

News Release

Follow-up Drilling Results from the Planalto Copper Project in Brazil

July 23, 2019 (TSX Venture: LRA) - Lara Exploration Ltd. (“Lara” or “the Company”), is pleased to report drilling results from the Homestead Target at its Planalto Copper Project (“the Project”), located in the Carajás Mineral Province of northern Brazil. Copper-gold mineralization is now recognised to underlie an area with dimensions of more than 350m north-south and 350m east-west and is open down dip to the west of the drill grid.

This recently completed 15-hole diamond drilling program at Homestead (Holes 19-001 to 19-015, for a total of 2,773.55m) comprised primarily infill drilling of the shallower part of the target to fulfill a filing deadline with the National Agency of Mining (ANM). However, a number of the holes also tested north, and south lateral extensions of the significant copper mineralization previously reported from the scout drill program of 2017 and 2018 (see Company releases of April 24, 2018 and June 19, 2018 for details). A further three scout holes (Holes 19-016 to 19-018, for a total of 309.25m) were drilled to test an anomalous copper in soil anomaly just to the south of the main Homestead target, known as the Silica Cap target and likewise returned promising zones of copper mineralization. Results of these 18 drill holes are summarized in the table below.

Hole	E-UTM	N-UTM	From (m)	To (m)	Width (m)	Cu (%)	Au (ppb)	Cu-Eq (%)
19-001	636748	9294951	1.80	139.80	138.00	0.31	27	0.33
including			22.25	30.15	7.90	0.41	20	0.42
and			50.09	52.05	1.96	0.67	25	0.69
and			62.00	111.95	49.95	0.46	46	0.49
and			117.90	119.90	2.00	0.36	37	0.39
and			121.85	131.80	9.95	0.53	6	0.53
19-002	636899	9294950	0.00	143.45	143.45	0.35	48	0.38
including			2.60	21.10	18.50	0.43	18	0.44
and			30.55	32.55	2.00	0.30	52	0.33
and			35.50	37.50	2.00	0.37	59	0.41
and			41.52	61.50	19.98	0.33	89	0.39
and			69.50	103.45	33.95	0.67	82	0.72
and			111.50	117.45	5.95	0.37	48	0.40
and			133.50	135.50	2.00	0.33	17	0.34
19-003	636799	9294998	0.00	165.45	165.45	0.32	30	0.34
including			2.67	5.13	2.46	0.46	32	0.48

and			11.10	14.14	3.04	0.47	35	0.49
and			25.15	33.20	8.05	0.33	22	0.34
and			37.24	44.53	7.29	0.75	43	0.78
and			51.47	57.48	6.01	0.40	40	0.42
and			65.48	82.41	16.93	0.63	46	0.66
and			88.46	102.53	14.07	0.40	85	0.46
and			122.47	138.56	16.09	0.41	30	0.43
and			146.57	148.58	2.01	0.30	25	0.31
19-004	636900	9295050	0.00	122.0	122.00	0.27	26	0.28
including			2.00	16.00	14.00	0.53	24	0.54
and			88.00	94.00	6.00	0.41	40	0.43
and			104.00	118.00	14.00	0.52	51	0.55
19-005	636900	9294900	0.00	95.95	95.95	0.36	41	0.39
including			5.25	29.50	24.25	0.42	31	0.44
and			40.00	48.00	8.00	0.42	26	0.44
and			58.00	80.00	22.00	0.57	76	0.62
19-006	636748	9295146	3.50	170.00	166.50	0.34	30	0.34
including			10.20	22.00	11.80	0.53	16	0.54
and			72.00	100.00	28.00	0.56	41	0.59
and			106.00	110.00	4.00	0.59	221	0.60
and			118.00	154.00	36.00	0.48	46	0.51
19-007	636950	9294850	0.00	104.00	104.00	0.28	53	0.31
including			4.30	25.00	21.70	0.48	45	0.51
and			74.00	96.00	22.00	0.43	106	0.50
19-008	636700	9295100	0.00	206.00	206.00	0.37	32	0.39
including			26.00	33.00	7.00	0.35	21	0.36
and			56.00	60.00	4.00	0.52	39	0.54
and			70.00	76.00	6.00	0.35	38	0.37
and			86.00	94.00	8.00	0.80	24	0.81
and			116.00	172.00	56.00	0.57	42	0.60
and			180.00	194.00	14.00	1.03	112	1.11
and			212.00	220.00	8.00	0.13	66	
and			244.00	252.00	8.00	0.18	11	
19-009	636900	9295100	0.00	130.00	130.00	0.19	26	
including			58.00	76.00	18.00	0.43	66	0.47
and			92.00	96.00	4.00	0.40	23	0.41
and			106.00	110.00	4.00	0.34	18	0.35
19-010	637000	9295050	0.00	96.00	96.00	0.34	43	0.37
including			3.35	24.00	20.65	0.34	43	0.37
and			64.00	70.00	6.00	0.33	24	0.34
and			74.00	78.00	4.00	0.30	28	0.32
19-011	637000	9295100	0.00	172.00	172.00	0.33	28	0.35
including			3.00	22.00	19.00	0.37	19	0.38

and			48.00	52.00	4.00	0.50	69	0.55
and			68.00	78.00	10.00	0.36	12	0.36
and			86.00	112.00	26.00	0.36	17	0.37
and			122.00	140.00	18.00	0.97	07	0.97
and			158.00	162.00	4.00	0.45	36	0.47
and			168.00	172.00	4.00	0.30	06	0.30
19-012	636900	9295150	0.00	138.80	138.80	0.26	21	0.27
including			24.00	28.80	4.80	0.33	37	0.35
and			59.50	89.58	30.08	0.42	41	0.44
and			100.00	118.00	18.00	0.38	39	0.40
19-013	636700	9295200	40.00	171.30	131.70	0.34	29	0.36
including			50.00	56.00	6.00	0.36	36	0.38
and			92.00	98.00	6.00	0.42	45	0.45
and			116.00	138.00	22.00	0.58	49	0.61
and			148.00	171.30	23.30	0.60	42	0.62
19-014	637000	9295200	10.00	132.00	122.00	0.23	20	0.24
including			34.00	52.00	18.00	0.35	38	0.35
and			76.00	80.00	4.00	0.36	30	0.38
and			86.00	106.00	20.00	0.41	29	0.43
and			126.00	132.00	6.00	0.32	10	0.32
19-015	637050	9294950	0.00	72.36	72.36	0.23	30	0.25
including			38.00	42.00	4.00	0.87	09	0.93
19-016	637612	9294263	10.00	20.00	10.00	0.21	10	0.21
and			48.00	62.00	14.00	0.27	36	0.29
including			56.00	60.00	4.00	0.49	37	0.51
and			94.00	107.15	13.15	0.28	<5	0.28
including			104.00	107.15	3.15	0.43	<5	0.43
and			123.00	139.40	16.40	0.16	9	
19-017	637407	9294503	3.15	9.90	6.75	0.54	<5	0.54
19-018	637475	9294560	26.00	57.25	31.25	0.57	96	0.63
including			32.17	48.00	15.83	0.94	185	1.07

Copper equivalent values in the table above were calculated using a copper price of US\$2.66/lb and a gold price at US\$1,300/oz. The intervals reported are down-hole composited at greater than 2m in length, at a 0.3% Cu cut-off and with no more than 4m of internal lower grade intervals.

At the Homestead target the holes were drilled on east-west-oriented sections at 50m spacings for up to 200m to the north, and 150m to the South of the drill section of the earlier holes 18-002 and 18-003. The holes were mostly inclined to the east at 100m spacings on the drill sections.

Mineralization is now recognised to underlie an area with dimensions of more than 350m north-south and 350m east-west and is open down dip to the west of the drill grid. The mineralization is also open to the east in the northeast part of the drill grid albeit at slightly lower copper grades (0.3 to 0.5% Cu). The overall shape of the mineralization is interpreted as that of a west-tilted inverted saucer-shaped body of vertically stacked zones. Modelling copper zones at a 0.3% Cu cut-off indicates a set of vertically stacked

zones with individual zones of mineralization from a few meters to as much as 110m in thickness. The primary copper mineralization is partially outcropping in the creek bed in the northern part of the drill grid but is generally covered by a soil and saprolite zone that varies between 5m and 40m depth. Drilling shows that the base of the copper mineralization is at approximately 100m vertically below the surface in the eastern part of the drill grid but is extending deeper in the west down the dip direction. The deepest intersection to date is at 160m vertical in hole 19-008.

The lowest zone is best developed in terms of thickness and copper grade and appears to show good lateral continuity. The western-most holes of this program on each of the drill sections all show wide zones of mineralization open to the West in the order of 50m to approximately 80m thick and with the copper grades between 0.46% and 0.61% Cu (Drill holes 19-001: 49.95 m @ 0.46% Cu; 19-008: 78 m @ 0.61% Cu; 19-006: 82 m @ 0.47% Cu and 19-013: 55.3 m @ 0.51% Cu).

Interpretation of the drill data in the southern part of the drill grid suggests the presence of a monoclinical structure with 2 to 3 stacked continuous copper zones dipping shallowly to the west, whereas in the northern part of the grid, the data is suggestive that these zones form a broad antiform-like structure which is draped over a north-south trending zone of intense silica-potassium-feldspar-albite alteration of mafic rock protoliths. The copper-gold mineralization is hosted by pervasively altered mafic volcanics and gabbroic intrusives. Porphyritic andesite, alkaline granite and pegmatites form narrow sills or dykes from a few centimeters to as much as 30m thick that cut the mafic rocks. The andesite shows locally intense brittle fracturing and is mineralized albeit at lower copper grades than in the mafic rocks.

The main alteration minerals are potassium-feldspar, albite, magnetite, biotite, chlorite, calcite, epidote and quartz. The main zones of copper mineralization are mostly associated with intensely chloritized altered mafic rocks. Chalcopyrite is the only copper mineral identified and occurs as disseminations or in veins and veinlets, stockworks and breccias with chlorite-epidote, carbonate, quartz and potassium-feldspar-magnetite, with trace pyrite at the periphery of the system.

The Company completed and filed a Final Exploration Report (“RFP”) with the ANM at the end of May and once this has been approved, plans geophysical surveys and additional step-out drilling on the down dip extensions of Homestead and to advance other targets tested in this last program.

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

All the drill core cutting, and sampling was carried out by or under the supervision of the company’s Vice President Exploration and the chain of custody of the drill core from the Project area to the Company’s sample preparation facility in Canãa dos Carajás was continuously monitored. Sample intervals for the drill core were mostly maintained at about 2m with some variation in the weathered saprolite zones and at times guided by the degree of copper mineralization. Blank and certified gold and copper reference materials were inserted at approximately every 20th sample.

The core samples were delivered by company personnel to the SGS-Geosol and Intertek laboratories located in Parauapebas, 65 km to the north from the Project, where they were crushed and pulverized. The sample pulps for drill hole 19-001 were dispatched by SGS-Geosol to their analytical laboratory at Vespasiano near Belo Horizonte, Minas Gerais State, Brazil. The pulps were subjected to multi-acid

digestion with copper and 36 other elements were determined by ICP. Gold was determined by fire assay fusion and an atomic absorption (AAS) on a 50-gram charge.

Sample pulps for drill holes 19-002 to 19-018 were prepared and analysed at Intertek in Parauapebas. The pulps were subjected to Agua Regia digestion and copper was determined by Atomic Absorption. Gold was determined by fire assay and an atomic absorption (AAS) on a 50-gram charge. Intertek carried out specific gravity measurements on fresh drill core for four drill holes giving a good representation of the variations of densities of the host lithologies and mineralized zones across the target area.

About the Planalto Project

The Planalto Copper Project comprises 4,726 hectares of exploration licenses covering 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 copper mine, in the Carajás Mineral Province of northern Brazil. Lara has the option to purchase 100% of the Planalto Project by making staged cash payments totaling US\$500,000 (US\$100,000 paid to date) and paying a 2% NSR royalty on any production (Lara retains the right to purchase 50% of this royalty for a cash payment of US\$2 million).

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 operate 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 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 and deposits located mostly 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.

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