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Lara Exploration to Raise up to \$2 Million by Private Placement

July 5th, 2016 (TSX Venture: LRA) - Lara Exploration Ltd., (“Lara” or the “Company”) intends to undertake a private placement raising \$2,000,000 by the issuance of 1,600,000 units at \$1.25 per unit. Each unit shall consist of one common share and one half of a non-transferable, common share purchase warrant. Each full warrant will entitle the holder to purchase an additional common share at \$1.85 for two years. If, after four months from closing, the closing price of the Company’s shares on the TSX Venture Exchange is \$2.50 or greater for any period of 10 consecutive trading days, the Company may, by news release issued within five trading days thereof, accelerate the expiry of the warrants to the 21st trading day after such news release. The Company will pay finder’s fees in respect of subscriptions from investors introduced by finders. The fee will be payable in cash, or at each finder’s election, the issuance of that number of units equal to 5% of the number of units issued pursuant to such subscriptions.

There can be no assurance that the private placement will be completed as proposed or at all, and it is subject to all applicable regulatory approvals. Mr. Miles Thompson, President and CEO of the Company, has undertaken to invest \$200,000 to purchase 160,000 units of the offering. The proceeds of the offering will be used by Lara to support new business efforts and for general corporate purposes.

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 chris@laraexploration.com or +1 416 703 0010.

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

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States of America. The securities have not been and will not be registered under the United States Securities Act of 1933 (the “U.S. Securities Act”) or any state securities laws and may not be offered or sold within the United States or to U.S. Persons (as defined in the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws, or an exemption from such registration is available.