

News Release

SOUTH AMERICAN GOLD AND COPPER COMPANY LIMITED

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Stock Symbol: TSX: SAG

South American Gold and Copper Company Limited Provides Update on Timing of Late Filings of Financial Statements

As previously disclosed, pending the filing of its audited annual financial statements for its financial year ended September 30, 2005 (the "Annual Financial Statements"), South American Gold and Copper Company ("SAGC") will satisfy the alternative information guidelines recommended by Ontario Securities Commissions ("OSC") Policy 57-603 and Canadian Securities Administrators Staff Notice 57-301, pursuant to which SAGC will provide bi-weekly updates to the market regarding the preparation and audit of the Annual Financial Statements, until such time as SAGC is in compliance with its filing obligations.

The drafts of the Annual Financial Statements have been presented to the SAGC audit committee. The balance of the audit of the Annual Financial Statements is continuing in the normal course, and SAGC expects that the Annual Financial Statements will be available for public release and filing by the end of the January 2006.

The management cease trade order issued by the OSC on January 6, 2006, prohibits all trading by certain individuals who are or have been directors or officers of SAGC, remains in effect. This order does not impact shareholders of SAGC who are not identified in the order.

SAGC is a mineral producing, exploration and development company with properties and activities currently focused in Chile.

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