

Para Announces Closing of \$605,000 in Second Tranche Private Placement

written by Raj Shah | June 29, 2018



TSXV: PBR

June 29, 2018 ([Source](#)) – Para Resources Inc. (TSXV: PBR) (WKN: A14YF1) (OTC Pink: PRSRF) (the “Company” or “Para”) is pleased to announce that it has closed \$605,000 in the second tranche of the previously announced Private

Placement of Units. The Company has issued 3,025,000 Common Shares and 3,025,000 share purchase warrants (each a “Warrant”). This brings the total raised in the first two tranches of this Private Placement to 17,074,000 Shares and 17,074,000 warrants for total combined proceeds of \$3,414,800. 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.

One insider of the Company participated in the Private Placement and subscribed to 2,000,000 Units for proceeds of \$400,000. Finders’ fees in cash and 14,000 non-transferable finder’s warrants (having the same terms as the private placement warrants) were issued to a registrant in connection with this closing. All securities issued in the Private Placement are subject to a hold period of 4 months from closing. The final

tranche of the Private Placement is expected to close in the first week of July.

Participation of an insider 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 day before this second 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"

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

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