

News Release

Lara Agrees to Option Planalto Copper Project to Avanco Resources

May 1, 2017 (TSX Venture: LRA) - Lara Exploration Ltd., (“Lara” or the “Company”) (TSX VENTURE: LRA) is pleased to announce that it has signed a Memorandum of Understanding to option its Planalto Copper Project, located in the Carajás Mineral Province of Northern Brazil, to Avanco Resources Ltd. (“Avanco”), owner of the nearby Antas Copper Mine. Under the terms of the agreement, Avanco can acquire a 75% interest in the Planalto project by making cash payments to Lara and funding exploration and development work as summarized in the following table:

Milestone/Date	Payment US\$	Exploration Work
June 30, 2017	50,000	
June 30, 2018	100,000	2,000m diamond drilling
June 30, 2019	100,000	3,000m diamond drilling
June 30, 2020	100,000	3,000m diamond drilling
Final Exploration Report Approval	200,000	
June 30, 2021	Deliver Feasibility Study or provide Project Finance to Lara	

Avanco will furthermore assume Lara’s underlying purchase obligations (see Company news release of June 6, 2016 for details). In the event Lara’s interest in the project is diluted below 10%, it will be converted to a 2% NSR royalty payable on gold and a 1% NSR payable on copper and other metal production.

This agreement is subject to additional due diligence by Avanco and completion of a Definitive Agreement on a best efforts basis by June 30, 2017.

Planalto Copper Project

The Planalto Copper Project is located near Vale S.A.’s Sossego and Avanco’s Antas copper mines. Past exploration work includes surface sampling, which outlined two copper-in-soil anomalies with values in excess of 300 parts per million (“ppm”) copper, one approximately 1.3 kilometres (“km”) by 0.9 km in size, the other 2.9 km by 0.3 km. The historical reporting also includes results of two drill holes executed approximately 100 metres (“m”) apart on the same East-West section on one of the copper-in-soil anomalies. Hole FD-73 has a reported intercept value of 188m of 0.4% copper, including 15m at 0.67%, 14m at 0.68% and 10m at 1.18% copper. Hole FD-74 has a reported intercept of 50m at 0.38% copper, including 21m at 0.6% copper.

Quality Control and Qualified Person

Certain information and data in this news release concerning the past work done and results is historical. The reliability of this historical data is unknown, but is considered relevant by Company management. The historical data may not be compliant with National Instrument 43-101 and should not be relied upon. It is the Company's intention through this partnership with Avanco to verify the historical data, however confirmation work may produce results that differ substantially from the historic results. There is a risk that current exploration and test work will not result in the Company replicating historical results.

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 located mostly in Brazil and Peru. 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.

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