

News Release

SOUTH AMERICAN GOLD AND COPPER COMPANY LIMITED

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South American Gold and Copper Company Limited Announces Closing of Private Placement

Toronto, Canada. South American Gold and Copper Company Limited (TSX: SAG) (the "Company") is pleased to announce that it has completed the first closing of a previously announced private placement of 34,156,000 units at a price of CDN \$0.04 per unit for aggregate gross proceeds of CDN \$1,366,240. Each unit consists of one common share and one common share purchase warrant of the Company. Each common share purchase warrant entitles the holder to acquire one common share of the Company at a price of CDN \$0.06 for a period of 24 months from the closing date. The common shares and common share purchase warrants (and the securities issuable upon the exercise thereof) are subject to resale restrictions under applicable securities legislation.

On closing, Northern Securities Inc., the agent received a cash commission of CDN \$95,636.80 as well as 2,390,920 broker options. Each broker option entitles the agent to acquire one common share and one common share purchase warrant of the Company at a price of CDN \$0.04 for a period of 24 months from the closing date. Each common share purchase warrant entitles the agent to acquire one common share of the Company at a price of CDN \$0.06 for a period of 24 months from the closing date.

The Company will use the gross proceeds from the sale of the units for general working capital purposes.

The securities referred to in this press release 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 any applicable exemption from the registration requirements. This press release does not constitute an offer to sell or the solicitation of an offer to buy nor will there be any sale of such securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful.

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 ecological 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.