Paramount Resources Ltd.

Paramount Resources Ltd. Announces Renewal of Normal Course Issuer Bid

CALGARY, Jan. 2, 2020 /CNW/ - Paramount Resources Ltd. ("Paramount" or the "Company") (TSX:POU) announces that its board of directors has approved the implementing of a normal course issuer bid ("NCIB"). A Notice of Intention to make a Normal Course Issuer Bid has been filed with, and accepted by, the Toronto Stock Exchange (the "TSX").

Paramount is implementing the NCIB as the Company's directors and management believe that, from time to time, the market price of Paramount's Class A Common Shares ("Common Shares") does not reflect the underlying value of the Common Shares and that the purchase of Common Shares for cancellation at such times is a prudent corporate measure that will both increase the proportionate interest in the Company of, and be advantageous to, all of the Company's remaining shareholders.

The NCIB will commence on January 6, 2020 and will terminate on the earlier of: (i) January 5, 2021; and (ii) the date on which the maximum number of Common Shares that can be acquired pursuant to the NCIB are purchased. Purchases of Common Shares under the NCIB will be effected through the facilities of the TSX or alternative Canadian trading systems at the market price at the time of purchase.

134,196,717 Common Shares were outstanding as of December 23, 2019. Paramount may purchase up to 7,044,289 Common Shares under the NCIB, which represents 10% of the public float for the outstanding Common Shares as of December 23, 2019 of 70,442,899. Pursuant to the rules of the TSX, the maximum number of Common Shares that the Company may purchase under the NCIB in any one day is 84,660 Common Shares, which is 25% of the average daily trading volume of the Common Shares on the TSX for the six months ended November 30, 2019 of 338,641 Common Shares. Paramount may also make one block purchase per calendar week which exceeds such daily purchase restriction, subject to the rules of the TSX. Any Common Shares purchased pursuant to the NCIB will be cancelled by the Company.

Paramount may establish an automatic share purchase plan under which the designated NCIB broker could purchase Common Shares pursuant to the NCIB based on parameters established by the Company. Any such plan would be subject to the prior approval of the TSX.

Paramount's previous NCIB expires on January 3, 2020 (the "Previous NCIB"). Under the Previous NCIB, Paramount obtained the approval of the TSX to purchase up to 7,110,667 Common Shares, which represented 10% of the public float at the time of approval. Paramount purchased on the open market and cancelled an aggregate of 2,622,200 Common Shares under the Previous NCIB at a volume-weighted average purchase price of $5.47 per Common Share.

ABOUT PARAMOUNT

Paramount is an independent, publicly traded, liquids-focused Canadian energy company that explores for and develops both conventional and unconventional petroleum and natural gas resources. The Company also pursues long-term strategic exploration and pre-development plays and holds a portfolio of investments in other entities. The Company's principal properties are located in Alberta and British Columbia. Paramount's Class A common shares are listed on the Toronto Stock Exchange under the symbol "POU".

SOURCE Paramount Resources Ltd.

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