



**ELDORE MINING CORPORATION LTD.**  
ABN 82 110 884 252

*Developing Gold and Copper Projects in the Philippines & Fiji  
Active throughout SE Asia and the Pacific*

2 August 2006

**COMPANY ANNOUNCEMENT**

**HIGHLIGHTS**

- **Resource delineation drilling to upgrade current Inferred Resource of 250,000 ounces at Nalesbitan Hill with potential to increase both the number of ounces and to upgrade the JORC classification.**
- **New Gold-Silver zone discovery adjacent to the Nalesbitan Hill deposit and, subject to current drilling, is expected to add to the project's overall mineral resource.**
- **Highly encouraging metallurgical tests by Gekko Systems on typical Nalesbitan Hill high-grade gold mineralisation provide up to 69% gold recovery through low capital cost gravity processes (non-cyanide). Additional gold recovery is expected from flotation of the gravity tails.**
- **Metallurgical plant design, mine engineering and environmental studies, as part of an economic scoping assessment, are on track for publication by the end of the 3rd quarter 2006.**

**SIGNIFICANT GOLD INTERSECTIONS WITHIN THE CURRENT 250,000 OUNCE NALESBITAN HILL INFERRED RESOURCE**

RC drilling inside the Nalesbitan Hill Resource Block Model (Inferred Mineral Resource of 7.2 million tonnes grading 1.1g/t gold) has returned significant intersections from surface to vertical depths of 50 metres (see Appendix 1 A plus hole locations in Figure 1 attached).

Illustrative intersections are:

Hole ND034	8 metres at 3.14g/t Au & 5g/t Ag	from 58 m downhole depth
Hole ND037	22 metres at 3.35g/t Au & 24g/t Ag	from surface
Hole ND077	24 metres at 2.12g/t Au (Ag assays pending)	from 2m downhole depth
Hole ND078	36 metres at 2.01g/t Au (Ag assays pending)	from surface

Eldore considers these results are highly significant and is confident that their incorporation in the company's forthcoming resource update will lead to an increase in the grade of the resource and an upgrade to the resulting JORC classification for the Nalesbitan Hill deposit. The mineral resource re-estimation now underway is due for completion by early September 2006, in line with the project's ongoing mine engineering and economic scoping study.

**NEW GOLD-SILVER ZONE DISCOVERED ADJACENT TO NALESBITAN HILL GOLD RESOURCE**

An extensive gold-silver mineralised zone has been indicated by RC drilling along the southern margin of the Nalesbitan Hill gold deposit. This zone is outside the current Inferred Resources and has established the potential to add significant ounces to the project. The zone is associated with the Dose Fault, which plays off the main Nalesbitan Hill deposit. Most of the significant intersections are

above 50 metres vertical depth and represent potential open pit mineralisation (see Appendix 1 B and Figure 1).

Some illustrative intersections are:

Hole ND039	8 metres at 1.94g/t Au & 23g/t Ag	from 14m downhole depth
Hole ND059	8 metres at 6.53g/t Au & 90g/t Ag	from 14m downhole depth

## **METALLURGY**

Preliminary metallurgical testwork on 20 kilogram RC composites has been completed by Gekko Systems of Ballarat, Victoria. Results show that up to 69% of the gold is recoverable in a gravity concentrate. Flotation tests on the gravity tails are in progress.

### **Commenting on the results EIDore CEO Tim Collver stated:**

"Our recent drilling has focused on upgrading the Company's current mineral resources and we have been successful in also locating additional ounces. With these new results, we believe defining higher confidence classifications of mineral resources for the Nalesbitan Hill deposit will soon eventuate, as well as adding additional resources from other mineralised areas such as the Dose Fault Zone and other prospects currently being drilled.

"The Gekko metallurgical testwork shows gold recoveries up to 69% by gravity processes alone and, with flotation, we anticipate overall gold recovery will be well in excess of this figure. This points to extremely low capital costs and with the bulk of the mineralisation above 50 metres depth, open pit mining, with a low strip ratio, will add to the economic attractiveness of the project's redevelopment.

"I would expect minimum yearly production to be above 50,000 oz of gold with cash costs below US\$300 per oz, which is likely to provide a very healthy margin over the current spot gold price."

*The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by consultants T Collver, R Adamson and A Jay who are members of The Australasian Institute of Mining and Metallurgy, and provide consulting services to EIDore Mining Corporation Ltd. T Collver, R Adamson and A Jay have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves'. T Collver, R Adamson and A Jay consent to the inclusion in this report of their names and of the matters based on their information in the form and context in which they appear.*

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**APPENDIX 1**

**A - DRILLING WITHIN CURRENT RESOURCE MODEL**

Hole	From	To	Length (m)	Au g/t	Ag g/t
ND034	10	18	8	1.50	1.5
ND034	58	66	8	3.14	5
ND035	22	26	4	1.29	10
ND036	8	24	16	1.44	0
ND037	0	22	22	3.35	24
ND050	28	36	8	3.28	1
ND053	0	4	4	1.46	0
ND077	2	26	24	2.12	nr
ND077	32	48	16	1.95	nr
ND078	0	36	36	2.08	nr
ND080	16	44	28	1.61	nr
ND083	1	4	3	1.90	nr

(nr = assays pending)

**B - DRILLING ADJACENT TO CURRENT RESOURCE MODEL**

Hole	From	To	Length	Au	Ag
ND038	39	47	8	1.00	18.5
ND039	14	22	8	1.94	22.5
ND039	26	30	4	2.44	15.0
ND055	6	20	14	1.71	2.0
ND056	14	26	12	1.38	3.5
ND058	18	28	10	0.67	38.0
ND059	14	22	8	6.53	90.0
ND067	10	14	4	4.34	1.5
ND070	2	8	6	1.05	7.0
ND070	34	36	2	2.40	24.6
ND075	10	14	4	0.81	44.0
ND076	52	56	4	1.05	14.0
ND079	22	30	8	1.56	nr

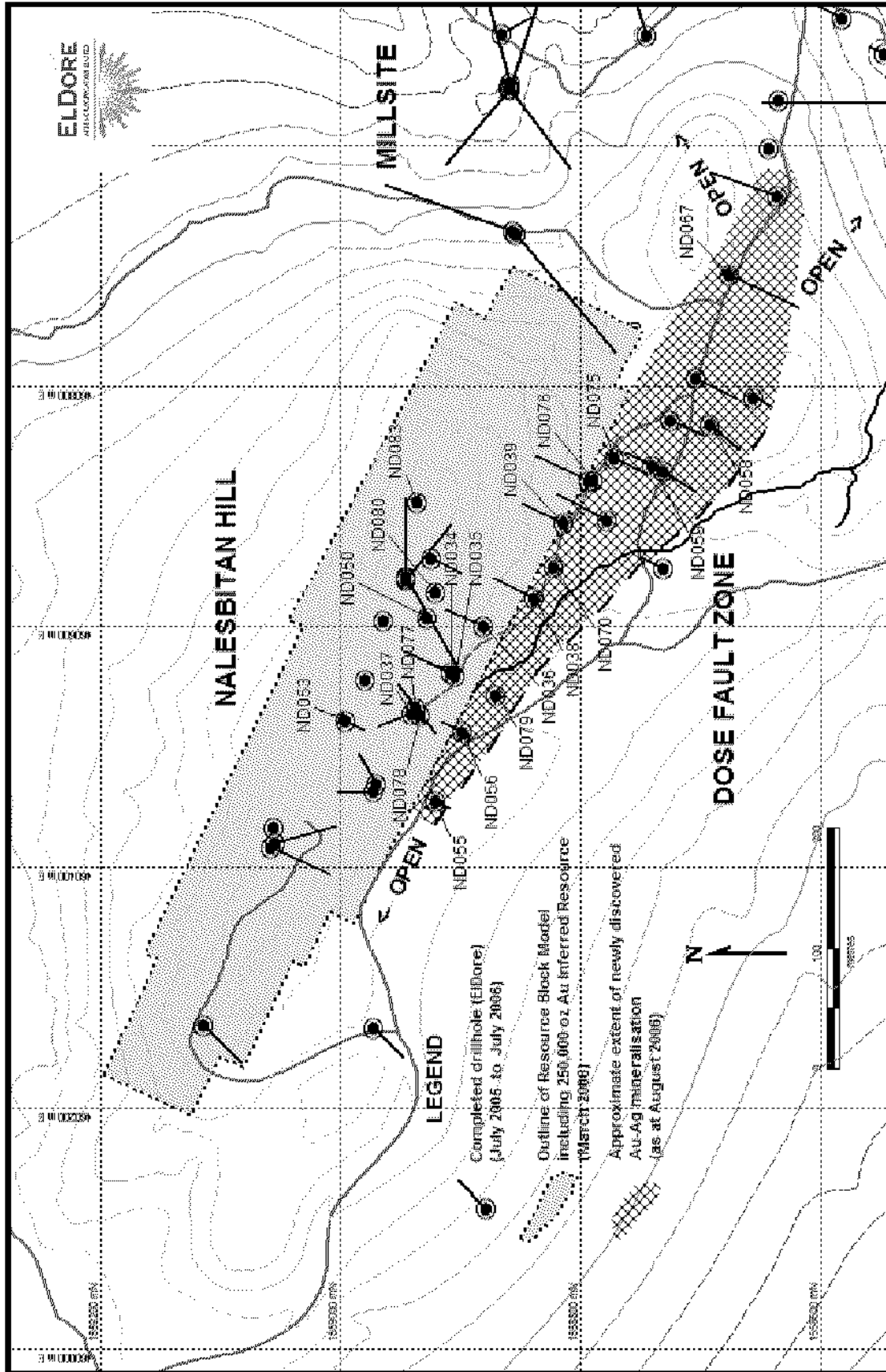


FIGURE 1