

BELVEDERE RESOURCES LTD.

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Infill Drilling increases confidence in Särkiniemi nickel resource, Finland

Finn Nickel Ltd. (Suomen Nikkeli Oy), a Finnish company in which Belvedere holds a 45% interest, has reported encouraging drill results from its infill drilling program at its 100% owned Särkiniemi nickel deposit in south east Finland.

A copy of the Finn Nickel news release is provided below in its entirety. Finn Nickel is an unlisted Finnish company.

Encouraging results from Särkiniemi nickel deposit infill drilling

Suomen Nikkeli Oy is pleased to announce the assay results from its grade definition drill program at its Särkiniemi nickel deposit, Leppävirta, Finland. The drill program was carried out during August – September on the Särkiniemi West ore zone. Drilling was on 12.5 metre line spacings, designed to infill previous drilling. The drilling, core logging, sample preparation and assaying have been contracted out to the Geological Survey of Finland. The drill program consisted of 10 diamond drill holes totalling 531.20 metres. The results show good correlation with previous drilling and confirm the grade and continuity of the mineralisation. A new ore resource statement and production plan is currently being prepared. Significant intersections as weighted average grades are tabled below:

Drill hole	From	To	Length m	Ni %	Cu %	Co %	Fe %	S %
LEP/SN-9	48.00	57.00	9.00	1.318	1.087	0.083	31.9	19.6
LEP/SN-10	11.00	17.00	6.00	0.496	0.332	0.035	17.3	8.0
LEP/SN-10	23.00	28.00	5.00	1.616	0.770	0.106	37.5	24.1
LEP/SN-11	29.00	38.70	9.70	1.384	0.729	0.091	34.1	20.6
LEP/SN-12	33.60	34.70	1.10	0.884	0.491	0.046	18.1	10.6
LEP/SN-13	34.30	40.00	5.70	1.700	1.056	0.110	39.2	25.1
LEP/SN-13	58.00	66.00	8.00	1.279	0.294	0.082	27.5	16.8
LEP/SN-14	51.65	60.85	9.20	1.981	0.374	0.127	45.4	27.7
LEP/SN-15	19.35	22.05	2.70	0.674	0.448	0.045	18.1	9.4
LEP/SN-15	32.10	39.90	7.80	1.132	0.746	0.072	28.4	17.3
LEP/SN-16	30.30	32.10	1.80	0.963	0.245	0.062	24.8	13.9
LEP/SN-16	36.10	45.35	9.25	0.848	0.631	0.054	21.9	12.9
LEP/SN-17	0.70	22.20	21.50	0.668	0.372	0.046	21.1	10.3
LEP/SN-17	27.50	31.70	4.20	0.628	0.655	0.040	18.6	8.9
Average				1.12	0.59	0.07	28.1	16.4

The Särkiniemi nickel deposit was discovered in 1994 by the Geological Survey of Finland. Särkiniemi is a small, outcropping, high grade intrusive nickel-copper deposit, hosted by peridotite and gabbro. It is located about 2 km east of the exhausted and closed Kotalahti Nickel Mine. The deposit is covered by a Mining Concession awarded in 2005, and has full environmental permitting. Särkiniemi comprises two ore zones: Särkiniemi East and Särkiniemi West.

An independent technical review by Outokumpu Technology has produced the following NI 43-101 compliant resources for the Särkiniemi deposit

Property	Category	Tonnage	Ni %	Cu %	Co%
Särkiniemi West	Indicated Resource	116,000	1.17	0.53	0.08
Särkiniemi East	Inferred Resource	60,000	0.86	0.69	0.07

The Leppävirta area is one of the richest nickel districts in Finland, with similarities to the Thompson Nickel Belt, Manitoba. Outokumpu Oy's Kotalahti Nickel Mine produced 12.4 million tons of ore at 0.72 % Ni and 0.27 % Cu between 1959 and 1987. Suomen Nikkeli Oy has three other 100% owned properties in the area, including the Valkeisenranta nickel deposit, 1.5 km southwest of Särkiniemi, where a drilling campaign is ongoing. Assay results from Valkeisenranta are pending.

Helsinki 7th. October 2006

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The drilling, core logging, sample preparation and assaying have been contracted out to the Geological Survey of Finland (GTK). Drilling with T56 bit provides 45 mm diameter core. Core samples are sawn in half, prepped and assayed at the Geological Survey of Finland (GTK) Laboratory. The remaining half core is retained for verification and reference purposes. Half-core

samples are crushed and split into sub-samples by riffle splitter. A sub-sample is then milled and assayed by utilizing an aqua regia digestion of a 15 g sub sample, followed by analysis by ICP-AES. The GTK laboratory has been accredited since 1994 according to the SFS-EN ISO/IEC 17025 standard to perform chemical analyses of geological samples. The quality system of the laboratory complies with the requirements of the Standards Council of Canada (CAN-P-1579) "Guidelines for Accreditation of Mineral Analysis Testing Laboratories". The quality assurance-quality control (QAQC) program of the GTK inserts into every batch of 50 samples, two standards, one blank and three laboratory duplicates. Standards, blanks and duplicates make up approximately 12% of the samples assayed. The holes were drilled at dips of between 38° – 63°, and the mineralisation at Särkiniemi is approximately vertical. Therefore, the true thicknesses of the intersects is expected to be between 45 – 79% of quoted intersects.

Ore Resource Statement:

The ore resource for Särkiniemi is effective from 1st October, 2006, and has been prepared by Markku Merilainen of Outokumpu Technology Oyj, acting as an independent "Qualified Person". The ore resource was calculated using block modeling made up of 2m x 2m x 2m blocks, constrained by lithology and a 0.3% Ni grade envelope. The grades inside the blocks were calculated using a spherical inverse distance squared method, with a maximum range of 50 metres. An average specific gravity of 3.35 was assigned for all blocks. The small block size was selected partly to reflect the need for selective mining by open pit.

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 potential mineralization and resources, exploration results, and future plans and objectives of the Company are forward looking statements that involve various degrees of risk. Forward-looking statements in this release include statements regarding the preparation of future ore reserve statements and production plans, and any inference of the exploration potential of the deposit and/or area in relation to the Thompson Nickel Belt or the Kotalahti Mine. It is important to note that the Company's actual results could differ materially from those in such forward-looking statements.

This statement is prepared by Dr. Toby Strauss, a Director of both Finn Nickel Ltd and Belvedere Resources Ltd., who is acting as Qualified Person in compliance with National Instrument 43-101 with respect to this press release.

BELVEDERE RESOURCES LTD.

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The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the contents of this news release.