

Paramount Resources Ltd.

Paramount Resources Ltd. And Paramount Energy Trust Announce Declaration Of Dividend

FOR: PARAMOUNT RESOURCES LTD.

TSX SYMBOL: POU

FEBRUARY 4, 2003 - 19:37 EST

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Announce Declaration Of Dividend

CALGARY, ALBERTA--Paramount Resources Ltd. ("PRL") and Paramount Energy Trust ("PET") jointly announce that on February 3, 2003 the board of directors of PRL declared a dividend-in-kind (the "Dividend") of an aggregate of 9,909,767 Trust Units of PET (the "Dividend Trust Units"). The Dividend will be paid to holders of PRL common shares of record as of the close of business on February 11, 2003 (the "Dividend Record Time"). Depending on the number of options to acquire PRL common shares exercised prior to the Dividend Record Time, the Dividend will be paid, at a minimum, on the basis of one Dividend Trust Unit for every 6.079 PRL common shares held at the Dividend Record Time and, at a maximum, on the basis of one Dividend Trust Unit for every 6 PRL common shares held at the Dividend Record Time. The exact ratio for the Dividend will be announced by press release shortly after the Dividend Record Time.

The Dividend was declared after PET received all regulatory clearances with respect to its final prospectus in Canada and its registration statement in the United States. The final prospectus and registration statement qualify and register (i) the Dividend Trust Units, (ii) Rights to purchase further Trust Units, such Rights to be issued by PET to unitholders after the payment of the Dividend, and (iii) the Trust Units issuable upon the exercise of the Rights.

BMO Nesbitt Burns Inc., CIBC World Markets Inc. and FirstEnergy Capital Corp. are acting as financial advisors to PRL with respect to the foregoing transactions, and have agreed to act as dealer managers in Canada under the rights offering.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any State in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such State. The securities to be offered under the registration statement are in connection with a distribution by both PET (the issuer of the securities) and PRL (a security holder of a portion of the securities). A written prospectus relating to this distribution may be obtained from:

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In Canada:

In the United States:

BMO Nesbitt Burns Inc.	BMO Nesbitt Burns Corp.
Shane Fildes	Bill Schneider
1400, 421 - 7 Avenue SW	700 Louisiana Street, Suite 4425
Calgary, Alberta T2P 4K9	Houston, Texas 77002
(403) 515-1500	(713) 223-4400

CIBC World Markets Inc. CIBC World Markets Corp.
Brian Heald David Ash
9th Floor, Bankers Hall East 1600 Smith Street, Suite 3100
855 - 2 Street SW Houston, Texas 77002
Calgary, Alberta T2P 4J7 (713) 650-2000
(403) 260-0500

FirstEnergy Capital Corp. FirstEnergy Capital (USA) Corp.
John Chambers James Davidson
1600, 333 - 7 Avenue S.W. 1600, 333 - 7 Avenue SW
Calgary, Alberta T2P 2Z1 Calgary, Alberta T2P 2Z1
(403) 262-0600 (403) 262-0600

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In addition, persons resident in Canada can view a copy of the Canadian final prospectus at the SEDAR website at www.sedar.com and persons resident in the United States can view a copy of the U.S. registration statement at the EDGAR website which can be located through www.sec.gov .

PRL is a Canadian oil and natural gas exploration, development and production company with operations focussed in Western Canada. PRL's common shares are listed on the Toronto Stock Exchange under the symbol "POU".

Paramount Energy Trust is a natural gas-focussed Canadian energy trust. Once they commence trading on the Toronto Stock Exchange, the trading symbol for the Trust Units will be "PMT.UN".

The Toronto Stock Exchange has neither approved nor disapproved the information contained herein.

For further information: Paramount Resources Ltd., Clayton (Clay) H. Riddell, Chairman and CEO, (403) 290-3600, James (Jim) H. T. Riddell, President, (403) 290-3600, Paramount Energy Operating Corp, administrator of Paramount Energy Trust, Susan L. Riddell Rose, President and Chief Operating Officer, (403) 269-4400, Gary C. Jackson, Vice-President, Land, Legal and Acquisitions, (403) 269-4400, Cameron R. Sebastian, Vice-President, Finance and CFO, (403) 269-4400

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