

ANNOUNCEMENT

ARRIVAL of PROCESSING PLANT, CONSTRUCTION PROGRESS and APPOINTMENT OF NEW CFO

Archipelago Resources plc (“Archipelago” or “the Company”) is pleased to announce that the processing equipment purchased from Barrick in Chile has now arrived on site at its Toka Tindung Gold Project in Sulawesi, Indonesia. The plant totalling 2,080 tonnes was shipped to Indonesia in part on a specialised carrier and also in containers. Containerised items were transported to site by road and heavier equipment trans-shipped to barges before off-loading at the project’s purpose built jetty located some 7.5 kms from the plant site. Electrical control equipment is being re-wired in Perth to suit the layout of plant at site.

Civil earth-works were completed late last year and will re-commence together with pre-strip mining operations in April 2007. Construction of concrete foundations continues on schedule and on the 30th November a single pour of 270 cubic metres of concrete was undertaken for the ball mill foundations. Foundation works will continue into February.

Steel fabrication contracts have been let for much of the plant and fabricated components will arrive progressively at site in the first half of this year.

The Toka Tindung Gold Project has a resource of 1.7M ounces (ozs) of gold, of which at least 0.9M ozs will initially be mineable by open pit. The project is targeted to commence production at the rate of 150,000 ozs per annum increasing to a target of 160,000 ozs per annum in subsequent years. Subject to continuing construction progress, production remains on schedule to commence in the third quarter of 2007.

Mr Jeff Dawkins has joined the Company as Chief Financial Officer, replacing Mr Bryan Dixon who has resigned for personal and business reasons. Mr Dawkins is a Chartered Accountant and member of the Securities Institute of Australia with 14 years experience including managing financial aspects of project financing, development and operation of the successful Paraboroo gold mine in Western Australia. As part of the handover process Mr Dixon will continue to provide consulting services to the Company in coming months. The Board wishes to thank Mr Dixon for his valuable contribution to the Company and the Toka Tindung Gold Project during their formative years.

Archipelago is a mining company listed on the AIM market of the London Stock Exchange. The Company’s principal activities are gold mining and exploration in Indonesia (as 85% owner of the Toka Tindung Gold Project in Sulawesi), Vietnam (as majority party in the Pac Lang and Cam Thuy/Ba Thuoc joint ventures with Vimico a Vietnamese Government mining company) and the Philippines (as option holder over a 100% interest in the Corplex tenements).

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