

Paramount Resources Ltd.

Paramount Resources Ltd. Completes Bought Deal Financing

CALGARY, ALBERTA - Oct. 26, 2004 /CNW/- Paramount Resources Ltd. ("Paramount") has completed its previously announced public offering of 2,500,000 common shares (including 500,000 common shares issued following the exercise in full of the underwriters' option) at a price of \$23.00 per share for gross proceeds of \$57.5 million. The shares were sold through a syndicate of Canadian underwriters co-led by FirstEnergy Capital Corp., BMO Nesbitt Burns Inc., Canaccord Capital Corporation and GMP Securities Ltd.

The net proceeds from the offering will initially be used to reduce existing indebtedness and thereafter for capital expenditures, the repayment of indebtedness, the financing of acquisitions or additions to working capital.

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".

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