

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Mar 23, 2016) - [Lara Exploration Ltd.](#) (TSX VENTURE:LRA) ("Lara" or the "Company") is pleased to report that it has signed an Option Agreement ("the Agreement") to acquire the Serrita Gold Project in Pernambuco State, northeast Brazil.

The property comprises three exploration licenses, totalling 5,998 hectares, covering a wide area of artisanal workings that follow narrow gold-bearing veins generally less than half a metre thick, but which can extend up to a kilometre in length. The host geology comprises schists of the Proterozoic-age Salgueiro Group.

Previous exploration work includes geological mapping, regional soil/rock sampling and 109 channel samples that focused on exposed mineralization in the artisanal workings. The channels samples ranged from 10 centimetres to 2.3 metres in length (average 44 centimetres), though most of the mineralized veins are less than 50 centimetres thick. Forty of the samples reported over 1 gram per ton ("g/t") gold, with 19 reporting over 5g/t gold. The channel samples were targeting the quartz veins, but several that sampled adjacent ferruginous schists also reported significant gold values.

The exploration database suggests the potential to host multiple high-grade vein deposits, though these have not been drill tested and there remains also the possibility of outlining a larger body of mineralization including multiple vein systems that could be amenable to bulk mining and heap leach processing.

Serrita Purchase Option

Under the terms of the Agreement, Lara has agreed to make staged and bonus cash payments totalling up to US\$1,650,000 as follows in Table 2.

Milestone/Date	Payment US\$
Upon signing the Definitive Agreement	10,000
Upon transfer of the Exploration License to Lara	10,000
12 months from transfer of the Exploration License	20,000
24 months from transfer of the Exploration License	20,000
36 months from transfer of the Exploration License	40,000
48 months from transfer of the Exploration License	50,000
Bonus at Bankable Feasibility if the reserve is >1Moz	500,000
Bonus at Commercial Production if rate is >50,000oz/year	1,000,000

The vendor will also be entitled to a 1.25% net smelter return royalty on any production, but Lara retains the right to purchase this royalty for a cash payment of US\$1.5 million. The Company has also agreed to pay finders fee of staged (mostly success-based) payments totalling US\$100,000.

Quality Assurance and Quality Control

Soil samples were analyzed chemically by ICPMS for gold and 50 other trace elements at ALS do Brasil Ltda. The rock and channel samples were analyzed for gold at the SGS Geosol laboratory in Belo Horizonte, using a 50-gram fire assay, with an atomic absorption finish. Both laboratories insert duplicate, standard and blank samples in each fire assay or ICPMS batch.

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".

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

Contact

[Lara Exploration Ltd.](#)

Chris MacIntyre

VP Corporate Development

+1 416 703 0010

www.laraexploration.com