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### **Sinchao Metals: Trenching Confirms Mineralized Structures in Skarn Zone**

Sinchao Metals Corp. (TSX.V-SMZ) is pleased to announce that a recent trench sampling has identified eight areas of elevated gold-silver-copper-lead-zinc mineralization in oxidized bedrock, over an area of approximately 400 metres by 400 metres.

These areas are associated with structures filled with oxidized sulphides and the structures are often related to faults. The faults appear to be conduits for mineralizing fluids. These areas will be systematically drill tested as part of the evaluation of the Skarn Zone. The structures remain open along strike and trenching and drilling is continuing to further define these mineralized structures.

This trenching program collected 100 samples from eleven trenches and 76 soil samples. Hand trenches were excavated near the eastern end of the Skarn Zone, in the vicinity of Hole SDH-26 (See News Release dated May 24, 2007), where at least four structures similar to the one intersected in Hole SDH-26, have been identified.

The trench samples returned average values of 0.61 g/t gold, 28.8 g/t silver, 0.38% copper, 0.57% lead and 0.52% zinc, with ranges of 0.10 to 14.48 g/t gold, 0.50 to 354.0 g/t silver, 0.008% to 2.23% copper, 0.0124% to 17.80% lead and 0.0055% to 2.37% zinc. The trench samples were from oxidized sulphides collected at surface, beneath a soil cover approximately 50cm deep. Samples were collected using a hammer and rock chisel, over widths of 1 or 2 metres. "With this type of sampling, the significance of the results lies in the discovery of wide spread mineralization, not in the specific values of each type of mineral at this point." stated President Andrew Gourlay. "These eight newly identified areas demonstrate potential geological trends that further the process of defining inferred resources and adding value to the property."

The soil samples were collected as part of an orientation survey and returned average values of 0.15 g/t gold, 7.71 g/t silver, 0.24% copper, 0.11% lead and 0.21% zinc, with only a few isolated, anomalous copper, lead and zinc values.

The 2007 exploration program involves an initial 5,000-metre diamond drill program to further test the continuity and limits of the Breccia Zone, and to test the High Grade Zinc in the Skarn Zone. In addition, further targets defined by the geophysical surveys will be drill tested and an estimation of inferred resources will be completed in late 2007.

Andrew W. Gourlay, P. Geol., President is the Qualified Person for the technical disclosure in this news release. All samples were prepared and analyzed by the CIMM Peru S.S. laboratory in Lima, Peru, an ISO-accredited laboratory. Standard reference materials, blanks and field duplicates were inserted prior to the shipment from site to monitor the quality control of analytical data.

On behalf of Sinchao Metals Corp;

Andrew W. Gourlay, P. Geol.  
President

Sinchao Metals Corp. is focused on the exploration and development of the polymetallic 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](http://www.sinchaometals.com)

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