



St. Augustine

GOLD & COPPER

St. Augustine Gold & Copper Limited Announces Final Settlement Payment to Benguet Corporation

Spokane, Washington - September 19, 2011 – St. Augustine Gold and Copper Limited (the "Company") (TSX:SAU) is pleased to announce it made, through its wholly owned subsidiary St. Augustine Mining Limited, the final settlement payment of \$10,250,000 to Benguet Corporation on September 15, 2011 as discussed in the press release issued on September 2, 2011. All future payments previously agreed to in the Heads of Terms have been settled with this final payment. Andy Russell, President and CEO of St. Augustine Gold and Copper states, "This settlement resolves in final any question on title to the King-king project and clears the way to the company's full earn-in and development of the Project."

The Company and its partner, NADECOR, continue to advance the project. A bankable feasibility study is currently in progress and is expected to be completed in the second quarter of 2012. Tom Henderson, St. Augustine Chief Operating Officer states, "We are very pleased with the advancement of the feasibility work to date and look forward to finalizing all of the King-king project parameters in the next few weeks. These major decisions, such as the mine plan, mill throughput and tailings facility location, form the foundation for the bankable feasibility study. The combination of previous project data, combined with the tremendous effort of this team are moving us toward completion as planned. I am very pleased with the results."

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, the deposit has a measured resource of 120.3 million tonnes and an indicated mineral resource of 841.9 million tonnes for a total measured and indicated resource of 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 south east of the Philippine Island of Mindanao, located 35kms east of Davao City and 13 kms from the coast. The project is listed as one of the top priority projects by the Philippine Mines and Geosciences Bureau and the project has a low strip ratio (0.8:1 compared to an industry

average of 2.5:1). The project is advanced stage with 89,922 meters of drilling composed of 276 core and reverse circulation holes and has entered the feasibility stage of development (social, environmental and engineering).

NATIONAL INSTRUMENT 43-101 COMPLIANCE

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

For further information about the Company, please refer to the Company's filings on SEDAR (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 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 informational circular of the Company dated November 19, 2010 filed with Canadian securities regulatory authorities on the SEDAR website at www.sedar.com.

ENQUIRIES

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