

News Release

SOUTH AMERICAN GOLD AND COPPER COMPANY LIMITED

Registered Office
SUITE 800, PURDY'S WHARF
1999 UPPER WATER STREET, TOWER 1
HALIFAX, NOVA SCOTIA B3J 2X2

New York Representative Office
420 MADISON AVENUE
NEW YORK, NEW YORK 10017

For further information, contact:
Stephen W. Houghton, President
William C. O'Donnell, EVP
Telephone: (212) 751-0083
Fax: (212) 751 0319
Website: <http://www.sagc.com>

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

Toronto, Ontario, Canada – South American Gold and Copper Company Limited (“the Company”) (Toronto Stock Exchange Symbol SAG) announced today that it has closed its previously announced Private Placement in the amount of Cdn \$3,010,000 before underwriting commission and related expenses.

The financing consisted of 40,000,000 Units at Cdn \$0.07 per share, each unit comprised of one common share and one-half common stock purchase warrant. Each whole warrant is exercisable at Cdn \$0.09 per share for a period of 24 months from date of issue. In addition, 3,000,000 common shares were placed at Cdn \$0.07 per share of which 1,847,000 shares were purchase by Stephen W. Houghton, President and Chief Executive Officer of the Company. IBK Capital Corp., Toronto, Canada, acted as Placement Agent on this financing.

Proceeds from this financing will be used to advance exploration on the Company's porphyry copper deposit, on which it is also holding joint venture discussions and is located within the Pimenton gold mine claims blocks; to supplement its joint venture discussions with a global producer of lime and limestone products for the supply of lime into the Chilean market and for general corporate purposes.

South American Gold and Copper Company Limited is a minerals producing, exploration and development company with properties and activities currently focused in Chile.