

CARAT EXPLORATION INC.
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News Release

**Geophysical and Geochemical surveys concluded
at the Combarbala property in Chile.**

April 26, 2007

Carat is pleased to announce that has concluded the preliminary work consisted of geochemical sampling, IP and magnetometer surveys at the Combarbala property in Chile. The results of the surveys are very encouraging and Carat is planning to start diamond drilling program of approximately 5,000 feet, subject to a contract that is currently being prepared.

The immediate target on this property is a 4x4.5 kilometer geochemical and geophysical anomaly outlined originally by BHP Billiton and substantiated by our recent data. The Combarbala property was optioned by Carat under the terms of the agreement with BHP Billiton announced last July 14, 2006.

On behalf of the Board of Directors

C. (Harry) Katevatis
President

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