

HONG KONG, Jan. 6, 2016 /CNW/ - St. Augustine Gold and Copper Limited (TSX: SAU) ("St. Augustine" or the "Company") announced today that the Mines and Geosciences Bureau (MGB) of the Philippine Government has approved the Declaration of Mining Project Feasibility (DMPF) for the King-king Copper-Gold Project located in Mindanao, Republic of the Philippines. The permit approval, which was awarded to St. Augustine's joint venture partner, Nationwide Development Corporation (NADECOR), is the last major permit required to initiate development, construction and operation of the King-king Mine.

Through the Order dated December 29, 2015, NADECOR has been authorized to proceed to the Development and Operating stages of its Mineral Production Sharing Agreement (MPSA) No. 009-92-XI which includes the extraction and sale of copper, gold and associated minerals within the 1,548-hectare (MPSA) area. St. Augustine is the exclusive technical services provider of NADECOR.

Receipt of the DMPF is a significant milestone, and coupled with the Environmental Compliance Certificate (ECC) issued in February 2015, enables St. Augustine and NADECOR to jointly begin development, construction and operation of the King-king Mine per approved plans and strategies.

The DMPF approval was achieved subsequent to the receipt of the ECC. The DMPF approval represents five years of comprehensive technical, environmental, social and community engagement efforts completed by NADECOR and St Augustine and related advisors.

NADECOR President Conrado T. Calalang stated, "I am exceptionally proud of this achievement and the diligent efforts made by the Project team and the MGB representatives, who reviewed and approved the Project designed to international best practice and standards."

St. Augustine Gold and Copper Ltd. President and CEO Paolo A. Villar added, "Receipt of the DMPF removes the last significant hurdle to move forward with the development of the King-king Project and represents our most significant milestone to date. We look forward to working with NADECOR and all local stakeholders to take King-king to the next stage of development."

With the approval of the DMPF, NADECOR and SAGC will work cooperatively to advance the Project to construction followed by operation of the mine. Development of the King-king Project is expected to have positive impacts for all project stakeholders and the community at large, and has been designed to minimize any environmental impact.

The King-king Copper-Gold Project

The King-king Copper-Gold Project is located in Compostela Valley in the Philippines, and is expected to recover 3.16B lbs. of copper and 5.43M oz. of gold over its 25 year mine and process life. According to the Preliminary Feasibility Study that was released on September 18, 2013, and then filed on www.sedar.com on November 1, 2013, the Project has a pre-tax NPV of \$2.0 billion with an IRR of 24.8%. The estimated mineral reserves amount to 617.9 million tonnes at 0.300% total copper and 0.395 g/t gold.

About St. Augustine

St. Augustine (SAU.T) is a TSX-listed mining company focused on the development of the King-king Copper-Gold Project. The Project is one of the largest undeveloped copper-gold deposits in the world, and is listed as a top three-priority mining project by the Philippine government.

NATIONAL INSTRUMENT 43-101 COMPLIANCE

Mr. James J. Moore, P.E., Vice President Technical of St Augustine and a qualified person under National Instrument 43-101 ("NI 43-101") has reviewed and approved the scientific, technical and economic information contained in this news release.

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 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 the Company's joint venture partner and government agencies in the development of the Company's mineral projects; the need to obtain further permits and 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 19, 2015, and filed with Canadian securities regulatory authorities on the SEDAR website at www.sedar.com.

SOURCE [St. Augustine Gold and Copper Ltd.](http://www.staugustinegold.com)

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