

Karmin Announces High Grade Zinc and Copper intersections from the Aripuanã Project in Brazil

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

Toronto, Ontario, August 14, 2012 – Karmin Exploration Inc. (“**Karmin**”) (TSX Venture and the Lima Stock Exchange: KAR) is pleased to announce diamond drill results from the 2012 drill program at its 30% owned Aripuanã Zinc Project (“**Aripuanã**”) in Mato Grosso, Brazil.

Votorantim Metais (“**Votorantim**”), 70% owner and the operator of Aripuanã, commenced the US\$5.0 million 2012 drilling program on February 18, 2012 and to date, 65 holes have been completed for a total of 10,993 metres. Currently there are four drill rigs operating at Aripuanã with the objective of completing 18,000 metres of drilling by year end. This year’s drill program includes 3,000 metres of large core (HQ - 63.5 mm diameter) which has provided 3.2 tonnes of samples for metallurgical testing.

Karmin has a 30% carried interest in Aripuanã and is not required to contribute to the project costs until the completion of a bankable feasibility study.

2012 Drilling Program

The primary objective of the 2012 drill program is to upgrade the majority of the indicated and inferred mineral resources at Aripuanã to the measured and indicated resource categories in order to facilitate the estimation of a revised mineral resource anticipated to be in early 2013.

The 2012 drill program has focused to date on the Arex deposit because of near surface high grade zinc assays in the stratabound mineralization and the high grade copper in the stringer zones. A summary of the 2012 drill intercepts received to date are outlined in Table 1.

Table 1; Compositied Drill Intersections on the Arex Deposit

Drill Hole	From (m)	To (m)	Interval (m)	Zn+Pb(%)	Cu(%)	Au (g/t)	Ag (g/t)
FPAR261	26.32	38.45	12.13	3.5	0.1	0.08	42
FPAR261	53.56	57.67	4.11	3.1	0.4	0.1	25
FPAR261	60.55	68.75	8.2	1	4.8	1.26	110
FPAR261	74.05	84.47	10.42	0.1	1.4	0.56	25
FPAR261	85.94	92.77	6.83	4.3	0.22	0.16	14.6
FPAR261	106	108.84	2.84	6.1	0.07	0.09	21
FPAR261	112.12	114.7	2.58	0.03	0.7	0.14	6.2
FPAR261	153.07	156.05	2.98	2.4	0	0.04	14.3
FPAR262	83.66	94.15	10.49	8.42	0	ND	68.5
FPAR262	123.9	126.48	2.58	0	2.32	ND	15
FPAR262	155.57	163.47	7.9	0.15	1.9	ND	12.4
FPAR256	24	28.9	4.9	10.95	0.05	0	43
FPAR256	35.15	62.45	27.3	1.64	4.16	6.6	47.5
FPAR256	70.15	72.9	2.75	2.89	0.03	0	5.37
FPAR256	92	95	3	3.8	0.03	0	20.1
FPAR257	84.77	88.89	4.12	4.8	0	ND	18.5

Drill Hole	From (m)	To (m)	Interval (m)	Zn+Pb(%)	Cu(%)	Au (g/t)	Ag (g/t)
FPAR257	91.95	94.2	2.25	2.65	1.04	ND	19.5
FPAR257	134.9	137	2.1	0	4.75	ND	15.6
FPAR257	169.85	177.75	7.9	0.45	2.5	ND	21
FPAR269	16	19.15	3.15	3.7	0.07	ND	41
FPAR269	29.6	52.35	22.75	0.05	0.7	ND	5
FPAR269	55.1	65.6	10.5	7.3	0.6	ND	28
FPAR269	65.6	70.55	4.95	0.45	3.8	ND	40
FPAR269	74.5	80.15	5.65	6.7	0.2	ND	52
FPAR269	102.45	107.35	4.9	15.8	0.2	ND	25
FPAR269	110.8	118.45	7.65	0.1	0.78	ND	9.3
FPAR269	120.3	127	6.7	0.2	3.9	ND	34
FPAR269	132.3	137.25	4.95	0	0.67	ND	4.7
FPAR273	139.11	141.85	2.74	0.35	0.9	ND	7.5
FPAR273	141.85	144.74	2.89	9.8	0.6	ND	18.6
FPAR273	144.74	147.35	2.61	0.5	1.4	ND	14.5
FPAR273	166.93	170.48	3.55	0.74	0.73	ND	15.6
FPAR272	25.82	28.15	2.33	3.68	0.18	0	1.39
FPAR272	31.61	45.77	14.16	3	2.3	0.4	30.1
FPAR272	56	63.25	7.25	6.7	1.37	0.2	21.4
FPAR272	70.4	75.45	5.05	6	0.7	0.2	33.4
FPAR272	80	86.09	6.09	1.92	1.1	0.16	27.8
FPAR272	115.09	119	3.91	2.48	0.97	0.12	13.5
FPAR272	120	123.2	3.2	4.72	0.1	0	14.1
FPAR272	131	137.1	6.1	3.46	0.02	0	7.06
FPAR276	31.3	37.35	6.05	1.34	3.6	0.6	57.5
FPAR276	38.6	43.15	4.55	0.27	1.21	0.6	18.2
FPAR276	53.45	58.75	5.3	0.79	3.6	1.95	51.4
FPAR276	63.95	72.7	8.75	0.22	1.6	0.7	12.3
FPAR276	80	84.8	4.8	3.25	1.56	0.37	28.9
FPAR276	84.8	86.1	1.3	1.22	1.1	0.47	13.5
FPAR276	114.15	119.25	5.1	1.99	1.34	0.57	14.8
FPAR276	142.7	147.25	4.55	6.05	0.13	0	6.6

The locations of the drill holes reported in Table 1 are shown in Figure 1 and are highlighted with light blue circles with a dot in the middle of the circle. The azimuth and dips of the drill holes are shown in Table 2.

Figure 1; Plan View of the Drill Holes completed on the Arex Deposit

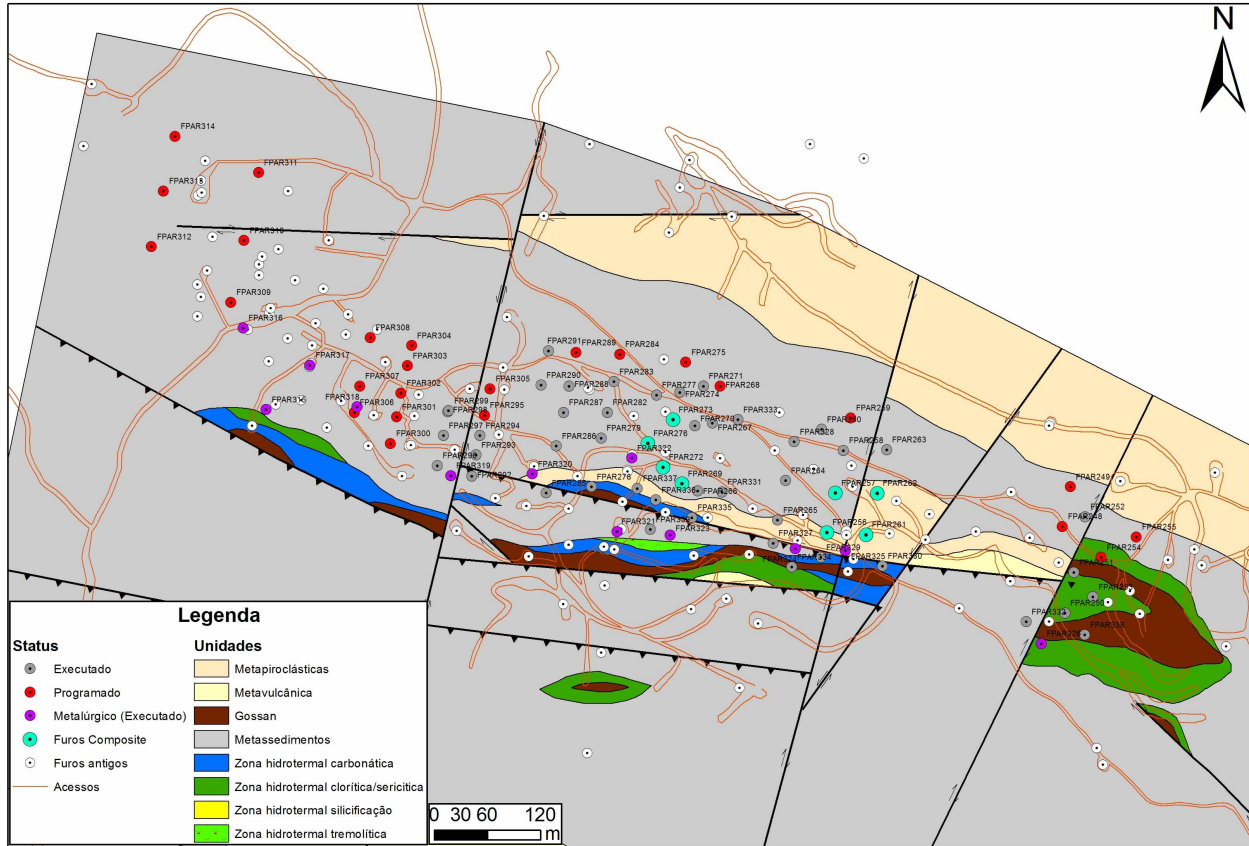


Table 2; Azimuth and Dip of the Drill Holes on the Arex Deposit

Drill Hole	Azimuth	Dip
FPAR256	191.2°	-56.8°
FPAR257	191.7°	-67.8°
FPAR261	191.7°	-57.7°
FPAR262	192.2°	-59.0°
FPAR269	191.6°	-62.4°
FPAR272	193.7°	-54.3°
FPAR273	192.4°	-57.0°
FPAR276	192.0°	-51.3°

2012 Project Evaluation Program

The 2012 project evaluation program currently includes engineering work focused on mine design, mineral processing and flow sheet development, optimization of tailings disposal and environmental studies required for the development of a mine. Metallurgical studies indicate that the zinc, lead and copper mineralization can be processed to produce three separate marketable

concentrates. Logistical studies are evaluating the transportation alternatives for Aripuanã.

Qualified Person

A.E. Olson, FAusIMM, a Qualified Person as defined under Canadian National Instrument 43-101 *Standards of Disclosure for Mineral Projects*, and a consultant to Karmin, has reviewed and approved the technical content of this news release.

Quality Assurance and Quality Control

Votorantim has a comprehensive Quality Control and Quality Assurance Program which includes cutting the drill core in half and retaining half of the core for future assay verification. In addition, Votorantim's procedures include the insertion of standards, duplicates and blanks. One half of the drill core is sent to ALS Minerals for chemical analyses and all samples are measured for density. The drill core is photographed and stored in secure warehouses for future reference. Karmin and the Qualified Person have verified the data contained in the release.

About Karmin

The common shares of Karmin are listed on the TSX Venture Exchange and the Lima Stock Exchange and trade in both markets 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 ten largest undeveloped zinc projects in the world. The Aripuanã Zinc Project covers an 820 square kilometre 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, 0.1% copper, 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, 0.6% copper, 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 Aripuanã Zinc Project and the land it relates to is an exploration property 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 Aripuanã Zinc Project include, among others, the timing and content of work programs, results of the development of mineral properties, 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 Brazil, 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.

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.