

# Karmin announces progress at the Aripuanã Zinc Project

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Toronto, Ontario, April 8, 2016

**Karmin Exploration Inc. (“Karmin”)** (TSXV and the Lima Stock Exchange: **KAR**) is pleased to report significant progress at the Aripuanã Zinc Project (“**Aripuanã**”) located in north-western Brazil. Karmin has a 30% carried interest in Aripuanã until 12 months after the delivery of a feasibility study.

## 2016 Exploration Program and Updated Mineral Resources

The diamond drilling program continues at Aripuanã where approximately 21,500 metres were drilled in 71 holes during 2015. The focus of this drilling was to upgrade the resources in both the Arex and Ambrex deposits as well as exploring the Link Zone which lies between the two principal deposits. A further 22,000 metres of drilling is planned for 2016.

To date, over US\$50 million has been spent on developing Aripuanã including the completion of approximately 165,000 metres of drilling in over 500 diamond drill holes.

As previously reported (Karmin press release dated November 17, 2015) Karmin has engaged RPA Inc. to update the Mineral Resources at the Aripuanã Zinc Project in accordance with the requirements set out in National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”). Karmin anticipates that RPA Inc. will complete this work during the second quarter of 2016.

## Engineering Studies

Compañía Minera Milpo S.A.A. (“**Milpo**”) (Lima Stock Exchange: MILPOC1), which holds a 7.7% interest in Aripuanã, has engaged Worley Parsons Ltd. (“**Worley Parsons**”) to conduct engineering studies on Aripuanã (as previously reported in Karmin press release dated November 17, 2015). Milpo and Votorantim Metais Zinc S.A. (“**Votorantim**”) jointly own 70% of Aripuanã and are responsible for 100% of expenditures until 12 months after the delivery of a feasibility study. Under the terms of the Contract of Association, the feasibility study must be in a form acceptable to lending organizations for the purpose of raising financing, preferably as project finance on a limited recourse basis. Karmin understands that affiliates of Votorantim own 60.8% of Milpo.

Karmin has also recently been made aware of other technical information in respect of Aripuanã which was disclosed by Milpo in its recently published 2015 annual report. Karmin has not reviewed this information and, to Karmin's knowledge, it was not prepared in compliance with the applicable provisions of NI 43-101. As a result, Karmin disclaims the scientific and technical disclosure contained in such report.

## 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 30% of Aripuanã, one of the ten largest undeveloped zinc projects in the world. Aripuanã 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.

Votorantim and Milpo own the remaining 70% of Aripuanã, but are responsible for 100% of the project costs until 12 months after the completion of a feasibility study.

The Summary of Mineral Resources at Aripuanã is outlined in Table 1. This summary is detailed in a Technical Report prepared by RPA Inc. which conforms to NI 43-101 Standards of Disclosure for Mineral Projects and is dated January 29, 2013 (see Karmin press release dated February 21, 2013).

**TABLE #1 SUMMARY OF MINERAL RESOURCES – ARIPUANÃ**  
September 12, 2012

	Tonnage Mt	Grade					Contained Metal				
		Zn %	Pb %	Cu %	Au g/t	Ag g/t	Zn M lb	Pb M lb	Cu M lb	Au Oz	Ag K Oz
<b>AREX</b>											
Measured	2.4	7.15	2.50	0.51	0.24	73	378	132	27	19,000	5,633
Indicated	2.5	3.50	1.18	1.36	0.64	37	195	65	76	52,000	2,996
Inferred	3.2	3.9	1.4	0.8	0.7	39	278	101	57	73,000	4,001
<b>AMBREX</b>											
Indicated	14.2	3.39	1.23	0.07	0.18	29	1,062	386	23	82,000	13,389
Inferred	11.5	5.0	1.7	0.1	0.30	40	1,269	436	36	108,000	14,657
<b>AREX + AMBREX</b>											
<b>Measured</b>	<b>19.1</b>	<b>3.87</b>	<b>1.38</b>	<b>0.30</b>	<b>0.25</b>	<b>36</b>	<b>1,635</b>	<b>584</b>	<b>125</b>	<b>153,000</b>	<b>22,018</b>
<b>+ Indicated</b>											
<b>Inferred</b>	<b>14.7</b>	<b>4.8</b>	<b>1.7</b>	<b>0.3</b>	<b>0.4</b>	<b>39</b>	<b>1,547</b>	<b>536</b>	<b>93</b>	<b>181,000</b>	<b>8,560</b>

Notes:

1. CIM definitions were followed for Mineral Resources.
2. Mineral Resources are reported as within mineralized wireframes modelled at 3% Zn in the stratabound zone and 0.5% Cu in the stringer zone and include internal dilution.
3. The Ambrex resource database does not include results of drilling in 2012.
4. Numbers may not add due to rounding.

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

### **Qualified Person**

The Mineral Resources for Aripuanã disclosed in this press release have been prepared by Votorantim and reviewed by Ms. Valerie Wilson, P.Geol, an employee of RPA and independent of Karmin. Ms. Wilson, P.Geol., has read and approved the contents of this press release as it pertains to the disclosed Mineral Resource estimate.

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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 "potential," "possible," "expects," "plans," "scheduled," "estimates," "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 or occur, and similar expressions identify forward-looking statements. The forward-looking statements and information in this press release include, but are not limited to the mineral resource estimates and 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.

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