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ZARA'S PROPOSED ACQUISITION FOX MAGNUM AUTOMOTIVE SIGNS \$3.7M SOUTH KOREAN MANUFACTURING AND DISTRIBUTION AGREEMENT

Toronto, Ontario, June 14, 2017- Zara Resources Inc. (CSE: ZRI) ("Zara" or the "Company") announces that, following on from the previously announced acquisition agreement ("Acquisition Agreement") by Zara of the Fox Magnum Automotive group ("Fox Magnum"), an exclusive South Korean manufacturing and distribution agreement has been signed by Fox Magnum. A South Korean investment group has agreed to pay Fox Magnum approximately CAD\$3,700,000 for certain electric car manufacturing equipment as well as the exclusive manufacturing and distribution rights for South Korea. The South Korea facility will manufacture and distribute the Fox Magnum electric car range, comprising three different models, and will be operational in a few months. The South Korean electric car facility will be capable of producing 12,000 electric cars per year, or approximately CAD\$200,000,000 in annual revenue.

Fox Magnum is a group of European companies in the electric automotive industry, with interests in electric car manufacturing, fuel cell kits, and electric automotive intellectual property and patents. Fox Magnum is in the process of expanding its European electric car manufacturing capabilities to satisfy its order backlog of approximately CAD\$40,000,000.

Zara has advised Fox Magnum that, as a result of the signing of the South Korean agreement, the financial requirement set out in the Acquisition Agreement of a minimum of CAD\$3,000,000 Fox Magnum funding prior to closing has now been met. Fox Magnum is in discussions with other interested investors about additional funding.

Zara continues its due diligence process with regard to the Fox Magnum acquisition, which is subject to approval by Zara shareholders and regulatory authorities, among other things. There is no guarantee that the acquisition will close.

About Zara Resources

Zara is a Toronto based mineral company publicly listed on the Canadian Securities Exchange. Zara has signed a definitive agreement for the acquisition by Zara of all the issued share capital of Fox Automotive Switzerland AG, Magnum Pirex AG and its subsidiary Magnum Courb SAS ("Fox Magnum") for the sum of CAD\$126,000,000 payable by the issuance by Zara of 85,000,000 new common shares at a deemed price of CAD\$1.48235 per share. For further information contact Danny Wettreich at (647) 931 9768 or dw@zararesourcesinc.com or see www.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.

Neither the Canadian Securities Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.

