

Para Signs Target Pricing Contract Mining Agreement for Gold Road Mine

Vancouver, British Columbia--(Newsfile Corp. - January 10, 2019) - Para Resources Inc. (TSXV: PBR) (WKN: A14YF1) (OTC Pink: PRSRF) (the "Company" or "Para") is pleased to announce that effective January 1, 2019, it has entered into a Final Services Agreement with Clark Construction Group, LLC ("Clark"), a Maryland, limited liability company whereby Clark will provide contract mining services at the Company-owned, Gold Road Mine in Oatman, AZ. The contract transitions from the original "time and materials" contract that was previously announced in November 2018 with an open book Target Pricing contract. This new contract establishes the basis on which mining and extraction will occur at the Gold Road Mine. Clark has already been present on the project with equipment and crews and Atkinson is currently driving an exhaust drift in preparations of installing an exhaust fan to upgrade the ventilation system, upgrading the main decline to accommodate larger trucks rehabilitating the secondary escape routes and remediating the previously announced ground control issues. In addition, maintenance, testing, repair, and general cleanup of the mill has been completed. The mill is now in functional condition with the exception of additional ball mill liners and first fills which are expected later in January.

Mineralized rock production is on schedule and expected to commence in late January 2019 with the re-commissioning of the plant with first gold pour anticipated in February 2019.

Geoff Hampson, Para's CEO states, "We are very pleased to have now transitioned our relationship with Clark Construction Group to a Target Price contract which will ensure continuity of costs and production. We have implemented several key bonus programs to ensure that Para's and Clarks' interests and incentives are in sync. Clark is one of the most experienced and respected building and civil construction firms in the United States and they bring extensive experience and knowledge to our operations and capacity. The partnership between Clark and our highly skilled and tested Para team will ensure a smooth and successful production ramp up."

On other news with respect to the Company's El Limon Mine in Colombia, Para is pleased to announce that the mill continues to perform as anticipated and that the ramp up of feed is continuing. Para is now assisting several of the larger formalized artisanal miners with equipment, technology and management. The new winch and the new tailing disposal site at El Limon are expected to be completed by the end of Q1 2019. The current ramp up at El Limon is anticipated to move the operation into positive cash flow in the coming months and Commercial Production is expected to be declared by the end of Q1.

Paulo J. Andrade, BSc Senior Geologist, vice-president for Para Resources is considered by TSX and ASX a Competent Person according to CIM (NI-43-101) and JORC standards as a member of the Australian Institute of Geoscientists (MAIG # 6136), who is responsible for the geological disclosure contained in this news release.

ABOUT PARA RESOURCES:

Para Resources Inc. ("Para") is a junior gold mining and exploration company. The Company owns two projects that couple areas of highly prospective exploration potential with an existing mining and milling operation that can generate cash flow to support an exploration program. Purchasing existing and fully permitted mines and facilities dramatically reduces the exploration risk as the small mining operations are profitable and provide excellent returns as a stand-alone entity. This is a unique approach to developing "world class" assets. In addition, Para is unique in that the Insiders have invested more than \$20 million of their own capital and own approximately 70% of the equity.

Para's management team is seasoned and proven, having discovered, built, managed and sold several different mines over the last 40 years.

The Company has two major projects: The Gold Road Mine in Arizona, USA and the El Limon Mine in Zaragoza, Colombia.

The Gold Road Mine, Arizona, USA

In August 2017, Para, through its 88% owned subsidiary Gold Road Mining Corp., acquired the 500 TPD CIL/CIP Gold Road Mine and Mill, including patented claims and a mill and processing facility, located in the historic Oatman Mining District in Northwestern Arizona.

The Oatman District is the largest primary gold producing district in Arizona with a historical gold production including Gold Road of more than 2.1 million ounces. The vast majority of the production has come from two sub-parallel vein systems, the Gold Road system and the Tom Reed-United Eastern (Tr-Ue vein) system. In addition to these two systems there is a third vein system, the Pioneer-Midnight system, which is southwest of the Tr-Ue system for which production records are mostly unknown. The distance between these veins is less than 1 kilometer. Para is the first company to have secured the rights to all of the patented and unpatented claims along the Gold Road and the Tr-Ue veins which includes the sites of over 7 historical underground mines. These mines mostly ceased production in 1942 as a result of the US war effort. It is important to note that the mines stopped production while still mining high grade ore. Para believes that there is significant potential to re-open these mines and to process the ore at Gold Road which is approximately 1 km away on a paved road.

In February 2018, Para published a NI 43-101 Preliminary Economic Assessment on the Gold Road Mine and in April 2018, a NI 43-101 Technical Report on Report on the Oatman Gold Mining District for the Tr-Ue vein. Both reports recommend multi-year exploration plans that together target and additional 1,600,000 to 2,150,000 ounces for an estimated cost of US\$14.2 million.

El Limon Mine in Zaragoza Colombia

Para owns approximately 86% of the El Limon project, in Colombia, which in addition to its current underground operation is purchasing mineralized rock mined by formalized small artisanal miners working on the Company's property. The El Limon and OTU properties also have exploration and development upside. Para completely re-built and re-habilitated the El Limon mill and increased capacity from 75 TPD to 225 TPD. That re-habilitation and upgrade has now been completed and commissioned. Mineralized rock from the El Limon underground and from the formalized small miners is has begun to flow with full capacity anticipated by mid-2019.

Cautionary Notes:

This press release contains forward-looking information under Canadian securities legislation. Forward-looking information. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". All information contained in this news release, other than statements of current and historical fact, is forward looking information. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Para to be materially different from those expressed or implied by such forward-looking statements, including but not limited to those risks described in the annual information form of Para and in its public documents filed on SEDAR from time to time. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. Although management of Para has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Para does not undertake to update any forward-looking statements, except in accordance with applicable securities laws. Para's Readers should also review the risks and uncertainties sections of Para's annual and interim MD&As.

On behalf of the Board of Directors

"C. Geoffrey Hampson"

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

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