

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 NOT TO PROCEED WITH PLANS FOR NATURAL RESOURCES INVESTMENT COMPANY

Toronto, Ontario, January 11, 2016 – Zara Resources Inc (CSE: ZRI) (“Zara” or the “Company”) announces that, further to the press release made on September 14, 2015, it will not proceed with its plans to seek shareholder approval to change its business to a natural resources investment company, seek a dual listing on the London AIM Market, raise GBP 4 Million (or approximately CAD\$8.2 Million) in a private placement in London, and change its management and its corporate name to SmallCap Resource Investments Inc.

“The depressed market conditions for publicly listed Canadian natural resource companies has resulted in our inability to attract sufficient investor interest to carry out our plans. We will continue to seek out opportunities to enhance our shareholders value,” said Danny Wettreich, CEO of Zara.

About Zara Resources

Zara is a Toronto based mineral exploration company and owns the Forge Lake gold project in Ontario, Canada.

For more information please see www.ZaraResourcesInc.com or contact Danny Wettreich at (647) 931 9775 or 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 CSE has not reviewed, approved or disapproved the content of this press release