

News Release

SOUTH AMERICAN GOLD AND COPPER COMPANY LIMITED

Registered Office:
79 WELLINGTON STREET WEST, SUITE 2300
TORONTO, ONTARIO M5K 1H1
CANADA

Toronto Office:
67 Yonge Street, Of. 1201
Toronto, Ontario M5J 1J8
CANADA

Santiago Office:
LA CONCEPCION 266, Of. 704
PROVIDENCIA, SANTIAGO, CHILE
Telephone: 56-2-264-2295

For further information, contact:
Stephen W. Houghton, CEO
E-Mail: sagc@sagchile.cl
Telephone : 56-2-264-2295
Website: www.sagc.com

NOT TO BE DISTRIBUTED OR DISSEMINATED IN THE UNITED STATES

FOR IMMEDIATE RELEASE – May 17, 2010

South American Gold and Copper Company Limited Announces Results for the Second Quarter ended March 31, 2010.

Toronto, Ontario, Canada - South American Gold and Copper Company (the “**Company**”) (SAG-TSX) reported its second quarter results for the period ended March 31, 2010 compared to its second quarter ended March 31, 2009 and for the six months ended March 31, 2010 compared to its six months period ended March 31, 2009. Revenues from gold sales were \$1,815,000 and copper and silver revenues were \$222,000 or a total of \$2,037,000 for the quarter ended March 31, 2010 compared to gold revenues of \$3,470,000 and copper and silver revenues of \$343,000 for a total of \$3,813,000 for the period ended March 31, 2009. Gold revenues were \$3,730,000 and copper and silver revenues of \$470,000 for a total of \$4,200,000 for the six months period ended March 31, 2010 compared to gold revenues of \$5,134,000 and copper and silver revenues of \$503,000 for a total of \$5,637,000 for the six months ended March 31, 2009.

The decline in revenues for the three and six months period ended March 31, 2010 were caused primarily by mine equipment (primarily scoops) failures. The mine was operating at 25% of equipment availability during a significant part of the first and second quarters ended its fiscal year December 31 and March 31, 2010. With the improvement in mechanical personal and a new supplier of engine parts in the USA the Company has in the last six weeks rebuilt four of its seven scoops and plans to have an additional three scoops prepared for operation within the next six weeks. This should make a significant improvement on mine production in the Company’s third fiscal quarter ended June 30, 2010.

Expenses for the three months ended March 31, 2010 were \$2,785,000 compared to \$2,668,000 in the comparable period last year. For the six months ended March 31, 2010 operating expenses were \$5,837,000 compared to \$4,890,000 in the comparable period last year. The primary reason for the increase in expenses in the six months period ended March 31, 2010 of \$1,235,000 was due to increased costs associated with the installation of a new expanded tailing pond and completion of the Esperanza 3315 level 700 meter cross cut.

Net income for the three months ended March 31, 2010 was (\$508,000) compared to \$1,139,000 for the comparable period in 2009. Net income for the six months ended March 31, 2010 was (\$1,528,000) compared to \$738,000 in the comparable period of 2009.

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 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.