

## **54.7G/T Gold over 4 metres discovered in Tarale area of Batoto Gold Project, Philippines**

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Sur American Gold Corporation (SUR-V) is very pleased to advise that on-going exploration trenching at its Batoto Gold Project, Compostela Valley, Mindanao, Philippines continues to outline significant high grade gold mineralization in several areas surrounded by lower grade gold mineralized halos.

A series of trenches is being cut over the East Batoto Zone in an area approximately 1000 metres by 1000 metres in extent. The latest discovery of 54.7g/t gold over a 4 metre interval was obtained from the Tarale area which occurs 500 metres to the south of and appears contiguous with the current drilling area. The 4 metre interval includes two contiguous 2 (two) metre intervals of 91g/t gold and 18.4 g/t gold.

The high grade interval was included in a wider lower grade interval of 22.0 metres grading 10.71 g/t gold. The discovery occurs some 40 metres above the Tarale 11 vein system, a series of shallow north west dipping high grade veins containing gold grades up to 400g/t over 1-2 metres. Immediately below the Tarale 11 vein system the Company recently announced a further significant discovery of 10.54g/t gold over 6 metres in another vein array sub parallel to the other vein sets.

The true thickness of the overall zone between the most recent discovery and the lower zone appears to be approximately 60-80 metres and includes three known high grade vein arrays separated by lower grade gold mineralization with thereby making the entire interval a potential bulk mineable target. The strike and dip extent of these high grade vein systems is unknown at this time and can only be determined by drilling.

A recently completed detailed geophysical survey suggests the entire 800 metre by 600 m Tarale Zone is contained within a significant magnetic anomaly which is co-incident with a resistivity anomaly (hard rock-possibly high concentrations of silica). More than 50 known veins and countless smaller veins have now been discovered in this area.

Surface trenching is continuing in the area in preparation for an extensive drilling campaign.

### **DRILLING UPDATE AT EAST BATOTO ZONE**

- As previously reported drilling progress has significantly increased due to further refinements in drilling operations and the addition of a second shift. All drill core from the recently completed Batoto #4 which was drilled to a depth of 399.1 metres has now been geologically logged, sawn in half and dispatched to Intertek Laboratories in Surigao, Northern Mindanao. All samples should soon be arriving in Perth, Western Australia for analysis. Results are normally available within 15 days of sample receipt.
- Batoto #5 (-50 degrees declination towards an azimuth of 130 degrees has progressed steadily and is now at a depth of 180 metres. Apparently strong mineralization has been intersected in multiple intervals from about 52 metres with many significant veins having been intersected. The hole is being drilled to a planned depth of about 350 metres depth and is collared 75 metres to the NE of Batoto #2 which the Company now believes was drilled at the optimum direction (azimuth 130 degrees) to intersect the majority of the vein sets within the Clark Structural Zone.

All sample preparation is undertaken at the Intertek Laboratory in Surigao, Northern Mindanao. Intertek is a 9002 Certified Laboratory. Pulverized 200 gram sub samples from the drilling program are then sent to Genalysis Laboratories in Perth, Western Australia for analysis using the FA 50/SAAS method (fire assay with atomic absorption finish).

This news release was prepared by Mr. Blair who is the qualified person as required by National Policy 43-101 and who is the technical person responsible for this news release.

Sur American Gold Corporation is a well financed junior exploration Company and trades on the TSX Venture Exchange (Canada) with trading symbol SUR-V.

On behalf of the board of directors

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The TSX Venture Exchange has neither approved nor disapproved the contents of this news release