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TSX-Venture: LRA

News Release

Positive Preliminary Metallurgical Test Work for the Planalto Project in Brazil

April 28, 2021 (TSX Venture: LRA) - Lara Exploration Ltd. ("Lara"), is pleased to report on preliminary metallurgical test work carried out by Blue Coast Research Ltd ("Blue Coast") of Parksville, British Columbia, Canada, on composite samples from across and down through the copper mineralized zone at the Homestead target of the Company's Planalto Copper Project, located in the Carajás region of northern Brazil. The key results are:

- Flotation rougher and cleaner test work has shown that it is possible to achieve a commercial quality copper concentrate, grading 30-33% copper, with recoveries of 85-87%, after a regrind of the rougher concentrate product to 20 microns.

- A locked-cycle test conducted on a master composite with a primary grind of 75 microns achieved a copper recovery of 90% to a final concentrate grade of 29% copper, with very low contents of deleterious elements and halides such as arsenic, antimony, mercury, chlorine and fluorine.

- The test work indicated that a commercial quality chalcopyrite copper concentrate could be achieved using a simple flow sheet with the readily available collector and frothing agents after a primary grind of nominal P80 at 75 microns and a regrind of the flotation concentrate of P80 at 20 microns.

Preliminary metallurgical test work was undertaken on bulk sample composites from the Homestead mineralized zone, comprising approximately 139kg of quartered NQ-size drill core samples, selected from across and down through the disseminated and vein-hosted chalcopyrite mineralized zone. Eighty-one individual drill core samples, ranging from 1m to 2.5m interval length, representing the original half core sample intervals analyzed for copper, were assembled into four bulk samples by Blue Coast: one master composite (PL-3 MC) for the entire deposit and three elevation composites representing the upper (PL-3 U), middle (PL-3 M) and lower (PL-3 L) levels of the mineralized zone. The lower level of mineralization represented in the sample is from approximately 110-170m vertical below the surface. The calculated weighted copper and gold grades for this selection were 0.47% Cu and 0.052 g/t Au, respectively based on the original half core assays. All the samples were of fresh rock, with no material from the weathered zone (near surface to 5-25m depth) included in the tested composites. The average grades for the head samples generated by Blue Coast for each of the four composites are summarised in the following table:

Composite	Approximate vertical depth below surface (m)	Cu %	Fe %	S %	Au g/t
PL-3MC	20 -170	0.51	7.50	0.57	0.04
PL-3U	20 – 80	0.50	8.67	0.54	-
PL-3 M	80 – 110	0.46	7.38	0.52	-
PL-3 L	110 – 170	0.58	7.33	0.70	-

The test work conducted by Blue Coast included studies on chalcopyrite liberation, rougher and cleaner flotation and comminution, QEMSCAN mineralogy studies and some trialing of gravity concentration on the final copper concentrate to see if a commercial grade gold-copper concentrate could be attained.

Mineralogical analysis showed chalcopyrite liberation to be 71-73 % at 80% passing 75 microns, whereas with the coarser grind of 106 microns, the liberation was only 55%. A portion of the chalcopyrite has been shown to occur as fine-grained disseminations enclosed in silicate minerals and as such not readily liberated. A total of eight flotation tests were trialed, using different primary grind sizes and different frothing and collector agents to determine the best flow sheet to achieve an optimum copper grade and recoveries into the rougher concentrate. Copper flotation recoveries into the initial cleaner concentrates were found to be low (as low as only 13% Cu), so further testing at the cleaner stage incorporated a regrind step on the rougher concentrate to attain a cleaner flotation concentrate at a commercial copper grade.

Rougher flotation test work indicated that it is possible to attain copper recoveries up to 93% at the nominal primary grind of P80 passing 75 microns. With regrinding of the rougher flotation concentrate, to a nominal P80 of 20 microns, it was possible to obtain cleaner flotation copper concentrates with copper grades between 30-33% copper. The best results of copper recovery were achieved using a simple flow sheet using the readily available collector and frothing agents. Similar results were attained for the three elevation composites indicating a relative uniformity of the mineralization throughout the deposit as was also indicated by the QEMSCAN mineralogy studies on the elevation composites.

One Locked-cycle Test conducted on a sample of the master composite using a primary grind of 75 microns and several stages of regrind achieved a final copper concentrate of 28.9% Cu with an overall recovery of 90% of the copper. The gold and silver contents of the final concentrate are relatively low at 1.79 g/t Au and 27 g/t Ag, respectively. Chemical analyses for deleterious elements and halides in the concentrate showed only low levels of all commonly encountered penalty elements, such as arsenic, antimony, mercury, chlorine and fluorine.

Comminution testing, using a closing screen size of 106 microns for all three elevation samples, has the ore classified as hard, with a Bond Ball Work index average of 19 kWh/tonne metric with a range between 18.5 for the lower level to 20.5 for the middle level composites.

The QEMSCAN mineralogy on a representative sample of the master composite showed the dominant sulphide mineral of interest to be chalcopyrite (1.54 vol %) with only minor presence of pyrite (0.19 vol

%). Minor traces of galena, sphalerite and molybdenite were reported. The main gangue minerals are quartz (20%), chlorite (19%), feldspar (18.5%), phlogopite-biotite (10%), feldspathoids (5-6%) and muscovite (5%). Minor calcite and fluorite were recorded.

Trialing of gravity testing on the final concentrate indicated the possibility of producing a separate gold-copper concentrate with over 100g/t Au but more testing is required to determine if this would be a commercially viable option.

Sampling methodology, Chain of Custody, Quality Assurance and Quality Control

The sample collection and dispatch to Belem (Pará State) of the bulk sample was carried out by and under the supervision of the Company's Vice-President Exploration. The sample was air freighted by an international carrier from Belem to Canada. Sample intervals for the individual drill core samples making up the bulk sample varied between 1.0m and 2.5m and were contiguous with the sampling intervals used during the earlier half core drill hole sampling used to determine the composite copper grades for each of the drill holes.

About the Planalto Project

The Planalto Copper Project covers meta-volcano-sedimentary sequences and intrusives of early Proterozoic-age with IOCG-type mineralization, located near Vale's Sossego copper mine and Oz Minerals Antas and Pedra Branca copper mines, in the Carajás Mineral Province of northern Brazil. Lara has a staged earn-in agreement with Capstone Mining Corp., (see Company news release of February 4, 2019 for details), whereby Capstone can earn up to a 70% in the Project by funding exploration, feasibility studies and electing to finance, build and manage a commercial mining operation, with Lara repaying its pro-rata share of the production financing out of cash flow.

About Lara Exploration

Lara is an exploration company following the Prospect and Royalty Generator business model, which aims to minimize shareholder dilution and financial risk by generating prospects and exploring them in joint ventures funded by partners, retaining a minority interest and or a royalty. The Company currently holds a diverse portfolio of prospects, deposits and royalties in Brazil and Peru. 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, or contact Chris MacIntyre, VP Corporate Development, at +1 416 703 0010.