

# Update NI 43-101 Technical Report on Optioned Claims Covering the Tr-Ue Vein Adjacent to the Gold Road Mine

written by Raj Shah | April 12, 2018

April 11, 2018 ([Source](#)) – *Option agreements and new staking covering an additional 69 patented and 74 unpatented claims representing 2,846.4 acres*

Para Resources Inc. (TSXV: PBR) (WKN: A14YF1) (OTC Pink: PRSRF) (the “Company” or “Para”) is pleased to announce that an NI 43-101 Technical Report entitled “2018 Technical Report on the Oatman Gold District Properties” dated April 10, 2018 and authored by James R. Guilinger, a Qualified Person under NI 43-101 has been filed on SEDAR and is available for review. The Oatman Gold District Properties include multiple option agreements that Para has secured and staked that are in addition to the adjacent Gold Road Mine property that is the subject of the updated NI 43-101 Technical Report filed on SEDAR February 16, 2018.

Some selected highlights from the report:

- Para has secured option agreements with various property owners covering 69 patented and 2 unpatented claims. In addition, Para has staked an additional 72 unpatented claims surrounding these patented claims. This land package covers all the known significant historical mines in the Tr-Ue vein system.
- Historical production from these claims on the Tr-Ue vein system was 1,930,000 tons at an average grade of 21.4

grams per ton, yielding 1,324,230 ounces of gold between 1897 and 1940.

- Historic mines located along the Tr-Ue vein system and throughout the district occur in veins of epithermal origin hosted in volcanic country rock consisting primarily of either the Tertiary Gold Road Latite or the Oatman andesite.
- The historical chutes on the Tr-Ue system produced approximately 200 to 500 thousand ounces and graded from 0.6 to 1.1- ounce (18.66 – 34.21 grams) gold per ton.
- Approximately 7 major chutes have been mined. The thicker chutes were between 30 and 50 feet thick and were 300 to 600 feet long. An average chute is estimated at 10 feet thick. The depth of the stopes is unknown as the vein was still present on the lower levels of the workings although thinner and lower grade.
- The report recommends a US \$7 million multi-year phased exploration program consisting of 135 drill holes, representing approximately 30,000 meters of drilling on seven targets. Each of the targets potentially contain multiple mineralized chutes each potentially containing 300,000 to 700,000 tons of mineralized material grading 0.3 to 1.0 ounces of gold per ton (90,000 to 700,000 ounces of gold).

The potential grade and quantity noted is conceptual in nature and there has been insufficient exploration to define a current mineral resource. It is uncertain if further exploration will result in the target being delineated as a mineral resource. The potential quantity and grade has been determined based on historical analysis.

The historic gold production on the Tr-Ue Vein system is as follows:

| <b>Mine</b>      | <b>Production Period</b> | <b>Tons</b>      | <b>Average Grade oz/t (g/t)</b> | <b>Gold Ounces Recovered</b> |
|------------------|--------------------------|------------------|---------------------------------|------------------------------|
| United Western   | 1928-1940                | 40,000           | 0.30 (9.3)                      | 12,000                       |
| United Eastern   | 1917-1923                | 550,000          | 1.12 (34.74)                    | 616,000                      |
| Tom Reed/Tip Top | 1915-1928                | 250,000          | 0.7 (21.71)                     | 175,000                      |
| Ben Harrison     | 1897-1928                | 250,000          | 0.7 (21.71)                     | 175,000                      |
| Big Jim/Aztec    | 1921-1924                | 500,000          | 0.75 (23.26)                    | 176,230                      |
| Black Eagle      | 1920's                   | 200,000          | 0.5 (15.51)                     | 100,000                      |
| United American  | 1920's                   | 140,000          | 0.5 (15.51)                     | 70,000                       |
| <b>Total</b>     |                          | <b>1,930,000</b> | <b>0.69 (21.40)</b>             | <b>1,324,230</b>             |

Para's CEO, Geoff Hampson states, "We are very pleased to announce the acquisition of historic mines on the Tr-Ue vein system in the main part of the Oatman district and contiguous to our Gold Road Mine and Mill complex. The Tr-Ue Vein properties acquired, historically produced over 1,324,230 ounces of gold.

For the first time the districts three largest historical mines, Gold Road, United Eastern, and Tom Reed, have been consolidated into a single package." Hampson further states that, "These mines have historically been higher grade and have greater thickness than the Gold Road Mine. We expect to be able to finance the proposed exploration program over the next several years with the cash flow expected to be produced from the Gold Road Mine when it resumes production."

Para's President, Ian Harris states, "The recent completion of the dewatering of the Gold Road Mine and verification sampling will allow the completion of the soon to be released PEA, which will be based solely on the potential Gold Road resource. The fact that the 500 TPD CIP Mill is fully permitted to receive mineralized material and only kilometers away on paved road from

the Tr-Ue historic mining operations, present a unique opportunity to dramatically increase gold production at the Company's Gold Road operation."

The Option Agreements now signed by the Company are summarized as follows:

| <b>Agreement<sup>1</sup></b>                               | <b>Max<br/>Term<br/>(Years)</b> | <b>License<br/>FeeYear 1<sup>2</sup></b> | <b>License<br/>FeeYear 2</b> | <b>License<br/>FeeYear 3</b> | <b>License<br/>Fee<br/>Year 4</b> | <b>Termination<br/>Date</b> | <b>Purchase<br/>Price<sup>3</sup></b> |
|--|---------------------------------|--|------------------------------|------------------------------|-----------------------------------|-----------------------------|---------------------------------------|
| <b>United<br/>Western<br/>to<br/>Telluride<sup>6</sup></b> | 4 Years                         | \$50,000                                 | \$75,000                     | \$100,000                    | \$200,000                         | 4/3/2022                    | \$4,179,535                           |
| <b>Blue<br/>Ridge</b>                                      | 3 Years                         | \$5,000                                  | \$5,000                      | \$5,000                      | n/a                               | 4/3/2021                    | \$347,490                             |
| <b>United<br/>Western<br/>Extension</b>                    | 3 Years                         | \$5,000                                  | \$5,000                      | \$5,000                      | n/a                               | 4/3/2021                    | \$365,910                             |
| <b>Gold Ore</b>  | 3 Years                         | \$5,000                                  | \$5,000                      | \$5,000                      | n/a                               | 4/3/2021                    | \$375,000                             |
| <b>Gold Road</b>   | 3 Years                         | \$5,000                                  | \$5,000                      | \$5,000                      | n/a                               | 4/3/2021                    | \$240,000                             |
| <b>Silver<br/>Creek</b>                                    | 2 Years                         | \$5,000                                  | \$5,000                      | n/a                          | n/a                               | 4/3/2020                    | \$327,000                             |
| <b>United<br/>Western<sup>7</sup></b>                      | 15<br>years                     | \$10,000                                 | \$10,000                     | \$10,000                     | \$10,000                          | 8/22/2032                   | \$900,000                             |
|  |                                 | \$85,000                                 | \$110,000                    | \$130,000                    | \$210,000                         |                             | \$6,734,935                           |

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|----|---|
| 1. | All agreements are dated effective as of 4/4/2018.<br>Optionors are various entities controlled by Stephen C. Anderson – United Eastern, L.C., Blue Ridge Capital L.C., Black Eagle Investments, Inc., and Oatman American, LLC, Oatman Crown City, LLC, Oatman Red Creek Group, LLC, Oatman Ella Mitchell Group, LLC, Oatman Neglected Group, LLC. |
| 2. | Optionee is Gold Road Mining Corp.  |

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| 3. | License Fees for Year 1 were directly paid on 4/4/18 by Optionee to Optionor via wire transfer outside of escrow. |
| 4. | Purchase Prices are subject to adjustment based on acreages as determined by surveys.                             |
| 5. | License Fees paid are credited toward the Purchase Prices at Closing.   |
| 6. | Exercise and Closing contingent upon completion of acquisition of Oatman Water Company L.L.C.                     |
| 7. | United Western is a contract with La Questa LLC.  |
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The Option Agreements also provide, in the aggregate for the issuance to Optionor, of up to 2,500,000 share purchase warrants of the Company, exercisable into common shares at \$0.20 per common share. The share purchase warrants are exercisable only if Gold Road elects to exercise the purchase option under a particular Option Agreement. The issuance of the share purchase warrants is subject to approval of the TSX Venture Exchange.

The NI 43-101 Technical Report can be found on SEDAR at the following link: <http://bit.ly/2018Para43-101>

Mr. James R Guilinger, SEG, MMSA#01172QP is a qualified person under NI 43-101 and is the author of Technical Report on the Gold Road Mine, NI 43-101 Technical Report and is responsible for the technical disclosure in this news release.

If the Company were to bring the Gold Road Mine into production without first establishing mineral reserves supported by an NI 43-101 technical report and completing a feasibility study, the Company cautions that this could result in higher risk of economic or technical failure of the operation than if a feasibility study had been prepared demonstrating economic and technical viability. There are no assurances that the Gold Road Mine will be found to be economic.

## **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. The Company has hired RPM Global as consulting engineers in order to produce a NI 43-101 Technical Report, which it expects, will establish a current Mineral Resource estimate and anticipates that it will publish a NI 43-101 PEA thereafter. 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"*

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

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