

Parex Resources Announces Expansion of Ecopetrol Strategic Partnership with the Addition of Producing Assets in the Magdalena Basin



Calgary, Alberta, May 4, 2026 – Parex Resources Inc. (“Parex” or the “Company”) (TSX: PXT) and its strategic partner Ecopetrol S.A. (“Ecopetrol”), are pleased to announce that they have executed an agreement whereby Parex expects to earn a 50% participating share in the Casabe and Llanito blocks in the Magdalena Basin of Colombia, in exchange for a commitment to invest a gross capital program of \$250 million (\$125 million carry capital) over five years. *All amounts herein are in United States Dollars (“USD”) unless otherwise stated.*

Key Highlights

- Combined, the blocks currently produce approximately 14,900 bbl/d⁽¹⁾ of medium crude oil (gross) and have an estimated original oil in place (“OOIP”) of over 3 billion barrels⁽²⁾ with an average recovery factor of less than 15%.
- Upon the satisfaction of certain conditions, including regulatory approval, Parex will commit to a gross capital program of \$250 million (\$125 million carry capital) over five years, in exchange for a 50% participating share of each block’s existing base and incremental production from the start date of investment activities.
- Parex’s base production participation begins upon spudding the first well on each block, which Parex expects to achieve during H2 2026.
- Parex will act as executor in all future drilling and capital activities; Ecopetrol will remain as the operator of current and future production.
- Development plans will prioritize infill drilling, waterflood optimization, and enhanced oil recovery (“EOR”) initiatives, applying Parex’s demonstrated expertise and successful operations in the Llanos and Magdalena Basins.

Overview

- Parex to acquire a 50% participating share under a business collaboration agreement through a work plan commitment with no up-front acquisition cost.
 - Phase I: Parex receives 50% of both existing base and incremental production in exchange for the execution of the capital development program, focused on the implementation and optimization of secondary and EOR recovery methods.
 - Phase II: Upon the completion of Phase I, including National Hydrocarbons Agency of the Republic of Colombia (“ANH”) approval, all capital thereafter will be shared equally on a 50:50 basis.
- Combined the blocks have an estimated OOIP of over 3 billion barrels⁽²⁾, with low recovery factor and identified upside potential.
 - Mature fields, with recently reprocessed 3D seismic that provides a clear path to generate incremental production.
 - Fields have the potential to develop significant resources through horizontal drilling, re-patterning, waterflood optimization, as well as polymer and CO₂ injection.
 - Parex has an established track record of driving incremental recovery through proven technology, as demonstrated at blocks such as Cabrestero and LLA-34.
- Significant infrastructure is already in place, including processing facilities and market access via pipeline.
 - A direct pipeline connection exists to Ecopetrol’s Barrancabermeja (“GRB”) refinery to help maximize operating netbacks.
- Agreement adds low-risk development drilling inventory, in addition to the existing producing and injection wells.
 - Beyond development opportunities, the blocks enhance near-field exploration potential and provide additional pathways to lower per-unit operating costs for the existing production.

Footnotes

(1) Based on Q1 2026 average production; rounded for presentation purposes; source: National Hydrocarbons Agency of the Republic of Colombia (ANH).
(2) Source: Ecopetrol S.A; see “Oil & Gas Matters Advisory.”

About Parex Resources Inc.

Parex is one of the largest independent oil and gas companies in Colombia, focusing on sustainable, conventional production. The Company's corporate headquarters are in Calgary, Canada, with an operating office in Bogotá, Colombia. Parex shares trade on the Toronto Stock Exchange under the symbol PXT.

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Oil & Gas Matters Advisory

Original Oil in Place ("OOIP") is the quantity of petroleum that is estimated to originally exist in naturally occurring accumulations prior to production. OOIP is equivalent to petroleum initially in place as defined in the COGE Handbook. It includes that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations, prior to production, plus those estimated quantities in accumulations yet to be discovered. A portion of the OOIP is considered undiscovered and there is no certainty that any portion of such undiscovered resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of such undiscovered resources. With respect to the portion of the OOIP that is considered discovered resources, there is no certainty that it will be commercially viable to produce any portion of such discovered resources. A significant portion of the estimated volumes of OOIP will never be recovered. OOIP disclosed herein in respect of the Casabe and Llanito Blocks by area and in aggregate, was internally estimated by Ecopetrol S.A. There is no certainty that these OOIP estimates were prepared in accordance with the COGE Handbook. The estimates may not be comparable to similar measures presented by other companies and therefore should not be used to make such comparisons.

Advisory on Forward-Looking Statements

Certain information regarding Parex set forth in this news release contains forward-looking statements that involve substantial known and unknown risks and uncertainties. The use of any of the words "plan", "commitment", "expect", "estimate", "focus", "future", or other similar words, or statements that certain events or conditions "may" or "will" occur are intended to identify forward-looking statements. These statements are only predictions and actual events or results may differ materially. Many factors could cause Parex's actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, Parex.

In particular, forward-looking statements contained in this news release include, but are not limited to, statements with respect to: the anticipated benefits to be derived from the agreement with Ecopetrol, expectations that Parex will be able to commit to a gross capital program of \$250 million over five years; expectations that Parex will achieve its base production participation in H2 2026; expectations that Parex will act as executor in all future drilling and capital activities and Ecopetrol will remain as the operator of current and future production; development plans prioritizing infill drilling, waterflood optimization, and EOR initiatives, expectations that Parex can apply its expertise and successful operations in the Llanos and Magdalena Basins similarly to the Casabe and Llanito blocks; and the expectation that the fields have the potential to develop significant resources.

These forward-looking statements are subject to numerous risks and uncertainties, including but not limited to, timing of spudding the first wells, the impact of general economic conditions in Canada and Colombia; prolonged volatility in commodity prices; industry conditions including changes in laws and regulations including adoption of new environmental laws and regulations, and changes in how they are interpreted and enforced in Canada and Colombia; determinations by OPEC and other countries as to production levels; competition; lack of availability of qualified personnel; the results of exploration and development drilling and related activities; obtaining required approvals of regulatory authorities in Canada and Colombia; ability to access sufficient capital from internal and external sources; failure of counterparties to perform under contracts; the risk that Parex's partnership with Ecopetrol and the transactions and other matters related thereto may not lead to the benefits anticipated; the risk that the Casabe and Llanito blocks in the Magdalena Basin may not provide Parex with the opportunities and benefits anticipated; the risk that the capital expenditures required to begin Parex's Phase I development and optimization activities at the Casabe and Llanito blocks in the Magdalena basin may be greater than anticipated; and other factors, many of which are beyond the control of the Company.

Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could affect Parex's operations and financial results is included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR+ website (www.sedarplus.ca).

Although the forward-looking statements contained in this news release are based upon assumptions which Management believes to be reasonable, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. Parex has made assumptions regarding, among other things: current and anticipated commodity prices; availability of skilled labour; future exchange rates; conditions in general economic and financial markets; availability of drilling and related equipment; effects of regulation by governmental agencies; receipt of partner, regulatory and community approvals; future operating costs; uninterrupted access to areas of Parex's operations and infrastructure; recoverability of reserves and future production rates; Parex will have sufficient cash flow, debt or equity sources or other financial resources required to fund its capital and operating expenditures and requirements as needed; and that Parex's partnership with Ecopetrol and the transactions and other matters related thereto will lead to the benefits anticipated; and other matters.

Parex's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do, what benefits Parex will derive. These forward-looking statements are made as of the date of this news release and Parex disclaims any intent or obligation to update publicly any forward- looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.