

Karmin Appoints Kallpa Securities SAB as Sponsor for Listing on the Lima Stock Exchange, Peru

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

Toronto, Ontario, February 16, 2012 – Karmin Exploration Inc. (“**Karmin**”) (TSXV: KAR) is pleased to announce that Kallpa Securities SAB (“**Kallpa**”) has been retained to sponsor the listing of Karmin’s shares on the Lima Stock Exchange (the “**BVL**”). Kallpa is a Peruvian investment company specializing in equity sales, research and corporate finance, and is the sponsor for 9 of the 15 junior mining companies listed on the Venture Exchange of the BVL. Kallpa commenced operations in 2008 and now ranks 8th by volume traded among 25 Peruvian brokers with a 3% market share in the Peruvian market.

As Karmin’s sponsor, Kallpa will support the marketing process of Karmin's common shares in Peru, Chile and Colombia while providing all services required by the BVL and any other local regulatory authorities. Kallpa will also prepare research reports and marketing documents for Karmin as well as organize meetings with the principal institutional and retail participants in the Peruvian, Chilean and Colombian capital markets.

Cushuro Gold Project

Karmin has acquired 100% of the right, title and beneficial interest held by Alberto Aurelio Arias Dávila, a well-known Peruvian mining entrepreneur, in the Cushuro Gold Project located in the world-class Alto Chicama gold-mining district in northern Peru.

Exploration work has commenced on the Cushuro Gold Project, where the initial focus is detailed geologic mapping and sampling in the vicinity of former small-scale (informal) gold-mining operations at Zona Cushuro. Additionally, GEADES Consulting S.A.C. has been engaged to complete the environmental impact declaration that is required before drilling can commence.

During the first half of 2012 Karmin plans to complete an exploration program at Zona Cushuro designed to identify an economically viable gold-silver deposit at a total cost of approximately \$730,000.

A technical report (the “**Cushuro 43-101 Report**”) in respect of the Cushuro Gold Project, entitled “Summary Report on the Cushuro Gold-Silver Project, Northwest Peru,” has been prepared by John A. Brophy, P.Geol, in accordance with National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”) and is available on SEDAR at www.sedar.com. The Cushuro 43-101 Report describes Zona Cushuro as a gold-mineralized zone that is similar to other operating gold mines in the district, including Lagunas Norte, La Virgen, La Arena, El Toro and Santa Rosa, which are all located within a distance of 8 to 30 km of the Cushuro Gold Project. The concessions cover a 25 square-kilometre area, span an elevation range of 3,900 to 4,200 meters (“m”), are crossed by a power transmission line and can be reached in four to five hours via well-maintained roads from the coastal city of Trujillo.

The Cushuro 43-101 Report further states that although there are other zones of mineralization on the Cushuro Gold Project, including meter-wide veins yielding multi-ounce silver assays (Zona Escalerillas) in the southern part of the property, the main target is Zona Cushuro in the northeast sector of the property, where anomalous gold is associated with highly fractured and/or brecciated quartzite. Goethite and hematite typically infill steeply dipping fractures and form the matrix of breccias. Silicification occurs as matrix inundations and as discrete quartz veinlets.

Bedding strikes are north-northeasterly, parallel to the trend of the zone, and dips are 30° to 35° east. Regionally, bedding strikes are north-northwesterly, which suggests that the anomalous strike direction of the Cushuro beds is related to structural deformation.

The Cushuro 43-101 Report estimates that Zona Cushuro is about 560m long, 150m wide, and spans a vertical interval of about 60m. The zone covers approximately 10 hectares and is open to the south (where gold-in-sediment anomalies suggest an extension) and west. During 2004 to 2006, an exploration company (Minera IRL) took 621 rock samples from Zona Cushuro. Most of these were 6m-long channel samples. These rocks returned an average grade of 0.75 parts per million (“ppm”) or 0.75 grams per tonne (“g/t”) gold, with top-decile grades ranging from 1.0 to 87.0 ppm (g/t) gold. The Zona Cushuro gold-in-rock geochemical anomaly can be described as a zone of geochemically anomalous gold assays (several tens to several hundreds of parts per billion gold) punctuated by randomly distributed multi-gram assays.

The Cushuro 43-101 Report highlights that although the rock geochemistry shows that there are at least two trends of mineralization: (i) a strong one that trends north-northeasterly parallel to bedding and the long axis of Zona Cushuro, and a weaker one that is north-northwesterly trending and at a right angle to the first; and (ii) it does not look as though the higher-grade values are confined to one, or two, or even several continuous and distinct structures. Rather, it seems that there is a random nugget effect controlling the distribution of multi-gram gold assays. This interpretation is supported by the irregular distribution of cyanidation pools, which are constructed by the few “informal miners” who have been working at Zona Cushuro for several years. The “informal miners” need a grade of at least 5.0 ppm (g/t) gold in order to realize a profit, and the cyanidation pools consequently have to be near the source of the ore-grade material in order to reduce transportation-related costs.

John A. Brophy P. Geo. is an Independent Qualified Person for purposes of NI 43-101 and has reviewed and approved the technical information relating to the Cushuro Gold Project contained in this release, in the form and context in which it appears.

About Karmin

The common shares of Karmin are listed on the TSX Venture Exchange and trade under the symbol “KAR”. The principal business of Karmin is to acquire, explore and develop resource properties.

Karmin owns 100% of the 25-square-kilometre Cushuro Gold Project located in the world-class Alto Chicama gold-mining district of northern Peru.

Karmin owns 100% of the Aripuanã Gold-Silver Project, which encompasses the gold and silver mineralization associated with near-surface oxidized portions of numerous massive-sulphide deposits in the 820-square-kilometre Aripuanã Zinc Project in north-western Brazil.

Karmin owns 30% of the Aripuanã Zinc Project, one of the largest undeveloped zinc projects in Brazil. The Aripuanã Zinc Project covers a mineralized massive-sulphide district that includes five areas of mineralization (Ambrex, Arex, Babacu, Massaranduba and Mocoto) over a 25-kilometre strike length. A technical report completed by AMEC International (Chile) S.A. in accordance with National Instrument 43-101-*Standards of Disclosure for Mineral Projects* in 2007 (available on SEDAR, www.sedar.com) states that the Ambrex deposit has indicated resources of 18.3 million tonnes grading 4.0% zinc, 1.5% lead, 0.18 g/t gold and 35.6 g/t silver. The Arex deposit has indicated resources of 9.4 million tonnes grading 2.5% zinc, 1.0% lead,

0.45 g/t gold and 34.7 g/t silver. Votorantim owns 70% of the Aripuanã zinc project, but assumes 100% of the project costs until the completion of a bankable feasibility study

For further information please contact:

David Brace
Chief Executive Officer
Email: davidbrace@karmin.com
Tel: (416) 367-0369

or
John Iannozzi
Chief Financial Officer
Email: johni@karmin.com
Tel: (519) 337-5302

Disclaimer Relating to Forward-Looking Information

This news release contains forward-looking statements that are based on the belief of management and reflect Karmin's current expectations. Forward-looking statements include, but are not limited to, possible events and statements. The words "plans," "expects," "is expected," "scheduled," "estimates," "forecasts," "projects," "intends," "anticipates," or "believes," or variations of such words and phrases or statements that certain actions, events or results "may," "could," "would," "might," or "will be taken," "occur," and similar expressions identify forward-looking statements. The forward-looking statements and information in this press release include, but are not limited to, information relating to the business plans of Karmin. Such statements and information reflect the current view of Karmin with respect to risks and uncertainties that may cause actual results to differ materially from those contemplated in those forward-looking statements and information.

Such statements are not historical facts. Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections in the forward-looking statements will not occur, and that actual performance and results in future periods may differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements.

The Cushuro Gold Project and the land they relate to are exploration properties only. Accordingly, there are a number of important factors that could cause Karmin's actual results to differ materially from those indicated or implied by forward-looking statements and information. Such factors relating to the Cushuro Gold Project include, among others, the timing and content of work programs, results of the development of mineral properties, including the Cushuro Gold Project, the interpretation of drilling results and other geological data, the uncertainties of resource and reserve estimates, receipt and security of mineral property titles, receipt of licenses to conduct mining activities, project cost overruns or unanticipated costs and expenses, fluctuations in metal prices and general market and industry conditions, changes in national and local government legislation, taxation, controls, policies and regulations, the security of personnel and assets, and political or economic developments in Canada and Peru, operating or technical difficulties in connection with mining or development activities, employee relations, the speculative nature of mineral exploration and development and the risks and hazards associated with the business of mineral exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins and flooding.

Karmin cautions that the foregoing list of material factors is not exhaustive. When relying on Karmin's forward-looking statements and information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Karmin has assumed a certain progression of events which may not be realized. It has also assumed that the material factors referred to in the previous paragraph will not cause such forward-looking statements and information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors.

The forward-looking statements contained in this news release are made as of the date of this news release. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date. Except as required by law, Karmin disclaims any intention and assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Additionally, Karmin undertakes no obligation to comment on the expectations of, or statements made by, third parties in respect of the matters discussed above.

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