

BELVEDERE RESOURCES LIMITED

July 5th, 2011

Exchange: TSX V Symbol: BEL

Belvedere Reports Financial and Operating Results for Q1 2011

Vancouver, British Columbia, July 5th, 2011. Belvedere Resources Ltd. BEL:TSX-V (“Belvedere”) is pleased to report financial and operating results for the Quarter ending March 31, 2011. The un-audited financial statements, and management's discussion and analysis have been filed with the Canadian securities regulatory authorities. Complete results will also be available on SEDAR and on the Company's Website.

All currency amounts are expressed in euros (€) unless otherwise stated.

Financial Summary Q1 2011

- Revenues of 6.965 million euros (\$9.687 million CDN)
- Net income of 1.444 million euros (\$2.007 million CDN)
- Positive operating margin of 1.036 million euros (\$1.440 million CDN)
- Jan 2011 – Cdn\$ 2.834 Million Net raised in Private Placement
- Feb 2011 - €2 Million loan converted into shares

Key Operational Points Q1 2011

- Jan 2011 – 5000m drill programme commences on Hitura Pit expansion
- Feb 2011 – 5000m drill programme commences on Rantasalmi Gold Project
- Mar 2011 – High grade gold intersected in drilling at Rantasalmi best intersection 6m averaging 11.1 g/t gold.
- Q1 2011 – Hitura milled 142,912 t of ore achieving 102% of 2010 production targets. 547 t (1.2 million pounds) of nickel was produced in concentrate.

David Pym (CEO) comments “The first quarter of 2011 sees the mine performing according to plan, with nickel production and costs meeting targets. Management is focussing on growing the business through internal investment in gold and nickel projects. Large drilling projects are ongoing to complete new resource estimates for the open-pit expansion at the Hitura Nickel mine and on the Rantasalmi Gold Property to meet our vision of expanding nickel production in 2012 and becoming a gold producer”

SELECTED FINANCIAL INFORMATION

The following selected annual financial information in the table that follows has been derived from the condensed consolidated interim financial statements of the Company for the periods indicated and should be read in conjunction with such statements and notes thereto. Those financial statements have been prepared in accordance with International Financial Reporting Standards. It should be noted that the comparative figures relating to fiscal 2010, have been restated in accordance with IFRS. Note 18 to the Financial Statements provides the reader with key reconciliations between IFRS and Canadian GAAP, however, 2009 figures have not been restated in accordance with IFRS as the Company's date of transition from Canadian GAAP to IFRS was January 1, 2010.

The Company generated net income for the quarter ended March 31, 2011 of €1,443,732 or €0.01 per share, which compares with net income of €3,369,362 including a gain on fair valuation of the Hitura assets acquired of €3,861,870 or €0.04 per share reported for the same period of fiscal 2010 and compares with a net loss of €7,365,034 or €0.09 per share reported for fiscal 2009.

The principal causes of these quarterly and annual variations are explained after the ‘Financial Highlights’ table following.

Selected Annual Financial Information All amounts in €000's, except shares and per share figures	Quarter ended 31 March 2011	Quarter ended 31 March 2010	Quarter ended 31 March 2009
Revenue	6,965	-	-
Operating Expenses *	5,929	-	926
G&A Expenses *	307	189	282
Other (income) and expenses	(78)	334	181
Mineral property impairment	-	-	-
Loss on bankruptcy of subsidiary	-	-	-
Gain on fair valuation derivative liability	(459)	-	-
Gain on fair valuation of Hitura assets	-	(3,862)	-
Income tax recovery	(178)	-	-
Net income (loss)	1,444	3,339	(1,389)
Earnings (loss) per share (basic and diluted)	0.01	0.04	(0.02)
Cash Flow (used) from operating activities	981	(512)	(1,206)
Cash Flow (used) from investing activities	(740)	(23)	(258)
Cash Flow from financing activities	2,075	-	(3)
Net increase (decrease) in cash	2,305	(537)	(1,444)
Cash at end of period	2,691	381	2,912
Total Assets	22,527	12,912	17,860
Total Liabilities	13,481	9,821	13,238
Working Capital **	2,070	702	(7,363)
Weighted average number of shares outstanding	121,596,431	90,777,514	79,175,569
Dividends per Share	-	-	-

*: Including stock based compensation

** : Excluding cash restricted under standby letter of credit

During the first quarter:

- The Hitura Mine produced 547t of nickel in concentrate in the first quarter, compared to the planned production of 569t, 4% below forecast.
- The Company generated net income for the quarter ended March 31 of €1,443,732 or €0.01 per share, which compares with net income of €1,738,919 for the previous quarter and, €3,339,362 including a gain on fair valuation of the Hitura assets acquired of €3,861,870 or €0.04 per share reported for the same period (Q1) of fiscal 2010.
- General and administrative expenses increased to €306,506 (2010: €188,058) substantially as a consequence of the restarting of operations at Hitura.
- Other Income and Expenses were €(79,999) (Q1 2010: €334,450) as a consequence of foreign exchange gains which were partially offset by loan interest.
- Cash increased to €2,690,855 as a result of positive mine cash flows and net proceeds from a private placement.
- Accounts receivable and prepaid expense balances increased as a result of the start up of operations at the Hitura nickel mine.

- Current and long term liabilities decreased to €12,965,914 (2010: €14,622,516) as a consequence of the conversion into common shares of the Investec loan.

Nickel Operations

During the first quarter, the mine production proceeded largely in-line with the mine plan for 2011. Total milled tonnes for the quarter were 2% greater than planned (140,000 tonnes), although the average nickel grade at 0.56% Ni was lower than the projected 0.62% Ni. The lower grade of ore was partially offset by higher average recoveries, resulting in the production of 547 tonnes of nickel contained in concentrate for the quarter. This compares to the target of 569 tonnes of nickel in the mine plan, a deficit of 4%. In addition to the nickel, the Hitura mine produced 22 tonnes of cobalt in concentrate (compared to a target of 24 tonnes). In March, one of the ball mills (the mine has two ball mills and one rod mill) developed an unexpected problem, and was taken out of commission for three weeks for repair and lining replacement. Notwithstanding this problem, milled tonnes for the month of March exceeded the target of 47,000 tonnes by 9%.

Month	Milled (t)	Con (t)	Ni t in Con.	Co t in Con.
January	49,049	2,399	211	8.2
February	42,419	1,791	155	6.2
March	51,444	2,161	181	7.5
Q1 Total	142,912	6,380	547	22

Total operating costs for Q1 averaged €38.0/tonne of ore milled. Total operating costs per pound of nickel in concentrate for Q1 averaged €4.51 (~US\$ 6.08 based on USD:EUR of 1.35).

About Belvedere:

Belvedere Resources Limited is a mining company incorporated in British Columbia with a primary focus on nickel, gold, cobalt and copper in Finland. The Company currently produces 2500t of nickel in concentrate/year from the Hitura nickel mine in Central Finland. The Company has a number of advanced gold projects in close proximity to the Hitura mine.

Forward Looking Statement:

Some of the statements contained herein may be forward-looking statement, which involve known and unknown risks and uncertainties. Without limitation, statements regarding future plans and objectives of the Company (including statements relating to future drill results) are forward-looking statements that involve various degrees of risk. It is important to note that the Company's actual results could differ materially from those in such forward-looking statements.

Qualified Person

This news release was reviewed by Dr. Toby Strauss, who is acting as Qualified Person in compliance with National Instrument 43-101 with respect to this release.

BELVEDERE RESOURCES LTD.

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