Paramount Resources Ltd.

Paramount Resources Ltd. Acquires Convertible Debentures of Canadian Premium Sand Inc.

This press release is being issued pursuant to section 5.2 of National Instrument 62-104 -Take-Over Bids and Issuer Bids.

CALGARY, Feb. 26, 2020 /CNW/ - Paramount Resources Ltd. ("**Paramount**") has acquired $900,000 in principal amount of 12.0% secured convertible debentures ("**Convertible Debentures**") of Canadian Premium Sand Inc. ("**CPS**"; TSXV: CPS). The acquisition was made as part of a private placement of an aggregate of $1,975,000 in principal amount of Convertible Debentures completed by CPS on February 26, 2020 (the "**Private Placement**").

The Convertible Debentures mature on February 26, 2024 and may be converted at the option of the holder into common shares of CPS ("**Common Shares**") at any time prior to maturity at a conversion price of $0.75 per Common Share. If Paramount were to convert all of the Convertible Debentures held by it, it would acquire 1,200,000 Common Shares, representing approximately 5.35% of the outstanding Common Shares after giving effect to such conversion.

Paramount has direct ownership and control of 2,759,394 Common Shares, representing approximately 13% of the 21,224,460 issued and outstanding Common Shares. If Paramount were to convert all of the Convertible Debentures held by it, it would have direct ownership and control of 3,959,394 Common Shares, representing approximately 17.66% of the outstanding Common Shares after giving effect to such conversion.

The Convertible Debentures were acquired by Paramount for investment purposes. Depending on the evolution of CPS's business, financial condition, the market, if any, for CPS's securities, general economic conditions and other factors, Paramount may acquire additional CPS securities, or sell CPS securities it owns, controls or directs, in the open market, by private agreement or otherwise, subject to market conditions and other relevant factors.

SOURCE Paramount Resources Ltd.

For further information: For inquiries or a copy of the related early warning report in respect of CPS, a copy of which is filed on www.sedar.com, please contact: Paramount Resources Ltd., Suite 2800, 421 - 7th Avenue S.W., Calgary, Alberta T2P 4K9

---

https://paramount.mediaroom.com/2020-02-26-Paramount-Resources-Ltd-Acquires-Convertible-Debentures-of-Canadian-Premium-Sand-Inc