SOUTH AMERICAN GOLD AND COPPER COMPANY LIMITED

Report to Shareholders
For the
First Quarter Ending
December 31, 2006

Listed on the Toronto Stock Exchange
Symbol: SAG

The financial statements for the quarter ended December 31, 2006 have not been reviewed by the Company's auditors.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS (Expressed in United States dollars)

The following discussion is a review of the activities, results of operations and financial condition of South American Gold and Copper Company Limited and its consolidated subsidiaries (SAGC or the Company) for quarters ended December 31, 2006 and 2005, together with certain trends and factors that are expected to impact on future operations and financial results. This information is presented as of February 12, 2007. The discussion should be read in conjunction with the audited consolidated financial statements of the Company and the notes to those statements for the year ended September 30, 2006. The Company's consolidated financial statements and financial data have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). In addition, this discussion contains certain forward-looking statements regarding the Company's businesses and operations. These statements are based on assumptions and judgments of management regarding future events and results. Actual results may differ materially from these statements as a result of a number of factors, many of which are beyond the control of SAGC. For more detail on these factors, refer to the section titled "Risk factors" in this document.

All dollar amounts are expressed in United States dollars, except as otherwise indicated.

Additional information relating to the Company, including the Company's most recent Annual Information Form, is available on SEDAR at www.sedar.com.

Forward-looking statements

Certain statements contained herein are forward looking, and are based on the opinions and estimates of management, or on opinions and estimates provided and accepted by management. These opinions and estimates include those that relate to geological and mining factors, commodity prices and marketing parameters used by management. Forward-looking statements are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ, possibly significantly. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "intent", "may", "potential", "should", and similar expressions are forward-looking statements. Although SAGC believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward looking statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change. Readers are therefore cautioned not to place undue reliance on any forward-looking statements.

Outstanding share information

As of February 12, 2007, the Company has issued one class of common shares and has a total of 469,297,133 common shares outstanding. The Company has 90,521,216 common share purchase warrants outstanding, each of which is exercisable for one common share at exercise prices of Cdn$0.04 to Cdn$0.25 through December, 15, 2010. Share options outstanding as of February 12, 2007, total 58,895,000 of which 58,595,000 are exercisable at prices of Cdn$0.045 to Cdn$0.09 per common share expiring at various dates through April 2, 2013. The principal on the Company's convertible secured debentures is convertible into 28,108,304 common shares of the Company. In addition the Company has the option to pay the first years interest in shares of the Company's common stock at a 20% premium.

Acquisition costs of resource properties, together with direct exploration and development expenses incurred thereon, are deferred and capitalized in the accounts. Upon reaching commercial production, these capitalized costs are transferred from exploration properties to mining properties, plant and equipment and are amortized into operations using the units of production method over the estimated useful lives of the related ore reserves. Management regularly reviews the carrying value of each mineral property using estimated undiscounted cash flows from each project. When review suggests impairment, the carrying value of the project would be reduced to the extent it exceeded the estimated future net cash flows.

This discussion addresses matters which the Company believes are important for an understanding of its financial condition and results of operations as of and for the three months ended December 31, 2006 and 2005 and for its future prospects.

The Company's vision, core business and strategy

The Company is a Canadian corporation, listed on the Toronto Stock Exchange (TSX) with mining and exploration activities primarily in Chile. On July 1, 2004, the Company commenced commercial production at its Pimenton gold mine. The Company is also engaged in the exploration for and acquisition of gold and other mineral properties. The Company's principal exploration activities are being focused on a potential porphyry copper deposit located within the Pimenton area on which the Company holds mining claims. In addition, the Company holds mining claims on Tordillo, a gold and copper prospect. The Company also holds interests in two limestone deposits.

Using its core mineral assets, SAGC believes it is positioned to grow into a profitable mining company as it increases production at its Pimenton gold mine and develops its gold, copper and lime prospects.

Pimenton gold mine

During 2006, the Company finalized a plan to restart operations at Pimenton gold mine if it is successful in raising $14,000,000. Management plans to continue development work at the Pimenton mine to increase reserves and restart operations in late 2007. This plan includes a six month development program to convert 253,000 tonnes of resources (AIF - Inferred Mineral Resources at September 30, 2006) into proven and probable mineral reserves at which time the mine will be put into operation at 150 tonnes per day moving up to 250 tonnes per day within five months. This plan envisions upgrading the fleet of mining equipment and making improvements to the existing plant at Pimenton. It also includes a substantial upgrading of snow removal equipment. The development work will eliminate operational problems caused by the avalanches by allowing access to the mine through a new level which is located 600 meters to the southwest on a ridge not exposed to avalanches.

Potential porphyry copper

Although Rio Tinto Mining and Exploration Ltd (Rio Tinto) elected not to exercise a joint venture option on this prospect, the exploration program conducted by Rio Tinto has added significant value to this potential porphyry copper prospect. The Company is reviewing various alternatives to develop this prospect.

Results

Results of operations

The Company incurred losses of $957,000 and $884,000 for the quarters ended December 31, 2006 and 2005.

During fiscal 2005, the Pimenton mine operated from October 1, 2004 through June 19, 2005 when it was closed as a result of a major snow storm. The mine has been shut down since that time.

December 31, 2006

Amortization expense was $178,000 in the first quarter of fiscal 2007 versus nil in the first quarter of fiscal 2006. In the quarter ended September 30, 2006 management recorded an amortization adjustment of $900,000 to reflect deterioration and damage caused during the shutdown period. Management has decided to continue to record amortization to reflect normal wear and tear on the equipment during the shutdown.

Shut down expenses were down by $446,000. This was primarily due to the accrual of severance and vacation payments in the first quarter of fiscal 2006 when it was determined that the mine would be shutdown for an extended period of time.

On October 16, 2006 the TSX approved the extension of the expiration date of 20,000,000 warrants from October 21, 2006 to October 22, 2007. The fair value of these modified warrants of $14,037 in excess of the fair value of original warrants immediately prior to the modification date of $nil was charged to expense.

On October 21, 2006 the TSX approved the extension of the expiration date of 40,000,000 common share purchase warrants and 3,585,588 brokers warrants from December 10, 2006 to January 19, 2007 and a reduction of the exercise price from Cdn. $0.105 to Cdn. $0.04 per common share. The fair value of these modified warrants of $411,778 in excess of the fair value of original warrants immediately prior to the modification date of $nil was charged to expense.

The above warrant revaluations resulted in an expense of $425,815.

Interest expense increased by $41,000 due to interest on the liability component of convertible subordinated debentures issued in March 2006. In addition, $17,000 of interest applicable to equity component of these debentures was charged to retained earnings.

On November 7, 2006, the Company issued 2,000,000 common shares in settlement of an employee termination liability of $121,452. The shares were valued at $70,834 using the TSX closing price on November 6, 2006 resulting in a gain of $50,618 credited to other income.

December 31, 2005

Revenue from gold was $2,000 and from silver and copper was $2,000 in 2005 from the finalization of some sales to Enami. There were no operating or amortization expenses because of the mine shutdowm.

Temporary closure expenses were $455,000. Under Chilean labor law and under Pimenton's labor contract, employees are entitled to severance and accrued vacation pay upon termination. The demand for such payments was not made when the mine shut down in June 2005 under the assumption that the mine would resume operations. The mine has been shut down for over six months and in February 2006 the union has demanded such payments. Accordingly, the Company has accrued $428,000 as of December 31, 2005 for accrued severance and vacation pay. In addition, $27,000 in salaries and other costs were incurred at the mine site and the access road to the mine site caused by the shutdown of the mine on June 19, 2005.

General and administrative expenses decreased by $58,000 due to lower overhead in Santiago of $106,000 offset by higher audit fees of $48,000.

Warrant revaluation expense of $79,000 represents the fair value of the November, 2003 warrants that were modified on October 31, 2005. The fair values of the warrants were assigned using the Black-Scholes valuation model assuming a risk free interest rate of 2.55%, no dividend and a volatility factor of 50%

Stock based compensation of $7,000 represents the fair value of 249,990 share options vesting during the period. Share options were assigned fair values using the Black-Scholes valuation model assuming a risk free interest rate of 3.67%, no dividend and a volatility factor of 50%.

Foreign exchange gain was down $147,000 due to less volatility of the peso against the US dollar during the quarter ended December 31, 2005.

Interest expense decreased by $15,000 due to principal payments on the OPIC loan.

Interest income of $4,000 represents interest earned on the restricted cash.

Liquidity and capital resources

The acquisition, exploration, financing, and development of natural resources require the expenditure of significant funds before production commences. Historically, the Company has financed these activities through the issuance of common shares, the exercise of options and common share purchase warrants, promissory notes and debentures, bank debt and extended terms from creditors.

During 2006, the Company finalized a plan to restart operations at Pimenton gold mine if it is successful in raising $14,000,000. Restarting operations is dependent upon management's success in raising sufficient capital to fund required capital improvements to restart operations, existing financial commitments and working capital requirements.

Damage to equipment at the mine by the storm is covered by insurance. Management has also submitted an initial claim of approximately $3,000,000 for business interruption coverage under its insurance policy and this claim is currently in arbitration.

The ability to raise the necessary capital and the outcome of the arbitration procedures are not presently determinable.

At December 31, 2006, cash and cash equivalents were $52,000 and $22,000 in current restricted cash.

During the quarter ended December 31, 2006, the Company raised $88,000 from the issuance of 2,000,000 common shares at Cdn. $0.05 per common share in a private placement.

Related party transactions

The note receivable of $286,233 from an officer and director is a non-interest bearing note due on or before September 30, 2007, collateralized by 6,532,000 common shares of the Company owned by this officer and director. At December 31, 2006 non-interest bearing advances to this officer and director amounted to $27,487 (September 30, 2006- $21,964) and are included in sundry receivables.

Outlook

Management is currently exploring various alternatives to raise the capital needed for the Pimenton mine to fund capital expenditures and perform the necessary exploration and development work needed to restart operations.

The Rio Tinto exploration program has added significant value to the Pimenton porphyry copper deposit. Management will consider additional exploration alternatives to determine the potential of this project.

The Company's limestone deposits at Catedral and Cal Norte contain high grade limestone which when calcined can produce lime that the Company's management believes will qualify for use by the Chilean mining industry.

Management believes that the values of the Pimenton gold mine, the potential porphyry copper deposit, the Catedral and Cal Norte limestone deposits and the Tordillo prospect are not currently reflected in the Company's market capitalization and will continue its efforts to demonstrate the underlying values of the Company's assets.

Risk factors

The Company operates in an international environment, and as such, is subject to political and currency risk. The Company's business is very dependent on the price of gold which is subject to fluctuation by factors the Company cannot control. A drop in the price of gold could adversely affect the Company's financial condition, results of operations and cash flows. Lower gold prices may result in: a) asset impairment and a writedown of the asset carrying value, b) production cutbacks and c) cessation of operations.

The Company does not use financial instruments to mitigate the risks of changes in the price of gold or currency fluctuations.

Gold reserves are reduced by production and therefore must be replaced by expanding existing gold deposits or finding new ones. There can be no assurance that the Company's development and exploration programs will result in new gold reserves.

The Company's mine is located in an area that can experience severe winter weather conditions which could adversely affect mining operations. Such conditions occurred during 2005, resulting in the shut down of the mine. In addition, the Company is subject to environmental laws and regulations that are constantly changing and may require expenditures that are significantly different from our current estimates.

The Company's continuance as a going concern is dependent upon obtaining adequate funding, including insurance remediation to recommence operations at the Pimenton gold mine, reaching profitable operations at the mine, pursuing joint venture partners, sale or other disposition of all or part of its assets, or additional external funding. There is no assurance that the steps management is taking will be successful and, in the event that such resources are not available, the Company's assets may not be realized or its liabilities discharged at their carrying amounts, and these differences could be material.

Comprehensive income

Effective October 1, 2006, the Company adopted Section 1530 of the CICA Handbook- "Comprehensive Income"**.** Comprehensive income is a new requirement to temporarily present certain gains and losses in fair value outside net income.

Disclosure controls and procedures

There were no changes in the Company's internal control over financial reporting during the quarter ended December 31, 2006.

South American Gold and Copper Company Limited
Consolidated Balance Sheets

(expressed in thousands of U.S. dollars)

	December 31, 2006 (Unaudited)	September 30, 2006
	$	$
Assets		
Current assets		
Cash and cash equivalents	52	72
Restricted cash	22	22
Note receivable from an officer and director	286	286
Receivables		
Sundry	108	136
Recoverable taxes	-	-
Material and supplies, at cost	75	75
	543	591
Equipment	2	4
Mining properties, plant and equipment	12,055	12,230
Exploration properties	5,436	5,385
Recoverable taxes	2,221	2,186
Deferred debt expense	222	248
Total assets	20,479	20,644
Liabilities		
Current liabilities		
Short term borrowings	133	141
Current portion of long-term debt	973	973
Accounts payable and accrued liabilities	1,692	1,674
Taxes payable (IVA)	408	398
Amounts due to related parties	1,012	879
	4,218	4,065
Long-term debt	3,182	3,110
Reclamation and remediation	635	635
Non-controlling interest in consolidated subsidiary	139	139
Total liabilities	8,174	7,949
Shareholders' equity		
Share capital	60,479	60,321
Contributed surplus	708	708
Convertible subordinated debentures	907	907
Options	842	842
Warrants	1,870	1,444
Deficit	(52,501)	(51,527)
Total shareholders' equity	12,305	12,695
Total liabilities and shareholders' equity	20,479	20,644

Going concern and nature of operations (note 1)

Commitments

Approved by the Board of Directors

"Paul J. DesLauriers"	**"Stephen W. Houghton"**
Paul J. DesLauriers	**Stephen W. Houghton**
Chairman	Director

The accompanying notes form an integral part of these consolidated financial statements.

South American Gold and Copper Company Limited
Consolidated Statements of Operations, Deficit and Other Comprehensive Income

(expressed in thousands of U.S. dollars, except per share amounts)

	Three Months Ended December 31, 2006	2005
	$	$
Revenue		
Gold	-	2
Copper and silver	-	2
Other	4	-
	4	4
Expenses		
Operating costs	-	-
Amortization	178	-
Temporary mine shutdown	9	455
General and administrative	217	218
Warrant revaluation	426	79
Stock based compensation	-	7
Foreign exchange	5	(3)
Interest	177	136
	1,012	892
Interest income	-	4
Other income	51	-
(Loss) for period	(957)	(884)
Deficit- beginning of period	(51,527)	(48,089)
Other comnprehensive income	-	-
Interest on equity portion of convertible subordinated debentures	(17)	-
Deficit- end of period	(52,501)	(48,973)
Basic and diluted loss per share	-	-

The accompanying notes form an integral part of these consolidated financial statements.

South American Gold and Copper Company Limited
Consolidated Statements of Cash Flows

(expressed in thousands of U.S. dollars)

	Three months ended December 31, 2006 $	2005 $
Cash provided by and (used in)		
Operating activities		
(Loss) for the period	(957)	(884)
Non cash items		
Amortization of equipment	178	-
Accretion of interest on debentures and notes payable and amortization of deferred debt expense included in other assets	100	66
Foreign exchange	5	(3)
Non-cash employee options	-	7
Warrant revaluation	426	79
	(248)	(735)
Change in non-cash working capital relating to operations	224	199
	-	
	(24)	(536)
Investing activities		
Mining equipment	-	(64)
Exploration properties	(51)	(26)
Recoverable taxes	(35)	(119)
Restricted cash	-	403
Sale of assets	-	10
	(86)	204
Financing activities		
Shares issued	88	700
Capital leases	-	(20)
Repayment debt	-	(311)
	88	369
Effect of foreign exchange on cash held in foreign currency	2	2
Increase (decrease) in cash and cash equivalents during the period	(20)	39
Cash and cash equivalents - Beginning of period	72	50
Cash and cash equivalents - End of period	52	89

The accompanying notes form an integral part of these consolidated financial statements.

1. Going concern

These consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and discharge of obligations in the normal course of business as they come due. No adjustments have been made to the carrying value of the assets or liabilities, the reported revenues and expenses or the balance sheet classifications used in these consolidated financial statements should the Company not be able to continue normal business operations.

On June 9, 2005, a major storm system moved through the Central Andes causing extensive avalanche activity throughout the region. During a period of 10 days, the storm dropped almost four meters of snow, causing extreme avalanche danger at the Company's Pimenton mine (Pimenton) and along the road leading to it. Avalanche experts at the mine site were successful in controlling most avalanches protecting the camp and plant buildings at the mine. However, electrical and air compressor equipment at the mine main portal entrance was damaged causing a shutdown of the mine and it has remained closed since that time. Pimenton declared "force majeure" under Chilean law with respect to salary payments and other benefits payable under its labor contracts with the workers and certain staff personnel at its mine. Pimenton has also notified its creditors in writing that it has ceased payment of all trade payables and amounts due under lease purchase or other contracted services. The mine is expected to resume operations in late 2007.

As at December 31, 2006, the Company reported a deficit of approximately $52.5 million and a working capital deficiency of $3.7 million, and continues to incur significant cash outflows. These conditions, together with the mine shutdown, cast significant doubt as to the ability of the Company to continue as a going concern.

The Company's continuance as a going concern is dependent upon obtaining adequate funding, including insurance remediation to recommence operations at the Pimenton gold mine, reaching profitable operations at the mine, pursuing joint venture partners, sale or other disposition of all or part of its assets, or additional external funding. There is no assurance that the steps management is taking will be successful and, in the event that such resources are not available, the Company's assets may not be realized or its liabilities discharged at their carrying amounts, and these differences could be material.

Nature of operations

The Company is a Canadian corporation listed on the Toronto Stock Exchange (TSX). On July 1, 2004, the Company commenced commercial production at its Pimenton gold mine in Chile. The Company's principal exploration activities are being focused on a potential porphyry copper deposit located within the Pimenton area in which the Company holds mining claims. The Company also holds interests in two limestone deposits.

Prior to placing Pimenton into commercial production, all exploration and development costs relating to Pimenton had been capitalized. Upon commencing commercial production, those capitalized costs were transferred to producing properties.

The recoverability of the amounts shown for exploration and development costs is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the projects and upon future profitable production or proceeds from the disposition thereof.

2 Basis of Presentation

The interim consolidated financial statements of South American Gold and Copper Company Limited (the "Company" or "SAGC") have been prepared by management in accordance with Canadian generally accepted accounting principles (GAAP) following the same accounting policies and methods as the consolidated financial statements for the fiscal year ended September 30, 2006. The accompanying unaudited interim consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto in the Company's annual financial statements for the fiscal year ended September 30, 2006.

3. Accounting policy

Effective October 1, 2006, the Company adopted Section 1530 of the CICA Handbook- "Comprehensive Income"**.** Comprehensive income is a new requirement to temporarily present certain gains and losses in fair value outside net income.

4. Related party transactions

The note receivable of $286,233 from an officer and director is a non-interest bearing note due on or before September 30, 2007, collateralized by 6,532,000 common shares of the Company owned by this officer and director. At December 31, 2006 non-interest bearing advances to this officer and director amounted to $27,487 (September 30, 2006- $21,964) and are included in sundry receivables.

5. Share Capital

	Shares Issued	Amount
September 30, 2006	465,297,133	$60,321
Share issuance(a)	2,000,000	71
Share issuance(b)	2,000,000	87
December 31,2006	469,297,133	$60,479

(a) On November 7, 2006, the Company issued 2,000,000 common shares in settlement of an employee termination liability of $121,452. The shares were valued at $70,834 using the TSX closing price on November 6, 2006, resulting in a gain of $50,618 credited to other income.
(b) On November 17, 2006, the Company sold through a private placement 2,000,000 common shares at Cdn. $0.05 per share for a net proceeds of $87,596

6. Long –term debt

Due to shutdown of the Pimenton gold mine, Compania Minera Pimenton ("Pimenton") advised OPIC that it believes it will not be in compliance with financial and operating covenants of its loan agreement for the calendar quarters through and until June 30, 2008. As of September 30, 2005, OPIC granted Pimenton waivers with respect it's financial and operating events of default until June 30, 2008.

7. Recoverable taxes

Recoverable taxes represent value-added tax (VAT) levied on the purchase of goods and services used in used in exploration and development of the Pimenton mine. The amount of VAT borne on property, plant and equipment can be recovered on request to the tax authorities. The Company filed such request which has been denied by the Chilean tax authorities on technical grounds. The Company is appealing this decision and has reclassified IVA taxes on fixed assets as a long term asset.

VAT relating to other expenditures is recoverable either by means of a credit against tax due on domestic sales of the Company or by requesting reimbursement of VAT borne when exporting or export commitments are proven. Due to the mine shutdown it is unlikely that there will be sufficient production to recover these taxes within one year. Accordingly, the balance has been classified as a long term receivable.

8. Subsequent events

(a) In connection with a private placement that closed on December 10, 2003, the Company issued 40,000,000 common share purchase warrants exercisable at Cdn. $0.105 per common share and expiring on December 10, 2006. On November 21, 2006, the TSX approved a reduction in the exercise price from Cdn. $0.105 to Cdn. $0.040 per common share for the common share purchase warrants and the brokers warrants and an extension of the expiration date from December 10, 2006 to January 19, 2007. On January 15, 2007 the Company announced a further extension of the expiration from January 19, 2007 to March 16, 2007.

(b) The Company has entered into an agreement with a firm to act as its agent in a best efforts private placement offering of up to 75,000,000 units at Cdn. $0.04 per unit, each unit consisting of one common share and one common share purchase warrant to purchase a further common share at Cdn. $0.06 per share ay any time within 24 months of the issue date. The firm will have an over-allotment option to increase the offering by 12,500,000 units. The agent will receive a commission equal to 7% of the gross proceeds of the offering and a 7% broker’s warrant based on the number of units purchased.

FORM 52-109F2-

Certification of Interim Filings

I, Stephen W. Houghton, President and Chief Executive Officer**,** certify that:

1. I have reviewed the interim filings (as this term is defined in Multilateral Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*) of South American Gold and Copper Company Limited, (the issuer) for the interim period ending December 31, 2006;

2. Based on my knowledge, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings;

3. Based on my knowledge, the interim financial statements together with the other financial information included in the interim filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date and for the periods presented in the interim filings;

4. The issuer's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures and internal control over financial reporting for the issuer, and we have:

   (a) designed such disclosure controls and procedures, or caused them to be designed under our supervision, to provide reasonable assurance that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which the interim filings are being prepared; and

   (b) designed such internal control over financial reporting, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP; and

5. I have caused the issuer to disclose in the interim MD&A any changes in the issuer's internal control over financial reporting that occurred during the issuers most recent interim period that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting.

February 12, 2007

"*Stephen W Houghton*"

Stephen W. Houghton
President and Chief Executive Officer

FORM 52-109F2-

Certification of Interim Filings

I, William C. O'Donnell, Executive Vice President and Chief Financial Officer**,** certify that:

1. I have reviewed the interim filings (as this term is defined in Multilateral Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*) of South American Gold and Copper Company Limited, (the issuer) for the interim period ending December 31, 2006;

2. Based on my knowledge, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings;

3. Based on my knowledge, the interim financial statements together with the other financial information included in the interim filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date and for the periods presented in the interim filings;

4. The issuer's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures and internal control over financial reporting for the issuer, and we have:

   (a) designed such disclosure controls and procedures, or caused them to be designed under our supervision, to provide reasonable assurance that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which the interim filings are being prepared; and

   (b) designed such internal control over financial reporting, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP; and

5. I have caused the issuer to disclose in the interim MD&A any changes in the issuer's internal control over financial reporting that occurred during the issuers most recent interim period that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting.

February 12, 2007

"William C. O'Donnell"

William C. O'Donnell
Executive Vice President and Chief Financial Officer

Directors* and Officers

Paul J. DesLauriers*(1),(2)
Toronto, Canada
Chairman
Executive Vice President and Director
Loewen, Ondaatje, McCutcheon & Company Limited, Toronto, Canada

Stephen W. Houghton*
New York, New York
President and Chief Executive Officer
Founder of South American Gold and Copper Company Limited

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Executive Vice President

Mario Hernandez A.*
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David R. S. Thomson*
Santiago, Chile
Executive Vice President and Director of Exploration

Thomas K. Sills
Toronto, Canada
Chief Operating Officer

William C. O'Donnell
New York, New York
Executive Vice President, Chief Financial Officer and Secretary
Former Vice President and CFO,
St. Joe Minerals Company

(1) Member, Audit Committee
(2) Member, Compensation Committee

Corporate Information

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