

# KOKOMO ENTERPRISES INC.

## NEWS RELEASE

Symbols: **KKO - CNSX**  
**KKOEF - OTC Bulletin Board**

### **Kokomo executes LOI to acquire up to 75% of Arqueana's Lithium/Niobium/Tantalum/Tin Mining Project in Brazil**

**Vancouver, BC, May 18, 2011.** Kokomo Enterprises Inc. (the "Company" or "Kokomo") is pleased to announce that it has entered into a binding Letter of Intent ("LOI") with Arqueana de Minerios E Metais Ltda. ("Arqueana") and its shareholders ("Arqueana Group") in respect to Arqueana's Mineral Concessions and Arqueana's Real Estate ("Arqueana's Assets"). Pursuant to the LOI, the parties have agreed to enter into a Definitive Property Option Agreement (the "DPOA") within a period of 45 business days whereby the Company shall have the right to acquire up to a 75% right, title and interest in Arqueana's Assets by making staged cash payments totalling Canadian \$800,000, issuing a total number of 7,000,000 common shares of the Company and incurring property related expenditures totalling Cdn \$8,000,000 over a period of 3 years. Should the Company elect to acquire a 75% interest in Arqueana's Assets, then after 6 months from such acquisition, a Bankable Technical Report compliant with NI 43-101 shall be prepared by an independent Qualified Person acceptable to the Canadian Regulatory Authorities (the "Bankable Report"). If the Bankable Report concludes that the project shall support a mining/milling/processing operation of not less than 2,000 tonnes of Run of Mine Ore per day for a minimum period of 15 years with a minimum IRR of 38%, then the Company shall make a bonus payment of Canadian \$500,000 and shall issue 1,500,000 Kokomo common shares to the Arqueana Group (the "Initial Bonus"), and if the Bankable Report concludes the existence of reserves of at least 50% of the reserves that have been represented to the Company by the Arqueana Group, then the Company shall make a bonus payment of Canadian \$500,000 and shall issue 1,500,000 common shares of the Company to the Arqueana Group (the "Subsequent Bonus Payment").

The DPOA shall contain such other terms and conditions as are customary in transactions of this nature. There shall be a finder's fee in the form of 1,000,000 common shares of the Company payable to an arm's length third party. The DPOA shall be subject to the approval of the CNSX and, if required by the CNSX, the approval of the shareholders of the Company.

Arqueana's Assets consist of 29 mineral claims covering an area of approximately 18,573 hectares, and certain buildings and surface rights covering an area of approximately 1,319 hectares which are located in Itinga and Aracuai in the State of Minas Gerais in Brazil. The headquarters of Arqueana is in Itinga. Arqueana currently conducts small scale artisanal mining activities on or around Itinga and Aracuai. Presently, the production from Arqueana's limited small scale mining operations are being sold domestically in Brazil, and are also exported to the Netherlands, South Korea and China.

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#### **KOKOMO ENTERPRISES INC.**

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For more information on the Company, please contact us at (604) 681-1519. In addition, please visit the Company's website at [www.kokomoenterprises.ca](http://www.kokomoenterprises.ca) or the CNSX's website at the following direct link [http://www.cnq.ca/Page.asp?PageID=2013&AA\\_RecordID=222](http://www.cnq.ca/Page.asp?PageID=2013&AA_RecordID=222).

On Behalf of the Board,

**Kokomo Enterprises Inc.**

*“Bedo H. Kalpakian”*

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Bedo H. Kalpakian  
President

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

*Statements in this news release which are not historical facts are “forward-looking statements” that involve risks and uncertainties, such as the completion of the contemplated Transaction. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties such as the risk that the closing of the contemplated Transaction may not occur for any reason.*

*Trading in the securities of the Company should be considered speculative.*

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