

TORONTO, ONTARIO--(Marketwired - Feb. 13, 2017) - An incorrect version of this release was sent by Marketwired February 13, 2017 at 9:07 am ET. The corrected version follows.

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[Karmin Exploration Inc.](#) ("Karmin" or the "Company") (TSX VENTURE:KAR)(LMA:KAR) is pleased to announce that it has closed its previously-announced non-brokered private placement financing (the "Offering") of 15,200,000 units ("Units") of Karmin for aggregate gross proceeds of CDN\$3,800,000 (the "Offering").

As disclosed in the Company's press release dated January 12, 2017, each Unit was sold at a price of CDN\$0.25 and consists of one Karmin common share (each a "Common Share") and one-half of one common share purchase warrant (each whole, a "Warrant"). Each Warrant is exercisable to acquire one Common Share at a price of CDN\$0.35 per Common Share for a period of three years from closing of the Offering. All securities issued in the Offering are subject to a four-month hold from the date of issuance.

Karr Securities Inc. ("Karr") subscribed for 8,312,000 Units in the Offering. Prior to closing of the Offering, Karr owned an aggregate of 14,353,727 Common Shares (representing approximately 23.5% of Karmin's issued Common Shares). Following closing of the Offering, Karr owns 29.7% (or 33.34% in the event that Karr exercised all of its convertible securities of the Company) of the Company's issued and outstanding Common Shares. As a result of its shareholdings, pursuant to Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"), the purchase by Karr of Units under the Offering was a "related party transaction". The Company was exempt from the requirements to obtain a formal valuation or minority shareholder approval in connection with the Offering in reliance of sections 5.5(a) and 5.7(a), respectively, of MI 61-101, as the fair market value of the Units to be acquired under the Offering by Karr did not exceed 25% of Karmin's market capitalization.

The gross proceeds of the Offering will be used to repay an aggregate of CDN\$3,586,971 in long term debt due to Karr and another major shareholder of the Company, and for general working capital.

About Karmin

The Common Shares 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 in Brazil and Peru. 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, Babaçú, Massaranduba and Mocoto) over a 25- kilometre strike length. Votorantim owns 70% of the Aripuanã zinc project, but assumes 100% of the project costs until the completion of a bankable feasibility study. Karmin also owns 100% interest in: (a) 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; and (b) the 25-square-kilometre Cushuro Gold Project located in the world-class Alto Chicama gold-mining district of northern Peru.

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 and the closing of the Offering. 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. 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.

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