

Press Release
For Immediate Release

April 21, 2005

**KARMIN EXPLORATION INC.
Termination of Letter of Intent to Acquire Coal Interest**

Toronto Ontario (April 21, 2005). Karmin Exploration Inc. (TSXV-KAR) announces that the letter of intent to acquire a material interest in a coal exploration license in Victoria, Australia (as previously announced on February 18, 2005) has been terminated effective April 16, 2005, pursuant to an executed termination agreement, due to unavailability of the applicable technical report and other supporting material at this point in time, in accordance with the timeframes set out in the letter of intent. Therefore, the transaction will not proceed at this time. Karmin did not incur any deposit or break fee costs as a result of this termination.

Trading in Karmin's shares has been halted in accordance with TSX Venture Exchange policies pending the filings to the Exchange that would have been required for this transaction, since it would have constituted a reverse take over. Given the termination of the letter of intent, Karmin has requested that trading recommence. Trading will resume on April 22, 2005.

Karmin Exploration Inc. is a TSX Venture Exchange listed company. It will continue its focus on exploration and development of mining projects in Brazil.

FOR FURTHER INFORMATION PLEASE CONTACT:

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The TSX Venture Exchange neither approves nor disapproves of the information contained in this news release.