Mercator Minerals Files Updated El Pilar Feasibility Study Technical Report
(All US$, unless otherwise noted)


2012 FS Base Case(1) Highlights

| Net present value ("NPV"), after tax, discounted at 8% ($ millions) | $416.0 |
| Internal rate of return ("IRR"), after tax | 36.6% |
| Payback period, after tax (years) | 1.8 |
| Life-of-mine ("LOM"), average annual production (m lbs) | 79.3 |
| • First five years, average annual production (m lbs) | 85.4 |
| Average LOM total cash operating costs ($/lb) | $1.34 |
| • First five years, average annual cash operating costs* ($/lb) | $1.22 |
| Initial capital costs ($ millions) | $279.9 |
| Mine life (years) | 13 |
| Total copper production (m lbs) | 998.3 |

(1) Base Case at $3.83/lb copper price per pound Years 0 and 1, $3.44/lb Year 2, $3.14/lb Year 3 and $2.60/lb for the remaining life of mine, averaging $2.82/lb copper over the life of mine. All calculations are Base Case except where otherwise specified.

The 2012 FS includes a new base case ("Base Case") utilizing:

- enhanced copper recoveries based on heap leaching in three meter lift heights (as compared to the six meter lift heights used in the 2011 FS);
- the same copper price assumptions as the 2011 FS;
- updated mineral reserve, metal recoveries and mine plan;
- capital and operating cost assumptions based on the 2011 FS study with no escalation added other than an increase in the initial capital based on an increased leach pad area in the first year of operations;
- the purchase of a shovel in Year 3 as compared to Year 5 in the 2011 FS (this minor change adjusts the NPV from $417.0 million to $416.0 million and the IRR from to 37.0% to 36.6%, while all other project economics remain the same).
Further Opportunities for Enhancement
The 2012 FS highlights various opportunities to increase the value of the Project, as additional metallurgical tests show that, using three meter lift heights may provide greater copper extraction over a 360 day leach cycle as compared to the 180 day leach cycle used in the Base Case. This is due to continued copper extraction over time in the multi-lift heap configuration. If realized, this opportunity could result in:

- An increase of 14% over the Base Case in total copper recovered, to 1,142 billion pounds;
- An increase of 13% over the Base Case in the average life of mine recoveries to 64.9%;
- A 36% increase in after-tax NPV8% to $565.6 million;
- A 18% increase in the IRR from 36.6% to 43.3%; and
- A payback of 1.7 years as compared to 1.8 years in the Base Case.

“We are very encouraged with the continued improvements in and upside potential of the El Pilar Project. The recently completed 360-day leach results from 11 three meter high mini-columns (tested on the same ore sample as used in the Base Case of the 2012 FS) indicate increased copper recoveries could be achieved,” commented D. Bruce McLeod, President & CEO. “The results also show that higher acid pre-cure amounts, combined with reduced acid application rates, can increase copper recoveries by as much as 9% over the 180 days of leaching, thereby indicating even better project economics may be achievable.”

For readers to fully understand the information in this news release, they should read the 2012 FS in its entirety, including all qualifications, assumptions and exclusions that relate to the information set out in this news release. The 2012 FS is intended to be read as a whole, and sections should not be read or relied upon out of context. The technical information in the 2012 FS is subject to the assumptions and qualifications contained therein.

El Pilar Permitting Update
The Project is construction-ready, with approval for all environmental permits needed for construction having been received and the acquisition of all required surface land rights having been completed. Important permits received recently include Notice of Approval of the Change of Land Use (CUS) Permit on August 23, 2012 and the MIA Study Approval Resolution for the access road and railroad spur on September 21, 2012.

Qualified Person
This news release has been prepared under the supervision of Michael Broch, BSc. Geology, MSc Economic Geology, FAusIMM, the Company’s Vice President, Exploration and Evaluations, a Qualified Person as defined in National Instrument 43-101. Mr. Broch was the author of the 2012 FS and has read and approved the relevant technical portions of this news release.

About Mercator Minerals Ltd.
Mercator Minerals Ltd., a TSX listed Canadian mining company with the potential to have one of the fastest growing base metal profiles in its peer group, is a copper, molybdenum and silver producer with a diversified portfolio of high quality assets in the USA and Mexico. Mercator provides investors exposure to current copper, molybdenum and silver production from the large tonnage long life Mineral Park Mine in Arizona, as well as mid-term exposure to potential copper production from its El Pilar deposit in the
State of Sonora in northern Mexico and longer term exposure of molybdenum and copper through the potential development of the El Creston deposit also in the State of Sonora in northern Mexico.

For further information please visit www.mercatorminerals.com or contact:

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On Behalf of the Board of Directors
MERCATOR MINERALS LTD.
D. Bruce McLeod, P.Eng.
President and CEO

Forward Looking Information
This news release contains certain forward-looking information within the meaning of Canadian securities legislation and forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. This information and these statements, referred to herein as “forward-looking statements”, are not historical facts, are made as of the date of this press release and include without limitation, statements regarding discussions of the Company’s business strategy, future plans, projections, objectives, estimates and forecasts and statements as to management’s expectations with respect to, among other things, financing plans, future production, mine development, mine operations, mine and power costs, estimating grade levels, future recovery levels, future production levels, capital costs, costs savings, cash and total costs of production of copper, projected mine life, completion dates for the development of the El Pilar Project, future copper prices (including the long-term estimated prices used in calculating the Company’s El Pilar mineral reserves), end-use demand for copper, and anticipated timing of production at the El Pilar Project and discussions of future plans, projections and objectives. In addition, estimates of mineral reserves and mineral resources may constitute forward looking statements to the extent they involve estimates of the mineralization that will be encountered if a property is developed. These forward-looking statements involve numerous risks and uncertainties and actual results may vary. Important factors that may cause actual results to vary include without limitation, certain transactions, certain approvals, changes in commodity and power prices, changes in interest and currency exchange rates, risks inherent in exploration results, timing and success, inaccurate geological and metallurgical assumptions (including with respect to the size, grade and recoverability of mineral reserves and resources), unanticipated operational difficulties (including failure of plant, equipment or processes to operate in accordance with specifications, cost escalation, unavailability of materials, equipment and third-party contractors, delays in the receipt of government approvals, industrial disturbances or other job action, and unanticipated events related to health, safety and environmental matters), political risk, social unrest, and changes in general economic conditions or conditions in the financial markets. In making the forward-looking statements in this news release, the Company has applied several material assumptions, including without limitation, the assumptions that: (1) market fundamentals will result in sustained copper demand and prices; (2) the construction and operation of the El Pilar Project will continue to be viable operationally and economically and will proceed as expected; and (3) any financing needed will be available on reasonable terms. The risks and assumptions are described in more detail in the Company’s Annual Information Form, audited financial statements and MD&A for the year ended December 31, 2011 on the SEDAR website at www.sedar.com. The Company does not assume the obligation to revise or update these forward-looking statements after the date of this news release or to revise them to reflect the occurrence of future unanticipated events, except as may be required under applicable securities laws.

Note to US Investors
This news release has been prepared in accordance with the requirements of the securities laws in effect in Canada, which differ from the requirements of United States securities laws. Information contained in this news release may contain descriptions of the Company’s mineral deposits that may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.
Cash Operating Costs

“Cash Operating Costs” is a non-IFRS Performance Measure. This performance measure is included because this statistic is a key performance measure that management uses to monitor performance. Management uses this statistic to assess how the Company is performing to plan and to assess the overall effectiveness and efficiency of mining operations. This performance measure does not have a meaning within IFRS and, therefore, amounts presented may not be comparable to similar data presented by other mining companies. This performance measure should not be considered in isolation as a substitute for measures of performance in accordance with IFRS.