

HISTORICAL FINANCIAL & OPERATIONAL INFORMATION – SEP/20 (UNAUDITED) ⁽¹⁾⁽²⁾

(Amounts stated in \$ millions, except as noted)

	2020			2019				YTD Sept 30		Annual	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2020	2019	2019	2018
SUMMARY FINANCIAL RESULTS ⁽³⁾											
Petroleum and natural gas sales	138.8	113.2	172.1	259.9	199.8	209.2	246.1	424.0	655.0	914.9	965.5
Net income (loss)	(23.3)	(75.7)	(235.1)	(31.1)	141.0	(121.0)	(76.7)	(334.1)	(56.7)	(87.9)	(367.2)
<i>Per share – diluted (\$/share)</i>	(0.17)	(0.57)	(1.76)	(0.24)	1.08	(0.93)	(0.59)	(2.50)	(0.44)	(0.67)	(2.78)
Cash from (used in) operating activities	11.4	(14.2)	30.5	70.5	48.6	48.1	88.5	27.7	185.2	255.7	223.4
<i>Per share – diluted (\$/share)</i>	0.09	(0.11)	0.23	0.54	0.37	0.37	0.68	0.21	1.42	1.96	1.69
Adjusted funds flow	29.5	19.0	33.5	93.5	50.9	54.2	100.5	82.1	205.5	299.0	263.9
<i>Per share – diluted (\$/share)</i>	0.22	0.14	0.25	0.71	0.39	0.41	0.77	0.61	1.58	2.29	2.00
Total assets	3,041.9	3,066.4	3,009.5	3,531.3	3,771.1	4,031.8	4,108.0	3,041.9	3,771.1	3,531.3	4,118.1
Long-term debt	792.7	754.9	651.5	632.3	720.9	909.7	827.3	792.7	720.9	632.3	815.0
Net debt	836.5	810.7	771.9	703.5	777.9	964.8	903.3	836.5	777.9	703.5	896.0
Common shares outstanding (thousands) ⁽⁴⁾	133,784	133,784	133,346	133,337	130,020	130,666	130,331	133,784	130,020	133,337	130,326
Wtd. avg shares – diluted (thousands) ⁽⁴⁾	133,784	133,712	133,345	131,253	130,064	130,608	130,326	133,615	130,332	130,564	132,051
Total capital expenditures by region											
Grande Prairie ⁽⁵⁾	46.1	36.7	49.8	60.7	106.6	67.2	67.7	132.6	241.5	302.2	301.6
Kaybob	2.7	1.8	10.1	9.5	14.6	29.2	27.4	14.6	71.2	80.7	215.7
Central Alberta & Other	0.2	0.8	2.8	0.6	1.1	0.4	5.5	3.8	7.0	7.6	40.9
Corporate	1.5	1.5	1.1	–	3.3	0.2	2.5	4.2	6.0	6.0	10.8
Land and property acquisitions	–	0.6	–	1.4	1.9	3.3	1.0	0.6	6.2	7.6	11.2
Total capital expenditures	50.5	41.4	63.8	72.2	127.5	100.3	104.1	155.8	331.9	404.1	580.2
SALES VOLUMES											
Natural gas (MMcf/d)	224.0	253.2	261.5	299.0	296.6	309.7	308.0	246.1	304.7	303.3	325.9
Condensate and oil (Bbl/d)	19,782	22,823	21,898	28,516	24,761	23,312	23,679	21,495	23,921	25,079	24,238
Other NGLs (Bbl/d) ⁽⁶⁾	3,952	3,817	4,539	7,064	6,851	6,859	6,284	4,102	6,667	6,767	7,386
Total (Boe/d)	61,064	68,839	70,022	85,411	81,046	81,793	81,296	66,621	81,377	82,394	85,941
<i>% Liquids</i>	39%	39%	38%	42%	39%	37%	37%	38%	38%	39%	37%
Sales volumes by region (Boe/d)											
Grande Prairie	27,237	31,039	28,214	36,789	27,927	25,804	25,530	28,824	26,429	29,040	26,059
Kaybob	25,477	29,561	32,700	33,167	34,615	37,127	37,143	29,232	36,286	35,500	39,004
Central Alberta & Other	8,350	8,239	9,108	15,455	18,504	18,862	18,623	8,565	18,662	17,854	20,878
Total	61,064	68,839	70,022	85,411	81,046	81,793	81,296	66,621	81,377	82,394	85,941
PARAMOUNT REALIZED PRICES											
Natural gas (\$/Mcf)	1.94	1.94	2.25	2.73	1.58	1.76	3.37	2.05	2.23	2.36	2.25
Condensate and oil (\$/Bbl)	48.74	29.05	55.92	66.70	65.73	71.02	63.26	44.23	66.64	66.66	67.81
Other NGLs (\$/Bbl) ⁽⁶⁾	18.10	12.28	10.75	13.03	9.78	11.01	28.55	13.60	16.04	15.24	30.67
Petroleum & natural gas sales (\$/Boe)	24.70	18.07	27.01	33.08	26.80	28.10	33.63	23.23	29.49	30.42	30.78

HISTORICAL FINANCIAL & OPERATIONAL INFORMATION – SEP/20 (UNAUDITED) ⁽¹⁾⁽²⁾

(Amounts stated in \$ millions, except as noted)

	2020			2019				YTD Sept 30		Annual	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2020	2019	2019	2018
COMMODITY PRICES - BENCHMARKS											
Natural gas											
AECO daily spot (\$/GJ)	2.12	1.89	1.93	2.35	0.86	0.98	2.49	1.98	1.44	1.67	1.42
AECO monthly index (\$/GJ)	2.04	1.81	2.03	2.21	0.99	1.11	1.84	1.96	1.31	1.54	1.45
Dawn (\$/MMBtu)	2.44	2.28	2.35	2.99	2.83	3.15	3.90	2.36	3.29	3.22	4.08
NYMEX (US\$/MMBtu)	2.13	1.76	1.87	2.42	2.33	2.51	2.86	1.92	2.57	2.53	3.07
Malin – monthly index (US\$/MMBtu)	1.90	1.52	2.27	2.65	1.97	2.18	3.88	1.90	2.68	2.67	2.69
Condensate and oil											
Edmonton light sweet (\$/Bbl)	49.05	31.45	52.02	66.77	69.26	72.55	66.92	44.13	69.58	68.87	68.49
West Texas intermediate (US\$/Bbl)	40.93	27.84	46.17	56.96	56.47	59.84	54.81	38.32	57.04	57.02	64.77
Other NGLs											
Conway – propane (\$/Bbl)	26.02	23.79	19.19	26.05	19.94	27.40	32.33	23.00	26.56	26.43	39.25
Belview – butane (\$/Bbl)	30.23	23.77	31.82	39.85	29.55	32.10	42.29	28.61	34.65	35.95	53.10
NETBACK ⁽³⁾											
Netback (\$/Boe)											
Petroleum and natural gas sales	24.70	18.07	27.01	33.08	26.80	28.10	33.63	23.23	29.49	30.42	30.78
Royalties	(0.77)	(0.57)	(1.84)	(2.19)	(1.62)	(2.51)	(2.10)	(1.07)	(2.08)	(2.10)	(2.21)
Operating expense	(11.10)	(9.99)	(14.49)	(13.36)	(12.58)	(11.66)	(12.35)	(11.90)	(12.19)	(12.50)	(12.15)
Transportation and NGLs processing ⁽⁷⁾	(4.95)	(4.04)	(3.70)	(2.90)	(3.45)	(2.91)	(3.36)	(4.20)	(3.24)	(3.15)	(2.96)
Netback	7.88	3.47	6.98	14.63	9.15	11.02	15.82	6.06	11.98	12.67	13.46
Commodity contract settlements	1.75	2.05	1.10	0.60	0.76	(0.37)	0.77	1.62	0.38	0.44	2.44
Netback incl. commodity contract settlements	9.63	5.52	8.08	15.23	9.91	10.65	16.59	7.68	12.36	13.11	11.02
<i>Royalty rate</i>	3.2%	3.3%	6.9%	6.7%	6.1%	9.0%	6.3%	4.7%	7.1%	7.0%	7.3%
Netback											
Natural gas revenue	40.0	44.7	53.6	75.1	43.1	49.5	93.3	138.2	185.9	261.0	267.1
Condensate and oil revenue	88.7	60.3	111.4	175.0	149.7	150.7	134.8	260.5	435.2	610.2	599.9
Other NGLs revenue ⁽⁶⁾	6.6	4.3	4.4	8.5	6.2	6.9	16.2	15.3	29.2	37.7	82.7
Royalty and other revenue	3.5	3.9	2.7	1.3	0.8	2.1	1.8	10.0	4.7	6.0	15.8
Petroleum and natural gas sales	138.8	113.2	172.1	259.9	199.8	209.2	246.1	424.0	655.0	914.9	965.5
Royalties	(4.3)	(3.6)	(11.7)	(17.2)	(12.1)	(18.7)	(15.4)	(19.6)	(46.1)	(63.3)	(69.2)
Operating expense	(62.4)	(62.6)	(92.3)	(105.0)	(93.8)	(86.8)	(90.4)	(217.3)	(270.9)	(376.0)	(381.0)
Transportation and NGLs processing ⁽⁷⁾	(27.8)	(25.3)	(23.6)	(22.8)	(25.7)	(21.6)	(24.6)	(76.7)	(71.9)	(94.7)	(93.0)
Netback	44.3	21.7	44.5	114.9	68.2	82.1	115.7	110.4	266.1	380.9	422.3
Commodity contract settlements	9.8	12.9	7.0	4.7	5.7	(2.8)	5.6	29.7	8.5	13.2	(76.5)
Netback incl. commodity contract settlements	54.1	34.6	51.5	119.6	73.9	79.3	121.3	140.1	274.6	394.1	345.8

HISTORICAL FINANCIAL & OPERATIONAL INFORMATION – SEP/20 (UNAUDITED) ⁽¹⁾⁽²⁾

(Amounts stated in \$ millions, except as noted)

SUMMARY INCOME STATEMENT

	2020			2019				YTD Sept 30		Annual	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2020	2019	2019	2018
Revenue	134.4	109.6	160.4	242.7	187.7	190.5	230.7	404.4	608.9	851.6	896.3
Gain (loss) on commodity contracts	(2.1)	(7.2)	42.3	(17.2)	17.1	27.6	(72.7)	33.0	(28.0)	(45.2)	7.0
	132.3	102.3	202.7	225.5	204.8	218.2	158.0	437.4	580.9	806.4	903.3
Operating expense	62.4	62.6	92.3	105.0	93.8	86.8	90.4	217.3	270.9	376.0	381.0
Transportation and NGLs processing	27.8	25.3	23.6	22.8	25.7	21.6	24.6	76.7	71.9	94.7	93.0
General and administrative	7.8	5.8	10.2	12.6	12.8	13.5	13.7	23.7	40.0	52.6	58.6
Share-based compensation	5.6	0.6	–	4.2	6.8	2.6	4.9	6.2	14.3	18.5	24.1
Depletion, depreciation and impairment	54.6	61.3	264.9	116.1	83.3	84.7	80.7	380.9	248.7	364.8	977.3
Exploration and evaluation	1.7	11.5	11.9	4.4	10.3	2.7	5.1	25.2	18.0	22.4	27.3
(Gain) loss on sale of oil and gas assets	8.0	3.1	(2.3)	(4.2)	(157.3)	(1.7)	(6.0)	8.7	(165.0)	(169.3)	(57.4)
Interest and financing	17.1	9.3	9.5	10.2	9.7	11.1	9.2	35.9	30.0	40.2	31.0
Accretion of asset retirement obligations	11.0	10.7	10.5	12.2	15.1	14.9	14.5	32.1	44.5	56.7	57.7
Change in asset retirement obligations	(25.6)	(0.5)	(94.8)	(33.8)	(73.5)	–	–	(121.0)	(73.5)	(107.3)	(120.2)
Closure costs	–	–	–	0.5	–	–	13.4	–	13.4	14.0	–
Transaction and reorganization costs	–	3.0	–	2.3	–	–	–	3.0	–	2.3	5.6
Foreign exchange	0.4	0.4	(0.8)	–	(0.2)	0.1	–	–	(0.1)	–	(2.3)
Expenses	170.6	193.1	325.1	252.3	26.5	236.3	250.6	688.8	513.3	765.3	1,475.5
Change in fair value of securities – warrants	(3.3)	3.2	(1.5)	(0.4)	(8.8)	–	–	(1.7)	(8.8)	(9.2)	–
Other income (loss)	(0.2)	(1.8)	(4.5)	(6.8)	(1.6)	(0.9)	2.0	(6.5)	(0.4)	(7.5)	11.6
Income (loss) before tax	(41.8)	(89.3)	(128.4)	(34.0)	167.9	(18.9)	(90.6)	(259.5)	58.4	24.4	(560.6)
Deferred income tax expense (recovery)	(18.5)	(13.6)	106.7	(2.9)	27.0	102.1	(13.9)	74.6	115.1	112.3	(193.4)
Net income (loss)	(23.3)	(75.7)	(235.1)	(31.1)	141.0	(121.0)	(76.7)	(334.1)	(56.7)	(87.9)	(367.2)
CASH FROM OPERATING ACTIVITIES / ADJUSTED FUNDS FLOW ⁽³⁾	(23.3)	(75.7)	(235.1)	(31.1)	141.0	(121.0)	(76.7)	(334.1)	(56.7)	(87.9)	(367.2)
Net income (loss)	(23.3)	(75.7)	(235.1)	(31.1)	141.0	(121.0)	(76.7)	(334.1)	(56.7)	(87.9)	(367.2)
Commodity contracts	11.9	20.1	(35.3)	21.9	(11.4)	(30.4)	78.3	(3.3)	36.5	58.4	(83.5)
Share-based compensation	5.6	0.6	–	4.2	6.8	2.6	4.9	6.2	14.3	18.5	24.1
Depletion, depreciation and impairment	54.6	61.3	264.9	116.1	83.3	84.7	80.7	380.9	248.7	364.8	977.3
Exploration and evaluation	–	9.6	9.3	0.9	7.8	0.6	2.1	18.9	10.5	11.4	14.8
(Gain) loss on sale of oil and gas assets	8.0	3.1	(2.3)	(4.2)	(157.3)	(1.7)	(6.0)	8.7	(165.0)	(169.3)	(57.4)
Accretion of asset retirement obligations	11.0	10.7	10.5	12.2	15.1	14.9	14.5	32.1	44.5	56.7	57.7
Change in asset retirement obligations	(25.6)	(0.5)	(94.8)	(33.8)	(73.5)	–	–	(121.0)	(73.5)	(107.3)	(120.2)
Foreign exchange	0.2	0.3	–	–	(0.2)	0.3	0.1	0.5	0.2	0.2	(2.5)
Change in fair value of securities - warrants	3.3	(3.2)	1.5	0.4	8.8	–	–	1.7	8.8	9.2	–
Deferred income tax	(18.5)	(13.6)	106.7	(2.9)	27.0	102.1	(13.9)	74.6	115.1	112.3	(193.4)
Closure costs and other	0.7	1.1	1.1	(3.2)	(3.9)	(4.4)	13.4	2.9	5.2	2.3	(3.9)
Asset retirement obligations settled	(0.7)	(4.0)	(30.3)	(18.0)	(3.6)	(2.0)	(5.8)	(34.9)	(11.4)	(29.4)	(29.4)
Change in non-cash working capital	(15.6)	(24.0)	34.3	7.9	8.7	2.4	(3.2)	(5.4)	7.9	15.9	7.0
Cash from (used in) operating activities	11.4	(14.2)	30.5	70.4	48.6	48.1	88.5	27.7	185.2	255.7	223.4
Change in non-cash working capital	15.6	24.0	(34.3)	(7.9)	(8.7)	(2.4)	3.2	5.4	(7.9)	(15.9)	(7.0)
Geological and geophysical expenses	1.7	1.9	2.6	3.5	2.5	2.1	3.0	6.2	7.5	11.0	12.5
Asset retirement obligations settled	0.7	4.0	30.3	18.0	3.6	2.0	5.8	34.9	11.4	29.4	29.4
Closure program expenditures	–	–	–	4.7	4.9	4.4	–	–	9.3	14.0	–
Provision and other	0.1	0.3	4.4	2.5	–	–	–	4.9	–	2.5	–
Transaction and reorganization costs	–	3.0	–	2.3	–	–	–	3.0	–	2.3	5.6
Adjusted funds flow	29.5	19.0	33.5	93.5	50.9	54.2	100.5	82.1	205.5	299.0	263.9

HISTORICAL FINANCIAL & OPERATIONAL INFORMATION – SEP/20 (UNAUDITED) ⁽¹⁾⁽²⁾

(Amounts stated in \$ millions, except as noted)

SUMMARY BALANCE SHEET

Assets

	2020			2019				YTD Sept 30		Annual	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2020	2019	2019	2018
Current assets	102.7	110.8	127.2	141.7	145.1	320.9	148.8	102.7	145.1	141.7	214.7
Risk management – long-term	–	0.8	–	–	4.4	5.1	–	–	4.4	–	–
Lease receivable	3.4	4.0	4.7	4.8	5.4	5.9	6.4	3.4	5.4	4.8	–
Dissent payment entitlement	89.3	–	–	–	–	–	–	89.3	–	–	–
Investment in securities	30.9	124.8	38.0	156.9	155.8	224.5	223.0	30.9	155.8	156.9	231.7
Exploration and evaluation	626.9	633.3	642.5	650.4	718.8	725.6	718.4	626.9	718.8	650.4	719.9
Property, plant and equipment, net	1,593.4	1,615.5	1,633.6	1,914.1	2,076.3	2,058.4	2,219.1	1,593.4	2,076.3	1,914.1	2,178.2
Deferred income tax	595.4	577.3	563.5	663.5	665.3	691.3	792.2	595.4	665.3	663.5	773.6
Total assets	3,041.9	3,066.4	3,009.5	3,531.3	3,771.1	4,031.8	4,108.0	3,041.9	3,771.1	3,531.3	4,118.1

Liabilities and shareholders' equity

Current liabilities	173.5	182.1	238.1	246.9	209.9	243.8	294.0	173.5	209.9	246.9	263.2
Long-term debt	792.7	754.9	651.5	632.3	720.9	909.7	827.3	792.7	720.9	632.3	815.0
Risk management – long-term	23.1	24.1	22.8	6.3	12.5	13.4	10.1	23.1	12.5	6.3	–
Asset retirement obligation and other – long-term	347.2	382.1	380.7	562.7	757.0	828.5	815.1	347.2	757.0	562.7	789.3
Shareholders' equity	1,705.4	1,723.1	1,716.4	2,083.2	2,070.8	2,036.3	2,161.5	1,705.4	2,070.8	2,083.2	2,250.5
Total liabilities and shareholders' equity	3,041.9	3,066.4	3,009.5	3,531.3	3,771.1	4,031.8	4,108.0	3,041.9	3,771.1	3,531.3	4,118.1

NET DEBT CALCULATION ⁽³⁾

Cash and cash equivalents	(1.1)	(1.6)	(5.7)	(6.0)	(11.1)	(19.3)	(12.9)	(1.1)	(11.1)	(6.0)	(19.3)
Accounts receivable	(74.6)	(78.0)	(68.5)	(116.6)	(91.9)	(98.3)	(124.4)	(74.6)	(91.9)	(116.6)	(121.3)
Prepaid expenses	(14.4)	(8.4)	(9.5)	(11.0)	(16.4)	(16.1)	(9.7)	(14.4)	(16.4)	(11.0)	(9.6)
Accounts payable and accrued liabilities	133.9	143.8	204.1	204.8	176.4	188.8	223.0	133.9	176.4	204.8	231.2
Adjusted working capital deficit ⁽⁸⁾	43.8	55.8	120.4	71.2	57.0	55.1	76.0	43.8	57.0	71.2	81.0
Long-term debt	792.7	754.9	651.5	632.3	720.9	909.7	827.3	792.7	720.9	632.3	815.0
Net debt	836.5	810.7	771.9	703.5	777.9	964.8	903.3	836.5	777.9	703.5	896.0

RESERVES

	Proved			Proved plus Probable		
	2019	2018	% Change	2019	2018	% Change
Reserves ⁽⁹⁾						
Natural gas (Bcf)	1,059.5	1,366.6	(22)	1,993.8	2,169.2	(8)
NGLs (MBbl) ⁽¹⁰⁾	141,238	146,791	(4)	264,917	238,325	11
Crude Oil (MBbl)	16,997	16,130	5	34,875	34,550	1
Total (MBoe)	334,817	390,688	(14)	632,097	634,403	–
Future Net Revenue NPV ₁₀	2,427	2,136	14	4,478	4,134	8

HISTORICAL FINANCIAL & OPERATIONAL INFORMATION – SEP/20 (UNAUDITED)

(Amounts stated in \$ millions, except as noted)

- (1) Some rows and columns may not add due to rounding.
- (2) Certain comparative figures have been reclassified to conform with the current presentation.
- (3) Readers are referred to the Non-GAAP Measures section of this document for the following meanings: Net debt, Total capital expenditures, Netback, Adjusted funds flow and Adjusted working capital.
- (4) Common Shares and weighted average shares outstanding are presented net of shares held in trust under the Company's restricted share unit plan. The number of Common Shares held in trust under the Company's restricted share unit plan that reduced the Common Shares outstanding at the end of the following periods were (thousands): Q3 2020: 414, Q2 2020: 414, Q1 2020: 852, Q4 2019: 860, Q3 2019: 860, Q2 2019: 247, Q1 2019: 574 and Q4 2018: 574.
- (5) Total capital expenditures for 2019 and 2018 includes capital spending related to the Karr 6-18 natural gas facility prior to its sale.
- (6) Other NGLs means ethane, propane and butane.
- (7) Includes downstream natural gas, NGLs and oil transportation costs and NGLs fractionation costs.
- (8) Adjusted working capital excludes risk management assets and liabilities, current accounts receivable amounts relating to subleases, assets and liabilities classified as held for sale and the current portion of asset retirement obligations and other.
- (9) Reserves evaluated by McDaniel & Associates Consultants Ltd. ("McDaniel") as of December 31, 2019 and December 31, 2018 in accordance with National Instrument 51-101 definitions, standards and procedures. Reserves are gross reserves representing working interest before royalties. Net present values of future net revenue were determined using forecast prices and costs and do not represent fair market value. Readers should refer to the Company's annual information form for the year ended December 31, 2019 and annual information for the year ended December 31, 2018, which are available on SEDAR at www.sedar.com or on the Company's website at www.paramountres.com, for a complete description of the McDaniel reports and the material assumptions, limitations and risk factors pertaining thereto.
- (10) Includes ethane, propane, butane, pentanes-plus, and condensate.

Non-GAAP Measures

In this document, "Net debt", "Total capital expenditures", "Netback", "Adjusted funds flow" and "Adjusted working capital", collectively the "Non-GAAP Measures", are used and do not have any standardized meanings as prescribed by IFRS.

"Net debt" is a measure of the Company's overall debt position after adjusting for certain working capital and other amounts and is used by management to assess the Company's overall leverage position. Refer to the Net Debt section of this document for the calculation of "Net debt" and "Adjusted working capital".

"Total capital expenditures" refers to the Company's property, plant and equipment and exploration expenditures. Refer to the Summary Financial Results section of this document for the calculation thereof.

"Netback" equals petroleum and natural gas sales less royalties, operating expense, transportation and NGLs processing costs. Netback is commonly used by management and investors to compare the results of the Company's oil and gas operations between periods. Refer to the Netback section of this document for the calculation thereof.

"Adjusted funds flow" refers to cash from (used in) operating activities before net changes in non-cash working capital, geological and geophysical expenses, asset retirement obligation settlements, closure program expenditures, provision and other and transaction and reorganization costs. Adjusted funds flow is used to assist management and investors in measuring the Company's ability to fund capital programs and meet financial obligations, including the settlement of asset retirement obligations. Asset retirement obligation settlements are excluded from the calculation of adjusted funds flow because such expenditures are not directly linked to the revenue generating activities of the Company. Paramount manages the timing of expenditures related to asset retirement obligation settlements in accordance with regulatory requirements and its overall approach to managing its asset retirement obligations and, as a result, amounts incurred may vary significantly from period to period. Adjusted funds flow is not intended to represent cash from operating activities, net loss or any other GAAP measure and should not be construed as being an alternative to, or more meaningful than, cash flow from (used in) operating activities as determined in accordance with IFRS. Refer to the Cash From Operating Activities / Adjusted Funds Flow section of this document for the calculation thereof.

The Non-GAAP Measures should not be considered in isolation or construed as alternatives to their most directly comparable measure calculated in accordance with GAAP, or other measures of financial performance calculated in accordance with GAAP. The Non-GAAP Measures are unlikely to be comparable to similar measures presented by other issuers.

Advisory

This document summarizes certain historical financial and operational information of the Company for the ease of reference of readers. This document should be read in conjunction with the Company's annual information form, financial statements and management's discussion and analysis for each of the periods referenced. These documents, which contain important additional information and disclosure necessary to understand the summary information provided herein, are available on SEDAR at www.sedar.com and on the Company's website at www.paramountres.com.

HISTORICAL FINANCIAL & OPERATIONAL INFORMATION – SEP/20 (UNAUDITED)

(Amounts stated in \$ millions, except as noted)

Oil and Gas Measures and Definitions

The term "Liquids" includes oil, condensate and Other NGLs (ethane, propane and butane). NGLs consist of condensate and Other NGLs.

Abbreviations

Liquids		Natural Gas	
Bbl	Barrels	Mcf	Thousands of cubic feet
Bbl/d	Barrels per day	MMcf/d	Millions of cubic feet per day
NGLs	Natural gas liquids	GJ	Gigajoule
Condensate	Pentane and heavier hydrocarbons	MMbtu	Millions of British thermal units
Oil Equivalent		AECO	AECO-C reference price
Boe	Barrels of oil equivalent	NYMEX	New York Mercantile Exchange
Boe/d	Barrels of oil equivalent per day	WTI	West Texas Intermediate

This document contains disclosures expressed as "Boe", "\$/Boe" and "Boe/d". Natural gas equivalency volumes have been derived using the ratio of six thousand cubic feet of natural gas to one barrel of oil when converting natural gas to Boe. Equivalency measures may be misleading, particularly if used in isolation. A conversion ratio of six thousand cubic feet of natural gas to one barrel of oil is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the well head. For the nine months ended September 30, 2020, the value ratio between crude oil and natural gas was approximately 23:1. This value ratio is significantly different from the energy equivalency ratio of 6:1. Using a 6:1 ratio would be misleading as an indication of value.