



# St. Augustine

GOLD & COPPER

## **St. Augustine Gold and Copper Comments on Recent Philippine's News Articles**

Spokane, WA, June 08, 2012 - St Augustine Gold & Copper Limited (TSX: SAU) ("St Augustine" or the "Company") has taken note of recent Philippine news articles commenting on its participation in the King-king project (the "Project") and the Philippine mining industry, in particular an article published in the June 7, 2012 edition of the Business Mirror announcing Nationwide Development Corp.'s (NADECOR) intention to drop the Company as a partner in the Project.

"This news article was published without St. Augustine's comment and implies a legal position and intent that based on the current information we have, is not reflective of the view of a majority of NADECOR's shareholders," stated Andrew J. Russell, CEO. "It is unfortunate that St. Augustine and the expedited development of the Project is being dragged into what we understand is an internal NADECOR dispute. However, we have noted the potential investment by the family of Sen. Manuel Villar Jr. in the Project and welcome the vote of confidence this indicates in the Project. We look forward to continuing to work with NADECOR on the swift achievement of key Project milestones and to fruitful discussions with the Villar family on their forthcoming investment in the Project."

As described in the May 14, 2012 press release, there are internal issues within NADECOR's own board of directors and shareholders. We understand these issues have since escalated including shareholders and directors of NADECOR bringing legal action against certain persons acting as directors or officers of NADECOR. As well, questions are being raised, amongst other matters, about the legality of the election of the members of the board of directors of NADECOR and their actions in relation to agreements which set out the framework in which the Company participates in the Project.

St. Augustine' management has stepped up communications with NADECOR to clarify the situation and have received assurances from key NADECOR directors and shareholders in this respect. Further work and discussions are ongoing with an aim to ensure any potential adverse impact on the Company and the Project is mitigated or avoided and the Company's interests are safeguarded. As a precaution, St. Augustine management in conjunction with legal counsel have implemented an action plan, which could involve exercise of specific legal remedies available to the Company should the above issues not be conclusively and satisfactorily resolved in the short term.

## **ABOUT THE KING-KING PROJECT**

King-king is one of the largest undeveloped copper-gold deposits in the world. As released in the October 2010 Technical Report and the updated resource released August 15, 2011, Measured and Indicated mineral resource is 962.3 million tonnes at 0.254% total copper, 0.062% soluble copper, and 0.334 g/t gold. Inferred mineral resource is an additional 188.8 million tonnes at 0.215% total copper, 0.048% soluble copper, and 0.265 g/t gold. The Measured and Indicated mineral resource consists of 5.4 billion pounds of contained copper and 10.3 million troy ounces of contained gold.

The King-king deposit is a gold rich copper-gold porphyry deposit located in the southeast of the Philippine Island of Mindanao, 35km east of Davao City and 13 km from the coast. The project is listed as one of the top priority projects by the Philippine Mines and Geosciences Bureau. The project has a low strip ratio and is in advanced stage with 95,651 meters of drilling composed of 291 core and reverse circulation holes, including 6,052 meters of new drilling composed of 14 core holes (and 1 RC) in 2011. King-king has entered into the feasibility stage of development (social, environmental and engineering phases).

## **NATIONAL INSTRUMENT 43-101 COMPLIANCE**

Mr. James J. Moore, P.E., St. Augustine Gold and Copper Limited, a qualified person under NI 43-101, has reviewed the resource contents of this news release.

A NI 43-101 compliant technical report entitled "King-king Copper-Gold Project Mindanao, Philippines" dated October 12, 2010, and prepared by Michael G. Hester, FAusIMM of Independent Mining Consultants, Inc., Donald F. Earnest, P.G., of Resource Evaluation, Inc. and John G. Aronson of AATA International, Inc. has been filed by the Company on [www.sedar.com](http://www.sedar.com).

## **CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

*This announcement includes certain "forward-looking statements" within the meaning of Canadian securities legislation. All statements, other than statements of historical fact, included herein, without limitation, the use of net proceeds are forward-looking statements. Forward-looking statements involve various risks and uncertainties and are based on certain factors and assumptions. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations include uncertainties related to fluctuations in gold, copper and other commodity prices and currency exchange rates; uncertainties relating to interpretation of drill results and the geology, continuity and grade of mineral deposits; uncertainties relating to the completion of a bankable feasibility study; uncertainty of estimates of capital and operating costs, recovery rates production estimates and estimated economic return; the need for cooperation of government agencies in the development of the Company's mineral projects; the need to obtain additional financing to develop the Company's mineral projects; the possibility of delay in development programs or in construction projects and uncertainty of meeting anticipated program milestones for the Company's mineral projects; and other risks and uncertainties disclosed under the heading "Risk Factors" in the Annual Information Form dated March 21, 2012, and filed with Canadian securities regulatory authorities on the SEDAR website at [www.sedar.com](http://www.sedar.com).*

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