



MERCATOR GOLD PLC

London: Monday 16 April 2007

MERCATOR GOLD plc
("Mercator Gold" or the "Company")

Highlights

- The Company is pleased to announce interim updated resource statements for various projects at Meekatharra. The Company's total resource now stands at 2,323,900oz and is set to increase further on the completion of resource estimates for the Mudlode and Fatts projects.
- The indicated resources of the Company now stand at 1,600,700oz. This includes a significant resource of 2.5 million tonnes @ 4g/t for 320,000oz at Prohibition and 405,000 tonnes at 9.3 g/t at Vivian-Consols for 120,000oz. These resources which are in close proximity are the subject of mining studies and the Company expects to announce reserves for the Prohibition-Vivian-Consols project in the near future.

Managing Director, Patrick Harford, said: "The Company has added substantially both in quantity and above all in quality to its resource inventory over the last year. With mining studies at Prohibition and Vivian-Consols nearing completion we are very excited about moving rapidly to sustainable and profitable production."

RESOURCES

Mercator Gold is undertaking resource evaluations and mining optimisations for several of its projects at Meekatharra. These projects include:

- Prohibition
- Vivian-Consols
- Bluebird
- Maid Marion
- Ingliston

The results of the above are announced here. For each resource the Company has placed an accompanying document on its web page to support the information summarised here.

At Prohibition the resource at 2.0 g/t cut off is 2.5 million tonnes @ 4.0 g/t in the Indicated Category and 160,000 tonnes @ 3.9 g/t in the Inferred Category for a total of 341,000 ounces of gold.

Vivian-Consols, as reported here, represents a subset of the Company's purchased resource that has been re-examined; this resource now comprises 405,600 tonnes @ 9.2 g/t in the Indicated Category and 276,000 tonnes @ 7.4 g/t in the Inferred Category for a total of 186,000 ounces. The other resources that make up Vivian-Consols, namely Mudlode and Fatts, are currently being drilled and re-evaluated with a new resource statement expected shortly.

Prohibition and Vivian-Consols are within 300 metres of each other. Mining scenarios for Prohibition and Vivian-Consols (PVC) are currently under consideration. The results of mining and scheduling studies are anticipated in the next two months.

At Bluebird the Company has re-evaluated the existing resource. The re-evaluation was conducted because of the Company's concerns with the correspondence of the resource model with the drilling assay data. The revised resource is 5.45 million tonnes @ 2.0 g/t in the Indicated Category and 1.6 million tonnes @ 2.6 g/t in the Inferred Category for a total of 488,000 ounces. The remnant resource at Bluebird South is 2.7 million tonnes @ 1.3 g/t for 119,000 ounces in all Categories. The changes make the deposit more economic; current desk-top studies near completion and the possibility of trial mining or additional close-spaced drilling is being assessed.

At Maid Marion the resource is 706,000 tonnes @ 1.3 g/t in the Indicated Category and 174,000 tonnes @ 1.2 g/t in the Inferred Category giving a total of 37,000 ounces. The Company is currently evaluating mining options at Maid Marion. The Maid Marion resource is open to the north and south, and at depth. Exploration drill programmes are being designed aimed at the identification of immediate extensions to this resource and a possible repetition to the west.

The Ingliston resource is 1.3 million tonnes @ 1.1 g/t in the Indicated Category and 100,000 tonnes @ 1.1 g/t in the Inferred Category for a total of 49,000 ounces.

Mercator Resource inventory

Since the annual report for the year ended 30 June 2006, Mercator Gold has upgraded resources converting Inferred Category resources to Indicated Category. The resource evaluations take the Company closer to mining with advanced mine optimisation and scheduling studies at Prohibition, Vivian-Consols, Maid Marion and Bluebird. These are expected to add to the Company's Probable Reserves.

Since admission to AIM in October 2004, Mercator Gold has identified and announced gold resources at Meekatharra of more than 800,000 ounces. These are in addition to the resources that it purchased from St Barbara Limited in January 2006.

The resource inventory of the Company is summarised in the table below:

	Indicated			Inferred			Total		
	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces
Yaloginda									
Bluebird	5,450,000	2.0	351,000	1,660,000	2.6	137,000	7,110,000	2.1	488,000
Bluebird South	1,433,000	1.1	52,000	1,346,000	1.6	67,500	2,779,000	1.3	119,500
Surprise*	3,603,000	0.9	109,000	1,303,000	0.6	25,000	4,906,000	0.9	134,000
Sub Total	10,486,000	1.5	512,000	4,309,000	1.7	229,500	14,795,000	1.6	741,500
Paddy's Flat									
Prohibition	2,510,000	4.0	320,000	160,000	3.9	21,000	2,670,000	4.0	341,000
Vivian-Consols	405,600	9.3	120,800	276,100	7.4	65,700	681,700	8.5	186,400
Mickey Doolan	12,375,000	1.0	396,000	7,119,000	0.9	213,000	19,494,000	1.0	609,000
Ingliston	1,329,000	1.1	45,500	100,000	1.1	3,500	1,429,000	1.1	49,000
Golden Bar	379,000	1.4	17,000	50,000	1.1	2,000	429,000	1.4	19,000
Maid Marion	706,000	1.3	30,400	174,000	1.2	6,600	880,000	1.3	37,000
Sub Total	17,704,600	1.6	929,700	7,879,100	1.2	311,800	25,583,700	1.5	1,241,400
Reedy									
South Emu	618,000	3.4	68,000	100,000	3.0	10,000	718,000	3.4	78,000
Rand	891,000	1.9	55,000	1,458,000	2.7	125,000	2,349,000	2.4	180,000
Jack Ryan	534,000	2.1	36,000	846,000	1.7	47,000	1,380,000	1.9	83,000
Sub Total	2,043,000	2.4	159,000	2,404,000	2.4	182,000	4,447,000	2.4	341,000
TOTAL	30,233,600	1.6	1,600,700	14,592,100	1.5	723,300	44,825,700	1.6	2,323,900

Grade is in g/t. Ounces are Troy ounces. Small numeric differences may occur due to number rounding.

* The Surprise resource is inclusive of the Company's Probable Reserves at Surprise of 992,000 tonnes @ 2.36 g/t for 75,000 ounces. This represents a conversion of resource ounces to reserves of 68%.

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.

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