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TAKARA ANNOUNCES CASTLE PROPERTY 3-D MODEL COBALT MINERALIZATION

January 12, 2016 – Takara Resources Inc. ("Takara" or the "Company") (TSX.V: TKK) is pleased to announce the development of a 3-D model of the underground workings of the Castle Silver mine as based on historical records including previous mine workings to a depth of 850 feet (259.08 metres) in the No. 3 shaft. The company will begin the process of evaluating the analytical data to define the potential for residual recovery of silver – cobalt mineralization.

The Company has already developed access to the underground workings through an existing historic adit at the 70-foot (21.34 m) level, one of 11 levels in the No. 3 shaft. A mine closure plan has been completed including the required final assurance deposit. The Company also has a fully integrated exploration office located on the Castle Silver mine site property. One of the current objectives is to systematically review the potential for producing Cobalt concentrate with the end goal of developing a product suitable for the Lithium-ion battery market.

Cobalt is a widely used metal often produced as a by-product of mining operations focused on copper, nickel and other metals. There are only a few dedicated cobalt mines globally and in light of the positive demand forecast for this critical metal, an opportunity exists with the Castle property to vigorously pursue the potential cobalt mineralization in addition to the high-grade silver mineralization. Cobalt is used in environmentally friendly Cobalt-Lithium battery production and is also defined as a strategic metal by many countries such as the US and China which means inventories are mandated to be available and on hand for national defence purposes.

The supply side of cobalt is tenuous with much of the current dedicated mine world supply coming from politically unstable jurisdictions in Africa with the remainder produced as a by-product of mining other metals now showing declining production due to the slump in commodity prices.

The demand for Cobalt is increasing and is projected to continue largely due to the expanding Lithium-Cobalt battery market. Cobalt prices firmed year end 2015 as recorded on the London Metals Exchange rising 7% from the last week of November 2015 through to December 24th 2015 going from \$US 23,000 per tonne to over \$US 24,600 per tonne.

With roughly 300,000 pounds of cobalt having been produced and sold in the early 20th Century from the Castle Silver property (43-101 Technical Report, August 21, 2015 effective date July 9, 2015 Takara Resources Inc.), it is management's view that on top of the high-grade silver potential, a viable cobalt-mining scenario is potentially in play.

The geopolitical landscape and trends seen today are expected to accelerate in the coming years. The recently held Climate Summit in Paris, France called for unified, tough, actionable steps related to carbon emissions, which supports the case for clean energy alternatives well into the future. Although early stage, given the significant past production numbers and current market trends, the Cobalt mineralization known to exist on the Castle property is very encouraging to Takara Resources.

Recent drill hole CA11-08 returned a stellar 3.09m (10.138 feet) grading 6,476 g/t Ag (188.80 oz/ton Ag) and 0.14% Co from 563.54 to 566.63m including a 0.45m (1.476 feet) intersection of 40,944 g/t Ag (1193.70 oz/ton Ag) and 0.91% Co in a calcite-Co-Ag vein (not true width). (43-101 Technical Report, August 21, 2015 effective date July 9, 2015 Takara Resources Inc.)

Gold Bullion's NQ drill program and drill core sampling, including the quality assurance/quality control program, were supervised by D. Robinson, P. Eng. and project geologist. Core from this drill campaign was sent to Accurassay Laboratory in Timmins, Ontario, for sample preparation and to their Thunder Bay laboratory for analysis. Silver was assayed by fire assay with AA check with additional pulp and metallics analysis done on samples where significant silver was identified. Analytical accuracy and precision are monitored by the analysis of reagent blanks and reference materials at the lab. Quality control is further assured by the insertion of blind certified standard reference material and blanks into the sample stream at regular intervals by the geologist on site in order to independently assess analytical accuracy (August 25, 2011, Gold Bullion Development Corp.)

Once capital is secured, a drill program will focus on determining the extent and degree of both cobalt and silver mineralization. Further details on cobalt at the Castle property can be accessed in the NI-43-101 Technical Report with effective date of July 9, 2015 available on both SEDAR and on the Takara website at the bottom of the homepage at <http://www.takararesources.com>

"Frank J. Basa"

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About Takara Resources

Takara Resources Inc. is a TSX Venture-listed junior natural resource company focusing on the exploration and development of its high-grade Castle Silver Mine in Gowganda, Ontario. Additional information on the Company's properties is available by visiting the website at Takararesources.com and on SEDAR.com.

Qualified Person

The technical information in this news release was prepared under the supervision of Mr. Frank J. Basa, P. Eng., Takara's President and CEO, who is a member of the Ontario Association of Professional Engineers and a "Qualified Person" in accordance with National Instrument 43-101.

Statement Regarding Forward Looking Information

Certain information contained in this news release, including any information relating to the proposed transaction and Takara's future financial or operating performance may be deemed "forward-looking". These statements relate to future events or future performance and reflect Takara's expectations regarding the transaction, and the future growth, results of exploration, business prospects and opportunities of Takara. These forward-looking statements are subject to a variety of risks and uncertainties that are identified and disclosed. Although Takara believes that the forward-looking information contained in this news release are based on reasonable assumptions, readers cannot be assured that actual results will be consistent with such statements. Accordingly, readers are cautioned against placing undue reliance on forward-looking information. Takara expressly disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, events or otherwise, except in accordance with applicable securities laws.

The TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.