

## News Release

### Update for the Bifox Phosphate Project in Chile

February 18, 2020 (TSX Venture: LRA) - Lara Exploration Ltd. (“Lara” or the “Company”), is pleased to report that Bifox Ltd. (“Bifox”; previously known as Phillips River Mining Ltd.), has advised the Company that it has now completed agreements with the Chilean Government (through the Consejo de Defensa del Estado) to settle outstanding environmental infractions and fines incurred by the vendors and lift the embargo on mining and processing at the Bifox Phosphate Project, located near the town of Copiapó, in Atacama desert of northern Chile.

Bifox has also begun the application process with the Servicio Nacional de Geología y Minería (“Sernageomin”) to reinstate its operating permits and restart mining. In Q1-2020 Bifox plans to start processing existing stockpiles of phosphate rock and complete further plant upgrades, then once permits are in place, resume mining and production at an initial rate of 5,000 tonnes per month, ramping up over time to 20,000 tonnes per month.

In 2019 Bifox completed further exploration, including a seismic survey that has confirmed the extension of the phosphate rock beds within the Bifox mining license and into the adjacent KI exploration area. Further work including trenching and drilling is planned for 2020 to define JORC compliant reserves and resources.

On the marketing side, Bifox phosphate rock has been undergoing field trials at the University of Lujan in Argentina, to measure its efficiency under various conditions of unfertilised and partially fertilised soil and tested against competitors’ product. The Bifox phosphate rock tested higher than most across a range of measures and not less than or equal on the balance. The testing also confirmed the chemical reactivity of Bifox phosphate rock is conducive to production of both triple superphosphate (TSP) and single superphosphate (SSP). The Company has followed up on the Argentinian field tests by retaining the Florida Industrial and Phosphate Research Institute to test and confirm the process for conversion of Bifox phosphate rock into SSP and trials to produce a specialty product: Partially Acidulated Phosphate Rock (PAPR). The testing is expected to also provide capital cost estimates for the SSP and PAPR plants.

Bifox is currently completing a pre-IPO financing and continues to work towards an IPO with a preferred lead manager as phosphate production and sales revenue emerge. Lara is owed an expense reimbursement of US\$570,000 payable at listing, owns roughly 14% of the shares of Bifox and will receive a 2% royalty once production exceeds 50,000 per annum.

#### About Lara

Lara is an exploration company following the Prospect Generator business model, which aims to minimize shareholder dilution and financial risk by generating prospects and exploring them in joint

ventures funded by partners. The Company currently holds a diverse portfolio of prospects, deposits and royalties in Brazil, Peru and Chile. Lara's common shares trade on the TSX Venture Exchange under the symbol "LRA".

Michael Bennell, Lara's Vice President Exploration and a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM), is a Qualified Person as defined by National Instrument 43-101 *Standards of Disclosure for Mineral Projects* and has approved the technical disclosure and verified the technical information in this news release.

For further information on Lara Exploration Ltd. please consult our website [www.laraexploration.com](http://www.laraexploration.com), or contact Chris MacIntyre, VP Corporate Development, at +1 416 703 0010.

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