Paraa Resources Announces First Closing of \$2.81 Million in First Tranche Private Placement

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Vancouver, June 5, 2018 - Para Resources Inc. (TSXV: PBR) (WKN: A14YF1) (OTC Pink: PRSRF) (the "Company" or "Para") is pleased to announce that it has closed \$2.81 million in the first tranche of the previously announced Private Placement of Units. The Company has issued 14,049,000 Common Shares and 14,049,000 share purchase warrants (each a "Warrant"). Each Warrant entitles the holder to acquire one common share of the Company for a period of 3 years at a price of C\$0.30, subject to an accelerated expiry if the closing trading price of the Company's shares is greater than C\$0.40 per share for a period of 10 consecutive trading days (the "Acceleration Event"). The Company will give notice to the holders of the Acceleration Event and the Warrants will expire 30 days thereafter. Conex Services, Inc., a control person subscribed to 9,219,000 Units in the Private Placement for proceeds of \$1,843,800. All securities issued in the private Placement are subject to a hold period of 4 months from closing. The second and final tranche of the Private Placement is expected to close in mid-June.

The Company also announces that loans made to the Company's 84% owned Colombian subsidiary, Four Points Mining Ltda. ("FPM") by Helm Bank and Reyforte, in the amounts of US\$4,763,154 and US\$1,102,114 respectively, have been forgiven. The transactions will decrease liabilities and increase share capital of FPM. The transaction is non-dilutive and does not alter the percentage of FPM owned by Para. The transaction will result in a reduction in the Loans Payable on the company's Consolidated Balance Sheet, of C\$\$7,625,435.

Para also announces that it has made the final US\$750,000 payment, plus interest, to Red Rock Resources Plc This concludes the payments under the Vendor's Note that was incurred as a part of the original acquisition of the El Limon mine in 2015.

Geoff Hampson, Para's CEO states, "These transactions are the first of several in our plan to improve the Balance Sheet of the Company in anticipation of declaring commercial production at El Limon later this year and to the planned the startup of the Gold Road Mine in Q4 2018."

Participation of a control person in the Private Placement constitutes a related-party transaction as defined under Multilateral Instrument 61-101. Because the Company's shares trade only on the TSX Venture Exchange, the issuance of securities is exempt from the formal valuation requirements of Section 5.4 of MI 61-101 pursuant to Subsection 5.5(b) of MI 61-101 and exempt from the minority approval requirements of Section 5.6 of MI 61-101. The Company did not file a material change report 21 day before this first closing of the Private Placement because the Company wished to complete the Private Placement in a timely manner.

ABOUT PARA RESOURCES:

Para is a junior producing gold mining company. Para owns approximately 80% of the El Limon project, in Colombia, which in addition to its current underground operation is purchasing mineralized rock mined by small artisanal miners working on the Company's property. The El Limon and OTU properties also have exploration and development upside. The Company also owns 88% of the Gold Road Mine in the Oatman District of Arizona. RPM Global recently produced a NI 43-101 Technical Report and PEA, establishing a Mineral Resource estimate and a good economic outlook for the Gold Road Mine. Production at Gold Road is expected to commence in October 2018. Para will continue to take advantage of current market conditions to acquire and develop additional highly economic, near-term production assets that have strong exploration and development upside.

On behalf of the Board of Directors

"C. Geoffrey Hampson"

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C. Geoffrey Hampson, Chairman, Chief Executive Officer and Director

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