



MERCATOR GOLD PLC

February 2, 2007

MERCATOR GOLD PLC
(“Mercator Gold” or the “Company”)

Resource document accompanying press release “Gold production to start at Meekatharra, Western Australia, in June”

Introduction

Mercator Gold is currently undertaking resource evaluations and mining optimisations for several of its projects at Meekatharra. The resource evaluation, mining optimisation, design and production scheduling of the Surprise deposit are now complete. This document is provided to support the resource information in the accompanying press release. Surprise is located 1.5km from the Yaloginda gold processing facility. The revised Indicated Resource is a 320% increase in gold with respect to last year, and now stands at 3.6Mt @ 1.13g/t for 130,900oz uncut (or 108,900oz cut). The optimal open pit at A\$750 per ounce has a Probable Reserve of 992,000t @ 2.36g/t for 75,300oz and recoveries between 60,000 and 68,0000 oz are predicted. The Indicated Resource is inclusive of those mineral resources modified to produce the Probable Reserves.

Surprise

Gold mineralisation at Surprise is hosted by both porphyry (microgranite) that trends north/south and in marginal carbonate-mica altered high-magnesium basalts. Low-grade mineralisation is associated with pyrite. High-grade mineralisation is associated with recumbent quartz veins and visible gold.

The Surprise resource was evaluated in conjunction with Cube Consulting Pty Ltd using grade isosurfaces generated by Vearncombe & Associates Pty Ltd SpaDiS™ software. The isosurfaces were validated and integrated with the detailed geology. Evaluations have been conducted on both high-grade cut and uncut data, with the top cuts being 10g/t in the low-

grade domains and 100g/t in the high-grade domains. The Resource Evaluation has gold in the Indicated Category up from 34,000 oz to 108,900 oz (cut) or 130,900 oz (uncut), a 320% increase on the previous resource estimate. The resource figures are summarised below.

Category	Tonnes	High Cut Grade g/t	Uncut Grade g/t	High Cut Gold oz	Uncut Gold oz
Indicated	3,600,000	0.94	1.13	108,900	130,900
Inferred	1,300,000	0.59	0.63	24,700	26,400
TOTAL	4,900,000	0.85	1.00	133,600	157,300

The deposit has a very high nugget effect. Past reconciliation and extraction data for the Surprise ore are incomplete due to blending from multiple sources, but the Surprise pit is reported to have achieved an overcall on gold mined compared to a cut resource. Given the production history of overcall and high nugget effect the company has based the resource and production assessments on both high-cut and uncut data.

Consent for release

Julian Vearncombe BSc (Hons), PhD, FGS, RPGeo, FAIG is a director of the Company and consents to the inclusion of the exploration information in the form and context in which it appears here. Julian Vearncombe is a Competent Person for the reporting of these results as defined by the JORC Code 2004 Edition.

The independent resource evaluation was completed by Cube Consulting Pt Ltd under the supervision of Patrick (Rick) Adams BSc, MAusIMM, MAIG, a director of Cube and Ruth Jupp BSc MAIG, a senior consultant geologist for Cube. Rick Adams and Ruth Jupp both have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that is undertaken to qualify as the Competent Person as defined in the JORC Code 2004 Edition.

For further information please contact:

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