



PARAMOUNT RESOURCES LTD.

Calgary, Alberta

April 27, 2026

Paramount Resources Announces Sale of Fox Drilling

Paramount Resources Ltd. ("Paramount" or the "Company") (TSX:POU) is pleased to announce that it has entered into a purchase and sale agreement (the "Agreement") with AKITA Drilling Ltd. ("AKITA") pursuant to which AKITA will acquire all of Paramount's interests in its Fox Drilling subsidiary ("Fox") for 19,264,270 voting common shares of AKITA (the "Transaction").

The assets of Fox consist of six triple drilling rigs, five of which are high-specification AC walking rigs, that are used to drill Company wells and are also available for contracting to third parties. Paramount will enter into an agreement with AKITA on closing of the Transaction to utilize the Fox rigs or equivalent rigs of AKITA for an aggregate of 2,700 days in the three-year period following closing.

Closing of the Transaction will be conditional upon AKITA amending its articles to convert all of its existing Class A non-voting shares into voting common shares such that it has a single class of voting shares ("AKITA Shares") and upon AKITA obtaining all necessary shareholder approvals. Closing of the Transaction is expected to occur in June 2026, subject to the satisfaction of these and other customary closing conditions.

Under the Agreement, Paramount has agreed to distribute the AKITA Shares that it receives pursuant to the Transaction to its shareholders. The Company expects to declare and pay a dividend in kind of such shares as soon as practicable following the closing of the Transaction. Based on the current issued and outstanding common shares of Paramount and subject to finalization and rounding, Paramount shareholders would receive approximately 0.1324 of an AKITA Share per Paramount common share. Following the completion of the Transaction and the dividend, Paramount shareholders are expected to collectively hold approximately 33% of the outstanding AKITA Shares.

Paramount is proud of the high-performance drilling company that has been built at Fox, consisting of a top tier fleet of AC triple rigs and an exceptional operating team. The next chapter of combining Fox's operations with the similar operations of AKITA will allow Paramount's shareholders to directly participate in incremental value created through a larger platform, providing third party drilling services to the industry in Canada and the United States.

Peters & Co. Limited acted as financial advisor to Paramount in connection with the Transaction and Norton Rose Fulbright Canada LLP is acting as legal counsel.

ABOUT PARAMOUNT

Paramount is an independent, publicly traded 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. The Company's principal properties are located in Alberta and British Columbia. Paramount's class A 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

Forward-looking Information

Certain statements in this press release constitute forward-looking information under applicable securities legislation. Forward-looking information typically contains statements with words such as "anticipate", "believe", "estimate", "will", "expect", "plan", "schedule", "intend", "propose", or similar words suggesting future outcomes or an outlook. Forward-looking information in this press release includes, but is not limited to:

- the expected closing of the Transaction and the expected timing thereof; and
- Paramount's intention to distribute the AKITA Shares received pursuant to the Transaction to its shareholders.

Such forward-looking information is based on a number of assumptions which may prove to be incorrect. The forward-looking information concerning: (i) the expected closing of the Transaction and the expected timing thereof and (ii) Paramount's intention to distribute the AKITA Shares received pursuant to the Transaction to its shareholders is based on the assumption that all closing conditions to the Transaction will be satisfied and the closing of the Transaction will occur as anticipated. In addition, the dividend of the AKITA Shares is subject to final approval by the Board of Directors of the Company and the need to comply with requirements under debt agreements and applicable laws respecting the declaration and payment of dividends.

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. Forward-looking information is based on expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by Paramount and described in the forward-looking information. With respect to the forward-looking information concerning: (i) the expected closing of the Transaction and the expected timing thereof and (ii) Paramount's intention to distribute the AKITA Shares received pursuant to the Transaction to its shareholders, there is a risk that the Transaction will not be completed on the terms anticipated or at all, including due to a closing condition not being satisfied. Further, even if the Transaction closes as anticipated, the Board of Directors of the Company retains the discretion to determine how to use the proceeds of the Transaction, not to declare or approve any future dividend to shareholders and, if a dividend to shareholders is declared or approved, determine the amount or form thereof.

The foregoing list of risks is not exhaustive. For more information relating to risks, see the section titled "Risk Factors" in Paramount's annual information form for the year ended December 31, 2025, which is available on SEDAR+ at www.sedarplus.ca or on the Company's website at www.paramountres.com. The forward-looking information contained in this press 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 any forward-looking statements or information, whether as a result of new information, future events or otherwise.