

News Release

SOUTH AMERICAN GOLD AND COPPER COMPANY LIMITED

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FOR IMMEDIATE RELEASE – January 16, 2008

South American Gold and Copper Company Limited Announces the Extension of its Outstanding Warrants Issued on November 8, 16 and 30, 2005

Toronto, Ontario, Canada - South American Gold and Copper Company (“SAGC” or the “Company”) (TSX-SAG) announces the extension of the term of the Company’s 16,635,628 outstanding common share purchase warrants which are due to expire on January 31, 2008.

Each Warrant entitles the holder thereof to purchase one common share of the Company at a price of Cdn \$0.07 until 5:00 p.m. (Toronto time) on January 31, 2008 (the “Expiry Time”). No insider of the Company is a holder of these Warrants.

The Warrants have been amended, effective immediately prior to the Expiry Time, to extend the Expiry Time until 5:00 p.m. (Toronto time) on March 31, 2008. All other provisions of the Warrants remain unamended. The Toronto Stock Exchange (TSX) has approved the amendment subject to receipt by the TSX of standard documentation.

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

The securities offered have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer of securities for sale in the United States or Canada or the solicitation of an offer to buy securities in the United States or Canada, nor shall there be any sale of the securities in any jurisdiction or state in which such offer, solicitation or sale would be unlawful.