

News Release

SOUTH AMERICAN GOLD AND COPPER COMPANY LIMITED

Registered Office:
100 WELLINGTON STREET WEST, SUITE 500
TORONTO, ONTARIO M5K 1H1
CANADA

New York Representative Office:
420 MADISON AVENUE
NEW YORK, NY 10017
(212) 751-0083

Santiago Office:
LA CONCEPCION 266, OF. 704
PROVIDENCIA, SANTIAGO, CHILE
Telephone: 56-2-264-2295
E-Mail: sagc@sagchile.cl

For further information, contact:
Patrick Esnouf, President
Stephen W. Houghton, C.E.O.
Dr. David R. S. Thomson
E.V.P., Exploration
Telephone: 56-2-264-2295
Website: www.sagc.com

NOT TO BE DISTRIBUTED OR DISSEMINATED IN THE U.S.

FOR IMMEDIATE RELEASE – June 26, 2008

South American Gold and Copper Company Limited Announces Start of Mining and Milling Operations at its Pimenton Gold Mine.

Toronto, Ontario, Canada - South American Gold and Copper Company (“SAGC” or the “Company”) (TSX-SAG) announced today that the restart of mining and milling operations at its 100% owned Pimenton gold mine is underway. The plant is completed and the break in period has begun. The plant will be run for a commissioning period before the start of commercial production. During this period sales of gold concentrate and copper concentrate will be generated but not booked as revenues until commercial production is declared.

Except for delays due to labor strikes affecting trucking and port facilities in Chile that held up delivery of certain equipment, the Company has exceeded originally planned goals at Pimenton in several important areas. The new plant building housing new and reconditioned equipment, including new milling and flotation circuits, has been completed to a better design for greater protection against snow loads. Plant capacity has been increased to 200 plus tons per day from our original plans of 100 tons per day. An onsite laboratory has been completed and additional mining equipment including a rebuilt Wagner ST-2D scoop was purchased which were not contemplated in the Company’s original plans.

The Esperanza crosscut has reached the Michele vein as expected. The crosscut to date has been driven a further sixty meters beyond the Michele vein and work is progressing. In addition, a raise is currently being driven from the Michele vein to the 3430 level fifty meters above and headings to the north and south on Michele are in ore. Five hundred and forty meters of crosscut have been completed to date on Esperanza. A further ninety meters is needed to intercept known veins at Pimenton, including Leyton and Lucho. The Company plans to initially process ore from development drifts and raises at 50 tons per day or more as the mine is prepared to produce at a greater rate.

By the end of July, all snow clearing equipment is expected to be onsite. The complete fleet will include five front end loader mounted snow blowers. Currently, the company has four front end loaders each with a snow blower. Two of the loaders are new Komatsu units, which doubles the Company’s capacity to remove snow compared to our original plans.

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.