

Form 51-102F3
MATERIAL CHANGE REPORT

1. Name and address of the Company.

Zara Resources Inc. (the "Company")
208 Queens Quay West, Suite 2506
Toronto, Ontario M5J2Y5

2. Date of Material Change

October 17, 2014

3. News Release.

A press release disclosing the material change was released on October 17, 2014 disclosed through the facilities of Newsfile Corp.

4. Summary of Material Change.

The material change is fully described in the Company's press release which is attached as Schedule "A" and is incorporated herein.

5. Full Description of Material Change.

The material change is fully described in the Company's press release which is attached as Schedule "A" and is incorporated herein.

6. Reliance on subsection 7.1 (2) or (3) of National Instrument 51-102.

The report is not being filed on a confidential basis.

7. Omitted Information.

No significant facts have been omitted from this Material Change Report.

8. Executive Officer.

For further information, contact Daniel Wettreich. CEO at (647) 931 9775.

9. Date of Report

This report is dated at Toronto, this 17th day of October 2014

ZARA RESOURCES INC.

Per: "Daniel Wettreich" (signed)
Daniel Wettreich, Chief Executive Officer

SCHEDULE A

This news release is not for distribution or dissemination in the United States of America



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

ZARA TERMINATES LETTER OF INTENT

Toronto, Ontario, October 17, 2014 – Zara Resources Inc (CSE: ZRI) (“Zara” or “the Company”) announces that it has terminated the Letter of Intent for the proposed purchase of recreational marine assets.

Originally signed on May 30, 2014 and amended on June 17, 2014, the proposed transaction as set out in the Letter of Intent required Chivas Land Limited (“Chivas”) to raise \$350,000 in a private placement of Zara shares at \$0.05 per share, however Chivas has not met its obligations in that regard. The mineral assets of Zara which were proposed to be spun out to Zara shareholders will now be retained by Zara. The Zara directors continue to seek opportunities to add value to the Company’s activities.

In an unrelated transaction, 5,715,780 common shares of Zara have been cancelled pursuant to that certain Mining Claim Assignment Agreement dated April 16, 2013 between the Company and Hudson River Minerals Ltd (“Hudson”) due to Hudson failing to distribute the 5,715,780 Zara shares to Hudson shareholders within the required time frame. The number of issued and outstanding shares of Zara are now 32,618,600.

About Zara Resources

Zara is a Toronto, Ontario-based mineral company exploring its Forge Lake gold project and its Pigeon River nickel-copper project in Ontario, Canada. For further information please visit our website at www.ZaraResourcesInc.com.

For further information:

Danny Wettreich,

Chairman & CEO

Zara Resources Inc.

Email: dw@zararesourcesinc.com

647-931-9775

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