

**Paramount Resources Ltd. Acquires Additional Common Shares
of Canadian Premium Sand Inc.**

This press release is being issued pursuant to section 5.2 of National Instrument 62-104 -Take-Over Bids and Issuer Bids.

Calgary, Alberta, June 16, 2021 – Paramount Resources Ltd. ("Paramount") has acquired 4,000,000 common shares ("Common Shares") of Canadian Premium Sand Inc. ("CPS") at a price of \$0.25 per Common Share for aggregate consideration of \$1,000,000. The acquisition was made as part of a private placement of an aggregate of 20,799,200 Common Shares completed by CPS on June 15, 2021 (the "Private Placement"). The Common Shares acquired by Paramount pursuant to the Private Placement represent 9.51% of the 42,043,660 Common Shares issued and outstanding following the Private Placement.

Immediately before the Private Placement, Paramount had direct ownership and control of 2,759,394 Common Shares and \$900,000 in principal amount of convertible debentures of CPS maturing on February 26, 2024 that may be converted at the option of the holder into Common Shares at any time prior to maturity at a conversion price of \$0.75 per Common Share (the "Convertible Debentures"). The Common Shares held by Paramount prior to the Private Placement represented approximately 12.99% of the 21,244,460 Common Shares then outstanding. If Paramount had converted all of the Convertible Debentures held by it prior to the Private Placement, it would have had direct ownership and control of 3,959,394 Common Shares, representing approximately 17.64% of the then outstanding Common Shares after giving effect to such conversion.

After the Private Placement, Paramount has direct ownership and control of 6,759,394 Common Shares and \$900,000 in principal amount of Convertible Debentures. The Common Shares held by Paramount after the Private Placement represent approximately 16.08% of the 42,043,660 outstanding Common Shares. If Paramount were to convert all of the Convertible Debentures held by it, it would have direct ownership and control of 7,959,394 Common Shares, representing approximately 18.41% of the outstanding Common Shares after giving effect to such conversion.

The Common Shares were acquired by Paramount for investment purposes. Depending on the evolution of CPS's business, financial condition, the market, if any, for CPS's securities, general economic conditions and other factors, Paramount may acquire additional CPS securities, or sell CPS securities it owns, controls or directs, in the open market, by private agreement or otherwise, subject to market conditions and other relevant factors.

For inquiries or a copy of the related early warning report in respect of CPS, a copy of which is filed on www.sedar.com, please contact:

Paramount Resources Ltd.
Suite 2800, 421 - 7th Avenue S.W.
Calgary, Alberta T2P 4K9