

# News Release

## SOUTH AMERICAN GOLD AND COPPER COMPANY LIMITED

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**FOR IMMEDIATE RELEASE** – March 7, 2007

**South American Gold and Copper Company Limited Announces Joint Venture Discussions on its Pimenton Copper Gold Porphyry Project are being held with Anglo American plc.**

**Toronto, Ontario, Canada** – South American Gold and Copper Company Limited (the "Company") (TSX: SAG) is pleased to announce that it is in discussions in Santiago, Chile, with Anglo American plc ("Anglo American") for entering into a joint venture agreement on the Company's Pimenton porphyry copper gold project.

The Company and Anglo American have agreed to the basic terms of a Letter of Understanding (LOU) that will set forth the conditions for a formal Joint Venture Agreement that will be finalized later in the year.

In the meantime, Anglo American has informed the Company it expects to initiate a diamond drill program on the porphyry deposit at Pimenton during early March 2007, before the onset of the Chilean winter.

The first diamond drill holes are expected to test for extensions related to diamond drill hole No. PM-004, which encountered 279 meters of 0.40% Cu and 0.43 g/t Au from 312 meters, and diamond drill hole No. PM-006, which encountered 70 meters of 0.46% Cu, and 0.49 g/t Au from 100 meters. The two drill intercepts were made by Rio Tinto plc during 2006.

Dr. David R. S. Thomson, Director of Exploration and a director of the Company stated, "We would be very pleased indeed to have Anglo American as our partner in exploring and developing the Pimenton porphyry copper deposit."

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.