

FOR IMMEDIATE RELEASE
CDNX:PMY
CALGARY, ALBERTA

December 20, 2000

SECOND CLOSING OF PRIVATE PLACEMENT FOR ADDITIONAL PROCEEDS OF \$800,000

Promax Energy Inc. (the "Corporation") is pleased to announce it has completed the second closing of its November, 2000 private placement (the "Private Placement") of 695,652 flow-through common shares ("Flow-Through Common Shares") at the price of \$1.15 per share for gross proceeds of \$800,000. The completion of the second closing brings the total of the November private placement to 5,060,923 flow-through common shares at a price of \$1.15 for gross proceeds of \$5,820,061. The shares will be subject to a twelve month hold period under Ontario securities legislation expiring on December 20, 2001. This brings the total to \$11,400,000 raised by the Corporation through private placements in 2000.

Salman Partners Inc. acted as agent of the Corporation in respect of both closings and in respect of this second closing received a commission in the amount of \$48,000 in consideration of its services.

Promax Energy Inc. is a junior oil and gas exploration and production company focusing primarily on natural gas in the Cessford area of South Eastern Alberta. It currently owns and/or controls, 250 sections of oil and gas leases with high working interest, operates over 115 km of gas gathering system, 2200 BHP of compression, and has reprocessed over 1800 km of high quality seismic. It is also producing and/or testing, evaluating, and tying-in up to 35 suspended gas wells and 24 of 43 newly drilled wells on, or adjacent to, its pipeline facilities. Promax is well positioned to play a key role in the development of an AMI (Area of Mutual Interest) covering over 400,000 acres in its area of focus.

For additional information please contact Mr. Alexander T. Lemmens, President or Mr. Randy Clark, Vice President Finance at (403) 261-8880, Fax (403) 261-8818 or on our website at www.promaxenergy.com

The Canadian Venture Exchange has neither approved nor disapproved of the information contained herein.