

CARAT EXPLORATION INC.

908-595 Howe St.

Vancouver, B.C., V6C 2T5

604-806-0916 Fax: 604-806-0956

March 13, 2008

Symbol: CRZ: TSX – V

NEWS RELEASE

CARAT OPTIONS THE TUCUMA PROPERTIES IN BRAZIL'S PREMIER METAL PROVINCE

Vancouver, B.C. – CARAT EXPLORATION INC. (“Carat”), is pleased to announce that it has signed an Option and Joint Venture agreement with Brasilca Mining Corporation, a British Columbia registered company (“Brasilca”), to earn a 70% interest in the Tucuma project, consisting of 12 mineral concessions and one mining permit in Brazil (the “Property”). The Property comprises a total of 35,450 hectares (354.5 square kilometres) and is located in the State of Para, Brazil. Access is via an all-year, un-surfaced 27km road from the town of Tucuma.

Historically, the Property has produced significant quantities of gold from small-scale mining by garimpeiros. The Property represents an excellent opportunity to explore for both shear-hosted economic gold vein mineralisation and for a copper-gold system of the IOCG type, with near-ready drill targets.

The Property is located within the Carajas metallogenic province that is part of the Amazon Craton. The province is one of the premier mining districts in Brazil. Proterozoic and Archean rocks contain world-class deposits of copper-gold, gold, platinum group metals, iron, manganese, bauxite and nickel. Importantly, the Carajas Province is the locus of several major discoveries of large Iron Oxide Copper Gold (“IOCG”) deposits in the last 20 years. It is now the focus of increased exploration activity by both junior and major mining companies.

The Carajas iron deposits are located 130 km northeast of the Property and the Salobo copper-gold deposit is located 145 km northeast. The mining giant, Vale, began producing copper in the area in 2004, with the opening of the Sossego mine. The mine produces currently 140,000 tonnes per year of contained copper in concentrates. In 2004, Vale also undertook feasibility studies at Salobo. As reported in Vale’s web site, the Salobo Mine has estimated reserves valued at 986 million tonnes, with 0.82% copper and 0.49g/t gold for the cut-off of 0.5% copper.

Part of the Property has been previously explored by Highgrade Ventures, Brasilca Mining, a Teck-Inco joint venture and Codelco. Currently Carat and Brasilca hold a significant database of geological, geochemical and geophysical exploration data over the region and the Property. Only few out of several identified targets have been tested by past diamond drilling programs.

Significant historical drill intersections have been reported by past operators:

1. **“Hill 512” IOCG target:** drilling the by the Teck-Inco JV intersected in diamond drill hole FT512 -1, from 189 m to 205 m., 16 metres, grading 1.30% copper and 7.1 grams per tonne silver and including a 3 metre intercept grading 4.28 % copper and 24.5 grams per tonne silver.
2. **Cuca gold targets:** Drilling by Highgrade-Brasilca returned the highest grade gold intersection found to date on the property, from diamond drill hole #T97-11b at 54.32 m to 63.44 metres grading 6.3 grams per tonne gold over 9.12 metres and a further intersection at 120.06 m to 134.82 m grading 3.96 grams per tonne gold over 14.76 metres which included a 1.16 metre intercept grading 30.17 grams per tonne gold. Results from the Cuca were not followed up by the previous operators.

All the above references to grades and intersection lengths are based on historical exploration reports and have not been independently verified by Carat. The work towards the delivery of a National Instrument 43-101 (NI 43-101) compliant technical report for the whole Tucuma project and its past exploration work is already in progress by Wardrop Engineering Inc., a 900-person consulting company, over 50 years old.

Following the completion of mineral title due diligence by Carat and the delivery of the NI 43-101 qualified report, Carat will immediately initiate a work exploration program over the Property. Details of the planned exploration and drilling program for the coming 12 months will be reported in the near future following a detailed prioritisation of the existing target areas. According to the recently executed Option agreement, Carat will vest at 70% over the Properties by:

1. Making two cash payments of \$100,000 each to Brasilca, at the successful conclusion of the due diligence and one year from this date respectively, and
2. Incurring an aggregate \$2,000,000 in exploration expenditures over the Properties within 3 years. In more detail, \$400,000 in year one, \$600,000 in year two and \$1,000,000 in year three.

Carat has the right to terminate the Option at any time but only after fulfilling the financial and exploration commitments of the first year. Following vesting by the Carat, a Joint Venture with Carat at 70% and Brasilca at 30% will commence, and the parties will finance further exploration and development costs according to their actual JV participating interests.

Carat’s President and CEO, Yannis Tsitos stated: “We are pleased with the finalisation of our recent discussions with Brasilca and the execution for this Option and JV agreement. Considering the highly prospective terrain at Tucuma and the potential to discover economic mineralisation of two different deposit styles within the Properties, Carat expects to test several drill-ready gold and copper/gold targets within the coming 12 months. Given the size of the Property, further geological, sampling and geophysical investigations, as well as modern manipulation of existing historical data, will hopefully outline additional targets for drilling. The management of Carat is looking forward to a successful partnership with Brasilca over the Tucuma Properties”

The geological information reported herein is approved by Paul McGuigan, P. Geo., a qualified person and Director of Carat Explorations Inc.

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

"Ioannis (Yannis) Tsitos"
President and CEO

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.

This release has been prepared by management – TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release.