

**VISIBLE GOLD MINES RECOMMENDS THAT SHAREHOLDERS REJECT  
UNSOLICITED “MINI-TENDER OFFER” BY ZARA RESOURCES**

- *Zara offer is opportunistic and under-values Visible Gold Mines*
- *Zara has no significant assets and limited cash, and its stock is illiquid*
- *Zara has no track record of mine development*

**Rouyn-Noranda, Québec, Canada – June 25, 2013 - Visible Gold Mines Inc. (TSXV: VGD) (Frankfurt: 3V4)** recommends that shareholders **NOT** tender their shares in response to the unsolicited mini-tender offer by Zara Resources Inc. (CNSX: ZRI).

The Board of Directors of Visible Gold Mines believes that the Zara offer fails to provide full value for Visible Gold Mines’ assets and shares and is an attempt by Zara to acquire *de facto* control of Visible Gold Mines without offering adequate consideration to Visible Gold Mines shareholders.

“We believe that Zara’s offer is inadequate, opportunistic, coercive and fails to recognize the strategic value of Visible Gold Mines’ assets and our future value-creation potential,” said Martin Dallaire, President, Chief Executive Officer and a director of Visible Gold Mines. Mr. Dallaire added, “The Board of Directors fails to see how the Zara offer serves the interests of Visible Gold Mines shareholders. Zara is in financial difficulty, has no track record of mine development and its stock is illiquid. We see no reason why Visible Gold Mines shareholders should give control of our company to Zara.”

**Reasons why shareholders should NOT tender their shares in response to Zara’s mini-tender offer**

The following are reasons why Visible Gold Mines shareholders should NOT tender their shares in response to Zara’s mini-tender offer:

**➤ Financial Weakness**

- Zara has no significant assets. According to Zara’s interim financial statements for the period ended January 31, 2013, it had only \$99,011 in cash and \$983 in tax receivable. In comparison, Visible Gold Mines had, as of that same date, \$14 million in assets, including \$524,375 in cash and cash equivalents, \$500,000 in marketable securities, \$148,548 in goods and services tax receivable, \$913,925 in tax credits and credits on duties receivable and \$23,340 in prepaid expenses.
- Visible Gold Mines is in a much better financial position than Zara. Shareholders who accept the offer will receive shares of a company (Zara) with virtually no cash.

- The two most recent press releases issued by Zara prior to the announcement of its mini-tender offer for Visible Gold Mines announced settlements of debt for an aggregate amount of \$30,000 through the issuance of Zara shares. On June 24, 2013, Zara again announced another settlement of debt for an amount of \$41,250 through the issuance of Zara shares. This pattern of issuing “shares for debt” is of serious concern, as it demonstrates that Zara lacks adequate working capital.
- Even after a recent private placement of \$100,000 to a new director, Zara has limited working capital. Visible Gold Mines also notes that Zara’s new director subscribed for shares at a price of \$0.12 per share, the current market price for Zara’s shares, and that each share was accompanied by TWO common share purchase warrants, also with an exercise price of \$0.12. This runs contrary to market practice, which is to issue no more than one warrant per share. It is also market practice to set the exercise price for warrants at a premium to current market price. Zara has priced its warrants at current market price (\$0.12). Zara’s private placement to its new director puts into question Zara’s corporate finance practices.
- Zara recently announced a restructuring by way of a plan of arrangement with a wholly-owned subsidiary, Leo Resources Inc., pursuant to which Zara will transfer one of its key properties (the Riverbank nickel-copper project) to Leo and distribute all of Leo’s shares to Zara’s shareholders. Visible Gold Mines caution shareholders who tender their shares to Zara that they will not be entitled to receive Leo shares as the record date for the distribution of the shares was April 4, 2013.

➤ ***Illiquid currency / shares***

- The Zara shares to be issued in exchange for Visible Gold Mines shares will not immediately be freely tradeable as they will be subject to resale restrictions for four months under applicable Canadian securities laws.
- The value of the consideration offered under Zara’s offer is uncertain and entirely dependent on the future value of Zara’s shares. Zara cannot guarantee that its shares will maintain their current trading price of \$0.12 on the Canadian National Stock Exchange (CNSX). Visible Gold Mines shareholders are cautioned that Zara’s shares are speculative in nature.
- Zara’s shares have been listed on CNSX since only December 2012, very little historical trading volume. It may be difficult for Visible Gold Mines shareholders to dispose of Zara shares. **To date in the month of June, only 15,675 Zara shares have traded on CNSX.**
- Zara has stated its intention to transfer listing of Visible Gold Mines from the TSX Venture Exchange to CNSX, which offers less protection to Visible Gold Mines shareholders as it is less regulated.

➤ **No Track Record**

- Zara does not have any history of mine development and most of its directors and all of its officers do not appear to have experience or expertise in mining exploration and development. Rather, the experience of Zara's senior management appears to be primarily with "capital pool companies" and reverse take-overs. There is no reason to believe that Zara or its management will be able to develop Visible Gold Mines' properties or create value for Visible Gold Mines shareholders.

➤ **Discriminatory and Opportunistic Offer**

- The timing of the Zara offer is opportunistic and disadvantageous to Visible Gold Mines shareholders.
- The Zara mini-tender offer fails to adequately compensate Visible Gold Mines shareholders for the strategic value of Visible Gold Mines' assets.
- The purpose of the mini-tender offer is to allow Zara to acquire a substantial position in Visible Gold Mines in order for Zara to exercise *de facto* control or significant influence over Visible Gold Mines, without incurring the cost of purchasing all of the shares of Visible Gold Mines.
- The Zara offer does not reflect an adequate premium for acquiring *de facto* control of Visible Gold Mines.
- Zara's mini-tender offer is made ONLY to "accredited investors" and unfairly discriminates among Visible Gold Mines shareholders. Visible Gold Mines shareholders who are NOT "accredited investors" under applicable Canadian securities laws will NOT have the right to accept the offer. In order for an individual to be an "accredited investor" under Canadian securities laws, the individual must have an annual income of at least \$200,000 in each of the two most recent calendar years (or at least \$300,000 together with the individual's spouse) or financial assets, either alone or with the individual's spouse, having an aggregate realizable value before taxes, but net of any related liabilities of at least \$1 million. Visible Gold Mines believes that this will exclude a substantial number of its shareholders from the mini-tender offer, confirming its discriminatory nature.
- Visible Gold Mines shareholders who deposit their shares to Zara's offer are not entitled to withdraw them, which is a fundamental protection afforded to shareholders under applicable Canadian securities laws.

**Concerns of Securities Authorities Regarding "Mini-Tender Offers"**

Visible Gold Mines cautions its shareholders that mini-tender offers, such as the one made by Zara, circumvent many of the investor protections afforded for take-over bids by applicable Canadian securities laws, including the filing of disclosure and other offer documents with the Canadian Securities Administrators (in particular, a detailed take-over bid circular in French and English) and other required procedures.

The Canadian Securities Administrators have expressed serious concerns about mini-tender offers, such as the one made by Zara. Comments from the CSA on mini-tenders can be found on the Ontario Securities Commission website at: Staff Guidance on the Practice of “Mini-Tenders” or [http://www.osc.gov.on.ca/en/SecuritiesLaw\\_csa\\_19991210\\_61-301.jsp](http://www.osc.gov.on.ca/en/SecuritiesLaw_csa_19991210_61-301.jsp)

The U.S. Securities and Exchange Commission has also published investor tips regarding mini-tender offers on its website at: <http://www.sec.gov/investor/pubs/minitend.htm>

Visible Gold Mines does not endorse Zara’s unsolicited mini-tender offer and is in no way associated with Zara, its mini-tender offer or the offer documentation.

### **About Visible Gold Mines**

Visible Gold Mines Inc. is a dynamic company aggressively searching for the next important gold deposit in northwestern Québec, an area consistently ranked as one of the world’s best jurisdictions for mining and exploration.

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of the release.*

For further information, please contact:  
Martin Dallaire, President and Chief Executive Officer  
Telephone: 819-762-0609, Fax: 819-762-0097  
E-mail: [mdallaire@visiblegoldmines.com](mailto:mdallaire@visiblegoldmines.com)  
Website: [www.visiblegoldmines.com](http://www.visiblegoldmines.com)