



January 28, 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

Fincastle West

The initial well at Fincastle West, which was drilled and cased as a gas well in November, has now been completed and the frac stimulation of the well was successful. The well encountered a 25m thick, gas bearing Upper Mannville channel. The upper part of the channel was perforated and stimulated with a 15 tonne CO₂ emulsion frac. Following the frac, the zone stabilized at a gross flow rate of approximately 200 mcf/d. Pressure data from the well are currently being analyzed and the Corporation, along with its partner, are investigating tie in options, and further development options on the acreage.

Fincastle East

The Fincastle East well was drilled and cased as a Sawtooth oil well. The well was perforated and swabbed for two days with abundant fluid inflow. Oil cuts varied between 5% and 40% of 22°API oil with cuts stabilizing at the end of the process between 5% and 10%. The Corporation, along with its partner, believes that there are several opportunities remaining to develop a commercial oil project on this acreage. The 3D seismic survey shows at least 4 separate anomalies on project lands with the potential to be additional Sawtooth oil wells. The future plans for the area are being evaluated.

Idaho Project

Paramax, along with its joint venture partner, have now received all regulatory approvals and permits needed for the drilling program. It is expected that the initial well in the program will spud mid February.

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Readers' Advisory

Barrel of Oil Equivalent: Where amounts are expressed on a barrel of oil equivalent ("boe") basis, natural gas volumes have been converted to boe at a ratio of 6,000 cubic feet of natural gas to one barrel of oil equivalent. This conversion ratio is based upon an energy equivalent conversion method primarily applicable at the burner tip and does not represent value equivalence at the wellhead. Boe figures may be misleading, particularly if used in isolation.

Safe Harbour

This news release contains certain "forward-looking information" within the meaning of such statements under applicable securities law including estimates as to: future production, operations, operating costs, commodity prices, administrative costs, commodity price risk management activity, acquisitions and dispositions, capital spending, access to credit facilities, income and oil taxes, regulatory changes, other components of cash flow and earnings, anticipated discovery of commercial volumes of oil and gas,

Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur. These statements are only predictions. Forward-looking information is based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. These factors include, but are not limited to, the inherent risks involved in the exploration and development of conventional oil and gas properties, difficulties or delays in start-up and continuing operations, the uncertainties involved in interpreting drilling results and other geological data, fluctuating oil prices, the possibility of unanticipated costs and expenses, uncertainties relating to the availability and costs of financing needed in the future and other factors including unforeseen delays. As an enterprise in the development stage, with some conventional production Paramax faces risks including those associated with exploration, development, start-up, approvals and the continuing ability to access sufficient capital from external sources if required. Actual timelines associated may vary from those anticipated in this news release and such variations may be material. Industry related risks could include, but are not limited to, operational risks in exploration, development and production, delays or changes in plans, risks associated to the uncertainty of reserve, health and safety risks and the uncertainty of estimates and projections of production, costs and expenses. Paramax undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change, unless required by law.

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