



NEWS RELEASE

PARAMOUNT ENERGY TRUST CLARIFIES UNITED STATES STATUS OF EQUITY FINANCING

Calgary, AB – March 24, 2005 - Paramount Energy Trust (“PET”) (TSX – PMT.UN) Today PET clarified its previous announcement of its financing, on a bought deal basis, involving the issuance of Trust Units (by way of subscription receipts) and debentures to fund, in part, its proposed acquisition of natural gas properties in northeast Alberta for CDN\$290 million subject to closing adjustments. Specifically, the subscription receipts and the debentures have not been and will not be registered under the United States Securities Act and, accordingly, will not be offered or sold in the United States except in transactions exempt from the registration requirements of that Act.

About PET

PET is a natural gas-focused 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.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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The Toronto Stock Exchange has neither approved nor disapproved the information contained in this news release.