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PRESS RELEASE

**PRELIMINARY PROSPECTING RIGHTS RECEIVED FOR SOUTH AFRICA COAL
PROPERTIES**

July 3, 2008: Takara Resources Inc. (TSX:V-TKK) ("**Takara**") announces that the South African Department of Minerals and Energy has advised that it has accepted for further consideration, Takara's applications for Prospecting Rights on 5 of the 26 properties prospective for coal, all of which are located in a region that is active in coal exploration and production (See press release dated May 21, 2008).

Takara has therefore provided written notice of its election to proceed with the next step in the application process on these 5 properties, as mandated by the South African Department of Minerals and Energy. This includes, but is not limited to, the preparation and submission of an environmental management plan, the submission of amended prospecting work programs, evidence of compliance with the country's black economic empowerment regime, and consultations with affected third parties – all of which are regular course of items of business and which must be completed on or before August 4, 2008.

The application process in South Africa is competitive, and accordingly, there is no assurance that Takara will be granted any of the Prospecting Rights applied for. The Department of Minerals and Energy confirmed that prospecting licences had been previously granted to third parties on 21 of the 26 properties comprising Takara's original applications, and accordingly, did not qualify for acquisition by Takara. In the event that Takara Resources is awarded any of the rights applied for in respect of the 5 properties currently being processed and evaluated by the Department of Minerals and Energy, it shall hold an indirect 50% interest in the permits through a private subsidiary company that is held 50% by Takara and 50% by Aphrodeities Mining (Pty) Limited, a private arms-length South African company engaged in mineral exploration that qualifies as a black economic empowerment company.

In 2007 Takara and Aphrodeities Mining formed a strategic alliance for the purpose of jointly identifying and acquiring mineral rights in South Africa and in the Southern African countries, particularly for coal exploration.

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