

**Falkland Gold and Minerals Limited (the “Company”)**

**Shareholder Update and Notice of AGM**

17 January 2008

The Company announced on 16 November 2007 that if, by the year end, no economically significant mineralisation had been identified in the Falkland Islands then it intended to deploy its remaining cash balances, and a fully equipped and experienced exploration team with two drill rigs and ancillary equipment to prospective areas elsewhere in the world.

The Board of FGML can now confirm that the Company has not been able to identify any mineral deposits of economic interest and that the Company's exploration programme in the Falklands has been completed.

The Company's 2008 AGM will be held on the 4th of March and a resolution addressing the Company's strategy will be put to shareholders at that time.

**Enquiries:**

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In accordance with AIM rules - guidance for mining, oil and gas companies, the information contained in this announcement has been reviewed and signed off by the Board of Directors and by the Operations Manager, Mr. Derek Reeves, who has over 23 years of experience as a geologist.