

**CARAT EXPLORATION INC.**  
**908-595 Howe Street**  
**Vancouver, BC, V6C 2T5**

**NEWS RELEASE**

July 18, 2007

Carat Exploration Inc.(the “Company”) is pleased to announce the appointment of Mr. Ian Gendall, M. Sc., Pr. Sc. Nat., as a member of its Advisory Committee. Mr. Gendall is a graduate of Rhodes University, Grahamstown, South Africa. He is an exploration geologist with 17 years of mineral exploration experience, including gold exploration in the Witwatersrand of South Africa and gold and porphyry copper experience in Argentina, Ecuador, Peru, Bolivia and Brazil.

Mr. Gendall commenced his career with Gencor in South Africa in 1989 working on the Witwatersrand gold exploration program followed by a year and a half in the Gencor Research Group reviewing the porphyry copper-gold potential of countries around the world. In 1994, he moved to Argentina with the Gencor Group companies. During his time in South America he was responsible for managing exploration programs and evaluating copper-gold projects. Mr. Gendall and the Billiton exploration team in Ecuador are credited for the discovery and initial drilling of the porphyry copper-gold targets within the now very active Corriente Porphyry Copper Belt. From 2002 to 2005, he worked as a senior contract geologist for Anglo American Exploration in Peru and was general manager for his company – IIVI Minerales Exploraciones S.R.L. In August 2005, Mr. Gendall joined Chapeau Resources Ltd. as the Vice President of Exploration managing gold and copper projects in Argentina, Bolivia and Brazil.

The Board of Directors of Carat Exploration Inc. is pleased to see Mr. Gendall on our team. His experience will prove invaluable to guide our mineral exploration programs. The Company is currently exploring a large copper-gold porphyry target in Chile that is nearing the completion of the first stage of exploration and diamond drilling.

On Behalf of the Board of Directors  
Paul J. McGuigan, P. Geo.  
Director

This announcement contains certain forward looking statements which involve known and unknown risks, delays and uncertainties not under the corporations control which may cause actual results, performance or achievements of the corporation to be materially different from the results, performance or expectation implied by these forward looking statements.

This release has been prepared by the management of the company. The TSX Venture Exchange has neither approved nor disapproved of the information contained herein.