Paramount Resources Ltd.

News Release: Paramount Resources Ltd. Completes Previously Announced Flow-Through Share Offering

CALGARY, ALBERTA - Oct. 2, 2012 /CNW/ - Paramount Resources Ltd. (TSX:POU) ("Paramount" or the "Company") has completed its previously announced public offering of "flow-through" common shares for gross proceeds of $70,037,400. The proceeds will be used by Paramount to incur eligible Canadian exploration expenses and eligible Canadian development expenses. The shares were sold through a syndicate of underwriters led by BMO Capital Markets.

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".

Advisory Regarding Forward-Looking Statements

This news release contains a forward-looking statement pertaining to the use of proceeds from the public offering. Although Paramount believes that the expectations reflected in such forward looking statement are reasonable, undue reliance should not be placed on it as Paramount cannot give any assurance that such expectations will prove to be correct. The forward-looking statement in this news release is made as of the date hereof and, except as required by applicable securities law, Paramount undertakes no obligation to update publicly or revise such statement, whether as a result of new information, future events or otherwise.

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