

PARALLEL ENERGY TRUST
Calgary, Alberta
November 9, 2015



**NEWS RELEASE: PARALLEL ENERGY TRUST
Granted CCAA Initial Order**

Calgary, Alberta – This morning, Parallel Energy Trust (the "Trust") and its affiliated entities, Parallel Energy Commercial Trust and Parallel Energy Inc. (collectively, the "Canadian Parallel Entities") obtained an Initial Order from the Alberta Court of Queen's Bench in Calgary (the "Canadian Court") for Companies' Creditors Arrangement Act (the "CCAA") creditor protection relief.

Under the terms of the CCAA Initial Order, KPMG Inc. was appointed as the Canadian Court-appointed monitor (the "Monitor") in the CCAA proceedings. The Canadian Court also approved a CDN\$2.0 million debtor-in-possession financing provided by Parallel's existing lending syndicate to the Canadian Parallel Entities for the Canadian process (the "Canadian DIP Facility"). The Canadian DIP Facility will be used to fund the ongoing operations of the Canadian Parallel Entities while the sales process is conducted in the United States in order to maximize the returns on the assets. The Canadian Court also approved the utilization of the Canadian DIP Facility to continue honouring the Canadian Parallel Entities' employee obligations, including wages, without interruption.

As previously announced, contemporaneously with the Canadian Parallel Entities' CCAA filing, the Trust's wholly owned U.S. based subsidiaries, Parallel Energy LP and Parallel Energy GP LLC (the "U.S. Parallel Entities") each filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court of Delaware (the "Bankruptcy Court"). Additional information regarding the CCAA proceedings will be available on the Monitor's website at <http://www.kpmg.ca/paralleleenergy>. Bankruptcy Court filings and other information related to the Chapter 11 filings are available at a website administered by the Parallel U.S. Entities' noticing agent, Prime Clerk, at <http://cases.primeclerk.com/parallel>.

The Trust also announces that it has received notice today from the Toronto Stock Exchange (the "TSX") that the TSX is reviewing the eligibility of the Trust's units and debentures for continued listing on the TSX. Specifically, the TSX has advised that it is reviewing whether the Trust meets the TSX's continued listing criteria as a result of (i) insolvency or bankruptcy proceedings, (ii) the Trust's financial condition and/or operating results, (iii) whether it has adequate working capital and appropriate capital structure, (iv) whether the price of the Trust's securities has been so reduced as to not warrant continued listing and (v) the market value of listed securities of CDN\$3.0 million for 30 previous consecutive trading days.

The Trust is being reviewed under the TSX's expedited review process and its securities have been suspended from trading effective immediately until further notice. The Trust intends to cooperate fully with the TSX review process. Any continued listing of the Trust's units and debentures will be dependent on a number of factors. In light of the status of the Trust's operations under the current oil and gas environment, there can be no assurance that the Trust will be able to maintain a listing of its units and debentures on the TSX.

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ADVISORIES

Forward-Looking Information

This news release contains forward-looking information including statements regarding the Trust's anticipated future strategies, the CCAA proceedings, the Chapter 11 filings and the sales process and timing of the TSX's delisting of the Trust's securities and the Trust's ability to demonstrate compliance with the listing requirements of the TSX. 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 decisions of the courts in Canada and the United States, the financial condition and market capitalization of the Trust, commodity price levels, retention of key personnel, whether the sales process will result in an acceptable transaction of any form and what arrangements Parallel's existing lenders may agree to, whether the sales process will result in proceeds which exceed the senior indebtedness owed to Parallel's existing lending syndicate and the determination of the TSX following its review process, 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 cast significant doubt on Parallel's ability to continue as a going concern. Actual results, performance or achievements may differ materially from those projected in any forward-looking statements. As such, undue reliance should not be placed on the forward-looking statements. No assurance can be given that the sales process will result in proceeds in excess of the senior indebtedness owed to Parallel's lending syndicate or 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.