



SAGITTARIUS MINES, INC.

NEWS RELEASE

SMI welcomes President Aquino's support for the Tampakan Copper-Gold Project and interest in resolving the South Cotabato Environment Code matter

General Santos City, 13 July 2010

Sagittarius Mines, Inc. (SMI) welcomes recent comments by Philippine President Benigno Aquino III regarding the resolution of the South Cotabato Environment Code matter as it relates to the proposed Tampakan Copper-Gold Project.

The South Cotabato Environment Code, a provincial ordinance that includes a ban on the use of open pit mining methods in the province, was signed into law by former South Cotabato Governor Daisy Avance-Fuentes on 29 June 2010.

SMI President Peter Forrestal said: "We appreciate President Aquino's support for the Tampakan Project and his call for all parties to work together in order to resolve this matter.

"SMI is committed to the principles of sustainable development endorsed by the Code and we believe open pit mining methods are entirely compatible with these principles.

"We are ready to co-operate fully in relation to this matter and continue to engage with all stakeholders, including national and provincial government, regarding the proposed development of the Tampakan Project".

By virtue of a Financial and Technical Assistance Agreement with the Philippine government, SMI is the government's contractor in the exploration, development and operation of the Tampakan Copper-Gold Project.

If developed, the Tampakan Project has the potential to significantly enhance the economic and social development of the Philippines and Mindanao. The required capital investment to develop the mine and related infrastructure will exceed USD5 billion, the largest foreign direct investment in Philippine history. It would also create employment opportunities for up to 9,000 jobs during construction and more than 2,000 during operation.

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