



SAGITTARIUS MINES, INC.

MEDIA RELEASE

SMI ANNOUNCES MINERAL RESOURCE UPDATE FOR THE TAMPAKAN COPPER-GOLD PROJECT IN THE PHILIPPINES

Manila, 20 October 2009

Sagittarius Mines, Inc. (SMI) announces a revised Mineral Resource estimate for the Tampakan copper-gold project in the Philippines with significantly improved confidence levels, including a 25% increase in Measured tonnes and a 12% increase in Measured and Indicated tonnes.

The new Measured, Indicated and Inferred Resource estimate totals 2.4 billion tonnes at a grade of 0.6% copper and 0.2 grams per tonne gold and contains 13.5 million tonnes of copper and 15.8 million ounces of gold, using a 0.3% copper cut-off grade. The Mineral Resource also contains estimated average grades for molybdenum of 70 parts per million (ppm).

The total tonnage of the Mineral Resource has increased by 8%, compared to the 2007 estimate, reflecting increased metal price assumptions. The significant increases in Measured and Indicated tonnes are the result of further drilling work comprising 41 drill holes totaling 14,900 metres.

SMI President, Peter Forrestal, said the latest results confirm Tampakan's position as one of the largest undeveloped copper deposits in South East Asia and its emerging development potential.

"During our evaluation of the Tampakan project, we have increased the size and improved the confidence levels of the Mineral Resource, confirming the potential of the project.

"Our current focus is on completing the Feasibility Study during the first half of 2010 and on managing extensive specialist studies and stakeholder engagement activities for the Environmental and Social Impact Assessment which we expect to complete by the end of 2010.

"We are committed to advancing the Tampakan project in genuine partnership with the Philippine government and authorities, local institutions and our neighbouring communities," said Forrestal.

The previous Mineral Resource estimate of 2.2 billion tonnes at 0.6% copper, using the same cut-off grade, was published in December 2007.

The Pre-Feasibility Study into the development of the Tampakan Project, completed earlier this year, outlined a potential mining operation based on:

- An annual average copper production of 340,000 tonnes per annum and 350,000 ounces per annum of gold, based on a 20 year operation.

- Mill recovery rates of 83-90% for copper and 60-80% for gold, with a copper concentrate grade of 37-34%.
- An initial stage-one capital outlay of US\$5.2 billion, including provision for associated infrastructure.
- A potential schedule for development with commissioning and first production in early 2016.

This Mineral Resource update provides additional support for the project's scale and development potential, for further evaluation during the Feasibility Study program.

Tampakan Measured, Indicated & Inferred Mineral Resources* as of 30 September 2009

	Mineral Resources			
	Measured	Indicated	Inferred	Total
Tonnes (Mt)	780	890	700	2400
Copper (%)	0.71	0.55	0.5	0.6
Gold (g/t)	0.28	0.19	0.2	0.2
Molybdenum (ppm)	81	69	60	70
Copper contained (kt)	5500	4900	3100	13500
Gold contained (kOzs)	7000	5500	3300	15800

* Mineral Resource Estimates are reported above a 0.3 % copper cut-off and are shown on 100% ownership basis as of 30 September 2009. Numbers in the above table are rounded, generally to two significant figures with tonnes and grades for Inferred Resources and grades in the total column rounded to one significant figure and the contained metal numbers rounded to nearest 100k.

Competent Persons: Mr Damien Nihill, MAusIMM, who is a full-time employee of Sagittarius Mines Incorporated, takes responsibility for the quality of the exploration data used as the basis of the Tampakan resource estimates and for geological interpretations that constrain the resource estimates. He qualifies as a Competent Person under the meaning of the 2004 JORC Code.

The resource estimates at Tampakan have been performed by Dr Phillip Hellman, FAIG, who is a Director of Hellman & Schofield Pty Ltd ("H&S") and who qualifies as a Competent Person under the meaning of the 2004 JORC Code.

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About the Tampakan Project

The Tampakan project is located on the southern Philippines island of Mindanao, approximately 65 kilometres north of General Santos City. The project area spans parts of four Provinces – South Cotabato, Sultan Kudarat, Davao Del Sur and Sarangani. The copper gold deposit is located in the Province of South Cotabato, Municipality of Tampakan.

The Tampakan deposit represents one of the largest undeveloped copper-gold deposits in the South East Asia-Western Pacific Region. On 30 March 2007, Xstrata Copper acquired 62.5% of the controlling interest in the Tampakan Project and assumed management control through acquisition of common stock in Philippines based affiliate Sagittarius Mines, Inc. Indophil Resources holds 34.2% and Alsons Group 3.3% of the remaining common stock.

www.smi.com.ph

About Xstrata Copper

Headquartered in Brisbane, Xstrata Copper is one of the commodity business units within the major global diversified mining group Xstrata plc. Its operations and projects span eight countries: Australia, Argentina, Chile, Peru, Canada, the USA, the Philippines and Papua New Guinea. Its operations are administered by five separate divisions, based close to the mining operations, namely the North Queensland, Minera Alumbraera, North Chile, Southern Peru and Canada divisions. It also has a recycling business (Xstrata Recycling) with plants in the United States and offices in Canada and Asia.

Xstrata Copper is the fourth largest global copper producer with annual attributable production capacity of one million tonnes.