



**CANDENTE
RESOURCE CORP**

CIA. MINERA ORO CANDENTE S.A.
EXPLORACIONES MILENIO S.A.

**NEWS RELEASE
DNT: TSX**

SECOND DRILL AT CANDENTE'S CAÑARIACO NORTE COPPER PROJECT IN NORTHERN PERU

Vancouver, British Columbia, October 4th, 2006. Candente Resource Corp. (DNT:TSX) ("Candente") is pleased to report that a second drill has been moved on to the Cañariaco Norte Copper Project in Northern Peru. Both drills are operating 24 hours a day and 7 days a week. The 2nd drill will target deeper mineralization and infill the drilling grid pattern to upgrade the resource in the Higher Grade Starter Zone from an Inferred category to Indicated and Measured categories. The first drill will continue to test for extensions to the deposit size.

Independent Engineering consultants (Jim McCrae and MineFill Services Inc) are carrying out geotechnical and modelling studies, which will assist in determining the best pit outline, strip ratio and optimum (most economic) Starter Zone.

To date Candente has drilled a total of 17,878 metres in 56 holes at Cañariaco Norte, of which 20 have been drilled since the 489 million tonne inferred resource grading 0.45% Cu (4.8 billion pounds Cu) was calculated. All results have now been received for the latest 20 holes and are available at http://www.candente.com/i/pdf/2006-08-17_PIIIDR.pdf. These results demonstrate an increase in the size of the high grade core (0.76% Cu), an increase of 33% to the surface area of the whole deposit and an increase in the amount of chalcocite (highly leachable copper) in the southern portion of the deposit.

A 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. Payback on Capital Expenditures is estimated to be 5 years at \$1.25 Cu, 3 years at \$1.50 and 1 year at \$3.00 Cu. Using a price of \$2.00 per lb copper and an 8% discount rate, 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

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.

Complete results, maps, cross-sections and all reports can be viewed at:
http://www.candente.com/s/PeruProjects_Canariaco.asp.

Sampling and analytical procedures conform to NI 43-101 standards and are detailed in a previous Candente news release dated September 16, 2004. All samples were submitted to Actlabs in Lima, Peru. 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. 179

For further information please contact:
Kelly Gray or Evelyn Cox
(604) 689-1957 or toll free 1-877-689-1964
E-mail: info@candente.com
www.candente.com

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.