



AGC Awarded \$200,000 NSW Drilling Grant

Australian Gold and Copper Ltd ('AGC, the 'Company') is pleased to announce the Company has been awarded \$200,000 drill funding towards the Achilles target under Round 4 of the New Frontiers Cooperative Drilling grants program by Mining, Exploration and Geoscience within the Geological Survey of NSW. Our application was assessed and ranked by an expert panel and selected as a preferred application.

At \$200,000, the grant is the highest level achievable and covers half of the down hole drill meter costs. The grants are ranked on the applicants' technical assessment of the project and on the quality of the work program proposed.

The already drilled Achilles diamond hole, with assays expected in January, is included in the grant and the balance will be offset from the next round of drilling.

AGC's Managing Director Glen Diemar said: *"It is a great pleasure to accept such a grant and rewarding to know that the NSW expert panel also appreciates and is keen to invest in the Achilles target and in the quality with which AGC undertakes technical work. We believe there is significant value to be unlocked at Achilles and look forward to delivering that to our shareholders, stakeholders and the state of NSW".*

The Achilles target lies within the Cargelligo copper-gold/base-metal project in the southern Cobar Super-Basin, where AGC is exploring for high value Hera and Federation style deposits.

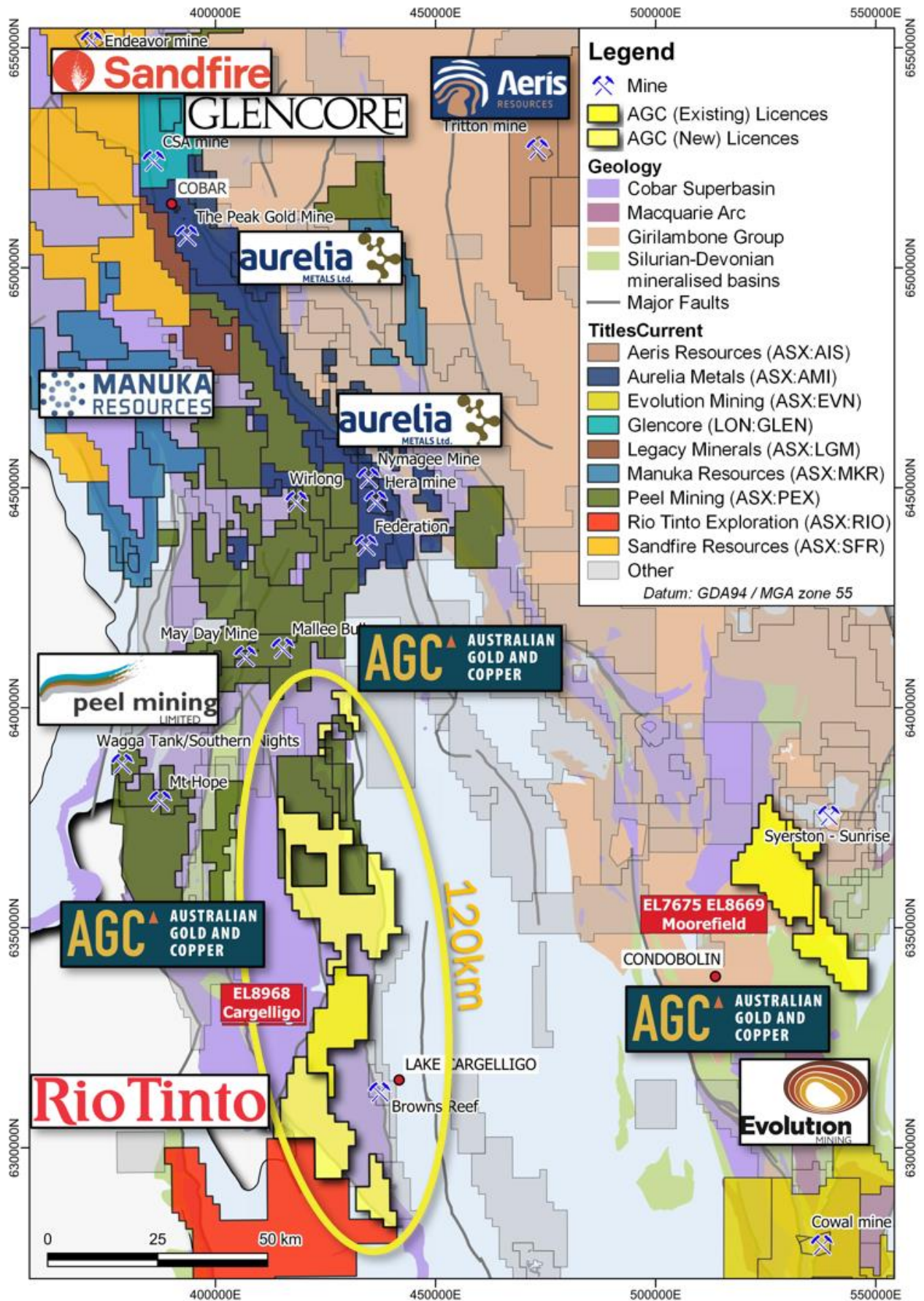


Figure 1: Map of the Cobar Basin showing the Company's Cargelligo and Moorefield Projects in yellow and a newly granted licence.

This announcement has been approved for release by the Board of AGC.

ENDS

For further information:

Glen Diemar
Managing Director
Australian Gold and Copper Limited
+61 434 827 965
gdiemar@austgoldcopper.com.au
www.austgoldcopper.com.au

Forward-Looking Statements

This announcement contains “forward-looking statements.” All statements other than those of historical facts included in this announcement are forward-looking statements. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and based upon information currently available to the company and believed to have a reasonable basis. Although the company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and no assurance can be given that these expectations will prove to be correct as actual results or developments may differ materially from those projected in the forward-looking statements. Forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to, copper, gold, and other metals price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks and governmental regulation and judicial outcomes. Readers are cautioned not to place undue reliance on forward-looking statements due to the inherent uncertainty thereof. The forward-looking statements contained in this press release are made as of the date of this press release and except as may otherwise be required pursuant to applicable laws, the Company does not undertake any obligation to release publicly any revisions to any “forward-looking statement”.

Competent Persons Statement

The information in this document that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Glen Diemar who is a member of the Australian Institute of Geoscientists. Mr Diemar is a full-time employee of Australian Gold and Copper Limited, and is a shareholder, however Mr Diemar believes this shareholding does not create a conflict of interest, and Mr Diemar has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Diemar consents to the inclusion in this presentation of the matters based on his information in the form and context in which it appears.

Previously Reported Information

The information in this report that references previously reported exploration results is extracted from the Company’s ASX IPO Prospectus released on the date noted in the body of the text where that reference appears. The ASX IPO Prospectus is available to view on the Company’s website or on the ASX website (www.asx.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcements