

PARA RESOURCES INC.

450 – 1090 West Georgia Street
Vancouver, British Columbia V6E 3V7

**THIS NEWS RELEASE IS INTENDED FOR DISTRIBUTION IN CANADA ONLY AND IS NOT
FOR DISSEMINATION IN THE UNITED STATES OR FOR DISTRIBUTION TO UNITED
STATES NEWSWIRE SERVICES**

PARA RESOURCES ANNOUNCES CORRECTION TO CLOSE OF FIRST TRANCHE OF PRIVATE PLACEMENT OF UNITS

May 2, 2017, Vancouver, B.C. -- Para Resources Inc. (the “Company” or “Para”) (TSXV - “PBR”) (WKN – “A14YF1”) (OTC – “PRSRF”) wishes to announce a correction to its news release dated May 2, 2017. Due to an administrative oversight, three subscriptions were included in the first tranche of the non-brokered private placement (the “Private Placement”) that are intended to close in the second tranche of the Private Placement. As a result, the Company hereby announces that it closed the first tranche of the Private Placement for total gross proceeds of \$1,659,075. The first tranche of the Private Placement consisted of 8,295,375 units at a price of \$0.20 per unit (each a “Unit”). Each Unit is comprised of one common share of the Company and one-half common share purchase warrant (each whole such warrant a “Warrant”). Each Warrant entitles the holder to acquire one common share of the Company for a period of 18 months at a price of \$0.30. Proceeds of the Private Placement will be used to retire a portion of acquisition debt for the purchase of the El Limon Mine from Red Rock Resources, to pay the balance of the purchase price due for the OTU property, to acquire the surface rights to land associated with the El Limon Mine, for due diligence expenses related to additional projects under consideration and for general working capital.

Three insiders of the Company participated in the Private Placement and collectively subscribed for 4,915,375 Units for gross proceeds of \$983,075. Participation of the insiders of the Company in the Private Placement constitutes a related party transaction as defined under Multilateral Instrument 61-101 (*Protection of Minority Security Holders in Special Transactions*). Because the Company’s shares trade only on the TSXV, 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 days prior to the closing of the private placement as the details of the participation of insiders of the Company had not been confirmed at that time.

ABOUT PARA RESOURCES:

Para is a junior producing gold mining and toll milling company. Para owns approximately 75% of the El Limon project, in Colombia, which in addition to its current underground operation has toll milling opportunities, and exploration and development upside. In addition, the Company has applied for the necessary permits to commence trial mining operations at its Angelim prospect on the Tucuma Project in Para State, Brazil. 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"

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

For further information, please contact Andrea Laird, telephone: +1-604-259-0302

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.