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NEWS RELEASE

July 30, 2008

SINCHAO METALS ANNOUNCES YEAR END FINANCIALS AND OPERATING RESULTS

VANCOUVER, BRITISH COLUMBIA-Sinchao Metals Corp. (TSX.V-SMZ)-(all figures in Canadian dollars, unless otherwise noted)

Sinchao Metals Corp. is an exploration and development company focused on the Sinchao polymetallic mineralization project in Peru. Today it reports audited results for the 12 months ended March 31, 2008.

Highlights:

Financial

- As at March 31, 2008, the Company has assets of \$29,579,333 compared to \$22,786,075 for 2007.
- Expenditures for the year were \$2,949,849, compared to \$2,197,586 in 2007, primarily for exploration activities on the Sinchao property.
- Pre-tax loss for the year was \$1,872,432 compared to \$1,094,393 for the previous year.
- At March 31, 2008, the Company had a cash balance of \$3,543,839 compared to a cash balance of \$137,441 in 2007.

Operational

- To date, a total of 12,339 metres have been drilled. In the 2008 drill program, 12 drill holes totaling 4,652 metres have been completed.
- Hole SDH-37 results included 188.55 metres grading 2.02% Copper, 1.07 g/t Gold and 11.3 g/t Silver.
- Hole SDH-34 results included 341.85 metres grading 0.44% Copper, 0.32 g/t Gold and 6.1 g/t Silver.
- Copper-Gold-Silver mineralization has now been identified over an area of approximately 750 metres by 300 metres, and to a depth of approximately 400 metres, along two northeast-southwest sections.
- Step-out drilling continues to intersect mineralization, with drill rigs working 150 metres to the northwest and 300 metres to the southeast .
- The mineralization is hosted by breccia and skarn, and remains open in all directions.

“We are extremely pleased with the results of our recent drill program and look forward to continuing to expand the mineralization on the property,” states President Andrew Gourlay, P. Geol. “The outlook for the coming year is very exciting as we move toward completion of an initial inferred resource estimate.”

Four mineralized systems have been identified on the Sinchao Property: the Skarn Zone, the Breccia Zone, the High Sulphidation Epithermal Zone and the Massive Sulphide Lenses. The 2008 drill program has focused on the Breccia Zone and the Skarn Zone where 12 holes totaling 4,285.5 metres have been completed. Highlights of this year's drilling include 188.55 metres grading 2.02% Copper, 1.07 g/t Gold and 11.3 g/t Silver in Hole SDH-37, and a 341.85 metres intersection in Hole SDH-34 grading 0.44% Copper, 0.32 g/t Gold and 6.1 g/t Silver. Copper-Gold-Silver mineralization has now been identified over an area of approximately 750 metres by 300 metres, and to a depth of approximately 400 metres, along two northeast-southwest sections. Step-out drilling continues to intersect mineralization, with drill rigs working 150 metres to the northwest and 300 metres to the southeast. The mineralization is hosted by breccia and skarn, and remains open in all directions.

The complete Management Discussion and Analysis and Financial Statements will be filed at www.sedar.com. For further information call (604) 681-6186 or toll free: 1-888-356-4784 or visit our website at www.smzmetals.com. Andrew Gourlay, P. Geol., President of Sinchao Metals Corp. is the Qualified Person for the technical disclosure in this news release.

Sinchao Metals Corp. is focused on the exploration and development of the Sinchao zinc-copper-silver-gold-lead mineralization property, located in Cajamarca province in Northern Peru, 30 kilometres from Yanacocha, the largest gold mine in South America. The company is dedicated to creating value for its shareholders by pursuing growth, expansion and enhancement of the Sinchao property.

On behalf of Sinchao Metals Corp;

Andrew W. Gourlay, P. Geol.

President

This news release may contain forward-looking information within the meaning of the Securities Act (Ontario) ("forward-looking statements"). Such forward-looking statements may include the Company's plans for its mineral projects, the overall economic potential of its properties, the availability of adequate financing and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements expressed or implied by such forward-looking statements to be materially different. Such factors include, among others, risks and uncertainties relating to potential political risks involving the Company's operations in a foreign jurisdiction, uncertainty of production and costs estimates and the potential for unexpected costs and expenses, physical risks inherent in mining operations, currency fluctuations, fluctuations in the price of gold and other metals, completion of economic evaluations, changes in project parameters as plans continue to be refined, the inability or failure to obtain adequate financing on a timely basis, and other risks and uncertainties, including those described in the Company's Financial Statements, Management Discussion and Analysis and Material Change Reports filed with the Canadian Securities Administrators and available at www.sedar.com.

This news release may use terms such as "inferred resources", "indicated resources", "measured resources", and "mineral resources". These terms are recognized and required by Canadian securities regulations (under National Instrument 43-101 "Standards of Disclosures for Mineral Projects"). Investors are cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into reserves. In addition, "inferred resources" have a great amount of uncertainty as to their existence, and economic and legal feasibility. It cannot be assumed that any part of an Inferred Mineral Resource will ever be upgraded to a higher category. Estimates of Inferred Mineral Resources may not form the basis of feasibility of pre-feasibility studies, or economic studies except for a Preliminary Assessment as defined under National Instrument 43-101. Investors are cautioned not to assume that part or all of an inferred resource exists, or is economically or legally mineable.

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

SINCHAO METALS CORP.
(An Exploration Stage Company)

CONSOLIDATED BALANCE SHEETS

As at March 31

	2008	2007
	\$	\$
ASSETS		
Current		
Cash and cash equivalents	3,543,839	137,441
Accounts receivable	66,202	16,422
Due from related parties (Note 9)	77,895	366,533
Prepaid expenses	76,673	45,589
	3,764,609	565,985
Mineral properties (Note 5)	25,735,740	22,202,906
Equipment (Note 6)	78,984	17,184
	29,579,333	22,786,075
LIABILITIES		
Current		
Accounts payable and accrued liabilities	494,841	181,460
Due to related parties (Note 9)	-	298,214
	494,841	479,674
Future income tax liabilities (Note 11)	6,080,372	5,723,679
	6,575,213	6,203,353
SHAREHOLDERS' EQUITY		
Share capital (Note 7)	21,922,243	17,214,223
Warrants (Note 7(d))	2,615,286	367,530
Contributed surplus (Note 8)	1,714,507	369,217
Deficit	(3,247,916)	(1,368,248)
	23,004,120	16,582,722
	29,579,333	22,786,075
GOING CONCERN (Note 1)		

APPROVED BY THE DIRECTORS

“ANDREW GOURLAY”

DIRECTOR

“BRYAN MORRIS”

DIRECTOR

The accompanying notes are an integral part of these consolidated financial statements.

SINCHAO METALS CORP.
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CONSOLIDATED STATEMENTS OF LOSS, COMPREHENSIVE LOSS AND DEFICIT
FOR THE YEARS ENDED MARCH 31

	<u>2008</u>	<u>2007</u>
	\$	\$
OPERATING EXPENSES		
Administrative and management services	394,680	498,081
Depreciation	1,948	719
Investor relations	189,554	89,385
Office salaries and sundry	36,402	22,380
Professional fees	107,709	101,887
Regulatory and transfer agent	57,305	22,763
Stock based compensation (Note 7 (f))	<u>1,084,834</u>	<u>359,178</u>
	<u>1,872,432</u>	<u>1,094,393</u>
LOSS BEFORE OTHER ITEMS	(1,872,432)	(1,094,393)
OTHER INCOME (EXPENSE)		
Interest and other income	33,922	20,469
Bank charges and interest	(12,598)	(8,939)
Foreign exchange gain (loss)	(28,560)	(285,385)
	<u>(7,236)</u>	<u>(273,855)</u>
LOSS AND COMPREHENSIVE LOSS FOR THE YEAR	(1,879,668)	(1,368,248)
DEFICIT - BEGINNING OF YEAR	(1,368,248)	-
DEFICIT - END OF YEAR	(3,247,916)	(1,368,248)
PER SHARE INFORMATION		
Weighted average number of common shares outstanding (basic and diluted)	<u>59,202,219</u>	<u>40,033,660</u>
Net Loss per common share (basic and diluted)	<u>(0.03)</u>	<u>(0.03)</u>

The accompanying notes are an integral part of these consolidated financial statements.

SINCHAO METALS CORP.
(An Exploration Stage Company)

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED MARCH 31

	2008	2007
	\$	\$
CASH PROVIDED FROM (USED FOR):		
OPERATING ACTIVITIES		
Net loss for the year	(1,879,668)	(1,368,248)
Adjustments for items not affecting cash:		
Stock based compensation	1,084,834	359,178
Unrealized foreign exchange loss related to future income tax liability	3,407	285,385
Depreciation	1,948	719
	(789,479)	(722,966)
Net changes in non-cash working capital items:		
Accounts receivable	(49,780)	(16,422)
Due from related parties	(9,576)	(68,319)
Prepaid expenses	(31,084)	(45,589)
Accounts payable	313,381	181,460
	(566,538)	(671,836)
INVESTING ACTIVITIES		
Expenditures on mineral properties	(2,882,694)	(2,179,683)
Equipment	(67,155)	(17,903)
	(2,949,849)	(2,197,586)
FINANCING ACTIVITIES		
Common shares issued for cash	6,967,936	3,717,474
Share issue costs	(45,151)	(506,651)
Reorganization costs	-	(203,960)
	6,922,785	3,006,863
INCREASE IN CASH AND CASH EQUIVALENTS DURING THE YEAR	3,406,398	137,441
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	137,441	-
CASH AND CASH EQUIVALENTS - END OF YEAR	3,543,839	137,441

The accompanying notes are an integral part of these consolidated financial statements.