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208 Queens Quay West, Suite 2506, Toronto, Ontario, M5J 2Y5 Phone: (647) 931 9775

## **ZARA ANNOUNCES THREE SIMULTANEOUS TAKEOVER BIDS**

### **OFFERS TO BUY 100% OF VISIBLE GOLD, ALTAI RESOURCES, AND GREENCASTLE RESOURCES**

Toronto, Ontario, August 19, 2013 - Zara Resources Inc. (CNSX: ZRI) ("Zara") is pleased to announce its all share offer (the "Offer") to purchase 100% of the issued share capital of the following companies:

**Visible Gold Mines Inc. (TSXV: VGD)** ("Visible") at a price of \$0.05 per Visible share to be satisfied by the issuance of 0.4167 shares of Zara in exchange for each tendered share of Visible. Based on the most recent trading price of Zara at \$0.12 and of Visible at \$0.015 prior to Zara's recent offer for 19.9% of Visible, that is a **premium of 233%**.

**Greencastle Resources Ltd. (TSXV: VGN)** ("Greencastle") at a price of \$0.14 per Greencastle share to be satisfied by the issuance of 1.1667 shares of Zara in exchange for each tendered share of Greencastle. Based on the most recent trading price of Zara at \$0.12 and of Greencastle at \$0.06 that is a **premium of 133%**.

**Altai Resources Inc. (TSXV: ATI)** ("Altai") at a price of \$0.17 per Altai share to be satisfied by the issuance of 1.4167 shares of Zara in exchange for each tendered share of Altai. Based on the most recent trading price of Zara at \$0.12 and of Altai at \$0.085 that is a **premium of 100%**.

Zara has requested shareholders lists of each of Visible, Greencastle and Altai and will commence the Offer by mailing the Offer and accompanying Take-Over Bid Circular to shareholders as soon as possible.

**Assuming acceptance of the Offer, Zara will have issued and outstanding shares of 191,275,860 and an approximate market cap of \$22,953,000.**

**The enlarged Zara group of companies will have approximately \$13,738,000 in net cash and securities after payment of all current liabilities and a resource**

**development portfolio of gold, nickel-copper, and oil and gas, located in Canada in Quebec, Ontario, British Columbia, Alberta and Saskatchewan, and also in Nevada, USA.**

Danny Wettreich, the CEO of Zara, said “This is a dramatic and innovative simultaneous offer for three public companies, and is designed to offer the shareholders of these companies the opportunity of participating in the creation of a viable natural resource company led by the dynamic, experienced and innovative management team of Zara.

**I expect annual savings of approximately \$1,200,000 by putting these companies together.** Substantial savings will result from the elimination of excessive management fees, duplicated public listing costs, duplicated office and administration costs and other wasteful practices. The enlarged Zara will be lean, efficient, cash rich, asset strong and managed by directors who are sensitive to shareholders best interests.

**Over the last three years, these companies have seen share price declines ranging from 79% to 96%, while the directors of these companies have paid themselves a total of \$2,505,640.** Shareholders of these three companies, which comprise about 3,000 investors, can transform their investment by becoming shareholders of a significant new company with a bright future. **Further, by accepting the Zara Offer shareholders can establish a tax loss on their investment.”**

## **Visible**

On June 10, 2013, Zara announced an offer to accredited investors to purchase up to 19.9% of Visible and press for board and management changes (the “19.9% Offer”). That offer resulted in an increase in the Visible share price of 100% by the time the 19.9% Offer expired on July 25<sup>th</sup>, 2013. Zara is now making a full takeover bid to all Visible shareholders for 100% of the issued shares of Visible at an increased offer price of \$0.05 per share, representing a premium of 233% from the original pre 19.9% Offer price. Those shareholders who accepted the 19.9% Offer will be receiving the increased offer price of \$0.05 per share.

During the last three years the Visible directors, who previous to the 19.9% Offer owned only 1.6% of Visible, have received \$769,585 in fees while their shareholders suffered a share price collapse of 96%. The Visible management have spent over \$12,000,000 of shareholder funds with little result and no commercially viable gold deposit being identified. The directors have stated recently “...*a significantly depressed share price provides the Corporation with few alternatives other than to significantly reduce its exploration activities*’. The Visible Board is out of ideas and the company is dead in the water. Visible shareholders need new management who can maximize the potential of the Visible mineral properties, and this is what accepting the Zara Offer represents.

## **Greencastle**

Since December 2010 when their share price was \$0.39, the shareholders of Greencastle have seen their shares tumble 85% while their directors have enriched themselves with fees in the amount of \$1,146,701. During that time the company has limited its activities to receiving declining oil royalties, and the partial spin off of its gold exploration project. The main business objective of the directors seems to have been to perpetuate their excessive directors fees while doing as little as possible. The shareholders of Greencastle have suffered from inactive, overpriced management whose interests are not aligned with shareholders' interests. Zara is offering a 133% premium over the current share price as well as providing Greencastle shareholders the opportunity to break the stranglehold that the Greencastle directors have over their company. By accepting the Zara Offer, Greencastle shareholders will diversify their investment, replace the management of their company, and enable the Greencastle assets to be used in productive ways.

## **Altai**

At the recent Altai annual meeting the CEO advised the meeting attendees that he was "sick of the mining industry" and was determined to leave the company within one year. Shareholders should accelerate his departure by accepting the Zara offer at a 100% premium over the current share price. The CEO has been a director of Altai for 26 years and has no plans to take the company forward other than to abandon ship. During the 79% share price collapse since July 2010 from \$0.40 to \$0.085, the directors have received \$589,354 in fees. Despite his declared dislike for the mining industry, the CEO fought to retain his position at the recent annual shareholders meeting as a dissident group of shareholders voted 48% to oppose him. All Altai shareholders would be better off by accepting the Zara Offer thereby replacing their inactive and self serving directors, diversifying their investment with a wide range of mineral assets and becoming part of a well managed enlarged company.

## **Reasons why shareholders should accept the Zara Offer**

Zara has demonstrated a dynamic and proactive business plan led by an experienced management team. Since becoming publicly listed in December 2012, Zara has:

- Acquired 100% of Riverbank nickel-copper property from Melkior Resources Inc (TSXV:MKR)
- Acquired 100% of Pigeon River nickel-copper property from Pele Mountain Resources Inc (TSXV:GEM)
- Acquired 100% of Forge Lake gold property from Hudson River Minerals Inc (TSXV:HRM)
- Paid for all these acquisitions by issuing \$1,351,011 of securities of Zara, demonstrating that these unrelated public companies all perceive investing in Zara is attractive for their shareholders

- Made a dividend to Zara shareholders of stock in a new public company owning the Riverbank property
- Appointed a world class geologist to its board of directors who has subscribed for Zara shares in a private placement at \$0.12 per share
- Raised \$200,000 in private placements at \$0.12 per share

All this has been achieved in 8 months by the bold and energetic management of Zara. That should be compared with the appalling record of years of decline and waste by Visible, Greencastle and Altai management, which is reflected in the fact that shareholders of these companies have lost nearly all of their investment. Shareholders of these companies will become part of the enlarged Zara group which will have diversified assets, a strong cash position, and superior management that will maximize available opportunities.

**Some other reasons to accept the Zara Offer are:**

- Significant premium to market price
- Acceptance of the Offer will create a leading small cap natural resources company.
- The enlarged Zara will have cash, minimum administration costs, and extensive exploration expertise.
- Substantial annual savings estimated at \$1,200,000
- Replacement of existing managements
- Opportunity to establish a tax loss
- Zara management has a continuing acquisition strategy
- Enlarged Zara will have exposure to a diversified natural resource portfolio
- Enlarged Zara will have more financial capability to exploit resource properties
- Opportunity to participate in Zara's future activities

**Zara intends to**

- (a) replace the management of Visible, Altai and Greencastle
- (b) make substantial savings by significantly reducing overheads
- (c) eliminate excessive management fees
- (d) eliminate duplicated public listing costs
- (e) eliminate duplicated office and administration costs
- (f) properly utilize the enlarged Zara assets by focusing on the interests of shareholders

**In contrast the shareholders of Visible, Greencastle, and Altai have witnessed...**

- \$2,505,640 in fees being paid to their inactive directors over three years
- A collapse of between 79%-96% in the price of their shares
- Millions of dollars being wasted due to mismanagement
- Excessive directors fees continuing to be paid despite these appalling results

- Almost no communication by these directors with shareholders
- No plans by current managements to revive their companies

Full details of the Offer will be included in the Offer documents that will be published shortly. Zara has established a new website which will have full information on the Offer at [www.ZaraTakeoverBids.com](http://www.ZaraTakeoverBids.com).

All Visible, Greencastle and Altai shareholders are invited to ask questions relating to the Offer by calling Danny Wettreich at (647) 931 9775.

### **About Zara Resources**

Zara is a Toronto based mineral company developing its ForgeLake gold project and its PigeonRiver nickel-copper project in Ontario, Canada. It continues to seek the acquisition of other Canadian natural resource properties.

For more information please see [www.ZaraResourcesInc.com](http://www.ZaraResourcesInc.com) or contact Danny Wettreich at (647) 931 9775 or [dw@zararesourcesinc.com](mailto:dw@zararesourcesinc.com)

**Forward-Looking Information:** This press release may include forward-looking information within the meaning of Canadian securities legislation, concerning the business and trading in the common stock of Zara Resources Inc. The forward-looking information is based on certain key expectations and assumptions made by the company's management. Although the company believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because the company can give no assurance that they will prove to be correct. These forward-looking statements are made as of the date of this press release and the company disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

The CNSX has not reviewed, approved or disapproved the content of this press release