

Para Resources Announces El Limón Near Mine Drilling Results at Casino Afuera Sector

written by Raj Shah | May 29, 2018



TSXV: PBR

May 29, 2018 ([Source](#)) – Para Resources Inc. (TSXV: PBR) (WKN: A14YF1) (OTC Pink: PRSRF) (the “Company” or “Para”) is pleased to announce its near mine drilling program ended in January 2018 and assays were delivered only in April

2018 by the laboratory.

As reported in the Company’s news release from November 16th, 2017, the main objective of the program carried out at Casino Afuera Sector in the Northern extension of El Limón Mine, was to twin 3 historic diamond drilling holes completed 1997 and 1998 and to drill 4 other off set holes in the same formation. Such historical holes reported anomalous values on gold in the weathered interval suggesting a supergenic enrichment on gold.

In addition, the drilling program was also designed to intercept the El Limón (Superior and Inferior) veins at depth below or within the weathered package of rocks.

Drilling operation and core sampling was performed under best practices criteria on exploration followed by a QA/QC program. Each 25 samples taken, 3 control samples were introduced: 1 blank, 1 standard and 1 field duplicate. Assays were done in Actlabs Colombia S.A.S.

Blanks were prepared and bought from Antioquia Granitos, an aggregate and ornamental rock company from Medellin. From the 27 blanks introduced only one was out of the ideal curve, but much below the allowed limit to characterize a bias.

Standard reference materials used for the QA/QC program were obtained and prepared by CDN Resource Laboratories Limited and their gold values were certified and supervised respectively by Mr. Duncan Sanderson, Licensed Assayer of British Columbia, and Dr. Barry Smee, PhD, P.Geo and Independent Geochemist. After a bias analysis it was proved that only 2 samples were slightly out of the acceptable range and do not invalidate Actlabs' analysis.

Field duplicates analysis presented only one sample out of the dispersion chart cloud, where a gold anomalous value was detected in the vein and is probably related to nugget effect caused by a fine grained free gold presence. The other samples universe indicates a reasonable correlation for gold ($R^2=0.59$).

A total of **487.80m**, distributed in **4 DDH** were carried out at Casino Afuera Sector. Drilling results in saprolite and saprolitized rock (saprock) did not confirm the historical widespread high gold values in the old holes, although some intervals have shown mineralization related to the El Limón Superior and Inferior veins in its North continuity, as shown in the following tables:

Ranges of Assay Results (grams per ton of Au)	Number of Samples	%
30.0 - 129.50	3	0,50%
2.0 - 29.99	2	0,34%
0.5 - 1.99	6	1,01%
Assays above 0.5 gpt cutoff	11	1,85%
0.10 - 0.49	50	8,40%
0.003 - 0.09	457	76,81%
< 0.003	77	12,94%
Total of Samples	595	100,00%

Table 1: Ranges of all core Assay Results

To view an enhanced version of Table 1, please visit:

http://orders.newsfilecorp.com/files/3819/34875_a1527561356368_43.jpg

HOLE_ID	SAMPLE_ID	LITHOLOGY	FROM (m)	TO (m)	DOWN HOLE WIDTH (m)	TRUE WIDTH (m)	Au_g/t	REMARKS
SDH_01_2017	1123	QUARTZ VEIN WITH SULPHIDES (PYRITE & GALENA)	86,40	86,55	0,15	0,11	22,90	PROBABLE SUPERIOR VEIN OF EL LIMÓN MINE
SDH_01_2017	1164	MILKY QUARTZ VEIN	114,00	114,40	0,40	0,28	1,50	POSSIBLE INFERIOR VEIN OF EL LIMÓN MINE
SDH_02_2017	1275	FOLIATED GRANOCHORITE WITH VEINLETS	75,35	76,16	0,81	0,57	1,68	POSSIBLE SUPERIOR VEIN HANGING WALL
SDH_03_2017	1409	SANDY SAPROLITE	72,32	73,25	0,93	0,90	129,50	PROBABLE QUARTZ-CARBONATE-SULPHIDES ALTERED OXIDATED ZONE
SDH_03_2018	1409	SANDY SAPROLITE	72,32	73,25	0,93	0,90	26,17	FIELD DUPLICATE OF 8 1409 SAMPLE
SDH_04_2017	1531	SAPROCK AND VEINLET WITH SULPHIDES (PYRITE)	37,00	38,00	1,00	0,71	3,32	UNKNOWN VEINING STRUCTURE
SDH_04_2017	1629	FOLIATED GRANOCHORITE WITH QUARTZ VEIN AND SULPHIDES (PYRITE)	113,12	113,33	0,21	0,15	32,06	PROBABLE SUPERIOR VEIN OF EL LIMÓN MINE
SDH_04_2017	1673	QUARTZ VEIN WITH SULPHIDES (PYRITE & GALENA)	144,86	145,1	0,24	0,17	2,33	PROBABLE INFERIOR VEIN OF EL LIMÓN MINE

Table 2: Main mineralized intercepts and their significance

To view an enhanced version of Table 2, please visit:

http://orders.newsfilecorp.com/files/3819/34875_a1527561356430_82.jpg

Paulo J. Andrade, Para's VP Exploration states, "The near mine drilling program at Casino Afuera Sector was very positive for three main reasons:

i) Despite that the program did not confirm the gold grades of the historical holes and the potential for supergenetic gold mineralization, now we are confident those were not reliable results;

ii) Alike the known deposits at Segovia-Remedios District, a hydrothermally altered and milonitized granodioritic stock was identified at depth, generating a good expectation and useful criteria for the further exploration program at Para's Properties including the possibility of other mineralization styles, such as disseminated;

iii) Both superior and inferior veins were intercepted, demarcating the El Limón mineralized horizons probably at the North continuity of levels 2 and 3, as follows:

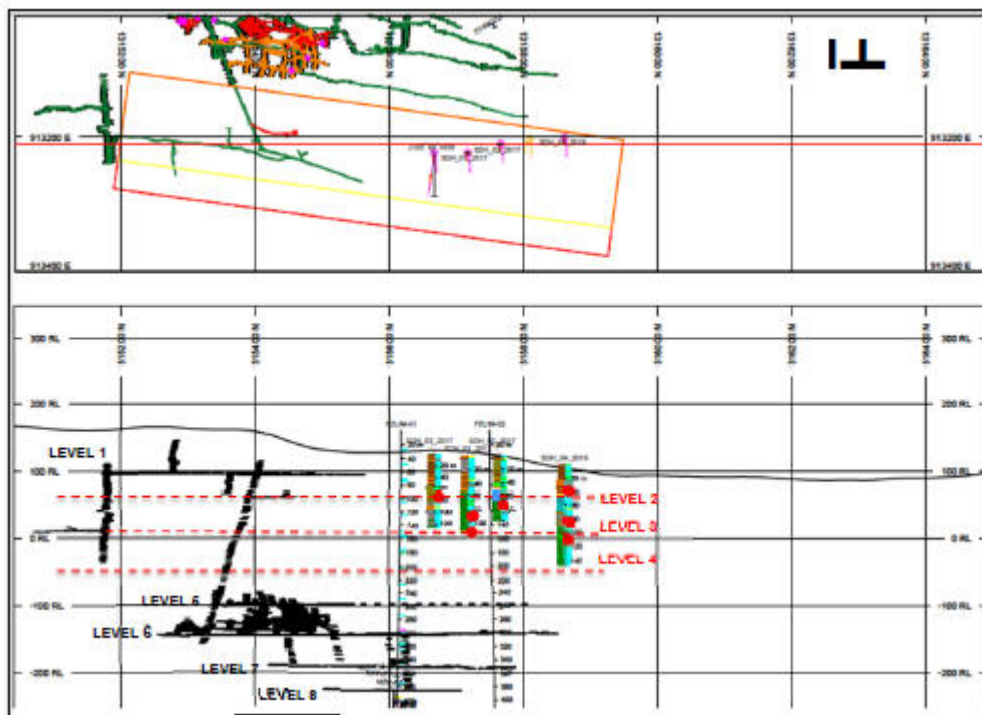


Figure 1: Longitudinal Section with the indication of the mineralized intervals (red dots) from Table 2 and El Limón Mine levels (developed – black lines; supposed or obstructed– red dashed lines).

To view an enhanced version of Figure 1, please visit:

https://orders.newsfilecorp.com/files/3819/34875_a1527561356633_872.jpg

I am very optimistic as this could represent additional resources for El Limón plant at shallower and consequently lower cost mine levels. Further modeling and interpretations are underway as to delineate potential for future resources estimation.”

The potential quantity and grade of a target for further exploration referred to above is conceptual in nature, there has been insufficient exploration to define a mineral resource, and it is uncertain whether further exploration will result in the target being delineated as a mineral resource.

Qualified Persons

Paulo J. Andrade, BSc Senior Geologist, VP Exploration for Para Resources is the Qualified Person, who is responsible for the technical information contained in this news release.

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. In May 2018, RPMGlobal, the Company’s consultant, published a NI 43-101 PEA on Gold Road establishing a Mineral Resource estimate of 213,000 ounces of gold and a pre-tax NPV of \$104 million. Mining is expected to re-commence in Q4 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.

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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