

The logo for Karmin Exploration Inc. features a stylized 'K' composed of several overlapping, semi-transparent blue and black geometric shapes. Below the 'K' is the text 'KARMIN EXPLORATION INC.' in a small, black, sans-serif font.

Karmin

Exploration Inc.

- Aripuanã; 46 million tonne Zn-Pb-Cu-Ag-Au deposit
- construction starts 2018 then production in 2020
- 24+ year mine life
- 30% carried interest (until 1 year after feasibility; 4Q19)
- PEA; 19% IRR, US\$461 million NPV (7% before tax)

January 30, 2018

KAR:TSX-V & BVLima

Forward Looking Statements

Certain statements in this presentation may constitute "forward-looking statements" that involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Karmin or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These statements reflect our current beliefs and are based on information currently available to us and on the assumptions Karmin believes are reasonable. Actual results and developments may differ materially from results and developments discussed in the forward-looking statements.

Corporate Essentials

Exchange	TSX-V & BVLima
Trading symbol	KAR
Shares outstanding	76,593,940
Share price <small>22Jan18</small>	\$0.78
Market Capitalization	\$60 million
Karr Securities & directors	36%
Arias Family	29%



Aripuanã Joint Venture

- **30% Karmin / 70% Nexa***
 - Karmin does not contribute until 1 year after a bankable feasibility study has been completed (4Q19)
 - JV agreement stipulates financing is preferably project finance on a limited recourse basis
- Karmin has commercial rights on 30% of production;
 - zinc, lead, copper, silver & gold in concentrate
 - Nexa* has rights of first refusal on zinc concentrate
- Karmin's rights on silver & gold production provide financial flexibility for stream financing

* formerly Votorantim Metais

Aripuanã Joint Venture

- Nexa Resources* 2016
 - Brazilian company newly listed on NYSE & TSX
 - Revenues US\$1.9 billion
 - EBITDA US\$404 million
 - Zn production; 608,000 tonnes (in the top 5 globally)
 - 3 zinc smelters, 5 mines
 - **Aripuanã** is Nexa's main near-term growth project

**From the world
of mining
to the world
of the people.**

From the union of Votorantim Metais, the leading zinc mining company in Brazil, and Milpo, leader in Peru, Nexa has born: a global company made by people who think not only about the future of mining but also about the future of other people. For Nexa, as important as extracting from the ground the resources essential to technology, mobility, agriculture and infrastructure, among others, is leaving a legacy of pride, prosperity and development wherever it goes.

Welcome, we are Nexa.



www.nexaresources.com

nexa

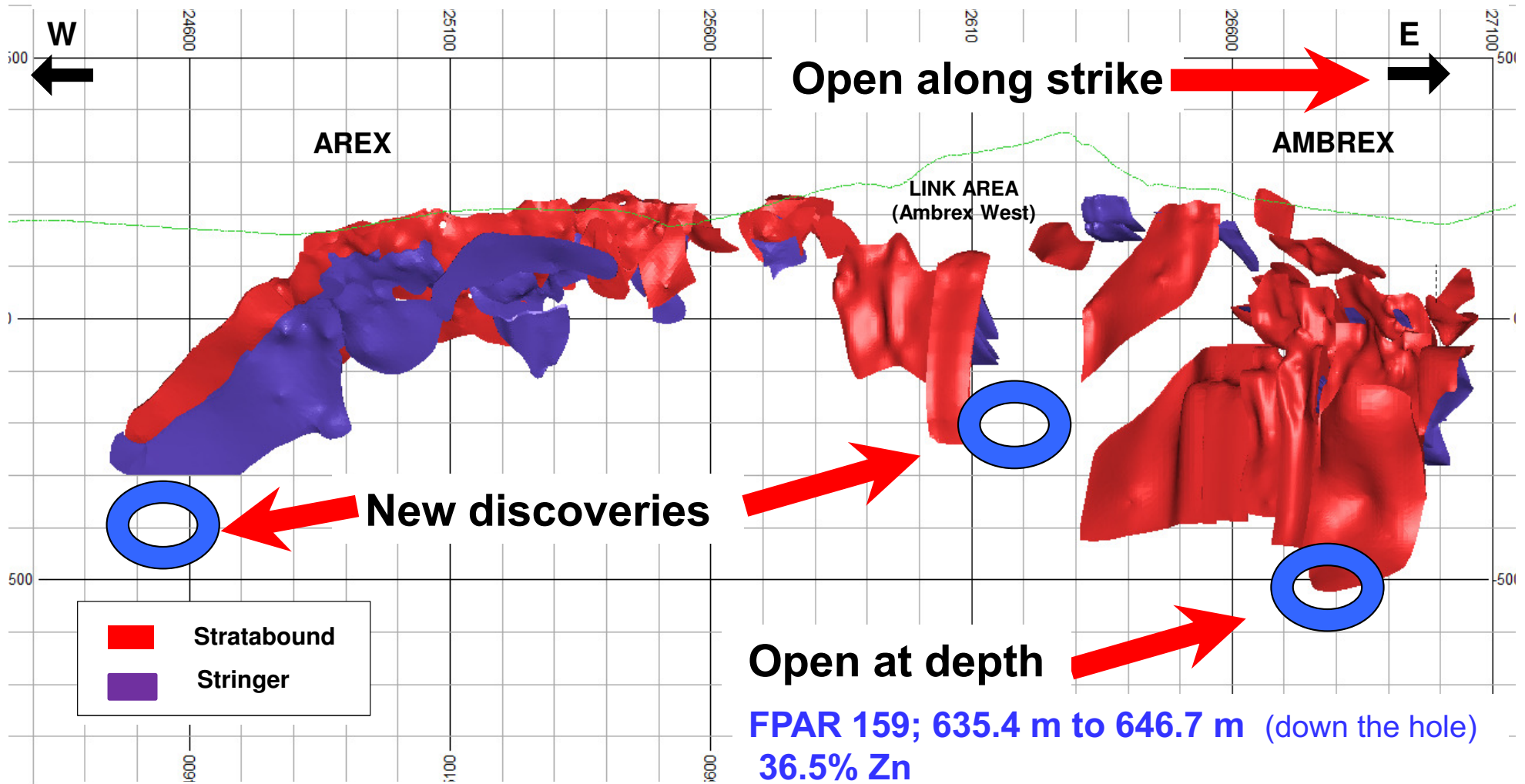
Aripuanã Zn-Pb-Cu-Ag-Au Mine

- Very large massive sulphide system & still open
 - 21.8 million tonne resource (measured & indicated)
 - 24.6 million tonne resource (inferred)

	Measured & Indicated	Inferred
Zinc	2.3B lbs.	2.1B lbs.
Lead	0.9B lbs.	0.8B lbs.
Copper	158M lbs.	226M lbs.
Silver	31M oz.	30M oz.
Gold	279,000 oz.	732,000 oz.

- Technical information in PEA filed on SEDAR under Karmin
- Revised mineral resource scheduled for 1Q18

Aripuanã; open at depth & along strike



Over 80% of drill holes
yield positive results

Aripuanã Timeline

- Feasibility study complete **4Q18**
- Construction starts **4Q18**
- Capital Expenditures (US\$354 million; 100% basis)
 - 2018 US\$ 59 million
 - 2019 US\$150 million
 - 2020 US\$145 million
- Production starts **4Q20**
- Strong track record of mine development
 - Cerro Lindo processes 21,000 TPD; originally was 5,000 TPD
 - Aripuanã is a similar type of deposit

Aripuanã Mine

- 5,000 tonnes per day..... for 24⁺ years
- Production (metals in concentrate)
 - Zinc 51,000 tonnes/yr
 - Lead 20,000 tonnes/yr
 - Copper 4,000 tonnes/yr
 - Silver 1,000,000 oz/yr
 - Gold 25,000 oz/yr

Aripuanã Mine; excellent economics

- Preliminary Economic Assessment by RPA

- 19% IRR before tax

- US\$461 million pre-tax NPV @ 7%

- Zn price US\$1.06/lb. & Pb price US\$0.88/lb.

- C\$2.27 per Karmin share

- Scotiabank

- 19% IRR

- US\$338 million after tax NPV @ 8%

- Kallpa Securities (Lima, Peru)

- 20% IRR

- US\$262 million after tax NPV @ 11%

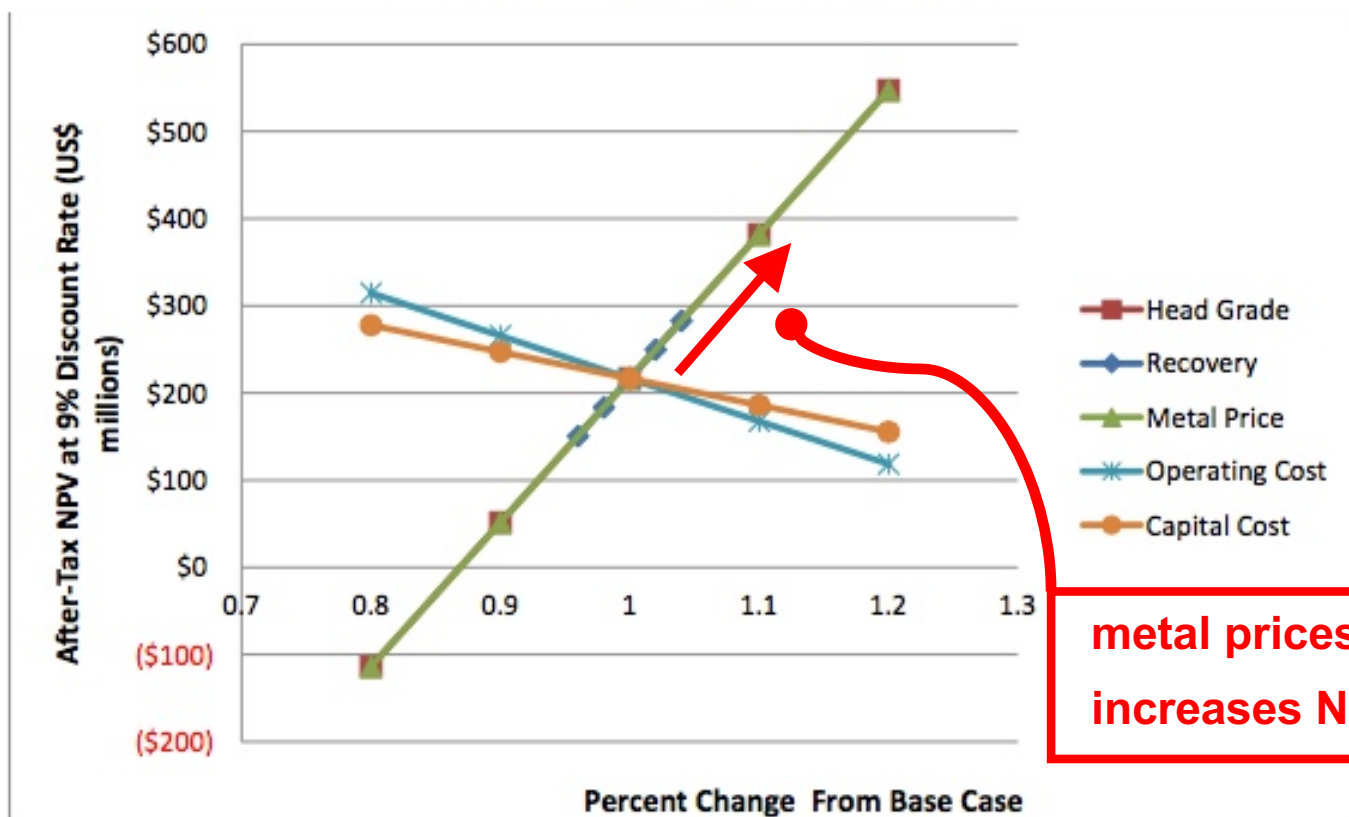


Aripuanã Upside; higher Zn price



www.rpacan.com

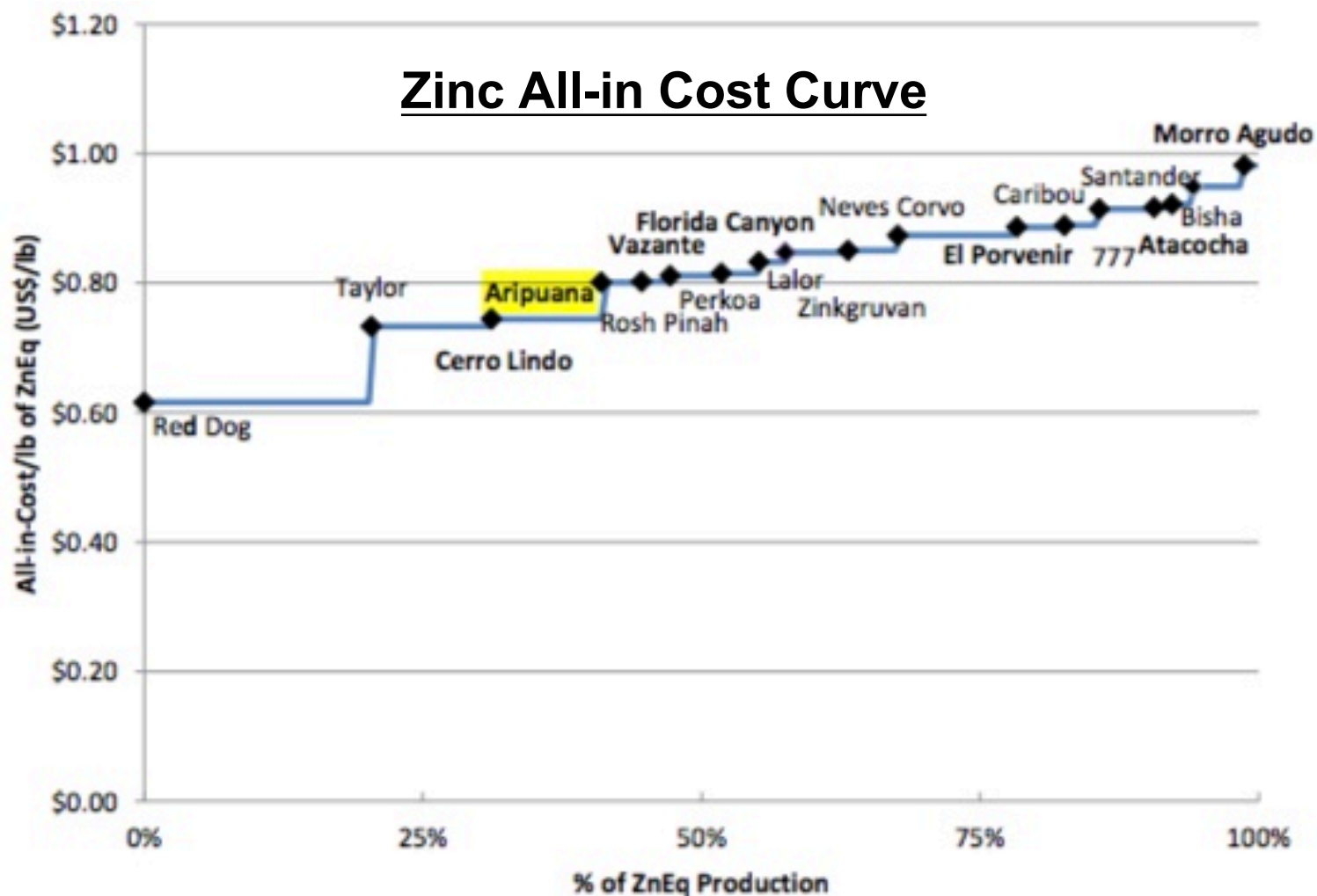
FIGURE 1-1 SENSITIVITY ANALYSIS



■ Base case metal prices

- Zn US\$1.06/lb.
- Pb US\$0.88/lb.
- Cu US\$2.74/lb.
- Ag US\$18.95/oz.
- Au US\$1,278/oz.

Aripuanã Upside; low cost production



Source: BMO Capital Markets

Aripuanã Upside

- Highly leveraged to Zinc price (~40% of revenue)
 - metal prices +10%; increases NPV by US\$180 million
- Revised mine plan with higher grades upfront
 - additional ore found near current deposits
- Amazon tax rate 17%
 - versus the normal 34% Brazilian corporate tax
- Increase of production above 5,000 tpd
 - Cerro Lindo has increased from 5,000 tpd to 21,000 tpd
- Development of satellite deposits to extend mine life beyond 24 years

Karmin Strategic Review

- Objective is to maximize shareholders' returns
- Arrange financing options
 - Debt
 - Equity
 - Streaming
- Corporate sale?
- Sale of assets?