

Regulatory Announcement

[Go to market news section](#)



Company	Archipelago Resources PLC
TIDM	AR.
Headline	Construction progress update
Released	07:30 12-Oct-06
Number	3562K

ANNOUNCEMENT

TOKA TINDUNG GOLD PROJECT CONSTRUCTION PROGRESS UPDATE

Archipelago Resources plc (“Archipelago” or “the Company”) is pleased to announce the following progress in relation to development of its 85% owned Toka Tindung Gold Project in Sulawesi.

Construction:-

Three dams and associated drainage structures have been constructed during the past few months of the dry season as part of a previously announced US\$3.5 million civil earthworks contract awarded to Leighton Contractors Indonesia.

Reinforced concrete foundations are now being constructed for the primary crusher, crushed ore reclaim tunnel, mills and processing plant as part of a previously announced US\$2.2 million tender awarded to Bakrie Constructions.

The purchase of land necessary to commence the project has been completed and a 7km road has been constructed from the processing plant to the coast where a jetty for delivery of large items of processing plant and bulk operating consumables will be constructed in coming months.

A road leading from the highway to the site access road has been sealed to further improve the already good road access enjoyed by the project.

Shipment of Processing Plant:-

Containerised components of the El Tambo processing plant were despatched from Chile on 1 October 2006. The containers are scheduled to arrive in Indonesia in November, apart from electrical control equipment which is being shipped to Perth for refurbishment. A final shipment containing bulk processing plant equipment is scheduled to depart Chile in November 2006 and is expected to arrive in Indonesia around the end of this year.

Employment:-

Employment numbers at the Toka Tindung Gold Project have now risen to 600 employees, the majority of whom reside in villages surrounding the project area. The total construction

workforce is expected to peak at close to double this number by the middle of next 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 140,000 ozs per annum increasing to a target of 160,000 ozs per annum in subsequent years. Subject to continuing progress with operating permits, production remains on schedule to commence in the third quarter of 2007.

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).

*Further Info: Colin Loosemore, Managing Director, Archipelago Resources Plc.
Tel: 00-618-9364-8301*

*Richard Chase, Ambrian Partners Ltd
Tel: 020-7776-6461*

*Ron Marshman / John Greenhalgh, City of London PR Limited
Tel: 020-7628-5518*

*Gerry Beaney / Fiona Kindness, Grant Thornton Corporate Finance
Tel: 020 7383 5100*

www.mining-investor.com/arch

END

Close

London Stock Exchange plc is not responsible for and does not check content on this Website. Website users are responsible for checking content. Any news item (including any prospectus) which is addressed solely to the persons and countries specified therein should not be relied upon other than by such persons and/or outside the specified countries. [Terms and conditions](#), including restrictions on use and distribution apply.

©2006 London Stock Exchange plc. All rights reserved