Paramount Resources Ltd. Property Disposition Program Update

FOR: PARAMOUNT RESOURCES LTD.

TSX SYMBOL: POU

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CALGARY, ALBERTA--Paramount is pleased to report that it has substantially completed the property disposition program which it initiated in the fall of 2002. Paramount has agreed to sell properties for total proceeds of $89 million, all of which are in various stages of the sale process.

Closing of all transactions is expected to occur before the end of June 2003 and the majority of the sales have an effective date of January 1, 2003. The disposition program comprises 16.1 MMcf/d of gas production and 1,436 Bbl/d of oil and natural gas liquids production estimated for 2003 and includes reserves of 12.6 Bcf of proven gas reserves (16.1 Bcf of proven plus probable) and 4.85 MMBbl of proven oil and natural gas liquids reserves (8.7 MMBbl proven plus probable) estimated at January 1, 2003, and as such, will reduce Paramount's 2003 forecast production by the same. The divestiture program is predominantly comprised of smaller non-core properties in Southern Alberta and all of Paramount's' operations in North Dakota and the divestiture will allow Paramount to focus its efforts into growing the more significant assets in its portfolios.

As a result of these transactions, Paramount now expects daily production of 150 to 160 MMcf/d and 7,000 Bbl/d or 32,000 to 33,600 BOE/d on a 6:1 basis and cash flow of approximately $200 million or $ 3.30/share. Paramount's capital expenditure program budget all of 2003 is $150 to $175 million. As a result of excess cash flow, the disposition program, and the closing of the transactions associated with the Paramount Energy Trust creation, year-end debt levels are projected to be reduced to approximately $200 million.

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".

The Toronto Stock Exchange has neither approved nor disapproved the information contained herein.

For further information: Paramount Resources Ltd., J.H.T. Riddell, President, (403) 290-3600, (403) 262-7994 (FAX)