

SUR AMERICAN GOLD CORPORATION INTERSECTS 88 METRES GRADING 0.92% COPPER AND 0.34g/t GOLD (2.91 g/t Au equiv)

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Vancouver, British Columbia - October 25, 2006 SUR AMERICAN GOLD CORPORATION (SUR: TSX-V) drill intersects 88m grading 0.92% Copper and 0.24 g/t gold (2.91 g/t gold equiv) at its Tagpura Copper-Gold project in Compostela Valley Province, Mindanao, Philippines.

HIGHLIGHTS

- Results have now been received from 0- 210 metres for Tagpura No 1 drill hole (TGD#1).
- From 61-149 metres (88 meters) the hole returned 0.92% copper, 0.34g/t gold and 1.73g/t silver (gold equiv 2.91g/t, copper equiv 1.06%), including a higher grade interval from 78-127 metres (49 metres) grading 1.3% copper, 0.40g/t gold and 2.41g/t silver (gold equiv 4.03g/t)
- Significant porphyry style copper-gold mineralization was encountered in TGD#3 drill hole from about 300m until the bottom of the hole at 463m. Machine capacity prevented deeper drilling. The Company regards this as a potentially major development as it opens up the possibility of a substantially major new target area. This new area appears to continue up to the surface.

Mr. Ian Cooper, BSc. (University of London), A.R.S.M (Associate of the Royal School of Mines), F.G.S (Fellow of the Geological Society of London), M.Aus.I.M.M, Exploration Manager-Philippines for SUR said that: "these early results and the overall progress of the Tagpura exploration program are now exceeding our targets. We are now completing an average 350m drill hole every 2-3 weeks and results obtained to date, including the orientation geophysical line of 2kms completed in September, suggest that the Tagpura copper-gold system is a major one and certainly far greater than indicated by the historic published information".

"The geophysical line suggests a minimum width of the alteration and mineralization system here is at least 1,600m and is at least 400 metres deep. Because Tagpura is only one of several major targets we already have in this area, we are understandably very excited about the potential of this project", Mr. Cooper said.

DRILLING RESULTS

DRILLING RESULTS OF TAGPURA #1 DRILL HOLE RECEIVED TO DATE

ASSAY RESULTS OF TGD #1 DRILL HOLE RECEIVED TO DATE										
Drill Hole	Declination (degrees)	Azimuth (degrees)	From	To	Intercept (m)	Cu (%)	Au (g/t)	Ag (g/t)	Cu Eq%	AuEq g/t
TGD#1	-60	310	1.4	210	208.6	0.45	0.17	0.73	0.52	1.43
	including		61	149	88	0.92	0.34	1.73	1.06	2.91
	Including		78	127	49	1.30	0.40	2.41	1.82	4.03

- Copper and gold equivalent calculations use metal prices of \$US 2.00/lb for copper \$US 450/oz for gold and \$US 9.00/oz for silver. These prices are significantly below current prices. Further adjustments to account for the relative metallurgical recoveries for gold and copper will be made upon the receipt of planned metallurgical testing.

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 using the FA 50/SAAS method (fire assay with atomic absorption finish) for gold, and

conventional wet chemical methods for copper. Trenching samples are sent to Intertek's analytical facilities in Jakarta, Indonesia.

Because of the world wide demand for analytical services, there is currently an assay back log of between 6-8 weeks from the time samples arrive at the laboratory.

This news release was prepared by Mr. Rennie Blair, Company President, 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 junior exploration Company focusing on gold/silver and copper projects in the Philippines and Colombia. The Company trades on the TSX Venture Exchange (Canada) with trading symbol SUR-V.

On behalf of the board of directors

J. Rennie Blair
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The TSX Venture Exchange has neither approved nor disapproved the contents of this news release