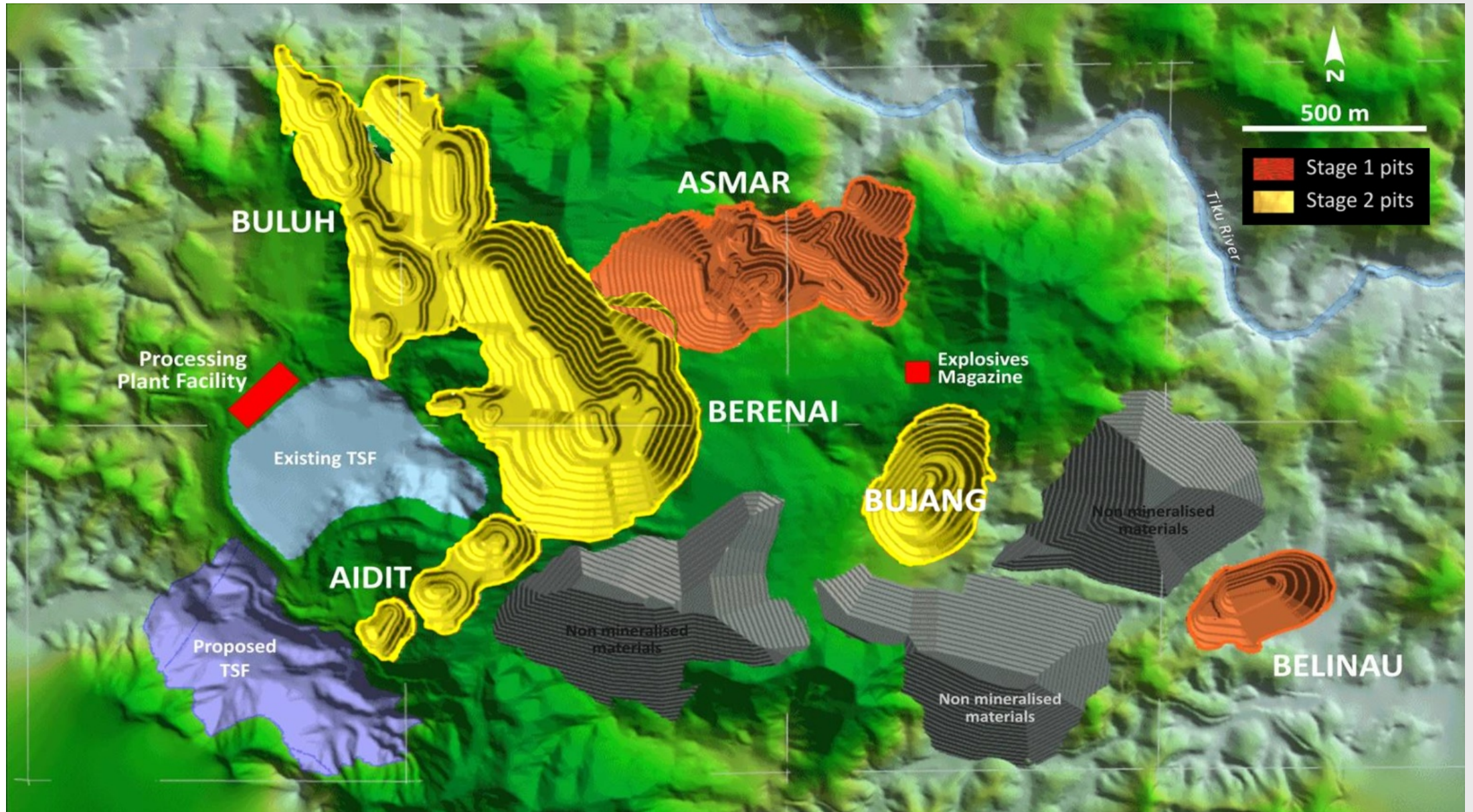
(based on US\$1,500/oz gold, US\$30/oz silver):

- *Production = 30koz pa gold + 200koz pa silver*
- *Total production = 146,000oz gold, 1.4Moz silver*
- *Processing rate = 400,000tpa*
- *C1 cash cost = US\$487/oz*
- *Pre-production CAPEX = US\$40M*
- *Sustaining capital = US\$28M*
- *Revenue = US\$261M*
- *Net cash flow = US\$71M*



Tembang Mine

Stage 2 - Plan View



- Stage Two PFS (includes Stage 1)
(based on US\$1,500/oz gold, US\$30/oz silver):
 - *Production = 50koz pa gold + 500koz pa silver*
 - *Total production = 395koz gold + 3.5Moz silver*
 - *Processing rate = 900ktpa*
 - *C1 cash cost = (US\$431)/oz*
 - *Additional Sustaining capital = US\$65.5M*
 - *Revenue = US\$738M*
 - *Net cash flow = US\$222M*



Stage 2 Process Plant Parameters

6.05Mt @ 2.30g/t Au, 88% recovery - 395,000ozAu
30.18g/t Ag, 82% recovery - 4.8MozAg, 491,000oz AuEq.⁽¹⁾ ,
8 year mine life.

Single stage crushing, SAG & Ball grinding,
gravity separation, Carbon in Leach,
AARL carbon stripping
tails thickening,
cyanide detoxification.

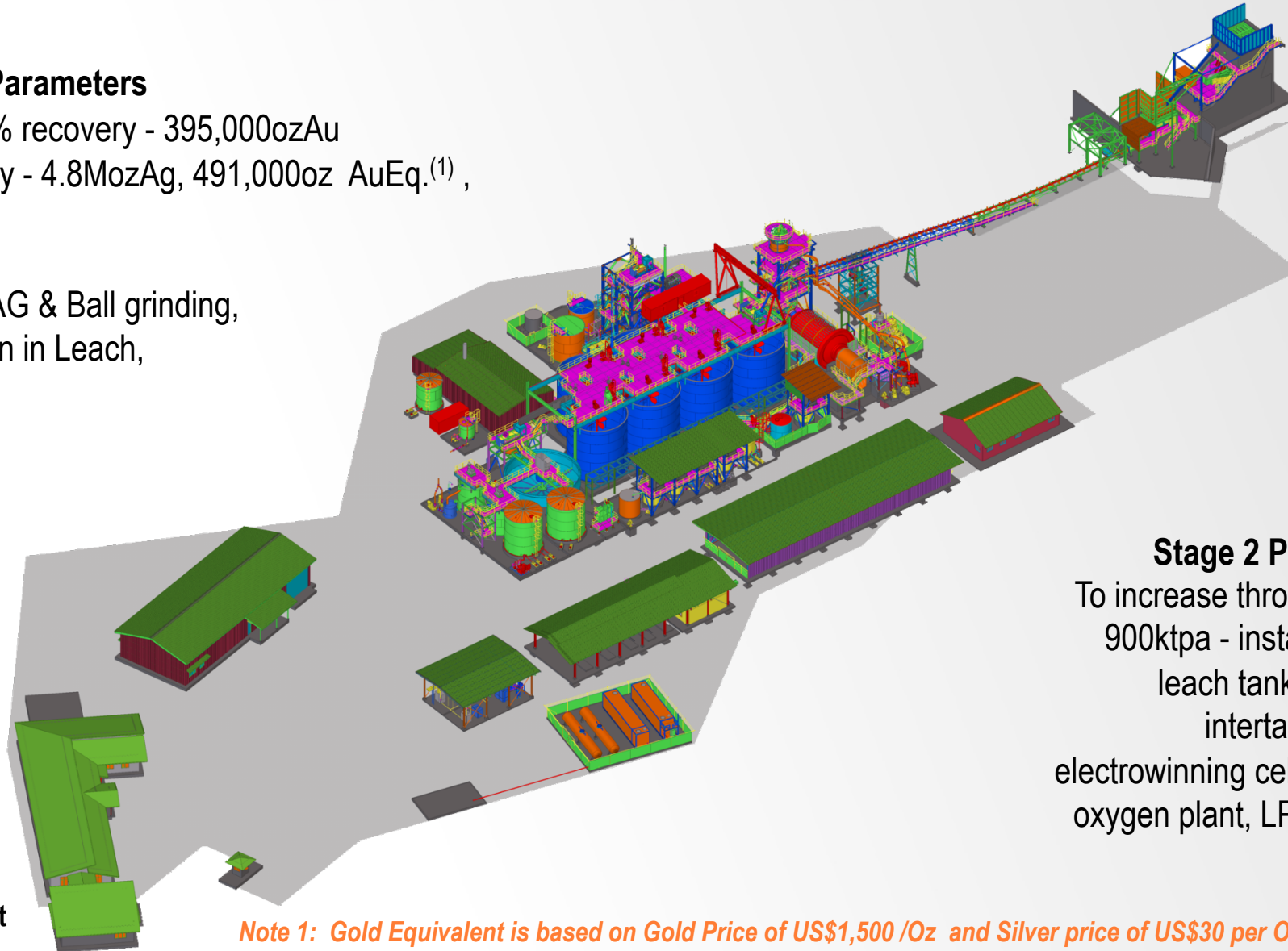


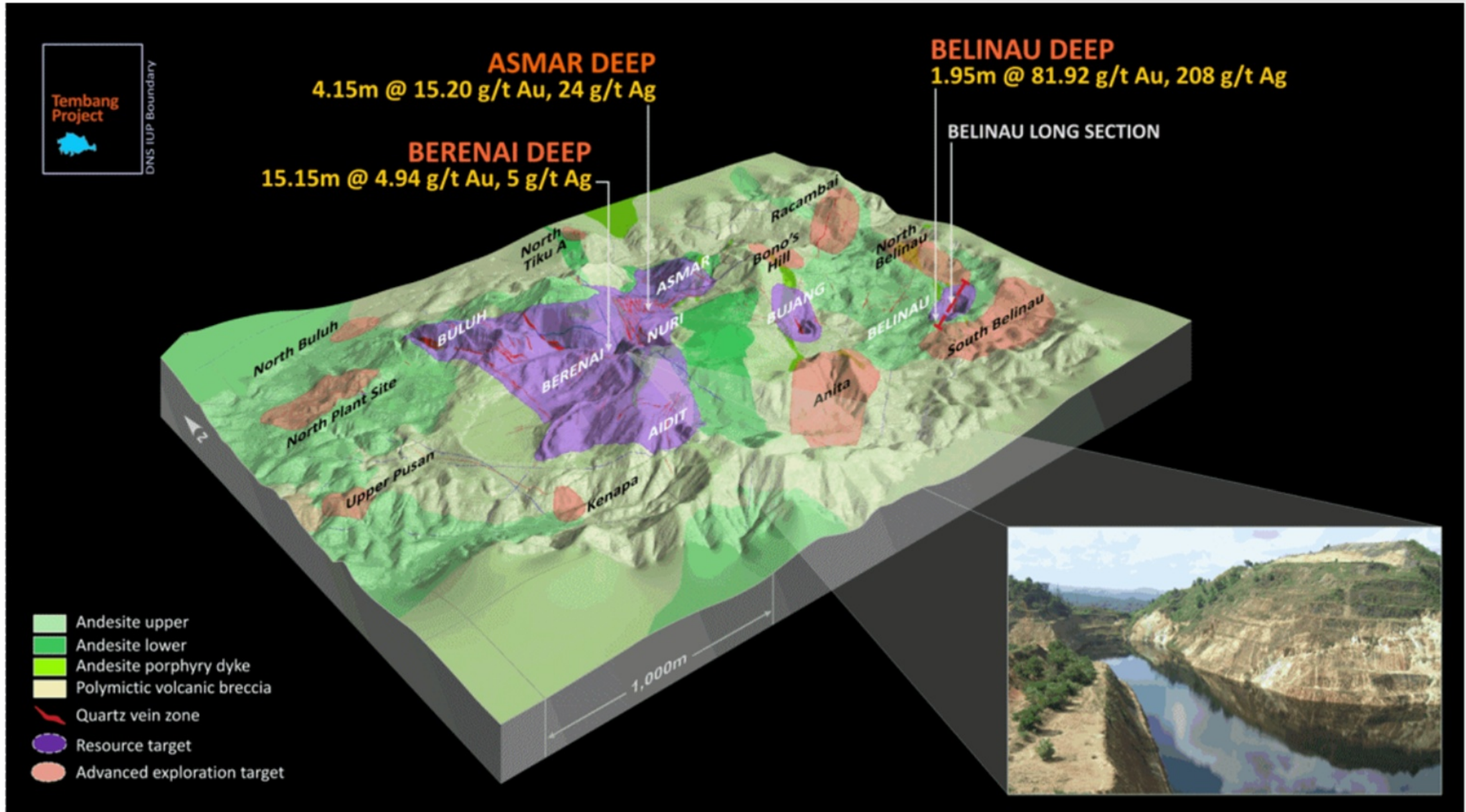
Figure 1 : Stage 1 Process Plant

Stage 2 Process Plant Upgrade
To increase throughput from 400ktpa to
900ktpa - install a Ball mill, additional
leach tanks, gravity concentrator,
intertank screens, detox tank,
electrowinning cells, increase capacity of
oxygen plant, LPA blowers and process
pumps. Cost \$10M

Note 1: Gold Equivalent is based on Gold Price of US\$1,500 /Oz and Silver price of US\$30 per Oz and silver recovery of 80%

Tembang Exploration

Near-mine targets offering excellent growth potential



Corporate Social Responsibility

Immersed in Indonesia: a “bottom-up” approach to corporate and social development

Unique strategy tailored to each project

- Tailored to project development stages and community baseline surveys

Flexible

- Focused on basic needs, i.e. health, education, local economy and maintenance supports

Over-arching strategy

- Increased local content
- Reduce personal privileges
- Reduce dependency, increase sustainability
- Ensure effective coordination with Government programs

Health Program and Clinic Supports



School & Madrasah Supports



Maintenance Supports



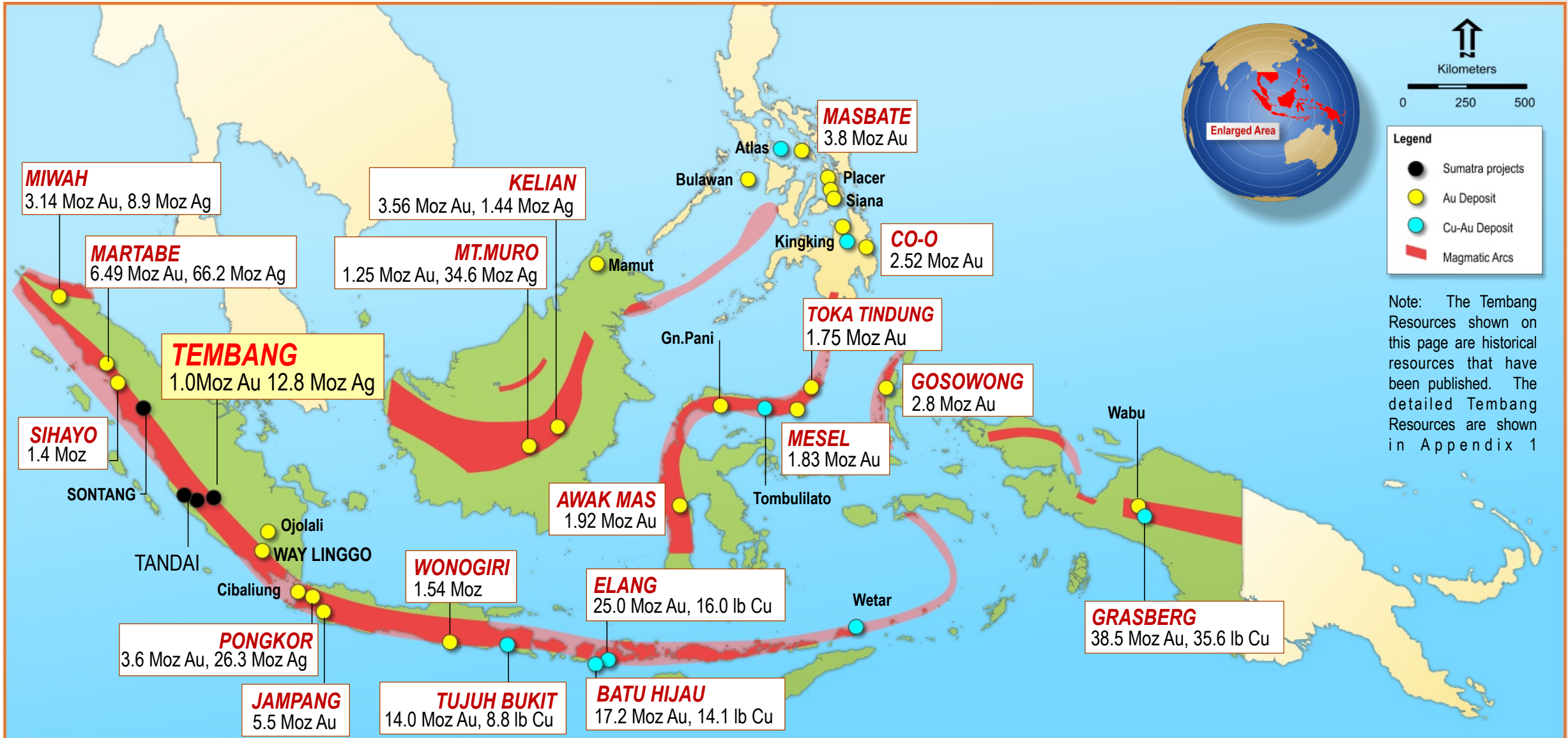
Local Purchases for Camp Needs



2015/2016

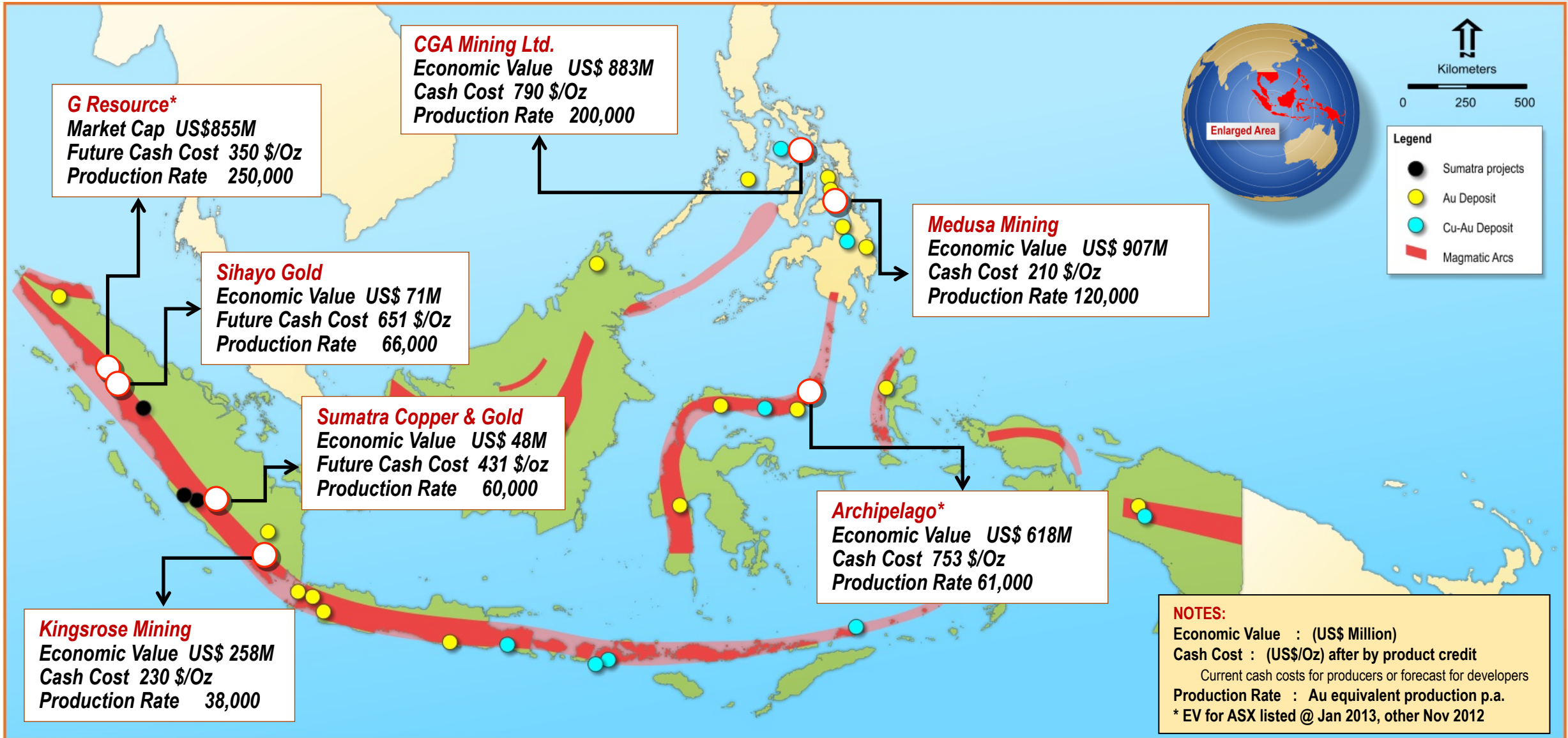
Tembang Gold-Silver Project

Located in the "Rim of Fire" close to several world-class deposits



Rim of Fire

Significant Market Capitalisation of Major Producing Projects



Other Projects

Active exploration programs underway across Sumatra

Tandai Project

- (30% SUM, 70% Newcrest)
- Exploration JV project with Newcrest

Sontang Project

- (100% SUM)
- High-grade exploration project

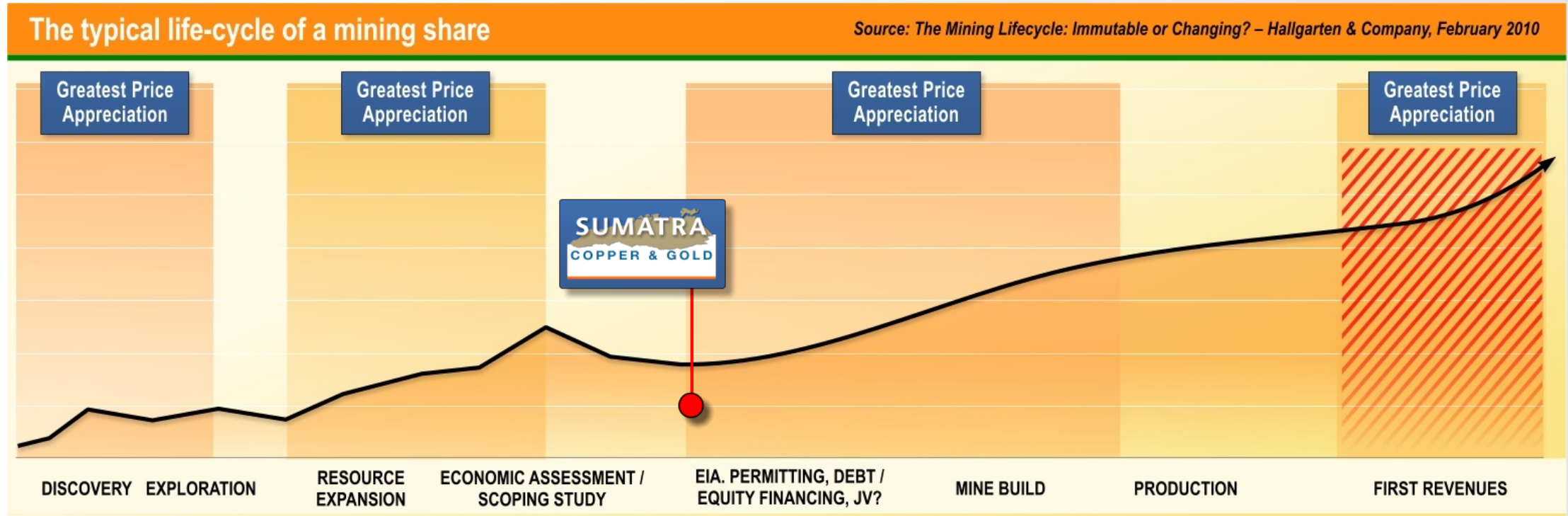
Other greenfield projects

- (100% SUM)
- Exploration IUPs covering more than 1,370km²



Summary – Investment Case

Poised for a significant re-rating with the completion of permitting and financing for the Tembang Project



Summary – Investment Case

A compelling investment opportunity

Corporate

- ✓ Emerging gold producer in prolific Sumatra with 7 IUPs - 100% project ownership under 2009 Mining Laws
- ✓ Indonesian cornerstone investment partner
- ✓ Experienced Board & management team with track record of discovery, development & production

Highly-Profitable, Low-Risk Mining Operation at Tembang

- ✓ Production on-track to commence 2014
- ✓ Strong project economics – low mining and pre-production capital costs
- ✓ Achieved AMDAL and Mining Licence; Forestry Permitting on-track
- ✓ Low “EV/Resource” ratio is 38/oz Au and “EV/Oz Reserve” of ~US\$91/oz Au, well below peers

Upside

- ✓ Significant exploration upside at Tembang
- ✓ Ongoing exploration potential at Newcrest JV, Tandai and greenfield projects, future deal flow from Indonesian Shareholders





SUMATRA

COPPER & GOLD

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SUMATRA

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Appendices – Investor Update – January 2013

APPENDIX: Tembang Project – Financial Overview

A robust, low-cost project to be developed in two stages

	Units	Stage 1 DFS	Stage 2 (incremental impacts)	Total Tembang Project after Stage 2
Gold production	Oz	146,000	249,000	395,000
Silver production	Oz	1,388,000	3,446,000	4,834,000
Processing Rate	tpa	400,000	500,000	900,000
Mine Life		5 years	3 years	8 years
Pre-production capital	US\$ M	\$38.50	\$1.50	\$40.0
Total Capital	US\$ M	\$68.0	\$37.5	\$105.5
Revenue	US\$ M	\$261	\$477	\$738
Net cashflow ⁽¹⁾	US\$ M	\$71	\$151	\$222
Cash operating cost C1 ⁽¹⁾	US\$/ Oz	\$487	(\$56)	\$431

Note 1) C1 Costs are as defined by Brook Hunt and are cash costs before tax and royalties and after silver credits using a silver price of US\$30 per ounce and a recovery of 80%.

Note 2) Refer to appendices for full Statement of Reserves and Resources

Belinau Vein Above 2.78g/t Au Underground Cut-off

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

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

OTHER VEINS	Category	Ktonnes	Au g/t	Ag g/t	Au koz	Ag Koz
	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
	Sub-Total	10,575	1.91	26.8	648	9,112

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

PSV	Category	Ktonnes	Au g/t	Ag g/t	Au koz	Ag Koz
	Measured	-	-	-	-	-
	Indicated	11,313	0.54	6.9	198	2,523
	Inferred	194	0.50	4.6	3	29
	Sub-Total	11,517	0.54	6.9	201	2,552

Combined Total Resource Open Pit + Underground

ALL	Category	Ktonnes	Au g/t	Ag g/t	Au koz	Ag Koz
	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
	Sub-Total	22,579	1.35	17.6	976	12,794

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

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Deposit	Reserve Category	Tonnes (kt)	Grade Au (g/t)	Contained Gold (oz)	Grade Ag (g/t)	Contained Silver (oz)
Asmar	Proven	650	1.7	35,000	24.0	498,000
	Probable	1,230	1.3	49,000	20.5	808,000
Berenai	Proven	910	2.0	60,000	40.8	1,195,000
	Probable	980	2.1	67,000	23.6	740,000
Buluh	Proven	560	2.5	45,000	40.9	735,000
	Probable	400	2.0	26,000	29.0	374,000
Aidit	Proven	-	-	-	-	-
	Probable	20	3.1	2,000	44.6	30,000
Bujang	Proven	140	4.2	19,000	52.1	238,000
	Probable	50	2.3	4,000	26.0	40,000
Belinau_OP	Proven	90	5.5	16,000	68.4	196,000
	Probable	60	3.4	6,000	53.2	97,000
Belinau_UG	Proven	50	8.7	15,000	74.1	130,000
	Probable	360	5.0	59,000	39.3	458,000
Total	Proven	2,400	2.5	190,000	38.7	2,991,000
	Probable	3,090	2.1	213,000	25.6	2,547,000
	Total	5,490	2.3	403,000	31.4	5,539,000

Competent Person's Statement – Open Pit and Underground Ore Reserves

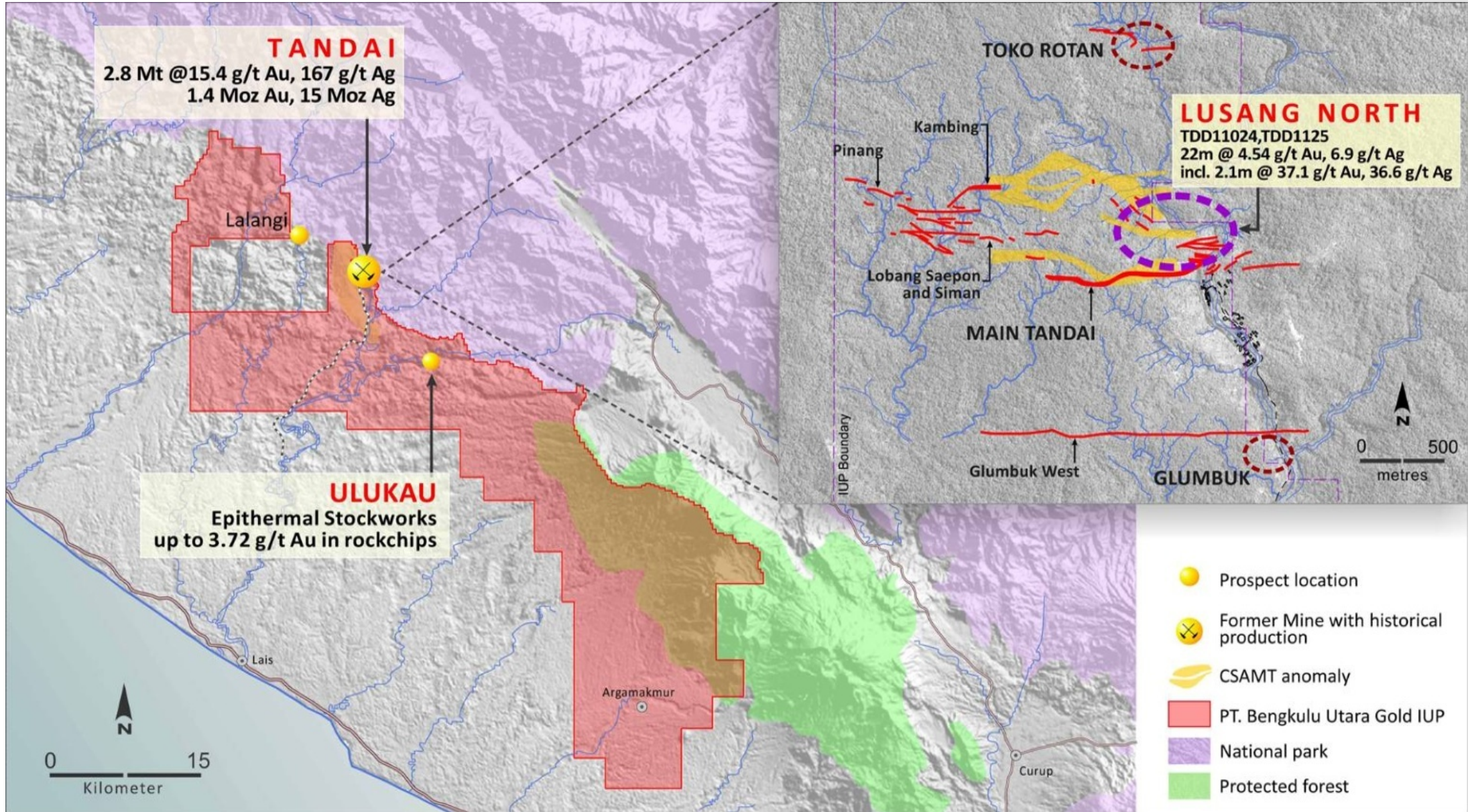
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	Unit	Belinau (o/p & u/g)	Asmar	Berenai	Buluh	Bujang	Aidit	Total
LOM Inventory mined*	Tonnes	733	1,650	2,252	1,132	197	87	6,050
Contained Gold	oz	118	75	141	81	23	10	448
Contained Silver	oz	1,080	1,115	2,127	1,206	285	58	5,871
Gold Equivalent	oz	140	97	184	105	29	11	565
Contribution by deposit	%	25%	17%	33%	19%	5%	2%	
Recoverable gold	oz	395	107	64	20	71	8	666
Recoverable silver	oz	4,834	815	929	233	1,065	44	7,920

*Life Of Mine (LOM) mining inventory includes inferred material. The LOM ore mined includes unclassified material, which is material in the resource model requiring further evaluation for JORC Code classification..Rounding errors may occur

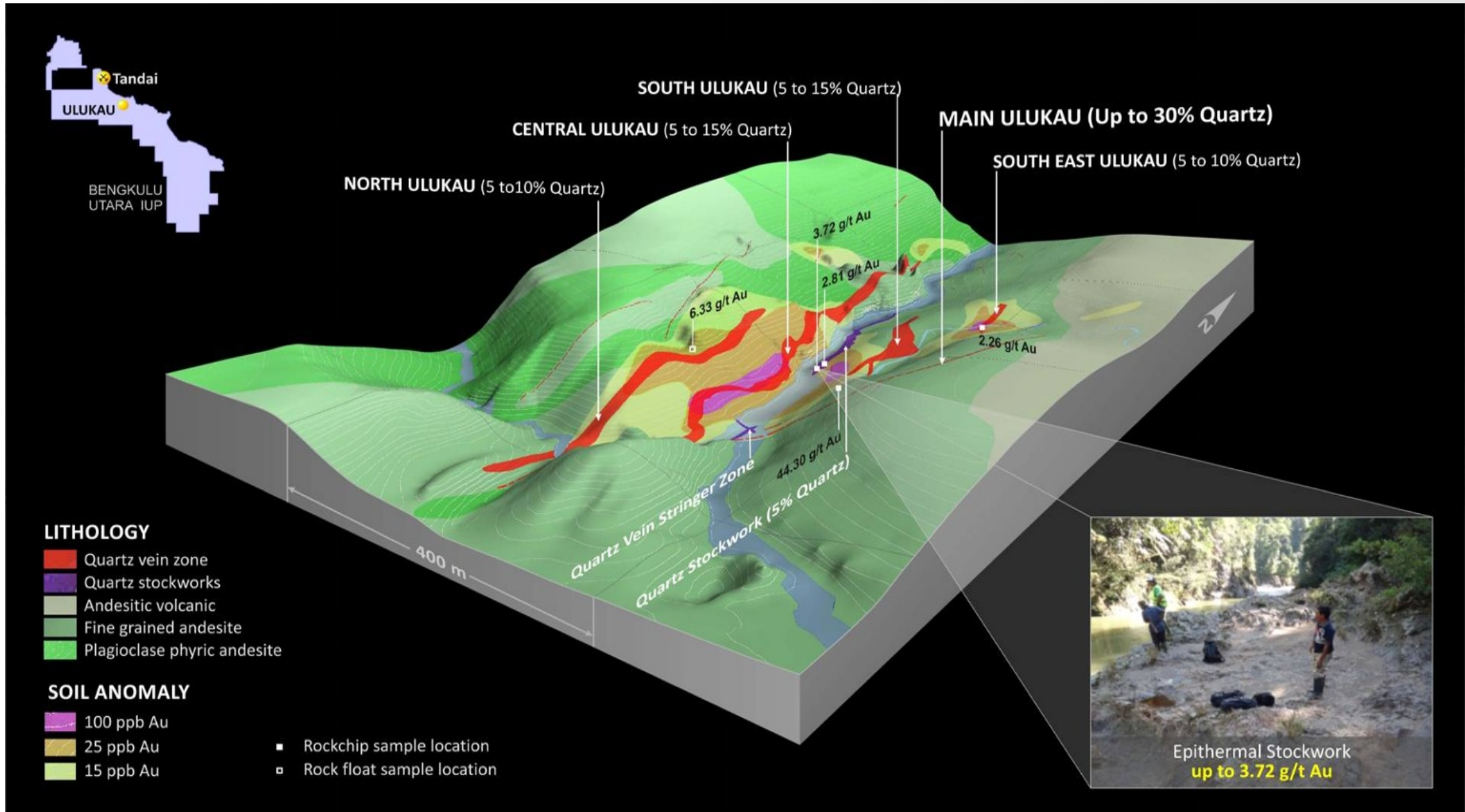
APPENDIX:

3: Newcrest Joint Venture - Tandai: Lusang North & Ulukau Prospect



APPENDIX:

4: Ulukau Geology, Mineralisation, Soil Anomaly and Rock Assay Highlights



5: Tandai Mineral District, CSAMT Anomaly and Quartz Vein Breccias

