

**BRAZAURO RESOURCES CORPORATION**  
**16360 PARK TEN PLACE, SUITE 217**  
**HOUSTON, TX 77084**

January 18, 2008

Trading Symbol: BZO

**STOCK OPTIONS REDUCED**

**Houston, Texas:** Brazauro Resources (TSXV: BZO) reports today that Mark E. Jones and Harry Dobson who were granted a total of 300,000 stock options exercisable at \$0.55 as announced on December 18, 2007 have surrendered those options for cancellation. As a result there are now 1,250,000 options outstanding at \$0.55 per share.

<p><i>Mark E. Jones III</i> Chairman, CEO Brazauro Resources Corporation</p>
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For further information, please contact:

<p>Brazauro Mark Jones, Chairman Ph: 281-579-3400 <a href="mailto:info@brazauroresources.com">info@brazauroresources.com</a> <a href="http://www.brazauroresources.com">www.brazauroresources.com</a></p>
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The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein. Certain statements contained in this press release constitute forward-looking statements which are not historical facts and are made pursuant to the "safe harbour" provisions under the United States Private Securities Litigation Reform Act of 1995. When used in this release, words like "anticipate", "believe", "estimate", "expect", "will", "intend" and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are inherently subject to significant business, economic, political and competitive uncertainties and contingencies. Readers are cautioned that such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual financial results, performance, achievements or position of the parties to be materially different from the estimated or anticipated future results, performance, achievements or position expressed or implied by those forward-looking statements and the forward-looking statements are not guarantees of future results, performance, position or achievements. The risks, uncertainties and other factors include, but are not limited to: changes in the worldwide price of gold or certain other commodities (such as fuel and electricity) and currencies; changes or disruptions in the securities markets; legislative, political or economic developments in the jurisdictions in which the companies carry on business; the occurrence of natural disasters, hostilities, acts of war or terrorism; the need to obtain permits and comply with laws and regulations and other regulatory requirements; the possibility that actual results of work may differ from projections/expectations or may not realize the perceived potential of the company's projects; risks of accidents, equipment breakdowns and labour disputes or other unanticipated difficulties or interruptions; the possibility of cost overruns or unanticipated expenses in development programs; operating or technical difficulties in connection with exploration, mining or development activities; the speculative nature of gold exploration and development, including the risks of diminishing quantities of grades of reserves and resources; and the risks involved in the exploration, development and mining business.

Brazauro disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

