

HISTORICAL FINANCIAL & OPERATIONAL INFORMATION – DEC/23 (UNAUDITED) ⁽¹⁾⁽²⁾

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

SUMMARY FINANCIAL RESULTS

	2023				2022				Annual		
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022	2021
Petroleum and natural gas sales	470.5	463.8	374.4	489.7	597.7	618.9	536.2	499.6	1,798.5	2,252.4	1,383.6
Net income	111.9	87.2	74.2	197.0	259.9	221.9	182.2	16.6	470.2	680.6	236.9
Per share – diluted (\$/share)	0.75	0.59	0.50	1.33	1.76	1.51	1.24	0.11	3.17	4.63	1.67
Cash from operating activities	287.0	207.6	172.2	271.4	306.9	248.9	318.9	174.9	938.2	1,049.6	482.1
Per share – diluted (\$/share) ⁽³⁾	1.93	1.40	1.16	1.84	2.08	1.69	2.16	1.20	6.32	7.14	3.39
Adjusted funds flow ⁽³⁾	284.1	234.2	178.7	268.2	340.7	334.3	258.3	237.8	965.3	1,171.0	499.8
Per share – diluted (\$/share) ⁽³⁾	1.91	1.58	1.21	1.81	2.31	2.27	1.75	1.63	6.51	7.97	3.51
Free cash flow ⁽³⁾	59.7	18.5	30.5	59.8	162.0	137.5	68.3	103.4	168.4	471.1	191.8
Per share – diluted (\$/share) ⁽³⁾	0.40	0.12	0.21	0.40	1.10	0.93	0.46	0.71	1.13	3.20	1.36
Total assets	4,388.7	4,305.1	4,106.6	4,114.6	4,337.3	4,261.3	4,076.2	4,095.5	4,388.7	4,337.3	3,885.1
Investments in securities	540.9	577.5	489.9	498.3	557.1	451.3	468.8	479.2	540.9	557.1	372.1
Long-term debt	–	–	–	–	159.4	306.3	227.7	302.6	–	159.4	386.3
Net (cash) debt ⁽³⁾	59.6	44.4	2.3	(43.6)	161.2	347.0	374.0	361.2	59.6	161.2	456.7
Total liabilities	889.5	840.6	756.4	785.7	959.2	1,201.2	1,186.3	1,343.3	889.5	959.2	1,278.7
Common shares outstanding (millions) ⁽⁴⁾	144.2	143.4	143.1	142.4	142.0	141.3	141.2	140.0	144.2	142.0	139.2
Wtd. avg shares – diluted (millions) ⁽⁴⁾	148.6	148.6	148.4	147.8	147.5	147.2	147.5	145.8	148.3	147.0	142.8
Dividends declared and paid (\$/share)	0.375	0.375	0.375	1.375	0.35	0.30	0.28	0.20	2.50	1.13	0.20
Capital expenditures by region											
Grande Prairie	75.8	117.6	66.0	121.1	135.8	133.5	107.2	76.8	380.3	453.3	228.6
Kaybob	64.5	41.4	45.5	39.0	11.4	30.8	57.9	31.1	190.4	131.2	14.5
Central Alberta and Other	61.7	35.5	17.1	5.6	1.0	0.2	0.8	0.1	120.0	2.1	25.2
Fox Drilling and Cavalier Energy	3.9	4.9	7.6	12.7	12.1	10.8	3.7	1.1	29.2	27.7	5.0
Corporate	3.0	(0.5)	4.0	5.7	9.3	9.0	14.5	7.9	12.2	40.7	1.3
Capital expenditures	208.9	198.9	140.2	184.1	169.6	184.3	184.1	117.0	732.1	655.0	274.6
Land and property acquisitions	18.1	8.9	25.7	26.6	13.3	65.5	37.8	29.2	79.2	145.8	5.4
SALES VOLUMES											
Natural gas (MMcf/d)	326.2	323.1	290.2	320.6	321.9	315.9	267.2	272.9	315.1	294.7	275.2
Condensate and oil (Bbl/d)	40,290	38,161	34,230	37,916	37,580	38,804	27,750	31,375	37,657	33,908	30,989
Other NGLs (Bbl/d) ⁽⁵⁾	6,698	6,627	5,648	5,916	6,143	6,144	5,021	5,276	6,226	5,650	5,147
Total (Boe/d)	101,348	98,644	88,243	97,269	97,370	97,601	77,312	82,137	96,393	88,672	82,001
% Liquids	46%	45%	45%	45%	45%	46%	42%	45%	46%	45%	44%
Sales volumes by region (Boe/d)											
Grande Prairie	72,860	74,381	66,950	69,507	64,434	65,981	48,736	54,737	70,943	58,519	51,869
Kaybob	20,324	17,027	13,238	19,201	24,477	24,021	21,642	20,726	17,449	22,730	22,588
Central Alberta and Other	8,164	7,236	8,055	8,561	8,459	7,599	6,934	6,674	8,001	7,423	7,544
Total	101,348	98,644	88,243	97,269	97,370	97,601	77,312	82,137	96,393	88,672	82,001
PARAMOUNT REALIZED PRICES											
Natural gas (\$/Mcf)	2.79	2.67	2.43	4.23	6.56	6.39	6.75	5.18	3.04	6.24	3.72
Condensate and oil (\$/Bbl)	98.12	103.36	94.42	100.66	108.50	112.56	134.65	117.53	99.25	117.07	81.91
Other NGLs (\$/Bbl) ⁽⁵⁾	36.00	33.64	30.86	43.93	48.25	51.20	62.80	61.64	36.06	55.37	41.84
Petroleum & natural gas sales (\$/Boe)	50.46	51.11	46.63	55.94	66.72	68.92	76.22	67.59	51.12	69.60	46.23

HISTORICAL FINANCIAL & OPERATIONAL INFORMATION – DEC/23 (UNAUDITED) ⁽¹⁾⁽²⁾

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

COMMODITY PRICES - BENCHMARKS

Natural gas

	2023	2022	2021
	Q4	Q3	Q2
AECO daily spot (\$/GJ)	2.18	2.46	2.32
AECO monthly index (\$/GJ)	2.52	2.26	2.22
Dawn (\$/MMBtu)	3.17	3.07	2.80
NYMEX (US\$/MMBtu)	2.91	2.66	2.32
Malin – daily index (US\$/MMBtu)	3.64	3.16	2.66

Condensate and oil

	2023	2022	2021
	Q4	Q3	Q2
Edmonton light sweet (\$/Bbl)	97.55	107.29	94.99
Edmonton condensate (\$/Bbl)	104.09	106.88	93.25
West Texas Intermediate (US\$/Bbl)	78.32	82.26	73.80

Other NGLs

	2023	2022	2021
	Q4	Q3	Q2
Conway – propane (\$/Bbl)	37.04	37.55	37.24
Belvieu – butane (\$/Bbl)	53.58	46.85	44.05

NETBACK ⁽²⁾⁽³⁾

Netback (\$/Boe)

Petroleum and natural gas sales

	2023	2022	2021
	Q4	Q3	Q2
Royalties	(7.39)	(8.28)	(5.12)
Operating expense	(13.56)	(12.55)	(13.03)
Transportation and NGLs processing ⁽⁶⁾	(3.56)	(3.44)	(4.19)
Sales of commodities purchased	5.38	4.64	5.94
Commodities purchased	(5.08)	(4.32)	(6.15)

Netback

	2023	2022	2021
	Q4	Q3	Q2
Risk management contract settlements	4.61	0.02	(0.33)

Netback including risk management contract settlements

	2023	2022	2021
	Q4	Q3	Q2
Royalty rate ⁽³⁾	14.7%	16.3%	11.0%

Netback

	2023	2022	2021
	Q4	Q3	Q2
Natural gas revenue ⁽⁷⁾	83.7	79.3	64.1
Condensate and oil revenue	363.7	362.9	294.1
Other NGLs revenue ⁽⁵⁾	22.2	20.5	15.9
Royalty income and other revenue	0.9	1.1	0.3

Petroleum and natural gas sales

	2023	2022	2021
	Q4	Q3	Q2
Royalties	(68.9)	(75.2)	(41.2)
Operating expense	(126.4)	(113.9)	(104.6)
Transportation and NGLs processing ⁽⁶⁾	(33.2)	(31.2)	(33.6)
Sales of commodities purchased	50.2	42.1	47.7
Commodities purchased	(47.4)	(39.2)	(49.3)

Netback

	2023	2022	2021
	Q4	Q3	Q2
Risk management contract settlements	43.0	0.2	(2.7)

Netback including risk management contract settlements

	2023	2022	2021
	Q4	Q3	Q2
	287.8	246.6	190.7

HISTORICAL FINANCIAL & OPERATIONAL INFORMATION – DEC/23 (UNAUDITED) ⁽¹⁾⁽²⁾

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

SUMMARY INCOME STATEMENT

	2023				2022				Annual		
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022	2021
Revenue	451.8	430.7	380.9	535.7	616.0	607.4	493.7	472.2	1,799.3	2,189.1	1,332.1
Gain (loss) on risk management contracts	53.4	(12.1)	13.7	(1.9)	8.1	2.4	(41.3)	(152.0)	53.1	(182.7)	(189.8)
	505.2	418.6	394.6	533.8	624.1	609.8	452.4	320.2	1,852.4	2,006.4	1,142.3
Operating expense	126.4	113.9	104.6	108.8	119.2	110.0	88.7	89.2	453.8	407.1	340.4
Transportation and NGLs processing	33.2	31.2	33.6	36.3	27.2	34.4	30.8	31.3	134.4	123.7	114.5
Commodities purchased	47.4	39.2	49.3	114.3	100.4	76.4	41.1	49.1	250.2	267.0	76.1
General and administrative	10.5	11.8	12.1	15.0	13.6	9.7	10.2	9.3	49.4	42.7	41.6
Share-based compensation	17.8	4.4	4.3	6.9	13.1	3.2	1.5	7.5	33.4	25.3	18.8
Depletion, depreciation and impairment (reversals)	131.8	87.0	81.5	101.5	95.2	88.0	23.5	79.3	401.9	286.0	133.1
Exploration and evaluation	5.4	3.1	2.2	2.8	4.7	3.0	6.9	16.0	13.5	30.6	38.9
(Gain) loss on sale of oil and gas assets	(3.4)	(0.5)	(1.2)	(121.1)	(63.7)	(0.4)	0.2	(1.7)	(126.3)	(65.6)	(72.1)
Interest and financing	2.0	1.7	1.3	1.5	(2.2)	3.3	0.6	4.7	6.5	6.4	47.1
Accretion of asset retirement obligations	10.8	10.9	10.9	10.7	11.6	11.4	11.1	10.8	43.2	44.9	42.6
Settlement of dissent payment entitlement	—	—	—	—	—	—	—	—	—	—	22.6
Other	(7.3)	—	(0.5)	0.4	(23.4)	(5.0)	0.1	0.8	(7.3)	(27.5)	16.2
Expenses	374.6	302.7	298.1	277.1	295.7	334.0	214.7	296.3	1,252.7	1,140.6	819.8
Income before tax	130.6	115.9	96.5	256.7	328.4	275.8	237.7	23.9	599.7	865.8	322.5
Deferred income tax expense	18.7	28.7	22.3	59.7	68.5	53.9	55.5	7.3	129.5	185.2	85.6
Net income	111.9	87.2	74.2	197.0	259.9	221.9	182.2	16.6	470.2	680.6	236.9

CASH FROM OPERATING ACTIVITIES / ADJUSTED FUNDS FLOW ⁽³⁾

Net income	111.9	87.2	74.2	197.0	259.9	221.9	182.2	16.6	470.2	680.6	236.9
Risk management contracts	(10.4)	12.3	(16.4)	8.0	(31.1)	(46.8)	(20.6)	102.3	(6.4)	3.7	(28.5)
Share-based compensation	17.8	4.4	4.3	6.9	13.1	3.2	1.5	7.5	33.4	25.3	18.8
Depletion, depreciation and impairment (reversals)	131.8	87.0	81.5	101.5	95.2	88.0	23.5	79.3	401.9	286.0	133.1
Exploration and evaluation	2.7	0.3	0.1	0.3	2.6	0.7	5.0	13.4	3.3	21.8	30.9
(Gain) loss on sale of oil and gas assets	(3.4)	(0.5)	(1.2)	(121.1)	(63.7)	(0.4)	0.2	(1.7)	(126.3)	(65.6)	(72.1)
Accretion of asset retirement obligations	10.8	10.9	10.9	10.7	11.6	11.4	11.1	10.8	43.2	44.9	42.6
Settlement of on dissent payment entitlement	—	—	—	—	—	—	—	—	—	—	22.6
Deferred income tax	18.7	28.7	22.3	59.7	68.5	53.9	55.5	7.3	129.5	185.2	85.6
Other	1.5	1.1	0.9	0.2	6.5	(0.3)	(3.6)	(0.3)	3.8	2.2	4.9
Asset retirement obligations settled	(12.8)	(14.0)	(5.9)	(21.8)	(7.0)	(10.2)	(4.0)	(14.8)	(54.6)	(36.1)	(25.4)
Change in non-cash working capital	18.4	(9.8)	1.5	30.0	(48.7)	(72.5)	68.1	(45.5)	40.2	(98.4)	32.7
Cash from operating activities	287.0	207.6	172.2	271.4	306.9	248.9	318.9	174.9	938.2	1,049.6	482.1
Change in non-cash working capital	(18.4)	9.8	(1.5)	(30.0)	48.7	72.5	(68.1)	45.5	(40.2)	98.4	(32.7)
Geological and geophysical expense	2.7	2.8	2.1	2.5	2.1	2.3	1.9	2.6	10.2	8.8	8.0
Asset retirement obligations settled	12.8	14.0	5.9	21.8	7.0	10.2	4.0	14.8	54.6	36.1	25.4
Provisions	—	—	—	2.5	(24.0)	0.4	1.6	—	2.5	(21.9)	24.0
Settlements	—	—	—	—	—	—	—	—	—	—	(7.0)
Adjusted funds flow	284.1	234.2	178.7	268.2	340.7	334.3	258.3	237.8	965.3	1,171.0	499.8

HISTORICAL FINANCIAL & OPERATIONAL INFORMATION – DEC/23 (UNAUDITED) ⁽¹⁾⁽²⁾

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

FREE CASH FLOW ⁽³⁾

Adjusted funds flow

Capital expenditures	(208.9)	(198.9)	(140.2)	(184.1)	(169.6)	(184.3)	(184.1)	(117.0)	(732.1)	(655.0)	(274.6)
Geological and geophysical expense	(2.7)	(2.8)	(2.1)	(2.5)	(2.1)	(2.3)	(1.9)	(2.6)	(10.2)	(8.8)	(8.0)
Asset retirement obligations settled	(12.8)	(14.0)	(5.9)	(21.8)	(7.0)	(10.2)	(4.0)	(14.8)	(54.6)	(36.1)	(25.4)
Free cash flow	59.7	18.5	30.5	59.8	162.0	137.5	68.3	103.4	168.4	471.1	191.8

SUMMARY BALANCE SHEET

Assets

Current assets	223.6	231.8	209.7	280.4	506.2	250.5	166.5	221.7	223.6	506.2	156.7
Risk management – long-term	–	2.3	2.1	1.2	2.9	8.5	7.6	4.3	–	2.9	0.7
Lease receivable	–	–	–	–	–	–	–	–	–	–	0.5
Investment in securities	540.9	577.5	489.9	498.3	557.1	451.3	468.8	479.2	540.9	557.1	372.1
Exploration and evaluation	546.6	543.3	535.4	512.1	485.7	529.1	529.6	534.0	546.6	485.7	539.9
Property, plant and equipment, net	2,874.1	2,732.3	2,613.9	2,545.5	2,456.3	2,612.3	2,441.6	2,338.5	2,874.1	2,456.3	2,269.7
Deferred income tax	203.5	217.9	255.6	277.1	329.1	409.6	462.1	517.8	203.5	329.1	545.5
Total assets	4,388.7	4,305.1	4,106.6	4,114.6	4,337.3	4,261.3	4,076.2	4,095.5	4,388.7	4,337.3	3,885.1

Liabilities and shareholders' equity

Current liabilities	313.0	314.7	239.5	273.0	282.4	342.8	417.6	404.3	313.0	282.4	256.0
Long-term debt	—	—	—	—	159.4	306.3	227.7	302.6	—	159.4	386.3
Risk management – long-term	0.5	0.7	—	0.5	—	—	—	—	0.5	—	3.1
Asset retirement obligation and other – long-term	576.0	525.2	516.9	512.2	517.4	552.1	541.0	636.4	576.0	517.4	633.3
Shareholders' equity	3,499.2	3,464.5	3,350.2	3,328.9	3,378.1	3,060.1	2,889.9	2,752.2	3,499.2	3,378.1	2,606.4
Total liabilities and shareholders' equity	4,388.7	4,305.1	4,106.6	4,114.6	4,337.3	4,261.3	4,076.2	4,095.5	4,388.7	4,337.3	3,885.1

NET (CASH) DEBT CALCULATION ⁽³⁾

Cash and cash equivalents	(48.9)	(43.1)	(38.6)	(81.9)	(2.5)	(2.2)	(1.2)	(1.5)	(48.9)	(2.5)	(1.7)
Accounts receivable	(155.0)	(166.7)	(127.8)	(178.9)	(216.5)	(219.0)	(147.9)	(207.8)	(155.0)	(216.5)	(139.7)
Prepaid expenses	(9.0)	(16.0)	(24.2)	(10.9)	(9.1)	(13.8)	(11.5)	(8.4)	(9.0)	(9.1)	(7.3)
Accounts payable and accrued liabilities	272.5	270.2	192.9	228.1	229.9	275.7	306.9	276.3	272.5	229.9	219.1
Long-term debt	—	—	—	—	159.4	306.3	227.7	302.6	—	159.4	386.3
Net (cash) debt	59.6	44.4	2.3	(43.6)	161.2	347.0	374.0	361.2	59.6	161.2	456.7

RESERVES ⁽⁸⁾

	Proved			Proved plus Probable		
	2023	2022	2021	2023	2022	2021
Reserves						
Natural gas (Bcf)	1,276	1,361	1,034	2,289	2,280	2,010
NGLs (MBbl)	199,223	213,851	146,264	374,570	372,985	296,918
Crude Oil (MBbl)	3,235	3,901	20,881	4,679	5,803	30,561
Total (MBoe)	415,128	444,644	339,476	760,736	758,769	662,469
Future Net Revenue NPV ₁₀	4,522	5,798	3,573	7,876	9,085	6,235

HISTORICAL FINANCIAL & OPERATIONAL INFORMATION – DEC/23 (UNAUDITED) ⁽¹⁾⁽²⁾

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

- (1) Some rows and columns may not add due to rounding.
- (2) Readers are referred to the Product Type Information section and the "Specified Financial Measures" section of this document.
- (3) Adjusted funds flow, free cash flow and net (cash) debt are capital management measures. Netback and netback including risk management contract settlements are non-GAAP financial measures. Netback and Netback including risk management contract settlements presented on a \$/Boe basis are non-GAAP ratios. Each measure, other than net income, that is presented on a per share – diluted, \$/Mcf, \$/Boe or rate basis is a supplementary financial measure. Refer to the "Specified Financial Measures" section for more information on these measures.
- (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 (Common Shares): Q4 2023: 0.4 million, Q3 2023: 0.4 million, Q2 2023: 0.4 million, Q1 2023: 0.8 million, Q4 2022: 0.8 million, Q3 2022: 0.8 million, Q2 2022: 0.8 million, Q1 2022: 1.5 million.
- (5) Other NGLs means ethane, propane and butane.
- (6) Includes downstream natural gas, NGLs and oil transportation costs and NGLs fractionation costs.
- (7) Natural gas revenue presented as \$/Mcf.
- (8) Reserves evaluated by McDaniel & Associates Consultants Ltd. ("McDaniel") as of December 31, 2023, December 31, 2022 and December 31, 2021 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 years ended December 31, 2023, December 31, 2022 and December 31, 2021 which are available on SEDAR+ at www.sedarplus.ca 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 "natural gas", "condensate and oil", "NGLs", "Other NGLs" and "Liquids". "Natural gas" refers to shale gas and conventional natural gas combined. "Condensate and oil" refers to condensate, light and medium crude oil, tight oil and heavy crude oil combined. "NGLs" refers to condensate and Other NGLs combined. "Other NGLs" refers to ethane, propane and butane combined. "Liquids" refers to condensate and oil and Other NGLs combined. Below is a complete breakdown of sales volumes for applicable periods by the specific product types of shale gas, conventional natural gas, NGLs, light and medium crude oil, tight oil and heavy crude oil. Numbers may not add due to rounding.

	2023				2022				Annual		
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022	2021
SALES VOLUMES – TOTAL COMPANY BY PRODUCT TYPE											
Shale gas (MMcf/d)	271.8	276.7	246.0	265.2	260.0	253.8	203.7	213.1	265.2	232.9	207.9
Conventional natural gas (MMcf/d)	54.4	46.4	44.2	55.4	61.9	62.1	63.5	59.8	49.9	61.8	67.3
Natural gas (MMcf/d)	326.2	323.1	290.2	320.6	321.9	315.9	267.2	272.9	315.1	294.7	275.2
Condensate (Bbl/d)	37,522	35,984	32,341	34,706	34,616	35,747	25,374	29,064	35,148	31,228	28,328
Other NGLs (Bbl/d)	6,698	6,627	5,648	5,916	6,143	6,144	5,021	5,276	6,226	5,650	5,147
NGLs (Bbl/d)	44,220	42,611	37,989	40,622	40,759	41,891	30,395	34,340	41,374	36,878	33,475
Light and medium crude oil (Bbl/d)	1,636	1,154	942	2,151	2,335	2,608	1,974	1,874	1,469	2,200	2,174
Tight oil (Bbl/d)	699	627	538	599	629	449	402	437	616	480	487
Heavy crude oil (Bbl/d)	433	396	409	460	–	–	–	–	424	–	–
Crude oil (Bbl/d)	2,768	2,177	1,889	3,210	2,964	3,057	2,376	2,311	2,509	2,680	2,661
Total (Boe/d)	101,348	98,644	88,243	97,269	97,370	97,601	77,312	82,137	96,393	88,672	82,001
SALES VOLUMES – BY REGION BY PRODUCT TYPE											
GRANDE PRAIRIE REGION											
Shale gas (MMcf/d)	214.1	222.8	196.1	204.0	188.4	188.2	138.8	151.4	209.3	166.9	138.8
Conventional natural gas (MMcf/d)	0.3	0.4	0.3	0.4	1.5	1.4	1.0	1.1	0.4	1.3	2.2
Natural gas (MMcf/d)	214.4	223.2	196.4	204.4	189.9	189.6	139.8	152.5	209.7	168.2	141.0
Condensate (Bbl/d)	32,155	32,145	30,046	31,367	29,146	30,610	22,511	26,042	31,433	27,095	25,253
Other NGLs (Bbl/d)	4,742	4,815	4,012	4,074	3,631	3,758	2,914	3,267	4,414	3,394	3,103
NGLs (Bbl/d)	36,897	36,960	34,058	35,441	32,777	34,368	25,425	29,309	35,847	30,489	28,356
Light and medium crude oil (Bbl/d)	–	–	–	–	–	5	5	6	–	4	5
Tight oil (Bbl/d)	227	220	159	–	–	–	–	–	152	–	–
Crude oil (Bbl/d)	227	220	159	–	–	5	5	6	152	4	5
Total (Boe/d)	72,860	74,381	66,950	69,507	64,434	65,981	48,736	54,737	70,943	58,519	51,869

HISTORICAL FINANCIAL & OPERATIONAL INFORMATION – DEC/23 (UNAUDITED) ⁽¹⁾⁽²⁾

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

	2023				2022				Annual		
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022	2021
KAYBOB REGION											
Shale gas (MMcf/d)	30.2	28.0	21.7	31.8	41.9	38.5	37.9	35.7	28.2	38.5	38.6
Conventional natural gas (MMcf/d)	49.6	41.7	38.4	49.6	55.0	54.8	56.7	53.6	44.6	55.0	58.6
Natural gas (MMcf/d)	79.8	69.7	60.1	81.4	96.9	93.3	94.6	89.3	72.8	93.5	97.2
Condensate (Bbl/d)	4,003	2,981	1,301	2,315	4,354	4,157	2,092	2,130	2,655	3,192	2,295
Other NGLs (Bbl/d)	1,209	1,188	891	988	1,671	1,666	1,585	1,558	1,070	1,620	1,612
NGLs (Bbl/d)	5,212	4,169	2,192	3,303	6,025	5,823	3,677	3,688	3,725	4,812	3,907
Light and medium crude oil (Bbl/d)	1,602	1,131	914	2,121	2,045	2,434	1,946	1,832	1,440	2,066	2,129
Tight oil (Bbl/d)	205	104	115	206	262	208	253	322	158	261	355
Crude oil (Bbl/d)	1,807	1,235	1,029	2,327	2,307	2,642	2,199	2,154	1,598	2,327	2,484
Total (Boe/d)	20,324	17,027	13,238	19,201	24,477	24,021	21,642	20,726	17,449	22,730	22,588
CENTRAL ALBERTA AND OTHER REGION											
Shale gas (MMcf/d)	27.5	25.9	28.2	29.4	29.7	27.1	27.0	26.0	27.7	27.5	30.5
Conventional natural gas (MMcf/d)	4.5	4.3	5.5	5.4	5.4	5.9	5.8	5.1	4.9	5.5	6.5
Natural gas (MMcf/d)	32.0	30.2	33.7	34.8	35.1	33.0	32.8	31.1	32.6	33.0	37.0
Condensate (Bbl/d)	1,364	858	994	1,024	1,116	980	771	892	1,060	941	781
Other NGLs (Bbl/d)	747	624	745	854	841	720	522	451	742	636	432
NGLs (Bbl/d)	2,111	1,482	1,739	1,878	1,957	1,700	1,293	1,343	1,802	1,577	1,213
Light and medium crude oil (Bbl/d)	34	23	28	30	290	169	23	36	29	130	40
Tight oil (Bbl/d)	267	303	264	393	367	241	149	115	306	219	131
Heavy crude oil (Bbl/d)	433	396	409	460	–	–	–	–	424	–	–
Crude oil (Bbl/d)	734	722	701	883	657	410	172	151	759	349	171
Total (Boe/d)	8,164	7,236	8,055	8,561	8,459	7,599	6,934	6,674	8,001	7,423	7,544

SPECIFIED FINANCIAL MEASURES

Non-GAAP Financial Measures

Netback and netback including risk management contract settlements are non-GAAP financial measures. These measures are not standardized measures under International Financial Reporting Standards ("IFRS") and might not be comparable to similar financial measures presented by other issuers. These measures should not be considered in isolation or construed as alternatives to their most directly comparable measure disclosed in the Company's primary financial statements or other measures of financial performance calculated in accordance with IFRS.

Netback equals petroleum and natural gas sales (the most directly comparable measure disclosed in the Company's primary financial statements) plus sales of commodities purchased less royalties, operating expense, transportation and NGLs processing expense and commodities purchased. Sales of commodities purchased and commodities purchased are treated as corporate items and are not allocated to individual regions or properties. Netback is used by investors and Management to compare the performance of the Company's producing assets between periods.

Netback including risk management contract settlements equals netback after including (or deducting) risk management contract settlements received (paid). Netback including risk management contract settlements is used by investors and Management to assess the performance of the producing assets after incorporating Management's risk management strategies.

Non-GAAP Ratios

Netback and netback including risk management contract settlements presented on a \$/Boe basis are non-GAAP ratios as they each have a non-GAAP financial measure (netback and netback including risk management contract settlements, respectively) as a component. These measures are not standardized measures under IFRS and might not be comparable to similar financial measures presented by other issuers. These measures should not be considered in isolation or construed as alternatives to their most directly comparable measure disclosed in the Company's primary financial statements or other measures of financial performance calculated in accordance with IFRS.

Netback on a \$/Boe basis is calculated by dividing netback for the applicable period by the total sales volumes during the period in Boe. Netback including risk management contract settlements on a \$/Boe basis is calculated by dividing netback including risk management contract settlements for the applicable period by the total sales volumes during the period in Boe. These measures are used by investors and Management to assess netback and netback including risk management contract settlements on a unit of sales volumes basis.

HISTORICAL FINANCIAL & OPERATIONAL INFORMATION – DEC/23 (UNAUDITED) ⁽¹⁾⁽²⁾

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

Capital Management Measures

Adjusted funds flow, free cash flow and net (cash) debt are capital management measures that Paramount utilizes in managing its capital structure. These measures are not standardized measures and therefore may not be comparable with the calculation of similar measures by other entities. Refer to Note 18 – Capital Structure in the Company's audited consolidated financial statements as at and for the year ended December 31, 2023 for a description of the composition and use of these measures. Reconciliations of adjusted funds flow and free cash flow to cash from operating activities, the most directly comparable measure disclosed in the Company's primary financial statements, and calculations of net (cash) debt are provided in this document for the applicable periods. The label of the net (cash) debt capital management measure has been revised from the previous label of net debt to allow for the description of negative amounts as net (cash).

Supplementary Financial Measures

This document contains supplementary financial measures expressed as: (i) cash from operating activities, adjusted funds flow and free cash flow on a per share – diluted basis and (ii) realized prices, petroleum and natural gas sales, adjusted funds flow, revenue, royalties, operating expenses, transportation and NGLs processing expenses, sales of commodities purchased and commodities purchased on a \$/Bbl, \$/Mcf or \$/Boe basis and (iii) royalty rate.

Cash from operating activities, adjusted funds flow and free cash flow on a per share – diluted basis are calculated by dividing cash from operating activities, adjusted funds flow or free cash flow, as applicable, over the referenced period by the weighted average diluted shares outstanding during the period determined under IFRS.

Petroleum and natural gas sales, adjusted funds flow, revenue, royalties, operating expenses, transportation and NGLs processing expenses, sales of commodities purchased and commodities purchased on a \$/Bbl, \$/Mcf or \$/Boe basis are calculated by dividing petroleum and natural gas sales, adjusted funds flow, revenue, royalties, operating expenses, transportation and NGLs processing expenses, sales of commodities purchased and commodities purchased, as applicable, over the referenced period by the aggregate units (Bbl, Mcf or Boe) of sales volumes during such period.

Royalty rate is calculated by dividing royalties by petroleum and natural gas sales less royalty income and other revenue.

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.sedarplus.ca and on the Company's website at www.paramountres.com

Oil and Gas Measures and Definitions

Liquids

Bbl	Barrels
Bbl/d	Barrels per day
NGLs	Natural gas liquids
Condensate	Pentane and heavier hydrocarbons
WTI	West Texas Intermediate

Oil Equivalent

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

Natural Gas

Bcf	Billions of cubic feet
Mcf	Thousands of cubic feet
MMcf/d	Millions of cubic feet per day
GJ	Gigajoules
GJ/d	Gigajoules per day
MMBtu	Millions of British Thermal Units
MMBtu/d	Millions of British Thermal Units per day
NYMEX	New York Mercantile Exchange
AECO	AECO-C reference price

This document contains disclosures expressed as "Boe", "\$/Boe", "MBoe" 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, 2023, the value ratio between crude oil and natural gas was approximately 36:1. 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, 2023 which is available on SEDAR+ at www.sedarplus.ca.