

# News Release

## **SOUTH AMERICAN GOLD AND COPPER COMPANY LIMITED**

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**FOR IMMEDIATE RELEASE – January 15, 2006**

### **South American Gold and Copper Company Limited Announces Extension of Term of Outstanding Warrants**

**Toronto, Canada** - South American Gold and Copper Company Limited (the "Company") (TSX: SAG) announces the extension of the term of 40,000,000 outstanding common share purchase warrants and 3,585,588 outstanding broker warrants, both sets of warrants exercisable at \$0.04 per share (the "Warrants"), from January 19, 2007 to March 16, 2007. The Warrants were issued pursuant to the Company's private placement completed on December 10, 2003. As disclosed in the Company's press release dated November 21, 2006, the terms of the Warrants were previously amended to extend the expiry date from December 10, 2006 to January 19, 2007 and to reduce the exercise price from \$0.105 to \$0.04.

The TSX has approved the amendments subject to receipt by the TSX of standard documentation. The effective date of the amendments will be five business days from the date hereof.

No insider of the Company is a holder of any outstanding Warrants.

The Company is taking the action of extending the warrant exercise period to March 16, 2007, and reducing the exercise price from \$0.105 to \$0.04 because, while it expected to have the results of the arbitration case against the insurance company which holds the business interruption policy on Pimenton in December 2006, the arbitrator has now extended his decision time to late January 2007.

South American Gold and Copper Company Limited is a minerals producing, exploration and development company with properties and activities currently focused in Chile.

**FORWARD-LOOKING STATEMENTS:** This news release contains certain "forward-looking statements" within the meaning of Section 21E of the United States Securities Exchange Act of 1934, as amended. Except for statements of historical fact relating to the company, certain information contained herein

constitutes forward-looking statements. Forward-looking statements are frequently characterized by words such as "plan," "expect," "project," "intend," "believe," "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. These factors include the inherent risks involved in the exploration and development of mineral properties, the uncertainties involved in interpreting drilling results and other geological data, fluctuating metal prices, the possibility of project cost overruns or unanticipated costs and expenses, uncertainties relating to the availability and costs of financing needed in the future and other factors. The Company undertakes no obligation to update forward looking statements if circumstances or management's estimates or opinions should change. The reader is cautioned not to place undue reliance on forward-looking statements.