



PARAMOUNT RESOURCES LTD.

Calgary, Alberta

July 4, 2023

PARAMOUNT RESOURCES LTD. ANNOUNCES PRODUCTION UPDATE, RENEWAL OF NORMAL COURSE ISSUER BID AND JULY DIVIDEND

Paramount Resources Ltd. ("Paramount" or the "Company") (TSX:POU) is pleased to advise that it has successfully restored all but approximately 2,500 Boe/d of the production that had been curtailed as a result of the Alberta wildfires. The Company now expects first half 2023 average sales volumes to be approximately 92,500 Boe/d compared to previous guidance of 96,000 to 101,000 Boe/d. Paramount is working to restore the last of the curtailed production and continues to assess the residual impact of the wildfires arising from interruptions to maintenance and development activities.

Paramount also announces that the Toronto Stock Exchange (the "TSX") has accepted the Company's notice to renew its normal course issuer bid ("NCIB") for its class A common shares ("Common Shares"). The renewal of the NCIB provides the Company with the continued flexibility to increase shareholder returns through the repurchase of Common Shares at times when management believes that the market price of the Common Shares does not reflect their underlying value.

The NCIB will commence on July 6, 2023 and is due to expire on July 5, 2024. Paramount may purchase up to 7,661,980 Common Shares under the NCIB, representing 10% of the public float of 76,619,800 Common Shares as of June 23, 2023. Under TSX rules, a maximum of 80,918 Common Shares may be purchased under the NCIB in any one day, representing 25% of the average daily trading volume of the Common Shares on the TSX for the six months ended May 31, 2023 of 323,672 Common Shares. Paramount may also make one block purchase per calendar week which exceeds the daily purchase restriction, subject to the rules of the TSX. The actual number of Common Shares that will be purchased under the NCIB and the timing of any such purchases will be subject to market conditions and Paramount's free cash flow allocation priorities. Purchases of Common Shares under the NCIB will be made through the facilities of the TSX or alternative Canadian trading systems at the market price at the time of purchase. Any Common Shares acquired under the NCIB will be cancelled.

The Company was authorized to purchase up to 7,626,260 Common Shares under its previous NCIB, which expired on June 29, 2023. Paramount did not purchase any Common Shares under the previous NCIB.

In addition, the Company announces that its Board of Directors has declared a cash dividend of \$0.125 per Common Share that will be payable on July 31, 2023 to shareholders of record on July 17, 2023. The dividend will be designated as an "eligible dividend" for Canadian income tax purposes.

ABOUT PARAMOUNT

Paramount is an independent, publicly traded, liquids-rich natural gas focused Canadian energy company that explores for and develops both conventional and unconventional petroleum and natural gas, including longer-term strategic exploration and pre-development plays, and holds a portfolio of investments in other entities. The Company's principal properties are located in Alberta and British Columbia. Paramount's Common Shares are listed on the Toronto Stock Exchange under the symbol "POU".

For further information, please contact:

Paramount Resources Ltd.

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ADVISORIES

The expected first half 2023 average sales volumes and the potential payment of future dividends under the Company's monthly dividend program would be considered forward-looking information under applicable securities legislation. Although Paramount believes that the expectations reflected in such forward-looking information are reasonable based on the information available at the time of this press release, undue reliance should not be placed on the forward-looking information as Paramount can give no assurance that such expectations will prove to be correct. Such forward-looking information is based on a number of assumptions which may prove to be incorrect, including: (i) in the case of the expected first half 2023 average sales volumes, assumptions as to the accuracy of certain field estimates of production and (ii) in the case of the potential payment of future dividends, assumptions as to the Company's future free cash flow, operating results, capital requirements and financial position. The stated expected first half 2023 average sales volumes are a preliminary estimate that is subject to change and there is a risk that the final reported first half 2023 average sales volumes differ significantly from the stated expected volumes. There are risks that may result in the Company changing, suspending or discontinuing its monthly dividend program, including changes to free cash flow, operating results, capital requirements, financial position, market conditions or corporate strategy and the need to comply with requirements under debt agreements and applicable laws respecting the declaration and payment of dividends. There are no assurances as to the continuing declaration and payment of future dividends by the Company or the amount or timing of any such dividends. For more information relating to risks, see "*Risk Factors*" in Paramount's annual information form for the year ended December 31, 2022, which is available on SEDAR at www.sedar.com.

Any forward-looking information is provided as of the date hereof and, except as required by applicable securities law, Paramount undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise.