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Candente Requests Bids For Feasibility And Eia On The Cañariaco  
Norte Copper Project In Northern Peru

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Vancouver, British Columbia, August 1st, 2006. Candente Resource Corp. (DNT:TSX) ("Candente") is pleased to report that Merit Consultants International Inc. (Merit) has been contracted to oversee Candente's "Request for Proposals" for Plant Design and Infrastructure Feasibility Studies, Leach Pads and Ponds Site Design Feasibility Studies, and Environmental Impact Studies (EIA) for the Cañariaco Norte Copper Project in Northern Peru.

In addition, Merit has also been contracted to assist Candente in finding a properly experienced engineer to fill the role of Vice President Operations who will oversee the development of the Cañariaco Norte Copper Project. Merit Consultants have extensive experience in copper leaching and in Peruvian mining operations.

Drilling is in progress to expand the lateral limits to the copper deposit and better delineate the 100 million tonne Starter Zone. MineFill Services Inc. of Vancouver B.C. is also on site carrying out geotechnical studies, which will assist in pit design and determination of strip ratio. There exists a strong possibility that the strip ratio of 1:1 assumed for the Preliminary Assessment and Economic Evaluation (June 26th, 2006) may be greatly reduced which would have a significant impact by lowering mining costs.

A second drill has been requested for the project, which will have the capability to drill to depths of 700 metres and will assist in delineating the true size potential for the deposit.

Development of the project will follow social and environmental policies and procedures implemented by the Equator Principles. These Principles ensure that projects are developed in a manner that is socially responsible and reflect sound environmental management practices. The Principles provide for the avoidance, reduction, mitigation of and/or compensation for negative impacts on project-affected ecosystems and communities. The Equator Principles have been developed and adopted by 40 banks (EPFIs), which arrange over 75 percent of the world's project loans worldwide. The full text of the Equator Principles and FAQ about the Equator Principles can be found at [www.equator-principles.com](http://www.equator-principles.com).

The Preliminary Assessment and Economic Evaluation (PAEE) on the Cañariaco Norte deposit in Northern Peru was completed by Merit Consultants International Inc. (Merit) on June 26th, 2006. Capital costs (Cap Ex) for the 30,000 tpd Stage I of the project are estimated to be in the order of US\$142 million (M), based on contract mining and including a US\$16 M for contingency. An expansion to 60,000 tpd is estimated to cost approximately US\$67.5 M and scheduled to come from revenues in year four. The estimate has an accuracy of  $\pm 30\%$  at this time, which is in keeping with studies at this level. Annual copper cathode production (LME grade A) is estimated to range from 82 to 164 M pounds per year (37 to 75 thousand tonnes per year) over a 25 year mine life.

Using a price of \$2.00 per lb copper, an 8% discount rate and the criteria below Merit estimated the following:

- . Total cash flow of approximately US\$1.9 Billion

. Annual cash flow of an average US\$76 M over the 25 year life of mine

In addition, cash flow analyses were carried out at copper prices ranging from \$1.10 to \$3.50. The following table shows a summary of estimated NPV's, IRR's and Years for Payback at various copper prices.

Cu Price	Discounted NPV's x \$1,000,000 (M)					Payback Years	IRR %
	0%	5%	8%	10%	15%		
1.10	\$272	\$103	\$55	\$33	\$0.5	6	15
1.25	\$554	\$239	\$149	\$109	\$47	5	25
1.50	\$1,016	\$457	\$299	\$229	\$121	3	36
1.75	\$1,488	\$685	\$457	\$356	\$200	2	49
2.00	\$1,927	\$888	\$593	\$463	\$263	2	56
2.50	\$2,846	\$1,327	\$897	\$707	\$414	2	76
3.00	\$3,762	\$1,766	\$1,200	\$949	\$563	1	95
3.50	\$4,612	\$2,149	\$1,453	\$1,146	\$675	1	96

The resource estimate that was used for the PAEE is classified as an Inferred Mineral Resource, consistent with the CIM definitions referred to in NI 43-101. Mineral resources, which are not mineral reserves, have not demonstrated economic viability. Candente is not aware of any environmental, permitting, legal, title, taxation, socio-political, marketing or other issues which may materially affect its estimate of mineral resources.

Maps, cross-sections and all reports can be viewed at:  
[http://www.candente.com/s/PeruProjects\\_Canariaco.asp](http://www.candente.com/s/PeruProjects_Canariaco.asp).

Michael J. Casselman, M.Sc., P.Geo. General Manager Exploration and Director, Robert van Egmond, P.Geo., Senior Geologist and Joanne C. Freeze, P.Geo., President and CEO, are the Qualified Persons as defined by NI 43-101 for the project discussed above and Joanne Freeze has read and approved the contents of this release.

Candente is a diversified exploration company with copper, gold, silver, and zinc projects in Peru and Mexico. Candente subscribes to principles, which ensure that its exploration and development activities are beneficial to the local communities.

Joanne Freeze, P. Geo.  
President & CEO  
Release No. 172

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This News Release may contain forward-looking statements including but not limited to comments regarding the timing and content of upcoming work programs, geological interpretations, receipt of property titles, potential mineral recovery processes, etc. Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements. Candente relies upon litigation protection for forward-looking statements.

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<mailto:info@candente.com> Message sent on Mon Jul 31, 2006 at 4:16:31 PM Pacific Time  
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