

PARAMAX RESOURCES LTD

July 2, 2008

PARAMAX RESOURCES LTD. ACQUIRES US BASED SHALE GAS ACREAGE

Paramax Resources Ltd. (“Paramax” or the “Corporation”) (PXM – TSX-V) is pleased to announce that it has signed a letter agreement, dated June 30, 2008, to acquire a 50% interest in approximately 90,000 acres of land in the Rocky Mountain gas basin in Idaho and Oregon (“Gas Shale Asset”) from an arm’s length party. Paramax will acquire the interest in the land for total consideration of \$US 1,750,000 plus an additional 250,000 shares of Paramax. The consideration to be paid includes a cash payment of \$US 1,500,000 and the issuance of Paramax shares with a deemed value of \$US 250,000 along with the additional 250,000 shares. At the current market price it is estimated that Paramax will issue a total of 675,000 shares on closing. As well, upon a commercial discovery on the shale gas asset Paramax will issue an additional 1,000,000 common shares to the vendor. The transaction is conditional upon final due diligence, board of director approval and TSX-V approval.

The Gas Shale Asset was reviewed by an independent US based engineering firm which reviewed 11 prospects and estimated the P50 resources in July 2007, classified as gross contingent resources, as 310 billion cubic feet of gas. The reserves data were estimated using probabilistic methodologies and prepared without reference to National Instrument 51-101. Contingent Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be recoverable due to one or more contingencies.

The basin has only been explored to date with a total of 70 wells. 18 of the wells encountered gas shows and 13 have flowed natural gas to the surface with flow rates up to 300Mcfpd. Moreover, one of the more recent wells demonstrated reservoirs with 18-24% porosity. Seven drilling prospects and four leads have been identified on this acreage.

Paramax is also pleased to announce that Mr. Joseph E. Casabona has joined the company as Chief Executive Office and has joined the Board of Directors. Mr. Casabona has over 30 years experience in the US in the oil and gas industry with extensive background in Strategic Planning, Capital Structure, Capital Markets, Business Development, Acquisitions and Divestments. In addition, the Corporation is granting a total of 750,000 options at a price of \$0.60 per common share to Mr. Casabona.

Roger Bethell has resigned as an officer and director of the Corporation. Paramax would like to thank Mr. Bethell for his time and effort in creating a solid base for continued operations.

Paramax is also pleased to report that the second oil well in the Fosterton project has been put on production. Paramax has a 32 % interest in the well before payout of certain costs and a 26 % interest after payout. The Fosterton project in Saskatchewan now has two producing wells, with daily average production of 20 boe/day net to the Corporation. The Corporation intends to continue with the development of the project.

For further information, please contact:

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The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy and accuracy of this information.

Statements in this press release may contain forward-looking information including expectations of future operations, commerciality of any gas discovered, 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, and other components of cash flow and earnings. The reader is cautioned that assumptions used in the preparation of such information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the company. These risks include, but are not limited to, the risks associated with the oil and gas industry, commodity prices and exchange rate changes. 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 estimates, or reservoir performance, health and safety risks and the uncertainty of estimates and projections of production, costs and expenses. The reader is cautioned not to place undue reliance on this forward-looking information.

Contingent Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be recoverable due to one or more contingencies. Contingencies may include factors such as economic,

legal, environmental, political, and regulatory matters, or a lack of markets. It is also appropriate to classify as contingent resources the estimated discovered recoverable quantities associated with a project in the early evaluation stage. Contingent Resources are further classified in accordance with the level of certainty associated with the estimates and may be subclassified based on project maturity and/or characterized by their economic status.

Disclosure provided herein in respect of barrels of oil equivalent (BOE) may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 MCF:1 BBL is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.