

Company Mercator Gold PLC
TIDM MCR
Headline Placing and Broker Appointed
Released 07:00 15-Feb-05
Number 6015I



RNS Number:6015I
Mercator Gold PLC
14 February 2005

£1.25 MILLION PLACEMENT APPOINTMENT OF JOINT BROKER

LONDON - 14 February 2005 - Mercator Gold plc ("AIM-MCR; MCRW") announces that it has placed 15,625,000 new ordinary shares of 1p each ("the New Shares") at 8p per share to institutional clients of Ocean Equities Ltd and Phillip Securities (UK) Ltd. The New Shares will rank pari passu with the existing ordinary shares of 1p each, and application will be made to the London Stock Exchange for the New Shares to be admitted to trading on AIM.

The placement will raise gross proceeds of £1,250,000 and be used to fund drilling at the Company's Meekatharra gold properties in Western Australia and for general working capital.

Mercator also announces that it has appointed Ocean Equities Ltd as joint broker to the Company.

For further information, please contact:

Mercator Gold plc
Patrick Harford, Managing Director Tel: +44 (0) 7786 486645
Terry Strapp, Chairman Tel : +61 (0) 8 9322 7422

Beaumont Cornish Limited
Rod Venables / Roland Cornish Tel: +44 (0) 20 7628 3396

Ocean Equities Ltd
Guy Wilkes Tel: +44 (0) 20 7786 4370

Phillip Securities UK Limited
Nick Bealer Tel: +44 (0) 20 7553 8281

Parkgreen Communications
Justine Howarth / Ana Ribeiro Tel: +44 (0) 20 7493 3713

Note to editors

Mercator Gold plc ("AIM-MCR; MCRW"), which joined AIM on 8 October 2004, has a joint venture agreement with St Barbara Mines Limited ("the Annean Joint Venture") to explore for

economic gold resources in the Annean Joint Venture area in the Meekatharra region of Western Australia.

Under the terms of the Annean Joint Venture, Mercator has the right to earn a 70% interest in the Meekatharra properties by spending AUD\$8 million (approx. GBP£3.1 million) on exploration.

Mercator management has an exploration target of 2,000,000 ounces of gold contained within four resources, each of at least 500,000 ounces within the Annean Joint Venture area.

The company has reported initial high-grade drilling results from the first two target areas, Bluebird and Surprise.

This information is provided by RNS
The company news service from the London Stock Exchange

END