Paramount Resources Ltd.

Paramount Resources Ltd. to Sell its Oil and Gas Properties in Valhalla for Approximately $150 Million Cash

CALGARY, May 1, 2017 /CNW/ - Paramount Resources Ltd. (TSX:POU) ("Paramount" or the "Company") is pleased to announce that it has agreed to sell its oil and gas properties in the Valhalla area of Alberta (the "Assets") for cash consideration of approximately $150 million, subject to customary post-closing adjustments.

The Assets encompass approximately 94 (74 net) sections of land and had estimated sales volumes of approximately 1,400 Boe/d for the three-month period ended March 31, 2017.

Closing of the transaction is expected to occur inMay 2017, and is subject to the purchaser receiving the approval of the Alberta Energy Regulator for the transfer to it of the Assets. The purchase price has been deposited with Paramount's legal counsel and will be released upon satisfaction of this condition.

About Paramount

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

Advisories

Forward Looking Information

Certain statements in this news release constitute forward-looking information under applicable securities legislation. Forward-looking information typically contains statements with words suggesting future outcomes or an outlook. Forward-looking information in this news release includes, but is not limited to, the anticipated closing date of the transaction. The forward-looking information in this news release is based on a number of assumptions which may prove to be incorrect. The forward-looking information in this news release is also based on expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by Paramount and described in the forward-looking information. See the section titled "RISK FACTORS" in Paramount's current annual information form for a description of the risks applicable to Paramount's business and the forward-looking information herein. The forward-looking information contained in this news release is made as of the date hereof and, except as required by applicable securities law, Paramount undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise.

Oil and Gas Measures

This news release contains disclosures expressed in "Boe/d". Natural gas equivalency volumes have been derived using the ratio of six thousand cubic feet of natural gas to one barrel of oil. Equivalency measures may be misleading, particularly if used in isolation. A conversion ratio of six thousand cubic feet of natural gas to one barrel of oil is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the well head. During the three months ended March 31, 2017, the value ratio between crude oil and natural gas was approximately 23:1. This value ratio is significantly different from the energy equivalency ratio of 6:1. Using a 6:1 ratio would be misleading as an indication of value.

SOURCE Paramount Resources Ltd.

For further information: Paramount Resources Ltd., J.H.T. (Jim) Riddell, President and Chief Executive Officer, B.K. (Bernie) Lee, Chief Financial Officer, www.paramountres.com, Phone: (403) 290-3600

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