

VANCOUVER, BRITISH COLUMBIA--(Marketwired - May 20, 2015) - [Lara Exploration Ltd.](#) ("Lara" or the "Company") (TSX VENTURE:LRA) is pleased to report that its partner Paradigm Metals Limited ("Paradigm"), has intersected 13.69 metres averaging a grade of 18.38% graphitic carbon from diamond core drilling at the Pedra Preta target, on the Company's Canindé Graphite Project in Ceará State, northeastern Brazil. Paradigm has completed eight shallow drill holes at Pedra Preta (one of twelve targets so far identified on the property), all of which encountered graphitic carbon ("Cg") mineralisation of varying widths and grades, the highlights of which are:

Drillhole No.	From (m)	To (m)	Width (m)	Cg Grade (%)
CA-PP-DDH-01-15	3.09	16.78	13.69	18.38
	18.02	27.75	9.73	1.03
including	20.35	25.58	5.23	1.44
	31.88	33.95	2.07	4.06
	63.40	64.90	1.50	2.48
CA-PP-DDH-02-15	0.00	6.50	6.50	4.80
including	0.00	2.89	2.89	9.73
	15.50	39.71	24.21	1.76
including	15.50	23.00	7.50	3.08
	41.00	46.34	5.34	2.94
CAN-PP-DDH-05-15	14.05	25.05	11.00	1.72
including	18.50	22.57	4.07	2.89
CAN-PP-DDH-06-15	13.90	15.94	2.04	3.04
including	14.92	15.94	1.02	4.06

The last drill hole CAN-PP-DDH-08-15 was drilled as a twin hole of CAN-PP-DDH-01-15 to provide material for metallurgical test work; samples from this hole will be submitted to SGS Geosol in Belo Horizonte for metallurgical and industrial testing to determine flake size and distribution. In addition to this test work, Paradigm has advised the Company that it plans to conduct geophysical surveys, additional surface exploration and a detailed review of the domestic end user market to confirm demand for flake graphite and identify potential off-take and industry partners.

The Canindé Graphite Project comprises 15,614 hectares of exploration licenses accessible on paved highways from the Ceará State Capital, Fortaleza. The high-grade and disseminated flake graphite occurrences are hosted within gently dipping schistose rocks and shear zones developed within a complex of felsic gneisses with local meta-sedimentary schist enclaves.

The Brazilian Graphite Market:

Brazil is the second largest producer of flake graphite in the world, producing approximately 70,000 tonnes per annum ("tpa"). The local market is dominated by Nacional de Grafite, which has the capacity to produce approximately 60,000 tpa from three mines in the State of Minas Gerais. Nacional de Grafite's major production is derived from the Pedra Azul mine, which has reported average grades ranging from 6.5% to 7.0% Cg and from the Salto da Divisa mine with reported average grades ranging from 4.5% to 5.0% Cg. There is an established and rapidly developing end user market for flake graphite in Brazil, which includes aircraft manufacturer Embraer SA and refractories producer Magnesita Refratários S.A.

The Canindé Option:

Under the terms of the Option Agreement with the Company, Paradigm can earn an initial 51% interest in the Canindé Project by spending US\$2 million on exploration, paying US\$400,000 to Lara (US\$100,000 paid to date) and completing 3,000 metres of drilling within 36 months. Once Paradigm has earned a 51% interest, it may earn an additional 19% interest (for a total of 70%) by investing a further US\$2,500,000 in exploration, paying US\$200,000 to Lara and completing a Prefeasibility study within 48 months and a Feasibility Study within 60 months.

Once Paradigm has delivered a Bankable Feasibility Study, Environmental Permitting and applied for a Mining License to earn its additional 19% interest, it may earn the final 10% interest (for a total of 80%) by paying Lara US\$100,000 and putting the project into commercial production within 72 months of the Option date. Lara has agreed a finder's fee of 5% of the cash payments received from Paradigm, payable to the investor group that introduced Paradigm and assisted with completing the transaction.

Quality Control:

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 the National Instrument 43-101 Standards of Disclosure for Mineral Projects and is responsible for the preparation and verification of the technical information in this release.

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

Neither the TSX Venture Exchange nor the Investment Industry Regulatory Organization of Canada accepts responsibility for the adequacy or accuracy of this release.

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