



For Immediate Release

July 19, 2006

## **EXMIN-HOCHSCHILD JV TO ACQUIRE THE SANTA MARIA DE MORIS MINE (MORIS MINE) IN THE MORIS DISTRICT, CHIHUAHUA, MEXICO**

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**EXMIN Resources Inc. (EXMIN) (EXM:TSX-V)** is pleased to announce that EXMIN's wholly-owned Mexican subsidiary, EXMIN, S.A. de C.V. and Minera Hochschild Mexico (MHM) have entered into an agreement to jointly acquire the Santa Maria de Moris mine, at one time operated by Manhattan Minerals, if certain conditions agreed upon by the parties are met. The Santa Maria de Moris mine, a.k.a. the Moris Mine, is located in the Moris district of western Chihuahua state, approximately 15 km west of the Ocampo mine, where Gammon Lake Resources has a proven and probable reserve of 61.7 million tonnes with grades of 1.19 g/t gold and 55 g/t Ag. The Moris Mine property land package is contiguous with EXMIN's 100% owned Moris exploration project land package that is subject to an earn-in option agreement with MHM.

EXMIN will own 30% of the project and MHM 70%. The mine property consists of 12 concessions that cover approximately 7,838 hectares (19,368 acres) in the Moris district. These concessions include several contiguous concessions around the Moris Mine and along strike with the main structural trend. The mine property also includes several separate concessions in areas favorable for exploration, including a strategic concession containing the extension to the Tecolote vein system located on the La Fe concession that was previously acquired by EXMIN (see Feb. 22, 2006 news release).

### **THE MINE**

The Moris Mine was commissioned by Manhattan in 1997 and operated from May, 1997, until April, 1999, as a 3,000 ton per day heap leach operation. The mine was shut down in 1999 due to low gold prices, but leaching continued for a few months.

In 1999, after the mine had closed, measured and indicated resources were reported as 4.05 million tonnes at a grade of 1.67 g/t gold and 5.79 g/t silver, for a total of almost 220,000 contained ounces of gold and 750,000 ounces of silver. When production at the mine ceased in 1999, proven and probable reserves were reported as 3.1 million tonnes at grades of 1.73 g/t Au and 6.55 g/t Ag calculated with a gold price of \$300 and a cutoff of 0.74 g/t gold equivalent.

The owner of the mine, Minera Moris, S.A. de C.V. (Minera Moris), was purchased after the mine's shutdown by Mexican investors. The mine has been under the supervision of a caretaking crew since closed. Most of the installations, including the crushing circuit, heap leach stacking system, leach pads and metals recovery circuit are in reasonably good shape. MHM will be project operator and an aggressive due diligence program, including diamond drilling has already commenced. It is anticipated that the project will benefit from the cost and technical data generated during the previous mining operations.

**Note:** EXMIN is reporting data from the operation of Manhattan Minerals from 1997 to 1999. These data were generated before current industry regulations were adopted under NI 43-101 Standards, and EXMIN considers them 'historical' in nature to be used as a guide to the relative tenor of mineralization. A Qualified Person has not completed sufficient work to classify the historical estimate as current mineral resources, and the historical information should not be relied upon.

Karl Boltz, President of EXMIN, stated, "We are acquiring a formerly producing mine and installations with existing resources, and we have a partner with ample experience starting and running profitable mining operations of all sizes. EXMIN has the opportunity to advance several years in the exploration-mining cycle. Pending due diligence, we believe the project can reach the break-even point in less than two years and can quickly generate significant positive cash flow, that can be used to finance exploration and development on our other projects. Also, when combined with our separate joint venture on EXMIN's 100% owned exploration properties in the district, this project has the potential for an increased mine life, as any ore discovered on our nearby exploration concessions could potentially be processed at the existing mine site."

## **THE DEAL**

The EXMIN-Hochschild JV has agreed to pay Minera Moris a total purchase price of US \$6,000,000 (plus applicable 15% value added tax) for 100 % of the rights to the concessions and other mine assets.

US \$1,500,000, plus the 15% VAT tax, was paid on signing to allow for a 6 month period for due diligence, during which all aspects of the mine, metallurgy and permitting will be studied. If any material information is shown to be false or inaccurate, or if metallurgical recoveries in leach tests are less than 65%, the joint venture may elect not to proceed with the acquisition. In the former case, the initial payment is to be returned.

The remaining \$4,500,000, plus the 15% VAT tax, will be paid to Minera Moris, upon a positive decision to proceed, after completion of the due diligence. EXMIN has the option of paying its portion of the second payment in EXMIN shares. Under a separate agreement with the parent company of Minera Hochschild Mexico, EXMIN has arranged a line of credit totaling US\$1.5 million to make the initial property payment and to pay for its share of mine development expenditures or the second property payment, if it chooses not to issue shares. The loan has a maturity date of 2 years and is to be paid back from 80% of EXMIN's share of earnings generated by mine production.

Dr. Craig Gibson, PhD., Executive Vice President of Exploration, is the authorized professional geologist for the Company and the direct manager of all technical programs and information. Neither EXMIN's joint venture partner, Mauricio Hochschild Mexico, nor the Hochschild Mining Group, accepts responsibility for the use of project data or the adequacy or accuracy of this release.

## **About MHC**

Minera Hochschild Mexico (MHM) is a subsidiary of Hochschild Mining Group (MHC) a privately held, Peru-based diversified metals and materials mining company that has been in operation since the early part of the last century. MHC produced approximately 10 million ounces of silver and 230,000 ounces of gold in 2005. MHC currently owns and operates 3 mines in Peru and is the majority shareholder and operator of the San Jose Au-Ag project in Argentina. MHC has exploration offices and ongoing exploration and acquisition programs throughout the Americas.

## **About EXMIN**

EXMIN Resources Inc. is currently focused on the exploration and development of precious metal properties of significant merit in the Sierra Madre gold belt of Northwestern Mexico.

## **For further information, please contact:**

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*Note: EXMIN Resources Inc. (EXMIN) has taken all reasonable care in producing and publishing information contained in this news release. Material in this news release may still contain technical inaccuracies, omissions or typographical errors, for which EXMIN assumes no responsibility. This news release may include certain "forward-looking statements" including but not limited to comments regarding predictions and projections. All statements, other than statements of historical fact, included in this news release, including, without limitation, statements regarding potential mineralization, exploration results, and future plans and objectives of EXMIN, are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such*

*statements. Important factors that could cause actual results to differ materially from the Company's expectations are disclosed in documents filed from time to time with the regulatory authorities.*

*The TSX Venture Exchange has not reviewed this release and does not accept responsibility for the adequacy or accuracy of this news release.*