

South American Gold and Copper Company Limited Announces Close Proximity to the Anglo American and Xstrata West Wall Project

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TORONTO, Oct. 21 /CNW/ - South American Gold and Copper Company Limited (the "Company" or "SAGC") (TSX-SAG) reported Anglo American and Xstrata Copper each announced on October 19, 2010 the estimated Mineral Resource of the West Wall Copper Project in which each company holds a 50% interest as follows:

"Based on 57 drill holes (33,600 meters) the estimated inferred Resource for the project's Lagunillas deposit amounts to 750 million tonnes at a grade of 0.54% copper and 0.01% molybdenum containing 4.0 million tonnes of copper using a 0.03 copper cut-off grade. The Mineral Resource also contains estimated average grade for gold of 0.05 grams per tonne (g/t)".

"This is the first Mineral Resource estimate published by Anglo American and Xstrata for the West Wall". (see Anglo American web site <http://www.angloamerican.com/www.angloamerican.com> and Xstrata web site, <http://www.xstrata.com/www.xstrata.com>).

West Wall lies 15 kilometres to the south-west of the Company's 100% owned Pimenton porphyry copper/gold deposit and 11 kilometres due west from the Company's 100% owned Tordillo project. Access to West Wall utilizes the road into the Pimenton mine (see SAGC web site at <http://www.sagc.com/www.sagc.com> Projects - Project Location Map).

In a report entitled Rio Tinto Executive Summary (in English and Spanish), Rio Tinto with limited drilling on a part of the Pimenton property estimated a mineral potential Resource of 400 million tons grading 0.43% copper and 0.43 grams of gold per ton (see SAGC website at <http://www.sagc.com/www.sagc.com> - Reports - Technical Reports).

The Company has purchased its own diamond drilling rig capable of drilling to 1,500 meters and expects to conduct additional exploratory drilling on the Pimenton copper/gold porphyry deposit in the upcoming drill season.

To clarify our News Release dated October 18, 2010, the Company has engaged Watts, Griffis and McQuat Limited to review and evaluate the existing information, which includes existing mineral Reserves and Mineral Resources data for the Company's properties which qualify for Mineral Reserves and Mineral Resources under NI 43-101 and to prepare a NI 43-101 compliant qualifying property report.

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.

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