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TSX-Venture: LRA

News Release

Letter of Intent Signed for the Picha Project in Peru; Goldplata Letter of Intent Terminated

June 2, 2015 (TSX Venture: LRA) - Lara Exploration Ltd., ("Lara" or the "Company") reports that it has signed a Letter of Intent ("LOI") whereby the Kiwanda Group ("Kiwanda"), can acquire the Company's rights to the Picha Copper Project ("the Project") in southern Peru. The Company has also terminated the LOI signed in December 2014 with Goldplata Mining International Corporation ("Goldplata").

Kiwanda LOI:

Under the terms of the LOI, Lara has granted Kiwanda a six-month exclusive option to acquire its Picha Project in exchange for assuming mineral rights and community obligations that fall due during 2015. In the event that Kiwanda elects to complete its option, the Project will be transferred to a new company controlled by Kiwanda on the following terms:

- Kiwanda will grant Lara a net smelter returns royalty of 2% on any precious metals and 1% on any base metals or other minerals produced from the Project.
- Kiwanda will pay or transfer to Lara 30% of the proceeds upon a sale or transfer of the Project to a third-party.

The 3,000 hectare Picha Project is located within the Tertiary Volcanic Arc of Southern Peru, adjacent to the mineral rights block where Compañia de Minas Buenaventura S.A. is developing its San Gabriel gold deposit, for which it reports indicated and inferred resources of 12.3 million tons at average grades of 6.5 grams per ton gold (2.5 million ounces).

Goldplata LOI:

Lara and Goldplata entered into a LOI in December 2014 to consolidate their respective mineral property interests in the Condoroma Project in Peru and the Murindo Project in Colombia into a new copper exploration venture. After six months of discussions, the Parties have been unable to consolidate the properties and have thus agreed to terminate the LOI.

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".

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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