



704 – 525 Seymour Street, Vancouver, B.C., V6B 3H7 \* Tel (604) 687 8863 \* Fax (604) 687 6830

December 3, 2007

TSX Venture Exchange Symbol – **PRR**

## **NEWS RELEASE**

As a result of a review by the British Columbia Securities Commission (the “Commission”), Prospector Consolidated Resources Inc. (the “Company”) is issuing the following news release to clarify its disclosure. The Commission has required the Company to retract some disclosure on its mineral properties and to restate it in compliance with NI 43-101.

The Corporate Finance Department of the B.C. Securities Commission reviews disclosure made by companies for compliance with the Securities Act and other securities regulations, including National Instrument 43-101 *Standards of Disclosure for Mineral Projects (NI 43-101)* and National Policy 51-201 *Disclosure Standards (NP 51-201)*. The Commission’s review of the Company’s disclosure has identified the following issues.

### **Current Mineral Resource Estimates**

In investor materials distributed as email by K-Crew Communications, the Company disclosed a resource estimate in Mexico solely in terms of contained ounces of gold and silver. The Company does not have current resource estimates and retracts any disclosure containing or suggestive of a current resource estimate. The disclosure of any resource estimates solely in terms of contained metal is potentially misleading, as it does not factor in the likely mineability and recovery of the metals.

### **Historical Mineral Resource Estimates**

In its news release of August 16, 2007 and on its website, the Company disclosed historical inferred resource estimates at its Candamena Property, including estimates stated only in terms of contained ounces of gold and silver. In its news release of August 9, 2007, the company disclosed a historical resource estimate of WO<sub>3</sub>, and an additional higher-grade estimate of surface mineable tungsten at its Kalzas Property.

Under NI43-101, an issuer may disclose an estimate of the quantity and grade of a historical mineral resource made before the instrument came into force if the disclosure complies with the requirements of NI43-101. The requirements includes disclosure of the original source and date of the estimate, confirmation that the estimate is relevant, comments on its reliability, and an

explanation of any differences between the categories used in the historical resource estimate and those permitted by NI 43-101. The disclosure made by the Company did not contain the required information and does not comply with the disclosure requirements of NI 43-101. The Company retracts the disclosure it made about the historical resource estimates on the Candamena property. The Company also retracts the disclosure it made about the historical resource estimates on the Kalzas property.

### **Estimates of potential exploration targets**

The Company's news release of August 16, 2007, as well as the Company's website and the Big Picture Speculator article on the Company website, disclosed potential quantities of metals expressed as a fixed amount of contained ounces of gold and silver at Candamena, and classified the potential exploration target as a "potential mineral resource". The Big Picture Speculator Article and the Kalzas part of the website also disclosed an estimate of WO<sub>3</sub> potential at Kalizas.

Under NI 43-101 an issuer may disclose the potential quantity and grade, expressed as ranges, of a potential mineral deposit that is to be the target of further exploration. However the disclosure must include a proximate statement that the potential quantity and grade is conceptual in nature, that there has been insufficient exploration to define a mineral resource and that it is uncertain if further exploration will result in discovery of a mineral resource. It must also discuss the basis on which the disclosed potential quantity and grade has been determined. The disclosure made by the Company relating to potential exploration targets did not contain this information and does not comply with the disclosure requirements of NI 43-101. In addition, the Company should not have referred to potential exploration targets as potential resources. The Company retracts the disclosure it made about the potential exploration targets on the Candamena property. The Company retracts the disclosure it made about the potential exploration targets on the Kalzas property.

The Company has amended its website and investor relations materials to comply with the requirements of the Commission. Additionally, the Company has commissioned two separate NI 43-101 compliant technical reports – one for Candamena and one for Kalzas -- both of which are expected to be ready for publication in January, 2008.

The scientific and technical information in this news release has been prepared under the supervision of Henry Neugebauer, P.Eng., P.Geo., President of the Company and a qualified person as defined by NI43-101.]

### **PROSPECTOR CONSOLIDATED RESOURCES INC.**

Per:

---

Henry Neugebauer, P.Eng., President

---

*This press release has been prepared by management; the TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.*