

**KARMIN EXPLORATION INC.
CDN SYMBOL: KARM**

**KARMIN EXPLORATION INC.
Termination of Agreement with Sarmin Exploration Corp.**

Toronto, Ontario – December 2, 1999 - Karmin Exploration Inc. (“Karmin”) announces that the agreement with Sarmin Exploration Corp. (“Sarmin”) and the Sarmin shareholders to acquire all of the issued and outstanding securities of Sarmin (as previously announced on October 22, 1999) has been terminated. Upon reviewing the conditions precedent and considering the current financial and corporate objectives of their respective companies, the boards of directors of Karmin and Sarmin have mutually agreed that the transaction is not in the best interests of their respective shareholders at this time.

Karmin Exploration Inc. is active in base and precious metal exploration in Brazil. The company trades on The Canadian Dealing Network under the symbol “KARM. There are currently 22,196,374 shares outstanding.

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NO REGULATORY AUTHORITY HAS APPROVED NOR DISAPPROVED THE CONTENT OF THIS PRESS
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