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NEWS RELEASE

CADAN COPPER GOLD PORPHYRY TARGET

LATEST TRENCHING RESULTS CONFIRM LARGE ANOMALOUS COPPER GOLD AREA

SUR AMERICAN GOLD CORPORATION (the Company SUR-V) is pleased to announce that the latest trenching results confirm the large anomalous copper area first identified by the geophysical anomaly of the Cadan Cooper Gold Porphyry.

Company President and CEO Mr Brett Taylor said that the Cadan Copper Gold Porphyry Target is the first new discovery of its type for some 25 years in the south eastern area of the highly prospective East Mindanao mineralised district and announced in the News Release of April 23, 2007, has a conceptual or order of magnitude potential volume of rock of between 450MT and 900MT with an unknown grade.

Trenching Highlights

- Trenching at the Cadan Geophysical Discovery returned copper values 15 times the local background copper values.

Gold In Trench – A New Target

- 20 metres with anomalous Gold at 0.33 g/t Au in quartz stock-works located outside the porphyry Copper Gold target may represent a possible new and separate gold target in this location.

Exploration Manager Mr. Ian S. Cooper, BSc, A.R.S.M, F.G.S, M.Aus.I.M.M said that initial results for trenching over parts of the Cadan Prospect are most encouraging.

Two trenches are being excavated to test:

- a) the central part of the 30 msec surface expression as interpreted from the geophysical survey and
- b) an area located approximately 100 metres off the geophysical anomaly where earlier mapping had identified kaolin alteration and quartz veining.

To the date of this news release, sampling results for the 838300 mE trench (the “838300 mE Trench”) located over the geophysical anomaly returned an average of 436 ppm copper over 156 metres of trenching with grades ranging from 86 ppm Copper to 930 ppm Copper, while the 839400 mE trench (the “839400 mE Trench”) located outside the geophysical anomaly returned an average of 28 ppm over 198 metres of trenching with grades ranging from 2 ppm Copper to 199 ppm Copper.

As the sampling in the 839400 mE trench is located outside the geophysical anomaly, it can be considered as representing the local area background.

Mr Cooper said that the sampling in the 838300 mE trench is located within the anomaly area and is considered to be geochemically highly anomalous, being some 15 times the local background for Copper at the Cadan Prospect.

Additional trenching in Gully # 4 returned an average of 476 ppm copper over 190 metres of trenching with grades ranging from 156 ppm Copper to 1199 ppm Copper. The Gully # 4, which is located some 90 metres west of the Cadan "838300mE Trench", is a northerly flowing stream which has extended exposure northwards from the trenching area. Again the average for the sampling to date is some 15 times, or an order of magnitude, higher than the local background for copper as observed in the "839400mE Trench".

The Cadan prospect geology shows alteration features indicative of porphyry style mineralisation in the Philippines including Magnetite (+10%), Actinolite, Biotite, Epidote, Pyrite (vein and disseminated), traces of chalcopyrite (vein and disseminated) and propylitic altered rocks to north of the geophysical anomaly. Also discovered by the Company's exploration team are zones of quartz veining, brecciation with anomalous copper and gold geochemistry. Photographs showing trenching and surface mineralisation at Cadan are attached.

Mr Cooper said that trenching located over the central part of the anomaly shows intense stockwork magnetite /sulphide (now oxides) veining and abundant areas with brecciation. This is very encouraging and as a result the trenching on the 838300 mE line is being extended to cover the north south extent of the geophysical anomaly of some 940 metres.

Plans are underway to complete a further two trenches covering a strike length of some 700 metres of the 1.3 km wide geophysical anomaly.

Attached to this news release is a compilation map showing locations of sampling and trenching (and proposed trenching) overlain on an image of the geophysical (IP) anomaly.

Gold In Trench – A New Target

The sampling in the 839400 mE Trench also returned an interval of anomalous Gold averaging 0.33 g/t gold over 20 metres of trenching with gold grades ranging from 0.07 g/t gold to 0.73 g/t gold.

According to Mr Cooper the gold in quartz stock-works are located outside the Cadan Copper Gold Porphyry target and may represent a possible new and separate gold target in this location.

Increasing Mineral Potential

Company President and CEO Mr Brett Taylor said that these copper and gold results from surface exploration continue to highlight the increasing mineral potential of the Cadan Copper Gold Porphyry Target.

"We are now seeing further evidence of gold mineralisation with the 20m averaging 0.33 g/t gold in the 839400 mE Trench which is on the eastern periphery of the Cadan Copper Gold Porphyry Target and trending towards the Tarale and Batoto North zones."

"Ongoing results from the systematic exploration continue to demonstrate the quality of the Company's mineral assets and as such further strengthen their regional significance in East and South East Mindanao which hosts the globally recognised world-class Tampakan Copper Gold Porphyry project, now 62.5% owned by Xstrata Plc."

“To date, the Cadan Copper Gold Porphyry Target and the Tagpura-Kalamatan Copper Gold Porphyry Belt are showing the hallmarks of a possible new and major copper-gold mineral district in East Mindanao.”

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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 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 Laboratory mentioned in this paragraph provides independent analytical services to the company on normal commercial terms.

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.

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” (signed)

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

PHOTOGRAPHS – Cadan trenching and surface mineralisation

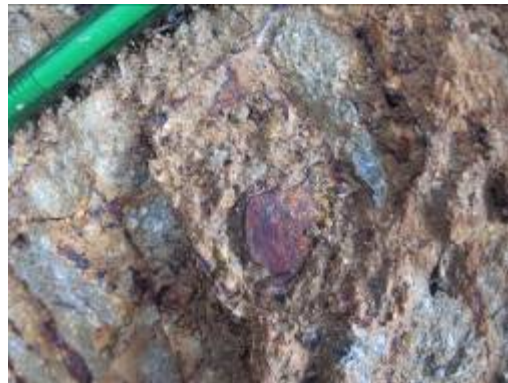


FIGURE 1

CADAN COPPER GOLD PORPHYRY TRENCHING RESULTS

