



## **Karmin Discovers new Babaçú Massive Sulphide at Aripuana, Brazil Incl. 3 metres grading 11.7% zinc, 3.8% lead and 147 g/t silver. AMEC Scoping Study due Shortly**

Toronto 12<sup>th</sup> July 2007. Karmin Exploration Inc. (TSXV.KAR) is pleased to announce the discovery of a new massive sulphide body on their 30% owned, free-carried, Aripuana zinc/copper/lead/gold/silver massive sulphide district in Mato Grosso, Brazil. The highest grade intersection was **3 metres grading 11.7% zinc, 3.8% lead and 147.4 g/t silver** and the widest was **22.1 metres grading 5.0% zinc, 1.6% lead and 46.3g/t silver** (see Table 1 below). Babaçú is the third significant base metal mineralization discovery in the emerging Aripuana massive sulphide district which lies within Karmin's joint venture area (see map in Fig.1 below).

“Discovery of a third, zinc rich, massive sulphide body adjacent to two known deposits has demonstrated that persistence has been rewarded, and that the district potential at Aripuana is significant”, commented Bill Fisher, Karmin's CEO, “Karmin has contracted independent engineer AMEC to prepare the first formal National Instrument 43-101 compliant report on the adjacent Arex and Ambrex deposits. A new discovery at Babaçú may prove to be integrated into further development of this emerging base metal district.”

The Babaçú discovery program consisted of 20 holes totalling 11,074.75 metres, of which 9 holes encountered significant sulphide mineralization and three holes have not been released. The reported holes are awaiting the gold assays. The newly discovered zone at Babaçú reported today is a previously unidentified massive sulphide mineralization below an outcropping gossan discovered by Karmin geologists (formerly Ambrex). It is located 900 metres south east of the Ambrex mineralization between a depth of 250 metres and 400 metres. The drilling to date is summarized in the attached chart.

Independent Scoping study by AMEC The independent engineers, AMEC, have prepared a scoping study on the Arex and Ambrex deposits which has been received by the project operators, Votorantim Metais, for review, and will form the basis of the NI 43-101 report. This is the first scoping study ever carried out independently on the property. Previous drilling at **Ambrex** included **42.4 metres grading 13.2% zinc, 5.5% lead and 100 g/t silver** (release of Sept 28<sup>th</sup> 2005) and at **Arex** included **7.1 metres grading 9.9% zinc, 5.4% lead and 214 g/t silver** (release of February 9<sup>th</sup> 2006).

Budget for 2007 Votorantim are responsible for all expenditures up to a completed bankable feasibility study, and are ahead of schedule on the US\$3.5 million budget for 2007.

Table 1. Babaçú Discovery Program

Hole Number	From m	To m	Meters	Cu %	Pb %	Zn %	Au g/t	Ag g/t
FPAR039	303	305.6	2.6	0.05	1.6	5.1	0.032	41.8
FPAR075	416.5	422	5.5	0.30	1.0	2.8	N.D	9.3
FPAR077	280.5	283.5	3	0.03	4.3	7.8	N.D	181.7
	319.6	322.7	3.1	0.02	0.0	3.9	N.D	8.3
FPAR087	405.5	432	27	0.11	1.4	3.4	N.D	16.8
	442.6	445.6	3	2.3			N.D	
FPAR088	394	416.1	22.1	0.08	1.6	5.0	N.D	46.3
FPAR094	579.9	583	3.1	0.10	3.8	11.7	N.D	147.4
	599.9	604.5	4.6	0.04	0.3	4.5	N.D	11.08
FPAR095	370.3	374.9	4.6	0.47	0.6	3.7	N.D	33.18
	390.4	393.8	3.4	0.16	1.0	5.9	N.D	16.61
FPAR096	516	518.9	2.9	0.02	0.0	5.5	N.D	1.45
	558.4	562.8	4.4	0.01	0.9	3.9	N.D	30.74
FPAR100	446.9	449.1	2.2	0.01	0.7	11.2	N.D	16.65
FPAR078				No significant mineralization				
FPAR073				No significant mineralization				
FPAR086				No significant mineralization				
FPAR079				No significant mineralization				
FPAR038				No significant mineralization				
FPAR074				No significant mineralization				
FPAR097				Results pending				
FPAR102				No significant mineralization				
FPAR104				Results pending				
FPAR105				No significant mineralization				
FPAR103				Results pending				

### Karmin, Anglo-American & Votorantim

Karmin Exploration is a mineral exploration company focused on exploration and development in Brazil. Karmin through its subsidiary Mineracao Rio Aripuanã Ltda. holds 30% of the Aripuanã project. Karmin is free carried to the completion of a fully independent bankable feasibility study. The remaining 70% is owned by Anglo American Corporation who is optioning their interest to Votorantim Metais (a division of the privately-held Votorantim Group) who is the project operator. Votorantim, the world's 6<sup>th</sup> largest zinc producer, have three zinc smelters, and are currently purchasing between 55% and 60% of their concentrate needs. Their stated objective is to find more zinc and lead resources from their own mines to feed concentrates to their smelters, rather than rely on external supplies of feed stock.

Karmin is publicly traded on the TSX-Venture Exchange under the symbol KAR. The company has 38,453,591 shares outstanding and 40,053,591 fully diluted. William Fisher, P.Geol. President of Karmin, is the designated Qualified Person under NI 43-101. He has reviewed this release for accuracy.

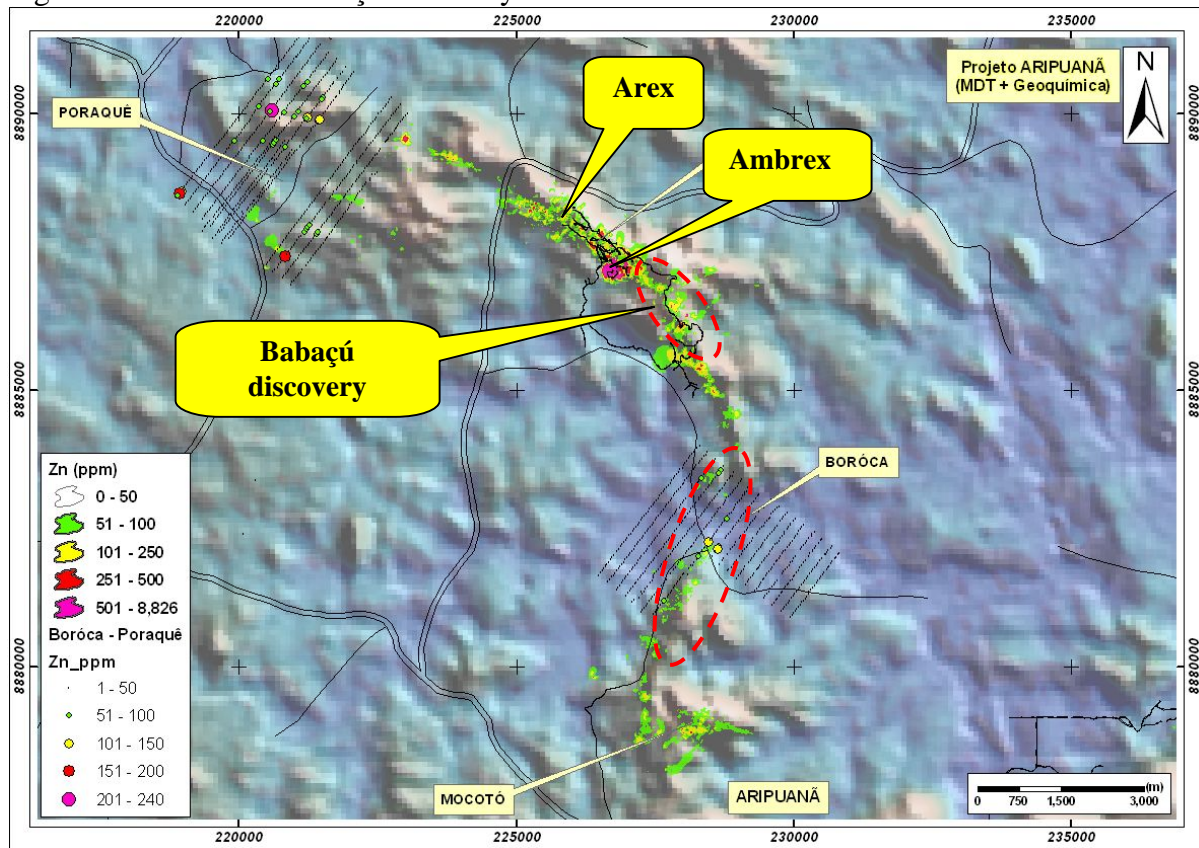
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Figure 1. Location of Babaçú discovery



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