



# MERCATOR GOLD PLC

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

**AIM: MCR**  
**US OTC: MTGDY**

### **Copper Flat Project Update**

**London 11 January 2010** - Mercator Gold plc is pleased to provide an update on its evaluation of the Copper Flat project ("Copper Flat" or "the Project"), located in New Mexico, USA. Mercator holds an exclusive option over the Project.

#### **HIGHLIGHTS**

- Permit issued for the commencement of drilling at Copper Flat by the Mining and Minerals Division of the Energy, Minerals, and Natural Resource Department of New Mexico on 21 December 2009.
- Two drill rigs began diamond core drilling on 4 January 2010. Six angled drill holes are planned, each with a minimum target depth of 1,000ft (304.80m).
- Drilling Programme designed to confirm and expand the existing Copper Flat resource and provide geotechnical data for the planned open pit.
- Results of the programme to be compiled and used by SRK Consulting in a pre-feasibility study into the restart of production at Copper Flat. The study is targeted for completion in the second quarter of 2010.
- Drill programme now underway expected to take 30 - 45 days with an additional 30 days required to receive and compile all assays.

#### **UPDATE**

As part of the process of confirming the historic Copper Flat resource, approximately 14,000 pulps from the 185 historic drill holes completed within the Copper Flat alkalic copper-gold system are being inventoried and a statistically significant selection is being sent for analysis.

Assay results for pulps corresponding to a number of historic holes have been received. These results were summarised in the announcement made by Mercator on 11 December 2009.

Subsequent to that announcement, results have been received for the 950ft (289.56m) hole-H75-088 drilled by Quintana Minerals, the previous operator of the Copper Flat project, in 1975. Some 879ft (267.91m) of intact pulps for hole-H75-088 were recovered and assayed on behalf of New Mexico Copper Corp (“NMCC”), a wholly owned subsidiary of Mercator, by Skyline Assayers & Laboratories in Tucson, Arizona, USA. Assays by Quintana yielded an average grade over this 879ft (267.91m) interval of 0.75% Cu and 0.028% Mo. NMCC has obtained results of 0.72% Cu and 0.033% Mo.

Included in this interval is a 505.5ft (154.07m) interval from 284.5ft (86.71m) to 790ft (240.79m) depth over which assays by Quintana yielded 1.13% Cu and 0.042% Mo. The NMCC assays yielded 1.14% Cu and 0.049% Mo over the same interval. The NMCC results show an overall gold grade in hole-H75-088 of 0.006 oz/t Au and 0.14 oz/t Ag.

The assay results attained by NMCC for hole-H75-088 continue to show excellent correlation with those of Quintana Minerals, substantially increasing Mercator’s level of confidence in the historic Copper Flat resource. The pulps from numerous additional drill holes are to be sent by NMCC for re-assay later this month.

**Managing Director, Patrick Harford, said:**

“The successful verification of historic drill data on the Copper Flat project is a continuing process towards producing a Canadian NI-43-101 resource statement. With the commencement of diamond drilling at site the Company has now begun, in earnest, the process of generating new data aimed at assisting towards generating a bankable feasibility study.

Mercator is working towards the completion of a pre-feasibility study by SRK Consulting in the second quarter of the year on the restart of production at Copper Flat. The successful completion of this study would represent a key milestone in terms of value added to the Copper Flat project by Mercator.”

This announcement was reviewed by John R King and Mark I Pfau, both registered geologists and Qualified Persons under Canadian NI-43-101.

**For further information please contact**

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