

New on the Amex



Cardero Resource Corp. (AMEX: CDY/TSX: CDU)

Cardero seeks to discover and fast track the development of its dynamic, multi-commodity portfolio of high-quality precious and base metal prospects in attractive under-explored regions of Mexico, Peru and Argentina. Founded in 1999, Cardero has developed an extensive network of financial, mining and government relationships. Cardero continues to maximize shareholder value by utilizing management's extensive geological and operational expertise to implement the most economically sound and environmentally friendly approach to building its business.

Date listed: January 24, 2005

August 2006

Shares outstanding: 42 M
Market capitalization: US\$69 M

Management:

Henk Van Alphen – President & CEO

Michael Kinley - CFO

Mark Cruise – VP Exploration

Murray Hitzman - Director

Len Harris – Director

Stephan Fitch - Director

Larry Talbot - Director

Marla Ritchie – Corp. Secretary

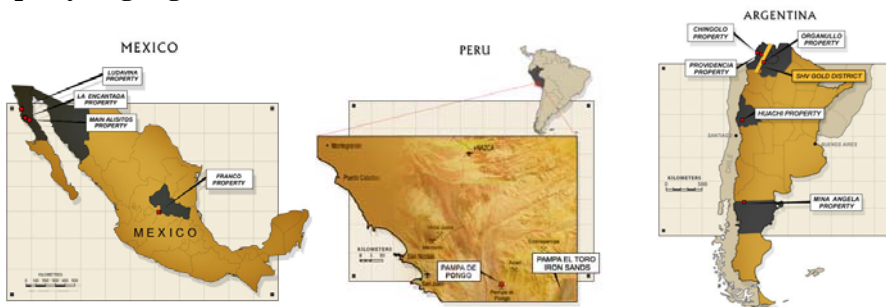
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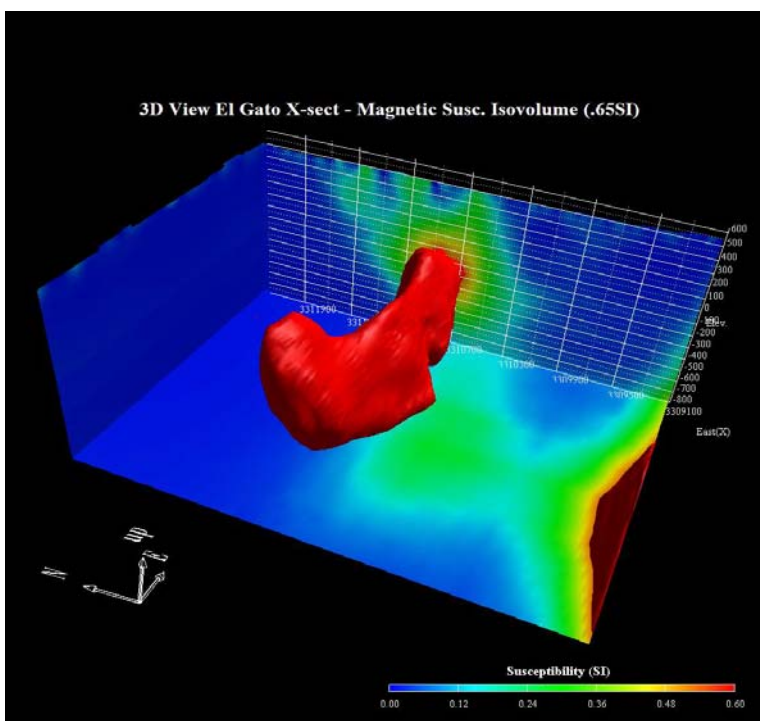
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Property Highlights



Mexico

- Aggressively exploring over 200,000 hectares of highly prospective Iron Oxide Copper Gold (IOCG) ground in Baja California Norte, Mexico.
- Results from first 19 drill holes over 38 km strike distance announced January 2006 IOCG specialists Dr. M.W. Hitzman and G. Lopez from the Colorado School of Mines. Dr. Hitzman concluded "It is apparent that the San Fernando Prospect represents a robust iron oxide-copper-gold (IOCG) system. **San Fernando is comparable in terms of alteration style and intensity to the Candelaria deposit in Chile.**"
- Drill highlights San Fernando Target: DDH #9 intersected 46.8M at 0.74% Cu. DDH #5 intersects 31M at 0.96% Cu
- Drill highlights Picalè Target, DDH - PC-04 intersects 9.8m @ 2.77% Cu, 0.2 g/t Au including a high-grade intercept of 2.5m @ 10.1% Cu, 0.64 g/t Au



San Fernando IOCG Target, Baja California Norte, Mexico



CDY

Peru

- Seven properties totalling 60,000 hectares around the productive Marcona IOCG district
- At 100% owned Magnetite Iron Sands project totalling 32,000 Ha south of Nazca, coastal region of Southern Peru, Cardero's strategy is to highlight a logistically accessible area containing sufficient magnetite (iron) to support a 20-30 year mining operation
- Initial test results of two bulk samples sent to Midrex Technologies in North Carolina, USA has characterized property as "very encouraging", concluding that a "liquid metal button can be produced with excellent separation of metal to slag."
- The Toro West portion encompasses an area of up to roughly 11 km² within which there is a higher grade area of up to some 7 km² containing an average of 7.5 wt. % magnetic minerals on surface. Within this higher grade zone, individual sample results range from 6.2 to 9.9 wt. % magnetic minerals
- Drilling was carried out on a widely spaced, nominal 2 km grid. Of the 13 boreholes collared, 12 intersected in excess of 100 meters of sand. The mean of the average magnetic mineral content, in the upper 30 metres, of those six boreholes with the greatest results is 5.7 wt. % magnetic minerals
- A detailed, 250 by 250 metre, surface infill sand sampling program has been completed at both Toro West and Toro South East for an additional 204 surface samples. The results of this program enabled Cardero to construct a more detailed picture of the surface distribution of magnetite in these areas
- Cardero has been sufficiently encouraged by these results and has appointed an independent engineering firm to provide ongoing technical assistance with the aim of ultimately producing a N.I. 43-101 compliant mineral resource estimate for the Iron Sands Project. Drilling to produce a 43-101 compliant mineral resource report commenced May 2006

Argentina

- Various Gold and Copper Gold properties owned by Cardero total over 125,000 Ha
- Currently finalizing the acquisition of 12 new gold properties covering 580 km² in two provinces in NW Argentina. To date, a total of 2220 rock samples have been collected for gold assay and the results received to date have outlined the presence of numerous gold-bearing systems within the belt. At Incahuasi Target, reconnaissance scale sampling conducted by Cardero targeted surficial quartz veins, altered sediments with quartz veinlets, and tailings from the historical workings. The average grade from a total of 108 characterization or grab samples was 4.3 g/t gold and in-situ veins returned values up to 231 g/t gold.
- Geologically located in San Juan province, the Huachi property is comprised of a **high-level porphyry complex that displays all the characteristics of a high sulfidation, epithermal gold system**. The property is also prospective for porphyry copper mineralization, the underlying intrusive phases are cross-cut by a well-developed quartz – sulphide stockwork and, locally, copper oxides (in addition to bornite – chalcopyrite – quartz – magnetite – 'shreddy' biotite and potassium feldspar) are present

Business Strategy

Cardero Resource Corp. will continue to deliver shareholder value through a balanced multi-commodity focus (copper, iron and gold) for a variety of deposit-types in productive districts. The Company will focus on exploration for world-class, deposit types in both grass roots and brown-field settings to create shareholder value. Cardero's properties in Mexico and Peru are strategically adjacent to the pacific seaboard for ease of shipping to Asian markets. Cardero is working towards becoming a leading Mining Company, supported by a culture of teamwork, innovation and integrity by:

- Providing a safe working environment & fulfilling employees' aspirations
- Protecting the environment
- Respecting cultural values and differences & supporting local communities
- Maximizing shareholders value

Financial Highlights – April 30, 2006 (Q2 2006) Unaudited

Selected Financial Information		
(Canadian Dollars in thousands)	Year Ended	
Statement of Operations	April 30, 2006	April 30, 2005
Expenses	\$810,555	\$1,147,947
Net Income (Loss)	(\$1,113,123)	(\$1,986,307)
Earnings Per Share (basic & diluted)	(\$0.03)	(\$0.05)
Weighted Average Shares Outstanding	42,836,132	40,937,872
Balance Sheet as of		October 31, 2005 (Audited)
Cash and Cash Equivalents	\$12,773,396	\$15,206,219
Current Assets	\$13,792,979	\$16,245,905
Current Liabilities	\$443,921	\$809,232
Shareholder Equity (deficit)	\$30,570,794	\$28,480,066

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The information in this report has been obtained from corporate filings with the SEC and other documents available to the public; it has been prepared with care but its accuracy is not guaranteed. This report does not constitute a recommendation by the Exchange