

Paramount Resources Ltd.

Paramount Resources Ltd. Further Extends Exchange Offer For Senior Notes

CALGARY, ALBERTA - Jan. 18, 2005 /CNW/- As announced on January 17, 2005, Paramount Resources Ltd.'s (TSX:POU) discussions with representatives of the committee of noteholders formed to respond to Paramount's exchange offer and consent solicitation for its outstanding senior unsecured notes are continuing. Accordingly, the offer expiration date has been extended to 5:00 p.m. New York time on January 19, 2005. The minimum tender condition in the offer has not yet been satisfied.

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

This press release is neither an offer to sell nor a solicitation of an offer to participate in the exchange offer and consent solicitation.

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