



## PRESS RELEASE

### PARAMOUNT ENERGY TRUST CONFIRMS OCTOBER 2003 DISTRIBUTION AND UPDATES HEDGING PORTFOLIO

**October 22, 2003.** Paramount Energy Trust ("PET") (TSX – PMT.UN) is pleased to confirm that its distribution on November 17, 2003 in respect of production for the month of October 2003, for Unitholders of record on October 31, 2003, will be \$0.20 per Trust Unit. The ex-distribution date is October 29, 2003. This distribution amount maintains the monthly level established in September and brings cumulative distributions paid to-date to \$2.484 per Trust Unit.

Furthermore, PET continues to forecast that monthly cash distributions will be maintained at \$0.20 per Trust Unit in respect of production for the remainder of 2003. These projections are based upon the Trust's current production forecast, hedges and the forward market for natural gas prices, however these forecast distributions are subject to change as dictated by actual conditions.

In addition, the Trust has recently established the following natural gas hedges:

1. Fixed price contracts for 40,000 GJ/d, for the period from November 2003 through March 2004, at an average price of \$6.24/GJ.
2. A fixed price contract for 10,000 GJ/d, for the period from April 2004 through October 2004, at an average price of \$5.30/GJ.
3. A costless collar for 15,000 GJ/d, for the period April 2004 through December 2004, with a floor of \$5.00/GJ and a ceiling of \$7.10/GJ.

All contracts are in Canadian dollars at AECO settling on the AECO monthly index.

Further information with respect to the gas/bitumen issue and its possible effects on the Trust can be found on PET's website at [www.paramountenergy.com/investor\\_relations/Gas-Bitumen\\_Issue](http://www.paramountenergy.com/investor_relations/Gas-Bitumen_Issue).

Paramount Energy Trust is a natural gas-focussed Canadian energy trust. PET's Trust Units are listed on the Toronto Stock Exchange under the symbol "PMT.UN". Further information with respect to PET can be found at its website at [www.paramountenergy.com](http://www.paramountenergy.com).

This news release contains forward-looking information. Implicit in this information, particularly in respect of cash distributions, are assumptions regarding natural gas prices, production, royalties and expenses which, although considered reasonable by PET at the time of preparation, may prove to be incorrect. These forward-looking statements are based on certain assumptions that involve a number of risks and uncertainties and are not guarantees of future performance. Actual results could differ materially as a result of changes in PET's plans, changes in commodity prices, regulatory changes, general economic, market and business conditions as well as production, development and operating performance and other risks associated with oil and gas operations. There is no guarantee by PET that actual results achieved will be the same as those forecast herein.

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

FOR FURTHER INFORMATION, PLEASE CONTACT:

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