

CARAT EXPLORATION INC.
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NEWS RELEASE

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CARAT EXPLORATION INC. ANNOUNCES CLOSING OF ITS NON-BROKERED PRIVATE PLACEMENT

Vancouver, B.C. – CARAT EXPLORATION INC. (“Carat” or the “Company”)

The Company is pleased to report that it has closed its non-brokered private placement (the “Private Placement”) of 2,072,163 common shares at a price of \$0.30 per common Share for total gross proceeds of \$621,648.90.

In addition, the Company paid finder fees totalling \$44,689.40, as to \$34,226.90 to Global Securities Corporation and \$10,462.50 to M Partners, representing 9% of total proceeds raised by each finder.

All securities issued under this Private Placement are subject to a four month hold period expiring on October 27, 2009. The proceeds of the private placement will be used to fund the advancement of the Company’s projects and for general working capital.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “US Securities Act”), or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

On behalf of The Board of Directors of Carat Exploration Inc.

“Ioannis (Yannis) Tsitos”
President, CEO & Director

This document 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’s to be materially different from the results, performance or expectation implied by these forward looking statements.

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