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NEWS RELEASE

TSX.V-SMZ

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SINCHAO METLAS CORP. TO RAISE \$6 MILLION IN BROKERED PRIVATE PLACEMENT

Sinchao Metals Corp. (TSX.V – SMZ) (the “Company” or “Sinchao”) is pleased to announce that it has engaged PI Financial Corp. as agent (the “Agent”) for the private placement, on a commercially reasonable efforts basis, of up to 15 million units (the “Units”) of the Company at a price of \$0.40 cents per Unit, for gross proceeds of up to \$6 million (the “Offering”).

Each Unit is comprised of one common share of the Company and one-half of one common share purchase warrant (a “Warrant”). Each whole Warrant is exercisable into one additional common share of the Company for a period of two years from the closing date of the private placement at an exercise price of \$0.60 per common share except that if over a period of 20 consecutive trading days between the date that is 4 months following the Closing Date and the expiry of the Warrant, the daily volume weighted average trading price of the common shares on the TSX Venture Exchange, or such other stock exchange where the majority of the trading volume occurs, exceeds \$1.50 on each of those 20 consecutive days, the Company may give notice in writing to the Warrant holders within 30 days of such an occurrence that the Warrants shall expire at 4:00 p.m. (Vancouver time) on the 30th day following the giving of such notice unless exercised by the holders prior to such date.

As consideration for acting as agent, the Company will pay the Agent a commission of 7% payable in cash or, at the election of the Agent, in units on the same terms as the Units of the Offering. In addition, the Agent will receive compensation options (the “Compensation Options”) equal to 9% of the number of Units sold under the Offering. Each Compensation Option will entitle the Agent to purchase one common share of the Company for a period of two years from the closing date at an exercise price of \$0.45 per common share.

The net proceeds from the Offering will be used to finance further exploration of Sinchao Metal’s Sinchao Project, located in northern Peru, and for general working capital. The private placement is subject to receipt by Sinchao of all necessary regulatory approvals, including the approval of the TSX Venture Exchange.

On behalf of Sinchao Metals Corp.

“Andrew W. Gourlay”

Andrew W. Gourlay, P. Geol.
President

About Sinchao Metals Corp:

Sinchao Metals Corp. (TSX.V:SMZ) is focused on the exploration and development of the Sinchao 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. For further information please contact the Company at (604) 681-6186 or toll free: 1-888-356-4784. Visit the company website at www.sinchaometals.com

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 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 "U.S. 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.

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