

HISTORICAL FINANCIAL & OPERATIONAL INFORMATION – DEC/20 (UNAUDITED) ⁽¹⁾⁽²⁾⁽³⁾

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

	2020				2019				Annual		
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2020	2019	2018
SUMMARY FINANCIAL RESULTS											
Petroleum and natural gas sales	202.0	138.8	113.2	172.1	259.9	199.8	209.2	246.1	626.0	914.9	965.5
Net income (loss)	311.5	(23.3)	(75.7)	(235.1)	(31.1)	141.0	(121.0)	(76.7)	(22.7)	(87.9)	(367.2)
<i>Per share – diluted (\$/share)</i>	2.35	(0.17)	(0.57)	(1.76)	(0.24)	1.08	(0.93)	(0.59)	(0.17)	(0.67)	(2.78)
Cash from (used in) operating activities	53.2	11.4	(14.2)	30.5	70.5	48.6	48.1	88.5	80.9	255.7	223.4
<i>Per share – diluted (\$/share)</i>	0.40	0.09	(0.11)	0.23	0.54	0.37	0.37	0.68	0.61	1.96	1.69
Adjusted funds flow	67.9	29.5	19.0	33.5	93.5	50.9	54.2	100.5	150.0	299.0	263.9
<i>Per share – diluted (\$/share)</i>	0.51	0.22	0.14	0.25	0.71	0.39	0.41	0.77	1.12	2.29	2.00
Total assets	3,497.0	3,041.9	3,066.4	3,009.5	3,531.3	3,771.1	4,031.8	4,108.0	3,497.0	3,531.3	4,118.1
Long-term debt	813.5	792.7	754.9	651.5	632.3	720.9	909.7	827.3	813.5	632.3	815.0
Net debt	854.1	836.5	810.7	771.9	703.5	777.9	964.8	903.3	854.1	703.5	896.0
Common shares outstanding (thousands) ⁽⁴⁾	132,284	133,784	133,784	133,346	133,337	130,020	130,666	130,331	132,284	133,337	130,326
Wtd. avg shares – diluted (thousands) ⁽⁴⁾	132,616	133,784	133,712	133,345	131,253	130,064	130,608	130,326	133,347	130,564	132,051
Total capital expenditures by region											
Grande Prairie ⁽⁵⁾	64.3	46.1	36.7	49.8	60.7	106.6	67.2	67.7	196.9	302.2	301.6
Kaybob	1.8	2.7	1.8	10.1	9.5	14.6	29.2	27.4	16.4	80.7	215.7
Central Alberta & Other	0.8	0.2	0.8	2.8	0.6	1.1	0.4	5.5	4.6	7.6	40.9
Corporate ⁽⁶⁾	(1.8)	1.5	1.5	1.1	–	3.3	0.2	2.5	2.3	6.0	10.8
Land and property acquisitions	–	–	0.6	–	1.4	1.9	3.3	1.0	0.6	7.6	11.2
Total capital expenditures	65.1	50.5	41.4	63.8	72.2	127.5	100.3	104.1	220.8	404.1	580.2
SALES VOLUMES											
Natural gas (MMcf/d)	256.3	224.0	253.2	261.5	299.0	296.6	309.7	308.0	248.7	303.3	325.9
Condensate and oil (Bbl/d)	25,752	19,782	22,823	21,898	28,516	24,761	23,312	23,679	22,565	25,079	24,238
Other NGLs (Bbl/d) ⁽⁷⁾	4,987	3,952	3,817	4,539	7,064	6,851	6,859	6,284	4,325	6,767	7,386
Total (Boe/d)	73,460	61,064	68,839	70,022	85,411	81,046	81,793	81,296	68,340	82,394	85,941
<i>% Liquids</i>	42%	39%	39%	38%	42%	39%	37%	37%	39%	39%	37%
Sales volumes by region (Boe/d)											
Grande Prairie	37,782	27,237	31,039	28,214	36,789	27,927	25,804	25,530	31,076	29,040	26,059
Kaybob	27,056	25,477	29,561	32,700	33,167	34,615	37,127	37,143	28,685	35,500	39,004
Central Alberta & Other	8,622	8,350	8,239	9,108	15,455	18,504	18,862	18,623	8,579	17,854	20,878
Total	73,460	61,064	68,839	70,022	85,411	81,046	81,793	81,296	68,340	82,394	85,941
PARAMOUNT REALIZED PRICES											
Natural gas (\$/Mcf)	2.83	1.94	1.94	2.25	2.73	1.58	1.76	3.37	2.25	2.36	2.25
Condensate and oil (\$/Bbl)	52.03	48.74	29.05	55.92	66.70	65.73	71.02	63.26	46.47	66.66	67.81
Other NGLs (\$/Bbl) ⁽⁷⁾	20.61	18.10	12.28	10.75	13.03	9.78	11.01	28.55	15.63	15.24	30.67
Petroleum & natural gas sales (\$/Boe)	29.89	24.70	18.07	27.01	33.08	26.80	28.10	33.63	25.03	30.42	30.78

HISTORICAL FINANCIAL & OPERATIONAL INFORMATION – DEC/20 (UNAUDITED) ⁽¹⁾⁽²⁾⁽³⁾

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

	2020				2019				Annual		
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2020	2019	2018
COMMODITY PRICES - BENCHMARKS											
Natural gas											
AECO daily spot (\$/GJ)	2.50	2.12	1.89	1.93	2.35	0.86	0.98	2.49	2.11	1.67	1.42
AECO monthly index (\$/GJ)	2.62	2.04	1.81	2.03	2.21	0.99	1.11	1.84	2.12	1.54	1.45
Dawn (\$/MMBtu)	2.97	2.44	2.28	2.35	2.99	2.83	3.15	3.90	2.51	3.22	4.08
NYMEX (US\$/MMBtu)	2.76	2.13	1.76	1.87	2.42	2.33	2.51	2.86	2.13	2.53	3.07
Malin – monthly index (US\$/MMBtu)	2.93	1.90	1.52	2.27	2.65	1.97	2.18	3.88	2.15	2.67	2.69
Condensate and oil											
Edmonton light sweet (\$/Bbl)	49.17	49.05	31.45	52.02	66.77	69.26	72.55	66.92	45.39	68.87	68.49
West Texas intermediate (US\$/Bbl)	42.66	40.93	27.84	46.17	56.96	56.47	59.84	54.81	39.40	57.02	64.77
Other NGLs											
Conway – propane (\$/Bbl)	30.32	26.02	23.79	19.19	26.05	19.94	27.40	32.33	24.83	26.43	39.25
Belview – butane (\$/Bbl)	36.10	30.23	23.77	31.82	39.85	29.55	32.10	42.29	30.48	35.95	53.10
NETBACK ⁽³⁾											
Netback (\$/Boe)											
Petroleum and natural gas sales	29.89	24.70	18.07	27.01	33.08	26.80	28.10	33.63	25.03	30.42	30.78
Royalties	(1.73)	(0.77)	(0.57)	(1.84)	(2.19)	(1.62)	(2.51)	(2.10)	(1.25)	(2.10)	(2.21)
Operating expense	(11.80)	(11.10)	(9.99)	(14.49)	(13.36)	(12.58)	(11.66)	(12.35)	(11.88)	(12.50)	(12.15)
Transportation and NGLs processing ⁽⁸⁾	(3.63)	(4.95)	(4.04)	(3.70)	(2.90)	(3.45)	(2.91)	(3.36)	(4.05)	(3.15)	(2.96)
Netback	12.73	7.88	3.47	6.98	14.63	9.15	11.02	15.82	7.85	12.67	13.46
Financial commodity contract settlements	1.18	1.75	2.05	1.10	0.60	0.76	(0.37)	0.77	1.50	0.44	2.44
Netback including financial commodity contract settlements	13.91	9.63	5.52	8.08	15.23	9.91	10.65	16.59	9.35	13.11	11.02
Royalty rate	5.9%	3.2%	3.3%	6.9%	6.7%	6.1%	9.0%	6.3%	5.1%	7.0%	7.3%
Netback											
Natural gas revenue	66.7	40.0	44.7	53.6	75.1	43.1	49.5	93.3	204.9	261.0	267.1
Condensate and oil revenue	123.3	88.7	60.3	111.4	175.0	149.7	150.7	134.8	383.8	610.2	599.9
Other NGLs revenue ⁽⁷⁾	9.5	6.6	4.3	4.4	8.5	6.2	6.9	16.2	24.7	37.7	82.7
Royalty and other revenue	2.5	3.5	3.9	2.7	1.3	0.8	2.1	1.8	12.6	6.0	15.8
Petroleum and natural gas sales	202.0	138.8	113.2	172.1	259.9	199.8	209.2	246.1	626.0	914.9	965.5
Royalties	(11.7)	(4.3)	(3.6)	(11.7)	(17.2)	(12.1)	(18.7)	(15.4)	(31.3)	(63.3)	(69.2)
Operating expense	(79.8)	(62.4)	(62.6)	(92.3)	(105.0)	(93.8)	(86.8)	(90.4)	(297.1)	(376.0)	(381.0)
Transportation and NGLs processing ⁽⁸⁾	(24.6)	(27.8)	(25.3)	(23.6)	(22.8)	(25.7)	(21.6)	(24.6)	(101.3)	(94.7)	(93.0)
Netback	85.9	44.3	21.7	44.5	114.9	68.2	82.1	115.7	196.3	380.9	422.3
Financial commodity contract settlements	7.9	9.8	12.9	7.0	4.7	5.7	(2.8)	5.6	37.6	13.2	(76.5)
Netback including financial commodity contract settlements	93.8	54.1	34.6	51.5	119.6	73.9	79.3	121.3	233.9	394.1	345.8

HISTORICAL FINANCIAL & OPERATIONAL INFORMATION – DEC/20 (UNAUDITED) ⁽¹⁾⁽²⁾⁽³⁾

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

	2020				2019				Annual		
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2020	2019	2018
SUMMARY INCOME STATEMENT											
Revenue	190.3	134.4	109.6	160.4	242.7	187.7	190.5	230.7	594.7	851.6	896.3
Gain (loss) on financial commodity contracts	(24.1)	(2.1)	(7.2)	42.3	(17.2)	17.1	27.6	(72.7)	8.9	(45.2)	7.0
	166.2	132.3	102.3	202.7	225.5	204.8	218.2	158.0	603.6	806.4	903.3
Operating expense	79.8	62.4	62.6	92.3	105.0	93.8	86.8	90.4	297.1	376.0	381.0
Transportation and NGLs processing	24.6	27.8	25.3	23.6	22.8	25.7	21.6	24.6	101.3	94.7	93.0
General and administrative	9.1	7.8	5.8	10.2	12.6	12.8	13.5	13.7	32.9	52.6	58.6
Share-based compensation	6.8	5.6	0.6	–	4.2	6.8	2.6	4.9	13.0	18.5	24.1
Depletion, depreciation and net impairment reversals	(268.8)	54.6	61.3	264.9	116.1	83.3	84.7	80.7	112.1	364.8	977.3
Exploration and evaluation	8.8	1.7	11.5	11.9	4.4	10.3	2.7	5.1	34.0	22.4	27.3
(Gain) loss on sale of oil and gas assets	(0.1)	8.0	3.1	(2.3)	(4.2)	(157.3)	(1.7)	(6.0)	8.7	(169.3)	(57.4)
Interest and financing	17.8	17.1	9.3	9.5	10.2	9.7	11.1	9.2	53.7	40.2	31.0
Accretion of asset retirement obligations	11.2	11.0	10.7	10.5	12.2	15.1	14.9	14.5	43.4	56.7	57.7
Change in asset retirement obligations	29.7	(25.6)	(0.5)	(94.8)	(33.8)	(73.5)	–	–	(91.3)	(107.3)	(120.2)
Closure costs	–	–	–	–	0.5	–	–	13.4	–	14.0	–
Transaction and reorganization costs	–	–	3.0	–	2.3	–	–	–	3.0	2.3	5.6
Foreign exchange	0.6	0.4	0.4	(0.8)	–	(0.2)	0.1	–	0.6	–	(2.3)
Expenses	(80.5)	170.6	193.1	325.1	252.3	26.5	236.3	250.6	608.3	765.3	1,475.5
Change in fair value of securities – warrants	–	(3.3)	3.2	(1.5)	(0.4)	(8.8)	–	–	(1.7)	(9.2)	–
Other income (loss)	0.4	(0.2)	(1.8)	(4.5)	(6.8)	(1.6)	(0.9)	2.0	(6.0)	(7.5)	11.6
Income (loss) before tax	247.1	(41.8)	(89.3)	(128.4)	(34.0)	167.9	(18.9)	(90.6)	(12.5)	24.4	(560.6)
Deferred income tax expense (recovery)	(64.4)	(18.5)	(13.6)	106.7	(2.9)	27.0	102.1	(13.9)	10.2	112.3	(193.4)
Net income (loss)	311.5	(23.3)	(75.7)	(235.1)	(31.1)	141.0	(121.0)	(76.7)	(22.7)	(87.9)	(367.2)
CASH FROM OPERATING ACTIVITIES / ADJUSTED FUNDS FLOW ⁽³⁾											
Net income (loss)	311.5	(23.3)	(75.7)	(235.1)	(31.1)	141.0	(121.0)	(76.7)	(22.7)	(87.9)	(367.2)
Financial commodity contracts	32.1	11.9	20.1	(35.3)	21.9	(11.4)	(30.4)	78.3	28.7	58.4	(83.5)
Share-based compensation	6.8	5.6	0.6	–	4.2	6.8	2.6	4.9	13.0	18.5	24.1
Depletion, depreciation and net impairment reversals	(268.8)	54.6	61.3	264.9	116.1	83.3	84.7	80.7	112.1	364.8	977.3
Exploration and evaluation	6.7	–	9.6	9.3	0.9	7.8	0.6	2.1	25.6	11.4	14.8
(Gain) loss on sale of oil and gas assets	(0.1)	8.0	3.1	(2.3)	(4.2)	(157.3)	(1.7)	(6.0)	8.7	(169.3)	(57.4)
Accretion of asset retirement obligations	11.2	11.0	10.7	10.5	12.2	15.1	14.9	14.5	43.4	56.7	57.7
Change in asset retirement obligations	29.7	(25.6)	(0.5)	(94.8)	(33.8)	(73.5)	–	–	(91.3)	(107.3)	(120.2)
Foreign exchange	0.2	0.2	0.3	–	–	(0.2)	0.3	0.1	0.7	0.2	(2.5)
Change in fair value of securities - warrants	–	3.3	(3.2)	1.5	0.4	8.8	–	–	1.7	9.2	–
Deferred income tax	(64.4)	(18.5)	(13.6)	106.7	(2.9)	27.0	102.1	(13.9)	10.2	112.3	(193.4)
Closure costs and other	0.9	0.7	1.1	1.1	(3.2)	(3.9)	(4.4)	13.4	3.7	2.3	(3.9)
Asset retirement obligations settled	(0.1)	(0.7)	(4.0)	(30.3)	(18.0)	(3.6)	(2.0)	(5.8)	(35.0)	(29.4)	(29.4)
Change in non-cash working capital	(12.5)	(15.6)	(24.0)	34.3	8.0	8.7	2.4	(3.2)	(17.9)	15.9	7.0
Cash from (used in) operating activities	53.2	11.4	(14.2)	30.5	70.5	48.6	48.1	88.5	80.9	255.7	223.4
Change in non-cash working capital	12.5	15.6	24.0	(34.3)	(8.0)	(8.7)	(2.4)	3.2	17.9	(15.9)	(7.0)
Geological and geophysical expenses	2.1	1.7	1.9	2.6	3.5	2.5	2.1	3.0	8.5	11.0	12.5
Asset retirement obligations settled	0.1	0.7	4.0	30.3	18.0	3.6	2.0	5.8	35.0	29.4	29.4
Closure program expenditures	–	–	–	–	4.7	4.9	4.4	–	–	14.0	–
Provision and other	–	0.1	0.3	4.4	2.5	–	–	–	4.7	2.5	–
Transaction and reorganization costs	–	–	3.0	–	2.3	–	–	–	3.0	2.3	5.6
Adjusted funds flow	67.9	29.5	19.0	33.5	93.5	50.9	54.2	100.5	150.0	299.0	263.9

HISTORICAL FINANCIAL & OPERATIONAL INFORMATION – DEC/20 (UNAUDITED) ⁽¹⁾⁽²⁾⁽³⁾

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

SUMMARY BALANCE SHEET

Assets

	2020				2019				Annual		
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2020	2019	2018
Current assets	114.9	102.7	110.8	127.2	141.7	145.1	320.9	148.8	114.9	141.7	214.7
Risk management – long-term	–	–	0.8	–	–	4.4	5.1	–	–	–	–
Lease receivable	2.8	3.4	4.0	4.7	4.8	5.4	5.9	6.4	2.8	4.8	–
Dissent payment entitlement	89.3	89.3	–	–	–	–	–	–	89.3	–	–
Investment in securities	59.5	30.9	124.8	38.0	156.9	155.8	224.5	223.0	59.5	156.9	231.7
Exploration and evaluation	612.1	626.9	633.3	642.5	650.4	718.8	725.6	718.4	612.1	650.4	719.9
Property, plant and equipment, net	1,959.6	1,593.4	1,615.5	1,633.6	1,914.1	2,076.3	2,058.4	2,219.1	1,959.6	1,914.1	2,178.2
Deferred income tax	658.8	595.4	577.3	563.5	663.5	665.3	691.3	792.2	658.8	663.5	773.6
Total assets	3,497.0	3,041.9	3,066.4	3,009.5	3,531.3	3,771.1	4,031.8	4,108.0	3,497.0	3,531.3	4,118.1

Liabilities and shareholders' equity

Current liabilities	217.3	173.5	182.1	238.1	246.9	209.9	243.8	294.0	217.3	246.9	263.2
Long-term debt	813.5	792.7	754.9	651.5	632.3	720.9	909.7	827.3	813.5	632.3	815.0
Risk management – long-term	19.4	23.1	24.1	22.8	6.3	12.5	13.4	10.1	19.4	6.3	–
Asset retirement obligation and other – long-term	409.0	347.2	382.1	380.7	562.7	757.0	828.5	815.1	409.0	562.7	789.3
Shareholders' equity	2,037.8	1,705.4	1,723.1	1,716.4	2,083.2	2,070.8	2,036.3	2,161.5	2,037.8	2,083.2	2,250.5
Total liabilities and shareholders' equity	3,497.0	3,041.9	3,066.4	3,009.5	3,531.3	3,771.1	4,031.8	4,108.0	3,497.0	3,531.3	4,118.1

NET DEBT CALCULATION ⁽³⁾

Cash and cash equivalents	(4.6)	(1.1)	(1.6)	(5.7)	(6.0)	(11.1)	(19.3)	(12.9)	(4.6)	(6.0)	(19.3)
Accounts receivable	(97.7)	(74.6)	(78.0)	(68.5)	(116.6)	(91.9)	(98.3)	(124.4)	(97.7)	(116.6)	(121.3)
Prepaid expenses	(9.9)	(14.4)	(8.4)	(9.5)	(11.0)	(16.4)	(16.1)	(9.7)	(9.9)	(11.0)	(9.6)
Accounts payable and accrued liabilities	152.8	133.9	143.8	204.1	204.8	176.4	188.8	223.0	152.8	204.8	231.2
Adjusted working capital deficit ⁽⁹⁾	40.6	43.8	55.8	120.4	71.2	57.0	55.1	76.0	40.6	71.2	81.0
Long-term debt	813.5	792.7	754.9	651.5	632.3	720.9	909.7	827.3	813.5	632.3	815.0
Net debt	854.1	836.5	810.7	771.9	703.5	777.9	964.8	903.3	854.1	703.5	896.0

RESERVES ⁽¹⁰⁾

	Proved			Proved plus Probable		
	2020	2019	2018	2020	2019	2018
Reserves						
Natural gas (Bcf)	1,014.4	1,059.5	1,366.6	1,994.3	1,993.8	2,169.2
NGLs (MBbl)	126,080	141,238	146,791	258,217	264,917	238,325
Crude Oil (MBbl)	16,176	16,997	16,130	41,431	34,875	34,550
Total (MBoe)	311,317	334,817	390,688	632,025	632,097	634,403
Future Net Revenue NPV₁₀	1,875	2,427	2,136	3,649	4,478	4,134

HISTORICAL FINANCIAL & OPERATIONAL INFORMATION – DEC/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 Product Type Information section and the Non-GAAP Financial Measures section of this document.
- (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): Q4 2020: 1,914, 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) Includes transfers between regions.
- (7) Other NGLs means ethane, propane and butane.
- (8) Includes downstream natural gas, NGLs and oil transportation costs and NGLs fractionation costs.
- (9) 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.
- (10) Reserves evaluated by McDaniel & Associates Consultants Ltd. ("McDaniel") as of December 31, 2020, 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 forms for the year ended December 31, 2020, December 31, 2019 and 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.

Product Type Information

This document refers to sales volumes of "liquids", "natural gas", "condensate and oil" and "other NGLs". "Liquids" means NGLs (including condensate) and oil combined, "natural gas" refers to conventional natural gas and shale gas combined, "condensate and oil" refers to condensate, light and medium crude oil and tight oil combined and "other NGLs" refers to ethane, propane and butane. Below is a complete breakdown of sales volumes for applicable periods by specific product type of shale gas, conventional natural gas, NGLs, tight oil and light and medium crude oil. Numbers may not add due to rounding.

	2020				2019				Annual		
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2020	2019	2018
SALES VOLUMES - BY PRODUCT TYPE											
Shale gas (MMcf/d)	170.7	141.0	156.0	158.9	176.6	159.3	164.1	163.9	156.7	166.0	165.9
Conventional natural gas (MMcf/d)	85.6	83.0	97.2	102.6	122.4	137.3	145.6	144.1	92.0	137.3	160.0
Natural gas (MMcf/d)	256.3	224.0	253.2	261.5	299.0	296.6	309.7	308.0	248.7	303.3	325.9
Condensate (Bbl/d)	22,782	17,020	19,615	17,908	23,956	20,230	17,781	16,933	19,334	19,746	16,384
Other NGLs (Bbl/d)	4,987	3,952	3,817	4,539	7,064	6,851	6,859	6,284	4,325	6,767	7,386
NGLs (Bbl/d)	27,769	20,972	23,432	22,447	31,020	27,081	24,640	23,217	23,659	26,513	23,770
Tight oil (Bbl/d)	437	457	381	575	745	523	603	653	462	631	830
Light and Medium crude oil (Bbl/d)	2,533	2,305	2,827	3,416	3,815	4,008	4,928	6,093	2,768	4,703	7,024
Crude oil (Bbl/d)	2,970	2,762	3,208	3,991	4,560	4,531	5,531	6,746	3,230	5,334	7,854
Total (Boe/d)	73,460	61,064	68,839	70,022	85,411	81,046	81,793	81,296	68,340	82,394	85,941
SALES VOLUMES – BY REGION BY PRODUCT TYPE											
GRANDE PRAIRIE REGION											
Shale gas (MMcf/d)	92.7	66.0	76.8	73.1	91.5	70.5	73.4	76.7	77.2	78.0	65.5
Conventional natural gas (MMcf/d)	1.6	1.3	1.5	1.5	1.9	1.6	1.2	1.3	1.4	1.5	10.7
Natural gas (MMcf/d)	94.3	67.3	78.3	74.6	93.4	72.1	74.6	78.0	78.6	79.5	76.2
Condensate (Bbl/d)	19,635	13,959	16,292	14,058	18,760	14,269	11,678	10,883	15,991	13,920	11,342
Other NGLs (Bbl/d)	2,429	2,060	1,680	1,680	2,376	1,587	1,686	1,602	1,964	1,814	1,945
NGLs (Bbl/d)	22,064	16,019	17,972	15,738	21,136	15,856	13,364	12,485	17,955	15,734	13,287
Tight oil (Bbl/d)	–	–	–	–	–	–	–	–	–	–	–
Light and medium crude oil (Bbl/d)	–	1	17	39	91	61	13	46	14	53	77
Crude oil (Bbl/d)	–	1	17	39	91	61	13	46	14	53	77
Total (Boe/d)	37,782	27,237	31,039	28,214	36,789	27,927	25,804	25,530	31,076	29,040	26,059

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

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

	2020				2019				Annual		
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2020	2019	2018
KAYBOB REGION											
Shale gas (MMcf/d)	41.9	40.4	44.4	48.6	48.3	52.4	51.6	49.1	43.8	50.3	59.4
Conventional natural gas (MMcf/d)	76.3	73.4	87.1	91.6	89.1	91.8	101.5	101.4	82.1	95.9	102.8
Natural gas (MMcf/d)	118.2	113.8	131.5	140.2	137.4	144.2	153.1	150.5	125.9	146.2	162.2
Condensate (Bbl/d)	2,631	2,577	2,954	3,385	3,899	4,411	4,526	4,618	2,885	4,361	3,519
Other NGLs (Bbl/d)	1,953	1,363	1,718	2,218	2,504	2,450	2,622	2,324	1,812	2,476	2,450
NGLs (Bbl/d)	4,584	3,940	4,672	5,603	6,403	6,861	7,148	6,942	4,697	6,837	5,969
Tight oil (Bbl/d)	299	308	203	394	541	329	286	280	301	360	439
Light and medium crude oil (Bbl/d)	2,480	2,257	2,762	3,343	3,331	3,391	4,182	4,835	2,709	3,929	5,565
Crude oil (Bbl/d)	2,779	2,565	2,965	3,737	3,872	3,720	4,468	5,115	3,010	4,289	6,004
Total (Boe/d)	27,056	25,477	29,561	32,700	33,167	34,615	37,127	37,143	28,685	35,500	39,004
CENTRAL ALBERTA & OTHER REGION											
Shale gas (MMcf/d)	36.1	34.6	34.8	37.1	36.8	36.4	39.1	38.1	35.7	37.7	41.0
Conventional natural gas (MMcf/d)	7.7	8.3	8.6	9.6	31.4	43.9	42.9	41.4	8.5	39.9	46.5
Natural gas (MMcf/d)	43.8	42.9	43.4	46.7	68.2	80.3	82.0	79.5	44.2	77.6	87.5
Condensate (Bbl/d)	515	484	369	465	1,298	1,551	1,577	1,433	458	1,464	1,522
Other NGLs (Bbl/d)	605	529	419	641	2,184	2,814	2,551	2,358	549	2,477	2,991
NGLs (Bbl/d)	1,120	1,013	788	1,106	3,482	4,365	4,128	3,791	1,007	3,941	4,513
Tight oil (Bbl/d)	138	149	178	180	203	194	317	373	161	271	391
Light and Medium crude oil (Bbl/d)	54	47	48	33	393	556	733	1,211	46	721	1,383
Crude oil (Bbl/d)	192	196	226	213	596	750	1,050	1,584	207	992	1,774
Total (Boe/d)	8,622	8,350	8,239	9,108	15,455	18,504	18,862	18,623	8,579	17,854	20,878

Non-GAAP Financial Measures

In this document, "Net debt", "Total capital expenditures", "Netback", "Adjusted funds flow" and "Adjusted working capital", collectively the "Non-GAAP Financial 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 calculation 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 and 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 Financial 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 Financial Measures are unlikely to be comparable to similar measures presented by other issuers.

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

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

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.

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	GJ/d	Gigajoule per day
		MMbtu	Millions of British thermal units
		MMbtu/d	Millions of British thermal units per day
		WTI	NYMEX
		AECO	AECO-C reference price

Oil Equivalent	
Boe	Barrels of oil equivalent
Boe/d	Barrels of oil equivalent per day

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 year ended December 31, 2020, the value ratio between crude oil and natural gas was approximately 21:1. 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.

Additional information respecting the Company's oil and gas properties and operations is provided in the Company's annual information form for the year ended December 31, 2020 which is available on SEDAR at www.sedar.com.