

News Release

Update for the Bifox Phosphate Project in Chile

September 1, 2020 (TSX Venture: LRA) - Lara Exploration Ltd. (“Lara” or the “Company”), is pleased to provide an update on permitting and report the restart of production at the Bifox Phosphate Project, located near the town of Copiapó, in Atacama desert of northern Chile.

Since settling environmental infractions and fines, inherited from the vendors, at the start of 2020 (see Company news release of Feb 7, 2020), Bifox Ltd. (“Bifox”), has been working to reinstate its permits and resume operations. Production was delayed due to the Covid-19 restrictions imposed in March, but site activities resumed in June and new operating permits issued in late July and early August. Production and sales of direct application phosphate (containing an average 22% P₂O₅) into the Chilean market have now resumed and Bifox expects to gradually increase production over the next three to six months as the marketing and sales team generates new orders.

Bifox continues to work towards listing on the Australian Stock Exchange as phosphate production and sales revenue emerge. Lara is owed an expense reimbursement of US\$570,000 payable at listing, owns roughly 14% of the shares of Bifox and will receive a 2% royalty once production exceeds 50,000 per annum.

About Lara

Lara is an exploration company following the Prospect and Royalty Generator business model, which aims to minimize shareholder dilution and financial risk by generating prospects and exploring them in joint ventures funded by partners, retaining a minority interest and or a royalty. The Company currently holds a diverse portfolio of prospects, deposits and royalties in Brazil and Peru. Lara’s common shares trade on the TSX Venture Exchange under the symbol "LRA".

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.

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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