



For Immediate Release

Plato Gold Announces the First Closing of Flow-Through Shares and Retirement of Harold Neal as Director

Toronto, Oct 18, 2006 – Plato Gold Corp (TSX-V: **PGC**) is pleased to announce the first of two closings of its previously announced non-brokered private placement of up to 5,000,000 common shares on a flow-through basis at a price of \$0.12 per share for aggregate gross proceeds of up to \$600,000.

Plato sold an aggregate of 2,750,000 common shares on a flow-through basis at a price of \$0.12 per share for aggregate gross proceeds of \$330,000 on the first closing. The Company anticipates closing the second phase on or about October 20, 2006 for an additional \$270,000 in gross proceeds. If fully subscribed the aggregate gross proceeds of the offering will be \$600,000. Issued common shares will be subjected to a hold period of four months plus a day.

The proceeds from the private placement will be used by Plato Gold Corp. for exploration work on its previously announced option of the Nordeau East and Nordeau West gold deposit in Quebec. Full details on the Nordeau option announcement and details of the recent National Instrument 43-101 technical report are available at www.sedar.com.

Following the issuance of the common shares pursuant to the first closing of the private placement, there will be 31,025,686 common shares issued and outstanding and 37,191,286 common shares on a fully diluted basis.

It is with regret that Plato also announces the resignation of Mr. Harold E. (Buzz) Neal, effective October 10, 2006, who has served on the board of Plato for the past 10 years. Fondly known to everyone in the industry as "Buzz", he has worked for over 50 years in the mining and exploration industry across Canada and with the support of his family, has decided to pursue other personal and family interests. The company wishes to thank Mr. Neal for many years of service on the board and for his leadership and dedication to the mining and exploration fields.

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The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release.

Cautionary Statements

This news release contains “forward-looking statements”, within the meaning of the United States Private Securities Litigation Reform Act of 1995 and similar Canadian legislation, concerning the business, operations and financial performance and condition of Plato. Forward-looking statements include, but are not limited to, statements with respect to the benefits of the offering and option transaction. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made, and they are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Plato to be materially different from those expressed or implied by such forward-looking statements, including but not limited to risks related to: raising less than the required amount; not realizing on the anticipated benefits from the transaction or not realizing on such anticipated benefits within the expected time frame; risks related to exploration; actual resource viability, and other risks of the mining industry. Although management of Plato has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Plato does not undertake to update any forward-looking statements that are incorporated by reference herein, except in accordance with applicable securities laws.