FOR IMMEDIATE RELEASE – February 16, 2011

South American Gold and Copper Company Limited Announces Start of Drilling at Its Porphyry Copper Deposit at Pimenton

Toronto, Ontario, Canada – South American Gold and Copper Company Limited (the “Company”) (TSX-SAG) reported today that it has started to drill its porphyry copper deposit at Pimenton.

Drill hole PP No. 1 will be drilled to a depth of approximately 600 meters and located 200 meters to the north of PM-DD-004 which was drilled by Rio Tinto to a total depth of 681 meters and encountered 279 meters of 0.4% copper and 0.43 grams per ton of gold.

PP No. 1 will be the second hole drilled by the Company utilizing its newly acquired diamond drill rig which is rated to drill to a total depth of 1,500 meters.

The first hole was drilled inside the Pimenton gold/copper mine to a length of 420 meters. Assay results from this first hole by an independent laboratory are expected within three weeks at which time they will be released.

The Company cautioned that PP No. 1 may be subject to the potential delays encountered when utilizing a brand new drill rig.
Dr. David R. S. Thomson, EVP of Exploration, a Qualified Person under NI 43-101, has reviewed and approved this News Release.

South American Gold and Copper Company Limited is a minerals producing, exploration and development company with properties 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,” “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 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.