



SUR AMERICAN GOLD CORPORATION

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Symbol: SUR-TSXV
For Immediate Dissemination

May 8, 2007

**KALAMATAN COPPER GOLD PORPHYRY
“EXPLORATION UPDATE”**

SUR AMERICAN GOLD CORPORATION (the "Company") (SUR-V) reports that latest copper and gold assay results from channel samples confirm the occurrence of copper gold porphyry style mineralization at its Kalamatan Copper Gold Porphyry Deposit located in Compostela Valley Province, East Mindanao, Philippines.

To date assay results for 286 metres of exploration adits have been received. When the average for all assays for adits sampled to date is calculated the grade is 0.25% Cu and 0.2 g/t Au.

HIGHLIGHTS

- Adit C3 - 74 metres grading 0.29% copper and 0.15 g/t gold
 - ◆ inc 40 metres 0.35% copper and 0.18 g/t gold
- Adit C3
 - East Drift - 66 metres grading 0.29% copper and 0.18 g/t gold
 - ◆ inc 24 metres 0.31% copper and 0.18 g/t gold
- Adit K1 - 160 metres grading 0.16% copper and 0.10 g/t gold
 - ◆ inc 22 metres 0.34% copper and 0.46 g/t gold
- Adit K 1
 - East Drift - 26 metres grading 0.28% copper and 0.48g/t gold
 - ◆ inc 12 metres 0.34% copper and 0.75 g/t gold

President & CEO, Mr. Brett Taylor, said, these initial results are from channel samples, sampled to date, located in 785 metres of adit tunnels that the Company has reopened, mapped and surveyed (five separate adits on three elevation levels). The adits were originally constructed in the 1970s.

“This is encouraging as the Kalamatan Copper Gold Porphyry Deposit is located in the northern section of the 8km long and 5km wide Tagpura-Kalamatan Copper Gold Porphyry Belt.”

At the southern end is Tagpura Deposit and in a News Release dated April 2 2007, SUR reported: TGD-4 drill hole, returned 454.9 meters grading 0.22% copper and 0.06 g/t gold, from the surface to the bottom of the hole and within that broad intersection, two higher grade zones were encountered: 95 metres (94m to 189m) at 0.48% copper and 0.12 g/t gold and 33.2 metres (423m to 456.2m) at 0.31% copper and 0.08 g/t gold.

Mr. Taylor said that the Kalamatan Copper Gold Porphyry Deposit was first identified in the early 1970s by a Philippine company, Sabena Mining Corporation ("SMC"), and in 1974 geophysics was undertaken and highlighted an induced polarisation anomaly of some 1,500m by 1,000m with a smaller anomaly to the south east of some 300m by 700m.

In 2006, the old 1974 geophysical survey raw data was remodelled for SUR by Elliott Geophysics International Pty Ltd. Its principal consultant geophysist, Dr. Peter Elliott M.Sc. Ph.D. M.AusIMM, advised that close spaced dipole-dipole IP over the area will better define the size and extent of the anomaly as it appears that the known mineralisation at Kalamatan is located off the anomaly centred approximately 300 metres to the west. (Figure One)

The new geophysics and the updated geology will provide a sound base for the geophysical modelling and interpretation. The geophysical survey is scheduled for mid year as the geophysical team is still in the Tagpura Deposit area.

Mr. Taylor said that it was Elliott Geophysics International Pty Ltd. that conducted the geophysical survey that led to the regionally significant new discovery of the "*Cadan Copper-Gold Porphyry Target*", located in Compostela Valley Province, East Mindanao, Philippines, the subject of News Release dated April 24, 2007.

ADIT CHANNEL SAMPLE RESULTS (TO DATE)

ADIT	DECLINATION (DEGREES)	DIRECTION (DEGREES)	FROM (m)	TO (m)	INTERCEPT (m)	Cu (ppm)	Cu (%)	Au (g/t)
K-1	Horizontal	180 note adit portal to 26 metres at 110 degrees	0	160	160	1562	0.16%	0.1
		Inc	62	84	22	3340	0.34%	0.46
K-1 East Drift	Horizontal	090	0	26	26	2758	0.28%	0.48
		Inc	14	26	12	3412	0.34%	0.75
C-1	Horizontal	180 note assays only available for first 14 metres of adit from portal awaiting results	0	14	14	2437	0.24%	0.12
C-3	Horizontal	170	40	114	74	2879	0.29%	0.15
		Inc	40	80	40	3520	0.35%	0.18
C-3 East Drift	Horizontal	075	0	66	66	2853	0.29%	0.18
		Inc	26	50	24	3125	0.31%	0.18

All sample preparation during 2006 was undertaken at the Intertek Laboratory in Surigao, Northern Mindanao which is an ISO 9002 certified laboratory. From January 2007, all sample preparation was undertaken by McPhar Geoservices (Phil) Inc. at its General Santos facility in Southern Mindanao. McPhar is an ISO 9001 certified laboratory. Channel samples are pulverized and 200 gram sub samples are sent to:

a) During 2006, Intertek Laboratory in Jakarta, which is an ISO 9002 certified laboratory, for analysis using the FA 50 method (fire assay) for gold, and conventional wet chemical methods for copper and b) From January 2007, McPhar Geoservices (Phil) Inc. Manila laboratory. McPhar is an ISO 9001 certified laboratory. Analysis using the PM3 method (Fire Assay, Gravimetric [0.05 ppm] finish for gold and conventional wet chemical method (GA-1) for copper is carried out. The Laboratories mentioned in this paragraph provide independent analytical services to the Company on normal commercial terms.

It should be noted that the following exploration information of “*conceptual or order of magnitude*” tonnage and grades is based on limited exploration information to date (298 adit channel samples assayed) and as such do not meet the criteria of a Mineral Resource as defined in the CIM Definition Standards December 11, 2005.

Exploration Manager-Philippines Mr. Ian Cooper, BSc, A.R.S.M, F.G.S, M.Aus.I.M.M said a full time exploration team is now in place at Kalamatan to accelerate the detailed geological mapping and sampling of the area before the comprehensive geophysics program commences.

He said that Exploration Information to date demonstrates the mineralisation at the Kalamatan Deposit as having bulk tonnage potential. When the average for all assays of samples collected from adits sampled to date is calculated the grade is 0.25% Cu and 0.2 g/t Au (298 samples no cuts applied). The samples from which this average was calculated range from 303 ppm (0.03%) copper to 6329 ppm (0.63%) copper and for gold the returned assays ranged from 0.01 g/t to 1.26 g/t.

“The adits sampled to date cover a small area of some 270 by 200 metres. Results for almost half of the assays for sampling conducted to date in these adits and tunnels are pending while several other adits remain to be surveyed, mapped and sampled.”

“The geology is similar to that seen at Tagpura and includes disseminated and vein sulphide (pyrite and chalcopyrite) hosted in fine and medium grained diorites and also in meta-sediment. Zones of massive magnetite skarn have also been located and gypsum and quartz veining is also common.”(See photographs)

The Tagpura, Maangob and Kalamatan deposits had (from published reports of SMC) a recorded “Historical Philippine Resource - 75.6m tonnes of copper at 0.44%, gold at 0.5 g/t and silver at 4.0 g/t” and details of that historical resource and its differences to the CIM standards are discussed in the company's published Technical report dated February 12, 2003. *SUR technical report is published and available on www.sedar.com - news release dated February 12, 2003.* Note that the SMC “resource” estimate does not conform to the CIM Standards. Until drilling and other detailed exploration is conducted over the prospect the above mentioned “resource” estimate is highly speculative and should only be considered as indicative of mineralisation potential and that it is uncertain if further exploration will result in the target being delineated as a mineral resource. It is the opinion of the Qualified Person that all information in the report as it relates to the Tagpura Kalamatan Ma-angob belt is current.

The Tagpura-Kalamatan Belt of Copper-Gold Porphyry Deposits extends over a distance of approximately 8km in a north south direction and approximately 5km in an east west direction – for maps see website www.surgoldcorp.com.

Kalamatan adds to Broad Exploration Picture

Company President and CEO, Mr. Brett Taylor, said, that these initial channel results indicate the Kalamatan area of the Tagpura-Kalamatan Copper Gold Porphyry Belt and the recently announced new discovery Cadan Copper Gold Porphyry Target continue to demonstrate the potential of being “Regionally Significant” Copper Gold Porphyry deposits.

“The exploration direction is clear: as we move forward with systematic exploration, geophysics and drilling, Sur’s “quality copper gold porphyry and gold silver mineral assets” in East Mindanao will be more widely recognised.”

Technical aspects of this news release were prepared and verified by Mr. Ian S. Cooper, Exploration Manager, who is the Qualified Person as required by National Instrument 43-101, and who is the technical person responsible for this news release. The qualified person has verified the data disclosed in this news release, including sampling, analytical and test data underlying the information and opinions contained in this news release. Mr. Cooper is Sur's Exploration Manager in the Philippines and under his supervision the following verification processes are carried out on channel sampling as it relates to information provided in this news release. Adits, trenches and outcrop are sampled at two metre intervals, after cleaning of the

exposure has been completed a six inch wide by four inch deep channel is cut and sampled, material is collected on a sampling mat placed under the channel location collecting all material, sub-sampling by "cone and quarter" method is conducted to provide a 3 to 5 kg sample to be sent for assay, a reference duplicate sample is also collected for storage at the company's secure compound/living quarters at the project area. For every twenty samples (5% of samples) collected a duplicate sample representing the sample interval is also collected and submitted to verify that analytical results can be duplicated. Samples are sealed and submitted directly to the previously mentioned commercial laboratory for sample preparation and subsequent analytical work. With every batch of samples submitted to the laboratory (generally batches of samples range between 100 and 250 samples) the Company includes four commercially prepared assay standards that contain certified gold and copper assay values, reflecting the expected assay ranges, of the submitted samples.

For further information relating to the geological setting of the project, readers are referred to *SUR technical report, specifically "Deposit Types Comprising the Sabena Project pages 23 – 25, that is published and available on www.sedar.com - news release dated February 12, 2003.* It is the opinion of the qualified person that all information in the report as it relates to the Tagpura Kalamatan Ma-angob belt is current.

Ian S. Cooper has over twenty five years' professional experience as a geologist in mineral exploration and development. He has worked on gold, base metal and diamond projects throughout Australia in addition to his overseas experience in Sierra Leone, West Africa and the Philippines, Asia. Other overseas experience includes study visits to the USA, South Africa, New Zealand, Europe, the UK and Ireland. He graduated from the Royal School of Mines, London University, U.K. with B.Sc. (Hons) and A.R.S.M. (Associate Royal School of Mines) degrees from that institution. Previously he was the Senior Geologist for Sons of Gwalia NL in Eastern Australia and also a geologist with the BP Minerals / Seltrust Mining Group. Mr. Cooper is a Director and Senior Geologist of Cooper Geological Services Pty Ltd., which provides specialist geological, evaluation and management services to Sur American Gold Corporation. He is a corporate member of the Australasian Institute of Mining and Metallurgy a Professional Association as defined in National Instrument 43-101.

Dr. Peter Elliott M.Sc. Ph.D. M.AusIMM, has consented to the comments made in respect to the remodelling of the 1974 Geophysical Data over the Kalamatan Copper Gold Porphyry.

Sur American Gold Corporation is a junior exploration Company with operations in the Philippines, through affiliate companies, and in Colombia and trades on the TSX Venture Exchange (Canada) with trading symbol SUR-V.



Brett Taylor

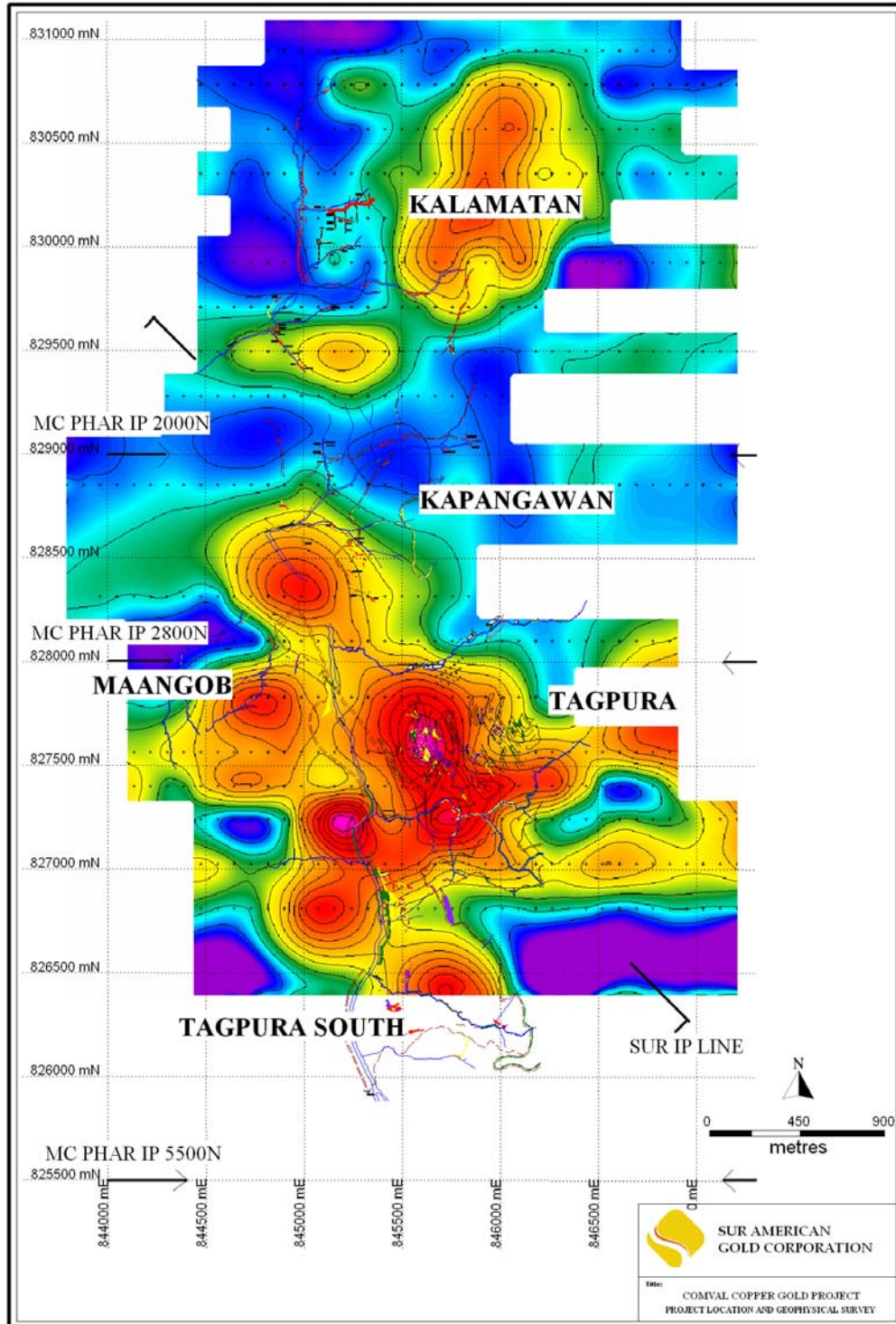
On behalf of the board of directors,
Brett Taylor, President & CEO

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The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.

FIGURE ONE

**1974 GEOPHYSICAL (IP) SURVEY AT TAGPURA KALAMATAN BELT
RE-INTERPRETED and MODELLED**



PHOTOGRAPHS OF KALAMATAN AREA



Gypsum Veining in Meta-Sediment



Adit Portal of K-1 Adit



Old Diamond Drill hole observed in underground Adit