

**Form 45-106F6**  
***British Columbia Report of Exempt Distribution***

This is the form required under section 6.1 of National Instrument 45-106 for a report of exempt distribution in British Columbia.

**Issuer/underwriter information**

**Item 1: Issuer/underwriter name and contact information**

A. State the following:

- the full name of the issuer of the security distributed. Include the former name of the issuer if its name has changed since this report was last filed;
- the issuer's website address; and
- the address, telephone number and email address of the issuer's head office.

*Paramount Resources Ltd.*  
*Suite 4700, 888 3 Street S.W.*  
*Calgary, Alberta T2P 5C5*  
*Phone: (403) 290-3600*  
*E-mail: <http://www.paramountres.com/contact-us>*

B. If an underwriter is completing this report, state the following:

- the full name of the underwriter;
- the underwriter's website address; and
- the address, telephone number and email address of the underwriter's head office.

**Item 2: Reporting issuer status**

A. State whether the issuer is or is not a reporting issuer and, if reporting, each of the jurisdictions in which it is reporting.

*The issuer is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland.*

B. If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, name the investment fund manager and state the jurisdiction(s) where it is registered.

**Item 3: Issuer's industry**

Indicate the industry of the issuer by checking the appropriate box below.

- |   |  |
|---|--|
| <input type="checkbox"/> Bio-tech                       | Mining   |
| Financial Services                                      | <input type="checkbox"/> exploration/development |
| <input type="checkbox"/> investment companies and funds | <input type="checkbox"/> production              |
| <input type="checkbox"/> mortgage investment companies  | <input checked="" type="checkbox"/> Oil and gas  |
| <input type="checkbox"/> securitized products issuers   | <input type="checkbox"/> Real estate             |
| <input type="checkbox"/> Forestry                       | <input type="checkbox"/> Utilities               |
| <input type="checkbox"/> Hi-tech                        | <input type="checkbox"/> Other (describe)        |
| <input type="checkbox"/> Industrial                     | _____  |

**Item 4: Insiders and promoters of non-reporting issuers**

If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table.

If the issuer is not a reporting issuer in any jurisdiction of Canada, complete the following table by providing information about each insider and promoter of the issuer. If the insider or promoter is not an individual, complete the table for directors and officers of the insider or promoter.

Information about insiders and promoters			
Full name, municipality and country of principal residence	All positions held (e.g., director, officer, promoter and/or holder of more than 10% of voting securities)	Number and type of securities of the issuer beneficially owned or, directly or indirectly controlled, on the distribution date, including any securities purchased under the distribution	Total price paid for all securities beneficially owned or, directly or indirectly controlled, on the distribution date, including any securities purchased under the distribution (Canadian \$)
N/A			

**Details of distribution****Item 5: Distribution date**

State the distribution date. If this report is being filed for securities distributed on more than one distribution date, state all distribution dates.

*June 5, 2015*

**Item 6: Number and type of securities**

For each security distributed:

- describe the type of security;
- state the total number of securities distributed. If the security is convertible or exchangeable, describe the type of underlying security, the terms of exercise or conversion and any expiry date; and
- if the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, state the exemption(s) relied on. If more than one exemption is relied on, state the amount raised using each exemption.

*US\$450,000,000 aggregate principal amount of 6.875% Senior Notes due 2023*

**Item 7: Geographical information about purchasers**

Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table information about securities issued as payment of commissions or finder's fees disclosed under item 9 of this report. The information provided in this table must reconcile with the information provided in item 8 and Schedules I and II.

Each Canadian and foreign jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$) <sup>1</sup>	Total dollar value raised from purchasers in the jurisdiction (Canadian \$) <sup>2</sup>
Ontario	6	US\$99.533 (C\$ 124.307) per US\$100 of Senior Notes	99,445,410
Quebec	2	US\$99.533 (C\$ 124.307) per US\$100 of Senior Notes	29,833,623
British Columbia	2	US\$99.533 (C\$ 124.307) per US\$100 of Senior Notes	37,292,029
USA	39	US\$99.533 (C\$ 124.307) per US\$100 of Senior Notes	380,944,292
United Kingdom	1	US\$99.533 (C\$ 124.307) per US\$100 of Senior Notes	31,076,690
<b>Total number of Purchasers</b>	<b>50</b>		
<b>Total dollar value of distribution in all jurisdictions (Canadian \$)</b>			<b>578,592,047</b>

**Note 1:** If securities are issued at different prices, list the highest and lowest price for which the securities were sold.

**Note 2:** All Canadian currency values are approximate values based on the Bank of Canada US dollar nominal noon exchange rate, as at June 5, 2015 (1.2489 CAD/USD).

#### **Item 8: Information about purchasers**

##### *Instructions*

A. If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table.

B. Information about the purchasers of securities under the distribution is required to be disclosed in different tables in this report. Complete

- the following table for each purchaser that is not an individual, and
- the tables in Schedules I and II of this report for each purchaser who is an individual.

Do not include in the tables information about securities issued as payment of commissions or finder's fees disclosed under item 9 of this report.

C. An issuer or underwriter completing this table in connection with a distribution using the exemption in subparagraph 6.1(1)(j) [*TSX Venture Exchange offering*] of National Instrument 45-106 *Prospectus Exemptions* may choose to replace the information in the first column with the total number of purchasers, whether individuals or not, by jurisdiction. If the issuer or underwriter chooses to do so, then the issuer or underwriter is not required to complete the second column or the tables in Schedules I and II.

Information about non-individual purchasers					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number and type of securities purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
AGF Management Ltd. 66 Wellington Street, 31st Floor Toronto Dominion Bank Tower Toronto ON M5K 1E9 416-865-4334	R	US\$10,000,000 aggregate principal amount of Senior Notes	12,430,676	s. 2.3, NI 45-106	2015-06-05
Blair Franklin Capital Partners 199 Bay Street, Suite 147 Toronto ON M5L 1E2 416-368-1211	R	US\$20,000,000 aggregate principal amount of Senior Notes	24,861,352	s. 2.3, NI 45-106	2015-06-05
CI Investments 2 Queens Street East, 18th Floor Toronto ON M5C 3G7 416 681-7000	R	US\$12,000,000 aggregate principal amount of Senior Notes	14,916,811	s. 2.3, NI 45-106	2015-06-05
CIBC World Markets Inc. 161 Bay Street Suite 2320 Toronto ON M5J 2S8 (416) 552-1523	R	US\$25,000,000 aggregate principal amount of Senior Notes	31,076,690	s. 2.3, NI 45-106	2015-06-05
Deans Knights Capital Management Limited 730-999 West Hastings Street Vancouver BC V6C 2W2 (604) 669-0202	R	US\$5,000,000 aggregate principal amount of Senior Notes	6,215,338	s. 2.3, NI 45-106	2015-06-05
Fiera Sceptre Group 1501 McGill College Bureau 800 Montreal, QC H3A 3M8 Canada (514) 954-3750	R	US\$12,000,000 aggregate principal amount of Senior Notes	14,916,811	s. 2.3, NI 45-106	2015-06-05
Guardian Capital Group Limited Commerce Court West 199 Bay Street, Suite 3100	R	US\$5,000,000 aggregate principal amount of Senior Notes	6,215,338	s. 2.3, NI 45-106	2015-06-05

Information about non-individual purchasers					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number and type of securities purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
Toronto ON M5L 1E8 (416) 364-8341					
Industrial Alliance Insurance and Financial Services 1080, chemin Saint-Louis Sillery, Quebec G1S 1C7 Canada 418-684-5182	R	US\$12,000,000 aggregate principal amount of Senior Notes	14,916,811	s. 2.3, NI 45-106	2015-06-05
MacKenzie Financial Corporation 180 Queen Street West Toronto ON M5V 3K1 Canada 416-967-2382	R	US\$8,000,000 aggregate principal amount of Senior Notes	9,944,541	s. 2.3, NI 45-106	2015-06-05
Philips Hager & North Investment Management Ltd. 200 Burrard Street Vancouver BC V6C 3N5 Canada 604-408-6233	R	US\$25,000,000 aggregate principal amount of Senior Notes	31,076,690	s. 2.3, NI 45-106	2015-06-05
Acuity Capital Management 4 Greenwich Office Park, 3rd Floor, Greenwich, CT 06831 (203) 769-5960		US\$250,000 aggregate principal amount of Senior Notes	310,766	s. 2.3, NI 45-106	2015-06-05
Anchorage Capital Partners Limited - New York 610 Broadway, New York, NY 10012 (212) 432-4600		US\$6,500,000 aggregate principal amount of Senior Notes	8,079,939	s. 2.3, NI 45-106	2015-06-05
Aristeia Partners LP 136 Madison Avenue, New York, NY 10016 (212) 842-8900		US\$1,000,000 aggregate principal amount of Senior Notes	1,243,067	s. 2.3, NI 45-106	2015-06-05
Artisan Partners L.P. – Milwaukee 875 East Wisconsin Avenue, Suite 800, Milwaukee, WI 53202 (800) 399-1770		US\$3,000,000 aggregate principal amount of Senior Notes	3,729,202	s. 2.3, NI 45-106	2015-06-05 2015-06-05

Information about non-individual purchasers					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number and type of securities purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
Aviva Investors Americas LLC – Chicago 225 W. Wacker Drive, Suite 1750, Chicago, IL 60606 (312) 873-5800		US\$3,000,000 aggregate principal amount of Senior Notes	3,729,202	s. 2.3, NI 45-106	2015-06-05
Blackrock Inc. - New York 40 East 52nd Street, New York, NY 10055 (212) 810-5300		US\$40,000,000 aggregate principal amount of Senior Notes	49,722,705	s. 2.3, NI 45-106	2015-06-05
Capital Research & Management Company - Los Angeles 333 South Hope Street, Los Angeles, CA 90017-1406 (213) 486-9200		US\$2,900,000 aggregate principal amount of Senior Notes	3,604,896	s. 2.3, NI 45-106	2015-06-05
CKC Capital LLC - New York 1345 Avenue of the Americas, 3rd Floor, New York 10105 (212) 893-1154		US\$100,000 aggregate principal amount of Senior Notes	124,306	s. 2.3, NI 45-106	2015-06-05
Column Park Asset Management LP - New York 3 Columbus Circle, 15th Floor, New York, NY 10019 (646) 650-5113		US\$500,000 aggregate principal amount of Senior Notes	621,533	s. 2.3, NI 45-106	2015-06-05
Crescent Capital Corporation 11100 Santa Monica Blvd, Los Angeles, CA 90025-3384 (310) 235-5900		US\$1,000,000 aggregate principal amount of Senior Notes	1,243,067	s. 2.3, NI 45-106	2015-06-05
Decade Capital Management LLC - New York 666 Fifth Avenue, 8th Floor, New York, NY 10019 (212) 320-1100		US\$4,000,000 aggregate principal amount of Senior Notes	4,972,270	s. 2.3, NI 45-106	2015-06-05
Eaton Vance Management – Boston 2 International Place, Boston,		US\$8,000,000 aggregate principal amount of Senior Notes	9,944,541	s. 2.3, NI 45-106	2015-06-05

Information about non-individual purchasers					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number and type of securities purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
MA 02110 (800) 836-2414					
ED & F Man Holding Ltd 140 East 45th Street, New York, NY 10036 (212) 844-3600		US\$100,000 aggregate principal amount of Senior Notes	124,306	s. 2.3, NI 45-106	2015-06-05
Fidelity Management & Research Company – Boston 1 Federal Street, Boston, MA 02109 (617) 563-7000		US\$45,000,000 aggregate principal amount of Senior Notes	55,938,043	s. 2.3, NI 45-106	2015-06-05
Franklin Advisers Inc - San Mateo One Franklin Parkway, San Mateo, CA 94403 (650) 312-3000		US\$4,000,000 aggregate principal amount of Senior Notes	4,972,270	s. 2.3, NI 45-106	2015-06-05
Gates Capital Corporation 1177 Avenue Of The Americas, New York, NY 10036 (212) 661-8686		US\$250,000 aggregate principal amount of Senior Notes	310,766	s. 2.3, NI 45-106	2015-06-05
Global Credit Advisers 101 Park Avenue, 26th Floor, New York, NY 10178 (212) 949-1860		US\$4,000,000 aggregate principal amount of Senior Notes	4,972,270	s. 2.3, NI 45-106	2015-06-05
Goldman Sachs Asset Management LP - New York 200 West Street, New York, NY 10282 (800) 526-7384		US\$55,000,000 aggregate principal amount of Senior Notes	68,368,720	s. 2.3, NI 45-106	2015-06-05
Highbridge Capital Management LLC - New York 767 Fifth Avenue, New York, NY 10153 (212) 287-6812		US\$1,000,000 aggregate principal amount of Senior Notes	1,243,067	s. 2.3, NI 45-106	2015-06-05
Hudson Bay Capital Management		US\$2,000,000 aggregate principal	2,486,135	s. 2.3, NI 45-106	2015-06-05

Information about non-individual purchasers					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number and type of securities purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
777 Third Avenue, New York, NY 10017 (212) 571-1244		amount of Senior Notes			
Jane Street Capital LLC - New York 1 New York Plaza, New York, NY 10004 (212) 651-6070		US\$1,000,000 aggregate principal amount of Senior Notes	1,243,067	s. 2.3, NI 45-106	2015-06-05
K2 Advisors LLC 300 Atlantic Street, Stamford, CT 06901 (203) 348-5252		US\$5,000,000 aggregate principal amount of Senior Notes	6,215,338	s. 2.3, NI 45-106	2015-06-05
King Capital Limited One Deer Park, Greenwich, CT 06830 (203) 622-1656		US\$250,000 aggregate principal amount of Senior Notes	310,766	s. 2.3, NI 45-106	2015-06-05
KLS Diversified - New York 452 Fifth Avenue, New York, NY 10018 (212) 905-0800		US\$3,000,000 aggregate principal amount of Senior Notes	3,729,202	s. 2.3, NI 45-106	2015-06-05
Linnfield Group LLC 601 Woodlawn Drive, Suite 601, Marietta, GA 30067-3506 (770) 578-6777		US\$100,000 aggregate principal amount of Senior Notes	124,306	s. 2.3, NI 45-106	2015-06-05
Lord Abbett & Co. LLC - Jersey City 90 Hudson Street, Jersey City, NJ 07302 (201) 827-2000		US\$28,000,000 aggregate principal amount of Senior Notes	34,805,893	s. 2.3, NI 45-106	2015-06-05
Newfleet Asset Management Inc 909 Montgomery Street, San Francisco, Ca 94133 (415) 486-6500		US\$2,000,000 aggregate principal amount of Senior Notes	2,486,135	s. 2.3, NI 45-106	2015-06-05
Nomura Securities International Inc - New York 2 World Financial Center,		US\$20,000,000 aggregate principal amount of Senior Notes	24,861,352	s. 2.3, NI 45-106	2015-06-05



Information about non-individual purchasers					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number and type of securities purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
22nd Floor, New York, NY 10281 (212) 667-9000					
Passport Capital California 1 Market Street, 38th Floor, San Francisco, Ca 94105 (415) 321-4600		US\$8,000,000 aggregate principal amount of Senior Notes	9,944,541	s. 2.3, NI 45-106	2015-06-05
Peritus I Asset Mgmt 26 West Anapamu Street, Santa Barbara, CA 93101 (805) 882-1100		US\$250,000 aggregate principal amount of Senior Notes	310,766	s. 2.3, NI 45-106	2015-06-05
Peters Capital Group LLC - Santa Barbara 1512 Mimosa Lane Santa Barbara, CA 93108-2606 (805) 695-7352		US\$9,000,000 aggregate principal amount of Senior Notes	11,187,608	s. 2.3, NI 45-106	2015-06-05
Phoenix Investment Adviser 420 Lexington Avenue, New York, NY 10170 (212) 359-6200		US\$250,000 aggregate principal amount of Senior Notes	310,766	s. 2.3, NI 45-106	2015-06-05
Putnam Investment Management LLC – Boston One Post Office Square, Boston, MA 02109 (617) 292-1000		US\$7,000,000 aggregate principal amount of Senior Notes	8,701,473	s. 2.3, NI 45-106	2015-06-05
SEIX Investment Advisors LLC 3333 Piedmont Road, Suite 1500, Atlanta, GA 30305 (404) 845-7605		US\$1,000,000 aggregate principal amount of Senior Notes	1,243,067	s. 2.3, NI 45-106	2015-06-05
Shenkman Capital Management 461 Fifth Avenue, 22nd Floor, New York, NY 10017- 7712 (212) 867-9090		US\$30,000,000 aggregate principal amount of Senior Notes	37,292,029	s. 2.3, NI 45-106	2015-06-05
Solus Alternative Asset Management LP		US\$1,000,000 aggregate principal	1,243,067	s. 2.3, NI 45-106	2015-06-05

Information about non-individual purchasers					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number and type of securities purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
430 Park Avenue, New York, NY 10022 (212) 284-4300		amount of Senior Notes			
Soros Fund Management LLC - New York 888 Seventh Avenue, New York, NY 10106 (212) 262-6300		US\$2,000,000 aggregate principal amount of Senior Notes	2,486,135	s. 2.3, NI 45-106	2015-06-05
Susquehanna International - Bala Cynwyd 401 City Avenue, Bala Cynwyd, PA 19004 (610) 617-2600		US\$250,000 aggregate principal amount of Senior Notes	310,766	s. 2.3, NI 45-106	2015-06-05
Wellington Management Company LLP – Boston 280 Congress Street, Boston, MA 02210 (617) 951-5000		US\$6,755,000 aggregate principal amount of Senior Notes	8,396,921	s. 2.3, NI 45-106	2015-06-05
Bluebay Asset Management LLP – London 77 Grosvenor Street, London W1K 3JR UK +44 20 7389 3700		US\$25,000,000 aggregate principal amount of Senior Notes	31,076,690	s. 2.3, NI 45-106	2015-06-05

## Commissions and finder's fees

### Item 9: Commissions and finder's fees

#### Instructions

A. Complete the following table by providing information for each person who has received or will receive compensation in connection with the distribution(s). Compensation includes commissions, discounts or other fees or payments of a similar nature. Do not include information about payments for services incidental to the distribution, such as clerical, printing, legal or accounting services.

B. If the securities being issued as compensation are or include convertible securities, such as warrants or options, add a footnote describing the terms of the convertible securities, including the term and exercise price. Do not include the exercise price of any convertible security in the total dollar value of the compensation unless the securities have been converted.

Full name and address of the person being compensated	Indicate if the person being compensated is an insider (I) of the issuer or a registrant (R)	Compensation paid or to be paid (cash and/or securities)				
		Cash (Canadian \$)	Securities			Total dollar value of compensation (Canadian \$)
			Number and type of securities issued	Price per security (Canadian \$)	Exemption relied on and date of distribution (yyyy-mm-dd)	
Barclays Capital Inc. 745 Seventh Avenue, New York, NY 10019	R	2,149,669	N/A	N/A	N/A	2,149,669
RBC Capital Markets, LLC One Liberty Plaza 165 Broadway New York, NY 10006-1404	R	948,383	N/A	N/A	N/A	948,383
BMO Capital Markets Corp. 3 Times Square New York City, NY 10036	R	948,383	N/A	N/A	N/A	948,383
HSBC Securities (USA) Inc. 452 Fifth Avenue New York, NY 10018	R	948,383	N/A	N/A	N/A	948,383
Scotia Capital (USA) Inc. 250 Vesey Street, 23rd & 24th floors New York, NY 10281	R	948,383	N/A	N/A	N/A	948,383
CIBC World Markets Corp. 425 Lexington Ave New York, New York 10017	R	547,955	N/A	N/A	N/A	547,955
National Bank of Canada Financial Inc. 1155 Metcalfe, 5th floor Montreal (Québec) H3B 4S9	R	547,955	N/A	N/A	N/A	547,955
TD Securities (USA) LLC 31 West 52nd Street New York, New York 10019-6101	R	547,955	N/A	N/A	N/A	547,955

Wells Fargo Securities, LLC 308 4 Avenue SW Calgary, AB T2P 0H7	R	505,805	N/A	N/A	N/A	505,805
Desjardins Securities Inc. 1170 Peel Street, Suite 300 Montreal, Québec H3B 0A9	R	337,203	N/A	N/A	N/A	337,203

## **Certificate**

On behalf of the issuer, I certify that the statements made in this report are true.

Date: June 11, 2015

Paramount Resources Ltd.

Name of issuer (please print)

E. Mitchell Shier, General Counsel, Corporate Secretary and Manager, Land (403) 290-3600

Print name, title and telephone number of person signing

(Signed) "E. Mitchell Shier"

Signature

### *Instruction*

*The person certifying this report must complete the information in the square brackets by deleting the inapplicable word. For electronic filings, substitute a typewritten signature for a manual signature.*

### **Item 10: Contact information**

State the name, title and telephone number of the person who may be contacted with respect to any questions regarding the contents of this report, if different than the person signing the certificate.

**IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT.**

### **Notice - Collection and use of personal information**

The British Columbia Securities Commission collects and uses the personal information required to be included in this report for the administration and enforcement of the *Securities Act*. If you have any questions about the collection and use of this information, contact the British Columbia Securities Commission at the following address:

### **British Columbia Securities Commission**

P.O. Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, British Columbia V7Y 1L2  
Telephone: (604) 899-6500  
Toll free across Canada: 1-800-373-6393  
Facsimile: (604) 899-6581