



PRESS RELEASE

PARAMOUNT ENERGY TRUST ANNOUNCES ASSET ACQUISITION

April 10, 2003. Paramount Energy Trust ("PET") (TSX – PMT.UN) is pleased to announce that it has closed a strategic natural gas asset acquisition in northeast Alberta. PET is also providing updated guidance with respect to its 2003 estimated results in light of recent natural gas price increases, hedging for April 2003, the above-mentioned acquisition and the positive results of our 2003 winter drilling program.

PET recently closed the acquisition of 100 percent of the working interest in the Ells natural gas property in northeast Alberta for approximately \$20 million. This asset is located immediately east of PET's Legend property and recently commenced initial production at approximately 4.0 MMcf/d from the Wabiskaw and McMurray formations. It is anticipated that production will increase to 8.5 MMcf/d in May as additional wells are brought onstream. The transaction also includes the purchase of a dedicated plant, compressor station and gathering system. McDaniel and Associates Consultants Ltd. have assigned proved reserves of 6.7 Bcf and probable reserves of 0.8 Bcf to the property. Given the early stage of the property's development, reserves were assigned on the basis of volumetrics with limited areal assignments. Based on PET's extensive experience with the production performance of analog Wabiskaw and McMurray pools in the region, as well as geological and geophysical mapping at Ells, PET believes that these reserves will prove to be understated, with potential for incremental reserves in excess of an additional 15 Bcf.

PET also announces that it has fixed the price on 35,000 GJ/d of its natural gas production for the month of April 2003 at a price of \$10.20 per GJ. The Trust intends to enter into additional price stabilization arrangements for 30-50 percent of its production on an ongoing basis as favourable market conditions present themselves.

PET successfully completed its winter drilling and 2003 capital expenditure program (excluding acquisitions) during the first quarter, drilling 17 wells which resulted in 16 natural gas wells and one water disposal well. Production additions from this program, the Ells acquisition and the effects of recent increases in natural gas prices have resulted in revisions to PET's estimated results for the 2003 fiscal year as follows:

Production Volumes

Natural Gas Sales	88 MMcf/d
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Financial and Operations

Natural Gas Price	\$ 6.70/Mcf
Operating Costs	\$ 0.85/Mcf
General & Administrative Costs	\$ 0.15/Mcf
Cash Flow	\$ 3.32/Unit
Capital Expenditures (excluding acquisitions)	\$ 9 MM

Paramount Energy Trust is a natural gas-focused Canadian energy trust. PET's Trust Units are listed on the Toronto Stock Exchange under the symbol "PMT.UN".

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The Toronto Stock Exchange has neither approved nor disapproved the information contained herein.