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**ZARA AMENDS DEFINITIVE AGREEMENT TO ACQUIRE ELECTRIC CAR BUSINESS  
AND SIGNS LETTER OF INTENT TO ACQUIRE BATTERY BUSINESS**

Toronto, Ontario, September 19, 2017- Zara Resources Inc. (CSE: ZRI) ("Zara" or the "Company") announces that, following due diligence discussions, it has amended the terms of its proposed acquisition of the Fox Magnum electric car business. Zara will proceed with the acquisition by Zara of all the issued share capital of Fox Automotive Switzerland AG ("Fox"). It will not proceed with the acquisition of Magnum Pirex AG and its subsidiary Magnum Courb SAS.

By the terms of the Amended Definitive Agreement, Zara will acquire all the issued share capital of Fox Magnum for the sum of CAD\$91,557,738 payable by the issuance by Zara of 61,765,263 new common shares at a deemed price of CAD\$1.48235 per share. Closing of the Amended Definitive Agreement will be subject to a number of conditions, including but not limited to approval by Zara shareholders at a shareholders meeting, completion of due diligence procedures, and compliance with any required governmental and securities regulations and CSE listing requirements. There is no guarantee that the Fox transaction, will be completed.

Fox is a Swiss company in the electric automotive industry, with interests in electric car manufacturing, electric automotive intellectual property and patents. Fox has an order backlog for its electric cars of approximately CAD\$40,000,000.

Further, Fox has signed an agreement with the South Korean company that owns the exclusive South Korean manufacturing and distribution rights for the Fox electric car range, to also become the manufacturing facility for European electric cars. Fox is of the belief that the European electric car order backlog will be processed faster and at a lower cost following this new arrangement.

Zara now intends to proceed with the acquisition of Fox in an expeditious manner, and will make further announcements in that regard.

Separately, Zara has signed a Letter of Intent (the "LOI") which defines the essential terms under which the parties, subsequent to and conditional upon the closing of the acquisition of Fox, intend to enter into a definitive agreement for the acquisition by Zara of all the issued share capital of Magnum Korea Ltd ("Magnum Korea") for the sum of CAD\$53,364,600 payable by the issuance by Zara of 36,000,000 new shares of Zara at a deemed price of CAD\$1.48235 per share.

Magnum Korea is a South Korea company manufacturing electric carts and batteries with a revenue for the year ended December 31, 2016 of approximately CAD\$21,000,000.

Subsequent to closing of the acquisition by Zara of Fox, and subsequent to closing of the proposed acquisition by Zara of Magnum Korea, it is anticipated that there will be 108,270,749 common shares of Zara issued and outstanding. The previous shareholders of Magnum Korea will own 33.27% of the enlarged issued share capital of Zara. Closing of the Magnum Korea transaction will be subject to a number of conditions, including but not limited to approval by Zara shareholders at a shareholders meeting, completion of due diligence procedures,

and compliance with any required governmental and securities regulations and CSE listing requirements. There is no guarantee that the Magnum Korea transaction will be completed.

### **About Zara Resources**

Zara is a Toronto based mineral company publicly listed on the Canadian Securities Exchange. For further information contact Danny Wettreich at (647) 931 9768 or [dw@zararesourcesinc.com](mailto:dw@zararesourcesinc.com) or see [www.ZaraResourcesInc.com](http://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.

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