

PARALLEL ENERGY TRUST
Calgary, Alberta
October 1, 2015



NEWS RELEASE: PARALLEL ENERGY TRUST
Announces Further Update on Bank Facility

Calgary, Alberta – Parallel Energy Trust's ("Parallel" or the "Trust") US\$165 million credit facility was not renewed on September 30, 2015 and Parallel is continuing to work with its lenders on alternative arrangements. There can be no assurances that alternative arrangements will be agreed to with Parallel's lenders.

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.paralleleenergy.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 negotiations with Parallel's lenders. Such forward-looking statements speak only as of the date of this document and are based on Parallel's current expectations 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 what arrangements the lenders may agree to, 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 particularly if the value of the offers under the strategic alternatives process do not exceed Parallel's current indebtedness (see "Liquidity and Capital Resources" in the Management Discussion & Analysis dated August 11, 2015). Actual results, performance or achievements may 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 reach agreement with its lenders 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.

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