Paramount Resources Ltd.

Paramount Resources Ltd. Updates Status of Exchange Offer for Senior Notes

CALGARY, ALBERTA - Jan. 17, 2005 /**CNW**/ - Paramount Resources Ltd. (TSX:POU) announces that its 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. With today being a holiday in the United States, a further announcement on the status of the offer will be made tomorrow.

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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