

STRONG COPPER-GOLD-SILVER ASSAYS RETURNED FROM INITIAL DRILLING AT TAGPURA PROJECT, PHILIPPINES

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Sur American Gold Corporation (SUR-V) is very pleased to announce that strong copper-gold-silver mineralization over wide, potentially mineable intervals, has been intersected from its initial drill hole and from surface sampling at the Tagpura copper-gold project in the Compostela Valley, Eastern Mindanao, Philippines.

EXPLORATION HIGHLIGHTS

- Assay results have been received for the first 97 metres of the Tagpura #1 (TGD-1) drill hole which was drilled to a down hole depth of 300.9 metres. Strong copper-gold-silver assays commenced at 42 metres and continued until 97 metres, with the 55 metre interval for which assays have been received, averaging 0.78% copper and 0.26g/t gold, for a copper equivalent of 0.91% copper and gold equivalent of 1.75g/t gold. Results are pending for the interval between 97 and 300.9 metres (end of hole).
- The last 23 metres of the 55 metre interval averaged an impressive 1.55% copper, 0.52g/t gold and 2.6g/t silver for a copper equivalent of 1.82% copper and gold equivalent of 3.47g/t gold. Similar mineralization to this high grade interval was observed for approximately the next 50 metres of drill core. Other potentially economically significant intervals were also observed further down the hole.
- Full results of trenching of the rock face across the old mine bench above TGD-1 drill hole have now also been received. The same zone of mineralization intersected in TGD -1 drill hole also occurs in the systematic channel sampling and this averaged 0.74% copper and 0.36g/t gold over an impressive interval of 132 metres. This included a high grade zone of 46 metres which averaged 1.59% copper, 0.82 g/t gold and 3.96 g/t silver.
- New geophysical data recently collected by the Company suggest that the Tagpura deposit may be considerably larger than previously thought and may extend to a much greater depth than indicated by an earlier 1970's shallow IP geophysical survey.

ASSAY RESULTS OF TGD #1 DRILL HOLE RECEIVED TO DATE										
Drill Hole	Declination (degrees)	Azimuth (degrees)	From (m)		Intercept (m)	Intercept (ft)	Cu (%)	Au (g/t)	Cu Eq%	AuEq g/t
TGD1	-60	310	2		95	299	0.50	0.17	0.59	1.12
300.9m	including		42		55	173	0.78	0.26	0.91	1.75
	Including		74		23	72	1.55	0.52	1.82	3.47

- Copper and gold equivalent calculations use metal prices of \$US 1.25/lb for copper and \$US 450/oz for gold. Further adjustments to account for the relative metallurgical recoveries for gold and copper will be made upon the receipt of planned metallurgical testing. Current formulas used are $CuEq = Cu\% + (Au \text{ g/t} \times 14.47/27.56)$ and $AuEq = (Cu \% \times 27.56/14.47) + Au \text{ g/t}$.

ASSAY RESULTS FROM CHANNEL SAMPLING OVER TGD-1 AND TGD-2 DRILL HOLES										
Channel #1	Declination (degrees)	Azimuth (degrees)	From	To	Intercept (m)	Intercept (ft)	Cu (%)	Au (g/t)	Cu Eq%	AuEq (g/t)
	+5	345	0	294	294	925	0.36	0.18	0.46	0.87
	including		46	178	132(T1 Zone)	416	0.74	0.36	0.93	1.77
	including		66	112	46(T1 Zone)	145	1.59	0.82	2.02	3.85

DISCUSSION OF RESULTS AND IMMEDIATE STRATEGY

The Tagpura belt of copper-gold deposits extends over a distance of not less than 7km in a north-south direction (please click [here](#) for a more detailed story). There are three known large copper-gold deposits and several other high priority targets. The principal aim of the Company is to aggressively delineate a major resource(s) of copper-gold and silver within the belt and based on these initial results foresees a rapid acceleration in drilling activity.

The current program is currently focusing mainly on the southern deposit, Tagpura, where at least three significant magnetite-hematite-pyrite copper-gold-silver zones have so far been identified. The Company believes that previous exploration drilling fell far short of delineating the full extent of the various deposits and this is confirmed by a recent single line geophysical survey recently completed which suggests that the Tagpura system extends far deeper than previously believed thereby significantly enlarging the ultimate potential of the enclosed mineralized zones of copper-gold mineralization.

The Company is highly encouraged with these initial results and accordingly, will, in the immediate future continue to focus on the delineation of the Tagpura No 1 copper-gold zone ("T1") which appears, based on mapping and sampling completed to date, to have large scale potential for an open cut mining operation.

Mapping and sampling is also been undertaken at the Kalimantan deposit which is located near the north end of the highly mineralized belt. Kalimantan is a more typical porphyry style copper-gold deposit.

TGD-2 drill hole was completed at 342 metres and tested the area north of the T1 Zone. TGD-3 drill hole has already commenced and will be testing the T1 zone some 80 metres to the east of TGD-1 drill hole and some 60 metres vertically higher.

The corporate strategy at Tagpura calls for the rapid delineation of a major copper gold resource sufficient to justify a significant open cut mining operation.

CERTIFICATE OF PRECONDITION AND FREE AND PRIOR INFORMED CONSENT

As previously advised, the Company has received a "Certificate of Precondition" and "Free and Informed Prior Consent" from the local indigenous people, the Mandaya-Mansaka tribe. These mandatory government approvals reflect the excellent relationship that the Company enjoys with the Community, and the positive contribution of the Company to the community and the strong commitment to the welfare of the people. These approvals allow the Company to conduct exploration and development within the Comval project area which lies within the Mandaya-Mansaka ancestral domain.

SUMMARY

All sample preparation is undertaken at the Intertek Laboratory in Surigao, Northern Mindanao. Intertek is a 9002 Certified Laboratory. Pulverized 200 gram sub samples are sent to Genalysis Laboratories in Perth, Western Australia for analysis. Genalysis is also a 9002 Certified Laboratory. Channel samples are sent to Intertek's analytical facilities in Jakarta, Indonesia.

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