



St. Augustine Gold and Copper Limited Receives Clarification on Management From Its Partner, NADECOR

Spokane, WA, June 29, 2012 – St. Augustine Gold and Copper Limited (TSX: SAU) ("St Augustine" or the "Company") has received communication from its partner, Nationwide Development Corporation ("NADECOR") clarifying management at NADECOR and confirming NADECOR's desire to continue working with the Company on the basis of the current agreements for the continued development of the King-King Project (the "Project").

The Company disclosed to the market on June 8, 2012 and May 14, 2012 that internal issues within NADECOR have resulted in complications that required St. Augustine's management to step up communication and clarify the situation with our partner. "This communication along with a NADECOR press release (www.sagcmining.com/en/news_2011.htm) reaffirms the partnership between St. Augustine and NADECOR and provides clarity as to the current management of our partner, NADECOR." stated Andrew J. Russell, CEO.

St. Augustine's management also welcomed NADECOR's confirmation that the Company is in full compliance and good standing under the current agreements and agrees with the sentiments of NADECOR's President, Mr. Conrado Calalang, as stated in the Philippine press on June 18, 2012 regarding the state of NADECOR management and development of the Project; "We are pleased that the Court of Appeals writ of preliminary injunction has upheld our position. This decision will enable us, together with our partner St. Augustine, to accelerate the development of our flagship King-king mining project, which will bring many benefits to the Philippines, particularly the Pantukan community in Mindanao."

The Company and its partner, NADECOR are working to advance the project as quickly as possible through feasibility as the declaration of mine plan feasibility ("DMPF") and environmental impact study ("EIS") were previously submitted by the partners to the Department of Environment and Natural Resources and the Mines and Geosciences Bureau for review and approval. The approval of these documents will be processed pending the finality of the Presidential Executive Order to amend The Philippine Mining Act of 1995 expected in the next 30 days.

The Company is working through studies and optimization to complete a bankable feasibility study ("BFS") to coincide with the expected receipt of approved permits and the Environmental Compliance Certificate ("ECC"). With regards to the pre-feasibility study report originally scheduled for completion in Q2 2012, the publication date has been delayed so as to take account of recent events which include any potential financial impact of the abovementioned Presidential Executive Order and the latest

optimisation exercises and studies in relation to the Project mine plan.

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.

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.

For Further Information Please Contact:

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