

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Mar 1, 2016) - [Lara Exploration Ltd.](#) ("Lara" or the "Company") (TSX VENTURE:LRA) is pleased to report that it has signed an Option Agreement ("the Agreement") with BCV Consultoria e Projetos Ltda. ("BCV"), to acquire the Damol ndia Nickel Project in central Brazil.

The property comes with an extensive database of airborne and terrestrial geophysics, geochemistry and drilling, including seven diamond drill holes (for a total of 1,553 metres) completed in 2008, which intersected a shallowly-plunging, pipe-like body of disseminated nickel-copper sulphide mineralization approximately 600 metres long and open down plunge. Table 1., below, summarizes the drill intersections that reported greater than 0.2% nickel values.

Table 1. Damol ndia Drill Intercepts (0.20% Nickel Cut-off)

Hole ID	From (m)	To (m)	Width (m)	Ni (%)	Cu (%)
FSDM-01	6.25	12.90	6.65	0.22	0.06
FSDM-02	98.00	138.60	40.60	0.26	0.10
FSDM-03	75.85	106.50	30.65	0.42	0.19
including	82.80	87.00	4.20	0.70	0.24
including	82.80	83.85	1.05	0.98	0.54
FSDM-04	8.00	18.80	10.80	0.24	0.06
FSDM-05	6.00	24.50	18.50	0.44	0.10
including	14.55	19.70	5.15	0.77	0.14
FSDM-06	107.00	114.00	7.00	0.24	0.08
FSDM-07	114.20	137.45	23.25	0.29	0.11

Notes: drilling is believed to have intercepted the mineralization close to perpendicular, but widths may not represent true-thicknesses

Lara's interpretation is that the target may represent the distal extension of more massive mineralization. Certainly there are several geophysical anomalies along the trend, including electromagnetic (conductivity) anomalies, with coincident soil geochemical anomalies that may reflect more massive sulphides, which were not tested at the time.

Damol ndia Purchase Option

Under the terms of the Agreement with BCV, Lara has agreed to make staged cash payments totalling US\$580,000 as follows in Table 2.

Milestone/Date	Payment US\$
Upon transfer of the Exploration License to Lara	15,000
2 years from signing the Agreement	15,000
3 years from signing the Agreement	50,000
4 years from signing the Agreement	50,000
5 years from signing the Agreement	50,000
>100,000t of nickel in Measured & Indicated Resources	100,000
Start of Commercial Production	300,000

BCV will also be entitled to a 1% net smelter return royalty on any production, but Lara retains the right to purchase this royalty for a cash payment of US\$2 million.

Quality Assurance and Quality Control

Industry standard sample procedures and QA-QC methodologies were utilized at the time. Sampling intervals vary from less than one metre in the sulphide-rich intervals up to three metres in weakly to non-mineralized zones. The samples were shipped to the SGS Geosol sample preparation laboratory in Goiania, then to their main laboratory in Belo Horizonte. Following multi-acid digestion, analysis was by ICP for 31 elements and fire assay for precious metals. Check assays included 33 element four-acid ICP and XRF at ALS laboratories in Lima, Peru and Vancouver, Canada respectively and by XRF at SGS Geosol, in Belo Horizonte. The QA-QC procedures also included the insertion of blanks every 40 samples and certified standards every 20 samples.

Qualified Person

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.

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".

For further information on [Lara Exploration Ltd.](http://www.laraexploration.com), please consult our website www.laraexploration.com.

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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