



January 7, 2010

PARAMAX RESOURCES LTD. OPERATIONAL UPDATE

Paramax Resources Ltd. (the "Corporation") (PXM – TSX Venture) is pleased to announce the following operational update on each of its core activities.

Fincastle Alberta

Paramax has now completed its initial two well program at Fincastle, and is pleased to announce that the second well of the project at Fincastle East has been successfully drilled and cased as a Sawtooth oil well. The drilling and casing of the well were completed as expected. The Corporation is evaluating the completion and tie in options and will provide information in regard to the production capabilities of this well as soon as possible.

The initial well at Fincastle, which was drilled and cased as a gas well in November, has now been completed and the frac stimulation of the well was successful. Subsequent to the flow testing, the well was shut in to perform a pressure build up evaluation. As soon as the review of the testing results has been completed, the Corporation will provide specific results. Various options are currently being considered to tie the well in and bring it on production.

The Corporation, along with its joint venture partner plan to follow up these two successful wells with additional drilling. Information on future development work in the area will be provided as it becomes available.

Idaho Project

Paramax, along with its joint venture partner, have now received all regulatory approvals and permits needed for the drilling program. With the permitting complete and the survey work beginning, the Corporations have begun contracting out the key drilling services in regard to the initial drilling program and it is planned that the first well will spud as soon as equipment can be moved to the location. The program will involve drilling of 5 wells, with the initial well taking approximately 21 days to drill. The wells range in depth from 4,500 to 7,000 feet and will be targeting both shallow gas and deeper oil reservoirs. Several older wells flowed gas to surface at measured rates up to 400,000 cubic feet a day and two of the four deeper wells in the basin recorded oil shows. These will be the first wells drilled on these prospects utilizing modern reprocessing techniques to evaluate the existing seismic data.

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