

PARALLEL ENERGY TRUST
Calgary, Alberta
August 11, 2015



NEWS RELEASE: PARALLEL ENERGY TRUST
Announces Second Quarter 2015 Financial and Operating Results

Calgary, Alberta - Parallel Energy Trust ("Parallel" or the "Trust") is pleased to announce its financial and operating results for the three months ended June 30, 2015. Parallel's unaudited second quarter financial statements and accompanying Management's Discussion and Analysis ("MD&A") will be filed shortly on the SEDAR website at www.sedar.com and on the Trust's website at www.parallelenergy.ca.

Summary of Second Quarter 2015 Financial and Operating Results

(\$000s, except where indicated)	Quarter Ended Jun. 30, 2015	Quarter Ended Mar. 31, 2015	Quarter Ended Jun. 30, 2014
Production			
Natural gas (mcf/day)	13,764	14,936	15,140
Condensate (bbls/day)	1,637	1,659	1,686
Natural Gas Liquids (bbls/day)	2,778	2,536	2,973
Total (@6:1) (boe/day)	6,709	6,684	7,183
Average sales price (US\$ per boe)	21.97	22.50	46.33
Revenue, net of royalties	13,366	13,606	26,820
Funds from operations ⁽¹⁾	2,356	4,057	10,659
Net income (loss)	(102,163)	(6,182)	849
Distributions	-	1,675	8,128
Capital expenditures excluding acquisitions	1,003	1,308	5,539
Bank debt outstanding (US\$)	157,700	158,600	159,000
Convertible debentures (CAD\$)	63,000	63,000	63,000
Unitholder's equity	20,848	126,164	276,085

(1) Non-IFRS measure. Readers are referred to Advisories at the end of the press release for additional information.

Second Quarter 2015 Financial and Operating Highlights

- Recorded average daily production of 6,709 boe/day (66 per cent natural gas liquids and condensate). Second quarter production levels were negatively impacted by an unexpected outage at a third-party processing facility serving the Carson operating area.
- Realized an average sales price (prior to hedging) of US\$21.97, reflecting the continued weak commodity price environment in 2015.
- Generated funds from operations of \$2.4 million (\$0.04 per basic unit).
- Recorded a net impairment of \$94.1 million on Parallel's oil and gas assets as a result of impairment tests performed in the second quarter.
- Reduced bank debt by approximately US\$0.9 million. This resulted in total bank debt of US\$157.7 million drawn against the Trust's credit facility of US\$165.0 million.

Production Update

Based on field data, Parallel recorded average daily production of approximately 6,900 boe/day in July of 2015. Parallel's year-to-date average daily production is approximately 6,700 boe/day, slightly below the Trust's full year production guidance; however, based on expected production levels in the second half of 2015, the Trust is reconfirming its full year production guidance of 6,800 boe/day.

Strategic Alternative Process

As previously disclosed, in April 2015 Parallel's Board of Directors announced a strategic alternatives process to explore alternatives to reduce indebtedness and maximize unitholder value. The strategic alternatives process is ongoing; however, there can be no assurances that this process will result in an acceptable transaction of any form.

Bank Facility

The revolving period of the Trust's credit facility expires on September 30, 2015. The Trust has requested an extension of the revolving period and renewal of the US\$165 million credit facility amount. There can be no assurances that the credit facility will continue to be available for the same amount or on the same or similar terms and conditions.

ABOUT PARALLEL ENERGY TRUST

Parallel's assets and operations are located in the Mid-Continent Region of the United States and its portfolio consists of mature, liquids-rich natural gas assets. Parallel's common units are traded on the Toronto Stock Exchange (TSX) under the symbol "PLT.UN" and the Trust's debentures are traded on the TSX under the symbol "PLT.DB".

Additional information about Parallel can be found on the Trust's website at www.parallelenergy.ca or in Parallel's annual information form, available on SEDAR at www.sedar.com.

FOR FURTHER INFORMATION PLEASE CONTACT:

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ADVISORIES

Forward-Looking Information

This news release contains forward-looking information including statements regarding production guidance, the strategic alternative process and the bank facility. Such forward-looking statements speak only as of the date of this document and are based on Parallel's current expectations, estimates, projections and assumptions in light of information available to it at the time the statements are made. The statements involve substantial known and unknown risks and uncertainties, most of which are beyond the control of Parallel, including, without limitation, the commodity price levels, operations in the field and at third party processing facilities proceeding as planned, retention of key personnel, whether the strategic alternatives process will result in an acceptable transaction of any form and whether or not the credit facility will continue on the same or similar terms, in addition to those risks and uncertainties listed under "Risk Factors" in Parallel's annual information form dated March 19, 2015 (the "AIF"). Parallel cautions investors in Parallel's securities that the assumptions used in the preparation of the forward-looking statements, although considered reasonable at the time of preparation, may prove to be imprecise and important risk factors discussed above could cast significant doubt on the Parallel's ability to continue as a going concern (see "Liquidity and Capital Resources" in the Management Discussion & Analysis dated August 10, 2015). Actual results, performance or achievements to differ materially from those projected in any forward-looking statements and the ongoing operations of the Trust are dependent on the Trust's ability to renew or extend the credit facility on same or similar terms or secure funds through other sources from the strategic alternatives process to reduce or repay the credit facility. As such, undue reliance should not be placed on the forward-looking statements. No assurance can be given that the expectations set out in this news release will transpire in the manner expressed in, or implied by, these forward-looking statements or if any of them do transpire, what benefits Parallel or its securityholders will derive therefrom. Unless required by law, Parallel does not assume any obligation to update or revise the forward-looking statements, whether as a result of new information, future events or circumstances or otherwise. The forward-looking statements are expressly qualified by these cautionary statements.

In this news release, Parallel and its subsidiaries are referred to collectively as the "Trust" or "Parallel" for purposes of convenience.

Non-IFRS Measures

This press release contains the term "Funds from operations". This term is not a recognized measure under International Financial Reporting Standards ("IFRS"). Parallel believes that in addition to net income, funds from operations is a useful supplemental measurement. Funds from operations provides an indication of the funds generated by the Trust's principal business activities and is defined as "Cash from operating activities" prior to workovers and "Change in non-cash working capital related to operating activities" in the Consolidated Statement of Cash Flows.

Oil and Gas Measures and Definitions

This press release contains disclosure expressed as "boe" and "boe/day". All oil and natural gas equivalency volumes have been derived using the ratio of six thousand cubic feet of natural gas to one barrel of oil. Equivalency measures may be misleading, particularly if used in isolation. A conversion ratio of six thousand cubic feet of natural gas to one barrel of oil is based on an energy equivalency conversion method primarily.