FOR IMMEDIATE RELEASE
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CALGARY, ALBERTA **January 24, 2001**

PROMAX DRILLING YEAR END RESERVE REPORT

The Board of Directors of Promax Energy Inc. ("Promax" or the "Corporation") is pleased to announce that it has completed its Year-end Reserve Report appraising natural gas reserves owned by Promax Energy Inc.

Citadel Engineering Ltd. has prepared the Report in accordance with National Policy 2B for submission to the Toronto Stock Exchange. The effective date of the Report is January 1, 2001 and includes reserves associated with the 2000-drilling program as well as the 2001-drilling program. Reserves associated with the 2001 program are all categorized as Proven Undeveloped and Probable. The 2001 drilling program includes the 175 well Medicine Hat/Milk River program, announced January 23, 2001, and an additional Banff test program of 50 wells. Probable reserves are risked at 50% and cash flow values are quoted on a constant dollar basis of $8.00/MSCF.

CONSTANT DOLLAR

	W.I.O. (Gas MMSCF)	NET (Gas MMSCF)	Undiscounted	Discounted 10%	12%	15%
Proved Producing	42,830	31,555	261,782,000	130,514,000	118,905,000	105,162,000
Proven Developed Non-Producing	28,081	23,078	176,825,000	75,783,000	67,269,000	57,352,000
Proved Undeveloped	58,258	46,596	331,769,000	115,040,000	100,668,000	84,464,000
Probable Additional	85,241	69,405	511,553,000	151,284,000	128,801,000	104,200,000
Land			4,216,000	4,216,000	4,216,000	4,216,000
Total	214,590	170,634	1,286,145,000	476,837,000	419,859,000	355,394,000

Note:

1. Estimates of reserves and production forecasts were prepared on the basis of prevailing conditions, and generally accepted engineering methods. Although these estimates are considered reasonable, future performance may vary from the forecast presented herein and may justify either an increase or decrease in the reserves.

2. Medicine Hat and Milk River reserves now represent 34% (58.4 BCF) of the Net reserves of 170.6 BCF above. By category, these reserves represent 20% (4.6 BCF) of the Proved Developed Non-producing, 46% (21.4 BCF) of the Proved Undeveloped, and 47% (32.4 BCF) of the Probable Additional Net Reserves. Probable reserves are risked at 50%.

3. Reserves and associated economics appraised on an escalated dollar basis using a gas price forecast of $4.80 in 2001, $3.80 in 2002, and $3.20 in 2003 escalating $0.06 /MCF/year thereafter; reduced the undiscounted cumulative cash flow and land value to $516,165,000 from the figure above.

Promax Energy Inc. is a junior oil and gas exploration and production company focusing on natural gas in SE Alberta. It is well positioned to play a key role in the development of 250,000 acres of shallow gas, including platform production from the Medicine Hat/Milk River and potential production from up to 15 other horizons to the Banff formation.

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