Generating positive Cash Flow in Q2 2016 from Small Scale Mining and Toll Milling in Latin and South America

Doré Bar from el Limon, Colombia, 15/09/2015
Some statements herein contain forward-looking information. These statements include, but are not limited to, statements with respect to the expected benefits from having a management team seeking to aggressively grow the Company into a mid tier gold producer through acquisitions and development of existing assets, the proposed increase to 100% of the Company’s ownership interest in Columbia Milling Limited and the development potential and production estimates of the Company's properties. These statements address future events and conditions and, as such, involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the statements. Such factors and assumptions include, among others, the effects of general economic conditions; the price of gold, silver, copper and other metals; projected capital and operating costs, estimated metal recoveries and mine life and production rates at El Limon; changing foreign exchange rates and actions by government authorities; uncertainties associated with legal proceedings and negotiations and misjudgements in the course of preparing forward-looking information. In addition, there are known and unknown risk factors which could cause the Company's actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by the forward-looking statements.

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Mr. Paulo Andrade, P. Geo., qualified person under National Instrument 43-101, VP & Country Manager for Para Resources Inc., has reviewed and approved the scientific and technical information in this presentation pertaining to the Angelim Property, Brazil.

Mr. David Bikerman, MAIG, qualified person under National Instrument 43-101, Independent Consultant to Para Resources Inc., has reviewed and approved the scientific and technical information in this presentation pertaining to the El Limon Property, Colombia.
Para Resources Inc. (“Para”), (TSXV:PBR): is a Junior Mining and Toll Milling company

- Para owns approximately 70% of the El Limon Gold Mine in Zaragoza, Colombia
- In final stage of a mill upgrade to increase capacity to 200 TPD
- El Limon is forecast to produce **25,000 ounces of Au per year at full production**
- **13,000 ounces Au projected between April 1 and December 31st 2016 as production ramps up, generating $6-7 million USD of cash flow for Para.**
- There has been insufficient exploration to define a NI 43-101 mineral resource or reserve but over 250,000 tons of pillars with an average grade of 30 gpt have been identified from historical mapping and assays and there are 225,000 tons of tailings with economic grades on site.
- Negotiations are proceeding to secure over 200 TPD of feed material from local artisanal miners with an average grade of 10 gpt to supplement underground production
- An exploration program is planned for late 2016 to establish NI 43-101-compliant mineral resources and PEA.
- Para also owns a property in Brazil where GEU Trial Mining permits to mine the surface material have been applied for and are expected to be issued in Q2 2016.
- **Para has sufficient cash on hand** to fund the balance of the mine rehabilitation plan at El Limon and working capital requirements up until positive cash flow is generated from El Limon in April 2016.
• In June 2015, Para in partnership with Randy Martin, a proven mining professional who has discovered and brought several mines into production, acquired the El Limon Mine, located in Zaragoza Colombia.

• Para is a majority shareholder of Colombia Milling Limited ("CML"), a Belizean Company and has entered into agreements to acquire the remaining shares of CML, such that on closing of the share purchase transactions Para will own 100% of the shares of CML. CML owns 70% of Four Points Mining SAS ("Four Points"), a Colombian Company, which in turn owns 100% of the El Limon Mine.

• The shares of Four Points were acquired in 2015 for USD $5 million. Payment terms were $550,000 in cash (paid), $1,450,000 ($450,000 paid) over three years plus a 2% NSR Royalty until an additional $3,000,000 is paid.

• El Limon is in the final commissioning stage of the rehabilitated mine, mill and plant. Operations will begin a gradual ramp up starting in March 2016 with full production of 200 TPD expected in June 2016.

• The underground deposit has not been fully explored but the average historical grade of gold mineralization over the life of the mine has been over 30 gpt (over 15 gpt head grade fully diluted). Para does not consider the historical averages for the purposes of estimating a current mineral resource or mineral reserves under NI 43-101.
• CML has undertaken a $3.0 mm USD upgrade to the mine and the processing plant to increase throughput to 200 TPD.

• Underground mining at El Limon is restricted to 75 TPD. Additional feed material will be sourced, as needed, from local small scale miners once all of the tailings have been re-processed. LOI are in place for more than 250 TPD at an average diluted head grade of over 10 gpt.

• Local miners are paid 42.5% of the assayed gold in the lump delivered based on the current price of gold.

• Mining costs are estimated to be $110 per ton and processing costs are estimated at $65 per ton. Proforma total cash costs for producing gold from rock mined at the El Limon mine are $415 per ounce.

• Toll Milling significantly eliminates the mining risk as the quantity of feed material from local miners exceeds the throughput of the plant.
El Limon Operations Plan

- There is no NI 43-101 resource at El Limon, however, there is a known quantity of material that has been left behind (pillars) for support in the upper levels. These pillars represent 250,000 tons of feed material. The historical grade of the material processed from these areas is greater than 30 gpt. The mill is capable of processing 200 TPD of this material at a 93% recovery rate. Pillar recovery will commence early 2017.

- In addition, there are 225,000 tons of tailings, which have economical grades of gold. Since these tailings have already been milled, the tailings will be fed into the process after the ball mills increasing through put at floatation and cyanidation to 400 TPD of combined new rock and tailings.

- Underground production is restricted to 100 TPD due to the capacity of the haul winch. Increasing capacity will require an investment and may be completed at a later date.

- Local, small scale miners who are currently achieving 35-40% recovery using mercury amalgamation are willing to sell their lump rock to El Limon for 42.5% of the Au based on assays conducted by El Limon.

- Once tailings are depleted the mine is expected to run 100 TPD from the underground and 100 TPD from local miners

### El Limon Production Plan (per month)

<table>
<thead>
<tr>
<th></th>
<th>Underground</th>
<th>Tailings</th>
<th>Toll Milling</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tons gpt Oz.Au</td>
<td>Tons gpt Oz.Au</td>
<td>Tons gpt Oz.Au</td>
<td>Total Oz/month Total Oz/year</td>
</tr>
<tr>
<td>per month for Months 1-30</td>
<td>2,250 30.00 2,018</td>
<td>7,660 3.00 690</td>
<td>- - -</td>
<td>2,708 32,496</td>
</tr>
<tr>
<td>per month after 30 months</td>
<td>2,250 30.00 2,170</td>
<td>- - -</td>
<td>3,750 10.00 1,127</td>
<td>3,297 39,564</td>
</tr>
</tbody>
</table>
EL LIMON MINE
According to the NI 43-101 report filed with the TSXV in October 2015

• The main structure present in the area is the Otu Fault that crosses the area from North to South, the control over the Juan Vara creek is relevant.

• The known vein systems of the region extend up to 2-3 km in length with plunging high-grade ore shoots central to the vein and surrounded by a lower grade halo. Vein dips are typically around 30-40°, and occasionally sub-vertical.

• The mineralization of El Limon mine is embedded in the quartz-feldespathic gneisses. The gold occurs in a milky quartz vein, to the west of Otu Fault, its approximate course is N10E/40W, with average thickness of 0.40 m. These features are very consistent in an extension of almost 400 m on the course and 350 m in the dip direction.

• Typical production grades of the region range 8-12 g/t Au diluted. However, higher-grade mines also exist, such as Quintana and El Limon mines at over 15 g/t Au diluted.
The existing mineral process at El Limon consists of two-stage crushing, milling, gravity separation, flotation, cyanidation, Merrill-Crowe precipitation and smelting. The final product sold by El Limon is gold/silver doré.

A 2-stage crushing plant is operational on site. The crushing plant historically operated one shift per day at 10-12 tonnes per hour but has capacity of 20 tonnes per hour, providing sufficient crushed rock to feed the mill. The crushing plant consists of a jaw crusher, cone crusher, vibrating screen and associated belts and bins. A nominal 3/4” product is supplied to the mill. This crushing plant will be renovated and upgraded to allow a smaller (-1/2”) nominal feed to the mill.

The $2.7 million upgrade is 90% complete with preliminary commissioning scheduled for March 2016. Full 200 TPD production is expected by June 2016. The upgrade includes the installation of a second ball mill, a new thickener, new floatation circuit and an upgraded CIP process circuit. Mill throughput has been increased to 200 TPD for mined rock and 400 TPD for reprocessing the tailings.

During the renovation of the plant and mill, three new underground faces have been developed where average grades are above 100 gpt.
ENVIRONMENTAL AND SOCIAL BENEFITS

Toll milling has a direct environmental and social benefit to the people of the region as it eliminates the use of mercury and its health effects while increasing the amount of money the artisanal miner makes by increasing his net yield.

- The artisanal gold mining sector in Colombia has 200,000 miners officially producing 30 tonnes Au/a.
- Miners crush and amalgamate the whole ore, without previous concentration, and later burn gold amalgam without any filtering or condensing system, often in the same building that the family lives in.
- A percentage of the mercury added to small ball mills (cocos) is lost: mostly with tailings (typically dumped in rivers) and some when amalgam is burned.
- Air mercury levels range from 300 ng Hg/m$^3$ (background) to 1 million ng Hg/m$^3$ (inside gold shops) with 10,000 ng Hg/m$^3$ being common in residential areas.
- The WHO limit for public exposure is 1,000 ng/m$^3$. The total mercury release/emissions to the Colombian environment can be as high as 150 tonnes/a giving the country the first position as the world's largest mercury polluter per capita*
- Toll milling provides the small miners with an environmentally friendly and more lucrative alternative and yield is higher and less work on their part is required.

* Global Mercury Project in Colombia for the United Nations.
Toll Milling significantly eliminates the Mining Risk:

- Feed material is purchased based on the assayed amount of gold in the rock delivered by the artisanal miner.
- The El Limon mine is located near Zaragoza, Colombia, a prolific and historic gold producing area.
- Over 1,000 local artisanal miners within a 150 km circle of El Limon are mining suitable feed material with an estimated range of diluted grade greater average 10 gpt).
- Rock mined from the El Limon mine will supplement the more than 200 MT per day of feed material available to be contracted from among the 57 local mines.
- Environmentally sound way to eliminate mercury used by artisanal miners.
- El Limon has strong management team with track records of having successfully commissioned and operated mining operations similar to EL Limon.
- Proforma toll milling proforma costs of operations are:
  - at 10 gpt, processing costs will be $241 per ounce ($77.50/ton).
  - At $1,200 gold, total cost of feed material plus processing will be $751 per ounce (42.5% of $1200 plus $241 per T)
  - Toll milling operations breaks even when gold is $500/oz.
Mr. Paulo Andrade, P. Geo., qualified person under National Instrument 43-101, VP & Country Manager for Para Resources Inc., has reviewed and approved the scientific and technical information in this section pertaining to the Tucuma Property, Angelim zone, near Tucuma, Para State, Brazil.
Para has conducted extensive work on the Angelim zone on its Tucuma property in Para State, Brazil over the last 2 years.

Geophysical, geo-chemical, soil sampling, drilling and trenching work has been conducted.

Vein system at surface with mineralized saprolite to 20 M + depth.

Recently filed (2015) report by Paulo Andrade to the Brazilian DMPN standard indicating a “free” gold resource in the top 20 meters of surface material in Zone 1 (of four identified) of 55,000 ounces at an average diluted grade of 4.28 gpt. There has been insufficient work to report a NI 43-101 mineral resource or reserve and there are no assurances this will be converted into NI 43-101 mineral resource.

Drilling indicates the vein system is open at depth (150 M) at an average width of approximately 10 meters and an average grade of 20 gpt.

Initial focus is on economically viable surface material mining.

GEU Trial Mining license for 50,000 T per year of surface mining has been applied for and is expected to be granted in early 2016.
Two targets comprise Tucuma Property: Angelim & Serrinha.

In Angelim Target the large anomalous geochemical signature was separated into 3 zones for trenching and drilling, where mineralization was more evident by outcrops and small old workings.

Serrinha Target was a historical gold-copper open pit mine during the 80’s.
# Tucuma Property – Zone 1 Trenching and Drilling Results

<table>
<thead>
<tr>
<th>ZONE</th>
<th>CHANNEL</th>
<th>WIDTH (m)</th>
<th>AVERAGE GRADE Au (g/t)</th>
<th>MAX. GRADE Au (g/t)</th>
</tr>
</thead>
<tbody>
<tr>
<td>ZONE I</td>
<td>CHN-005 / CHN-006 including</td>
<td>11.55</td>
<td>20.25</td>
<td>73.98</td>
</tr>
<tr>
<td></td>
<td>CHN-023 including or</td>
<td>12.00</td>
<td>4.56</td>
<td>14.76</td>
</tr>
<tr>
<td></td>
<td></td>
<td>8.00</td>
<td>6.78</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>4.00</td>
<td>12.86</td>
<td></td>
</tr>
<tr>
<td></td>
<td>CHN-023 including</td>
<td>10.00</td>
<td>2.60</td>
<td>12.62</td>
</tr>
<tr>
<td></td>
<td>CHN-027 including</td>
<td>7.00</td>
<td>3.53</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>6.00</td>
<td>22.72</td>
<td>88.99</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4.00</td>
<td>33.88</td>
<td></td>
</tr>
<tr>
<td></td>
<td>CHN-028 including</td>
<td>8.00</td>
<td>27.57</td>
<td>118.50</td>
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<td></td>
<td></td>
<td>3.00</td>
<td>69.17</td>
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<td>57.76</td>
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<tr>
<td></td>
<td></td>
<td>2.00</td>
<td>36.32</td>
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<tr>
<td>ZONE II</td>
<td>CHN-009 / CHN-010 including</td>
<td>8.60</td>
<td>3.26</td>
<td>5.09</td>
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<td></td>
<td>CHN-015 including or</td>
<td>23.00</td>
<td>0.61</td>
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<tr>
<td></td>
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<td>7.00</td>
<td>1.14</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>2.00</td>
<td>3.03</td>
<td></td>
</tr>
<tr>
<td>ZONE III</td>
<td>CHN-015 including or</td>
<td>23.00</td>
<td>0.61</td>
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<tr>
<td></td>
<td></td>
<td>7.00</td>
<td>1.14</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>2.00</td>
<td>3.03</td>
<td></td>
</tr>
</tbody>
</table>
Para believes that there are a number of opportunities with very similar characteristics as the El Limon where small scale mines can be purchased or developed with a relatively small amount of capex (less than $5 million) where production can occur in the near term (6 -12 months), cash operating costs are around $500 per ounce and where capital can be returned to investors in under 2 years. Para has several of these opportunities in a pipeline.

The criteria for consideration of any new project are as follows:

- **Low cost, economically viable gold recovery:** Total cash cost to produce under $500/oz. Au
- **Near Term Production:** a clear path through quantification, permitting and construction to see production in less than 1 year from acquisition.
- **Low Capex:** Total capital to get to production of less than $5 million resulting in payback in less than 24 months
- **Reserves:** At least enough known reserves to generate 30% IRR
- **Blue Sky Potential:** An unknown or poorly quantified resource in the hard rock that can be proven up through drilling. Drilling and additional exploration costs to be financed by cash flow generated in mining surface gold.

➢ All current projects and several new potential target meet these criteria
Geoff Hampson, CEO: A Seasoned Entrepreneur, with 35 years of experience in mining, oil and gas, manufacturing and internet infrastructure. Business experience and contacts on all continents. He has founded and financed many private and public companies since 1979. CEO of Fibrox Technology Ltd., since 1995, former CEO of Live Current Media Inc., Corelink Data Centers, LLC, Pacific Rodera Energy and Peer 1 Network Enterprises.

David Bikerman MAIG, President and COO of Four Points Mining Ltda.: A Mining Engineer with 35 years experience in senior management positions in small and medium scale mining operations all over Central and South America. Former President of Golden Ibex Mining Inc., the owner of the Bald Mountain Mine in Oregon. Former President of Mining Inc, a medium scale gold mining operation in Honduras. Presently President and CEO of Bikerman Engineering and Technology Assoc. Inc.

Paulo J. Andrade VP and Brazil Country Manager: A Geologist with 27 years of experience in Brazil and South America. Extensive knowledge and experience in managing exploration teams and in identifying new business opportunities. Brought at least two important copper projects for VALE’s portfolio in Peru as well as discovered five lateritic nickel and one iron ore deposits for CODELCO in Brazil. He had also an important participation on the Rio Verde Cu-Au deposit discovery at Carajás Province for BARRICK.

Randy Martin, CEO and Chairman of Colombia Milling Limited: Mining Engineer and Expert in Custom Milling and Mining. Developed Hemco Nicaragua, a 1,200 tpd underground and open pit mine with two gold recovery plants processing ore from legal artisanal miners. 90% sold to Mineros SA for US$96.8M. Constructed and operated the Santa Rosa open pit gold mine in Panama, the La Libertad open pit and underground gold mine in Nicaragua, the San Andres open pit gold mine in Honduras. Operates the El Limon underground gold mine in Antioquia Colombia and constructing two 150 tpd toll milling operations in Nicaragua for small miner cooperatives.

James Taylor, CPA: CFO of Para Resources, Inc., Colombia Milling Limited and Four Points Mining Ltda.: A financial professional with over 30 years of experience as a senior officer of numerous emerging technology, manufacturing and resource companies. Formerly CFO of Novocon International Inc, Peer 1 Network Inc, Corelink Data Centers LLC, Infracen Energy Services Corp, Fibrox Technology Ltd. Has acted as Director of numerous public companies in Canada and the USA.
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Ioannis Tsitos, Director: A Geophysicist and Businessman with 19 years with BHP Billiton, the last 9 in the position of senior business development manager on minerals exploration with a global reach having worked on exploration deals in 32 countries. Has identified, negotiated and executed in excess of 55 exploration, development and mining agreements and Joint Ventures. Extensive global network (exploration, mining, finance)

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Luiz Bizzi CEO of Para’s Brazilian subsidiary and Director: A Brazilian Professional Geologist with over 25 years of experience in minerals exploration BD in South America. PhD Geology, MBA. Editor of “Geology, Tectonics and Mineral Resources of Brazil” 2003. Extensive minerals exploration experience in South America including with BHP Billiton, as Director of Geology and Mineral Resources at CPRM and at the Brazilian Development Bank. Presently President and CEO of Rio Grande Mining Co.

Larry Timlick, Director: Mr. Timlick has served as VP Western Canada for Avaya Canada from Sept 2014. He previously in various management positions for Technology and Networking companies since 1991. Mr. Timlick also serves as director of CounterPath Corporation a leading provider of innovative desktop and mobile VoIP software products and as a Director of Sora Capital Corp which focuses on emerging “SaaS” companies. From September 2006 until December 2008 he served as a director and the Corporate Secretary of Stage Capital Inc. (now known as Trueclaim Exploration Inc.), a former capital pool company that completed its Qualifying Transaction in December 2008.
SHARE CAPITAL

Total shares o/s: 76,079,781 (55.6 million held by management and insiders)

Warrants o/s: 28,147,874 warrants @ $0.10 to $0.18 per share (7.3 million @ $0.10 expire in August 2016 and 26.1 million are owned by management and insiders)

Options o/s: 3,822,143 (exercisable at between $0.05 to $0.10 per share)

Market cap: $16.35 million as at March 18, 2016

Major Shareholders: Lake Forest Dev Corp (Hampson): 16,651,858 shares (21.9 %),
Randy Martin: 13,213,340 shares (17.4 %),
Conex Services Inc (Glenn Walsh): 26,855,461 (35.2 %),
Public float: 15,059,122 (19.8 %) (2.3 million of which have a cost over $1.00 per share)

Financing: Para has recently closed, in a series of tranches, $4.35 million in equity financing and is fully funded for the current construction program at el Limon with sufficient working capital to meet day to day expenses until cash is generated from operations in June 2016.
• Assuming $1,200 gold, the projected 2016 cash flow attributable to Para Resources from the El Limon Mine, at an average head grade of 10 gpt and using a combination of feed material from the underground mine, the tailings and material sold by local, legal gold miners, is USD $6 -7 million.

• Once steady state operations is achieved (2017), projected annual operational cash flow to Para will be USD $8.0-10.0 million.

• Para plans to distribute a portion of the cash flow to the shareholders by way of a dividend in 2017.

• Para will use cash flow to drill property to publish an NI 43-101 compliant resource calculation and PEA in Q4 2016.

• Sources of material for contract milling are under LOI and are readily available to supplement or replace el Limon production, which effectively eliminates the mining risk.

• Experienced and proven Board and Management Team

• Low monthly corporate overhead of under CAD $100,000 for Brazilian, Colombian and head office expenses combined.

• Management and Insiders have invested over CAD $ 8 mm of their own funds

• Market cap as at March 18, 2016 of CAD $16.35 mm

• Two-ticket investment structure (i) share of milling company and (ii) share of mining company with historically high grade and the potential for an area play.