

NEWS RELEASE

Parex Resources Announces 2025 Full-Year Results, Reserves Per Share Growth, and Declaration of Q1 2026 Dividend



Calgary, Alberta, March 4, 2026 – Parex Resources Inc. (“Parex” or the “Company”) (TSX: PXT) is pleased to announce its financial and operating results for the three- and twelve-month periods ended December 31, 2025, as well as the results of its independent reserves assessment as at December 31, 2025. Additionally, the Company declares its Q1 2026 regular dividend of C\$0.385 per share and provides an operational update. *All amounts herein are in United States dollars (“USD”) unless otherwise stated.*

Key Highlights

- Generated annual funds flow provided by operations (“FFO”)⁽¹⁾ of \$455 million and free funds flow⁽²⁾ of \$145 million in 2025.
- Increased both PDP and 1P reserves per share by 4% and 2P reserves per share by 8%, compared to 2024⁽³⁾.
- Strong PDP, 1P, and 2P reserves replacement at 106%, 106%, and 152%, respectively⁽³⁾.
- Delivered high capital efficiency, realizing strong FD&A recycle ratios of 2.0x or higher⁽³⁾.
- Tracking to deliver FY 2026 average production guidance of 45,000 to 49,000 boe/d (47,000 boe/d midpoint); YTD average production is 46,150 boe/d⁽⁴⁾.
- Declared a Q1 2026 regular dividend of C\$0.385 per share⁽⁵⁾ (C\$1.54 per share annualized).

“In 2025, we delivered solid operational results, reserves growth, and strong shareholder returns,” said Imad Mohsen, President & Chief Executive Officer.

“As we strengthen our foundation, we are encouraged by the progress across our portfolio, including at LLA-32, where we recently completed drilling one of Colombia’s first multilateral wells, and in the Putumayo, where we are seeing positive results that are better than originally expected. Looking ahead, our high-quality inventory runway positions us to drive long-term organic growth, while pursuing disciplined, value-accretive M&A in Colombia.”

2025 Full-Year Achievements & Results

- Delivered against core strategic goals and executed activity plan with success:
 - Demonstrated the resilience of Cabrestero and LLA-34 core assets by flattening production decline via waterflood and polymer injection initiatives;
 - Completed a tuck-in acquisition for the remaining working interest at LLA-32, raising peak production to over three times pre-acquisition levels and adding reserves through delineation;
 - Successfully carried out a near-field exploration program with a 75% success rate, adding production and incremental reserves;
 - Gained operational access in the Putumayo region, initiating drilling activities in late 2025;
 - Established a full strategic alliance in the Llanos Foothills with Ecopetrol, strengthening the Company’s position in a basin recognized for its world-class potential; and
 - Returned \$134 million to shareholders during the year, bringing total capital returned to over C\$2 billion through dividends and share repurchases over the past eight years, while reducing the diluted shares outstanding by over 40%.
- Average production of 44,701 boe/d⁽⁶⁾, achieving FY 2025 guidance range of 43,000 to 47,000 boe/d.
- Realized net income of \$255 million or \$2.62 per share⁽⁷⁾.
- Generated FFO⁽¹⁾ of \$455 million and FFO per share⁽⁶⁾⁽⁷⁾ of \$4.68.
- Realized adjusted EBITDA⁽²⁾ of \$513 million.
- Produced an operating netback⁽⁶⁾ of \$35.52/boe and an FFO netback⁽⁶⁾ of \$28.00/boe from an average Brent price of \$68.19/bbl.
- Incurred \$310 million of capital expenditures⁽²⁾, primarily from activities at LLA-32, LLA-74, LLA-34, Cabrestero and Capachos.

2025 Fourth Quarter Results

- Average production was 48,606 boe/d⁽⁸⁾.
- Realized net income of \$75 million or \$0.78 per share⁽⁷⁾.
- Generated FFO⁽¹⁾ of \$123 million and FFO per share⁽⁶⁾⁽⁷⁾ of \$1.28.
- Realized adjusted EBITDA⁽²⁾ of \$129 million.
- Produced an operating netback⁽⁶⁾ of \$32.10/boe and an FFO netback⁽⁶⁾ of \$28.19/boe from an average Brent price of \$63.08/bbl.
- Incurred \$85 million of capital expenditures⁽²⁾, primarily from activities at LLA-32, VIM-1, Capachos, LLA-34, and Occidente.
- Generated \$38 million of free funds flow⁽²⁾; working capital surplus⁽¹⁾ was \$28 million and cash was \$58 million at quarter end.

2025 Year-End Corporate Reserves Report: Highlights⁽³⁾

For the year ended December 31, 2025, the Company:

- Fully replaced total 2025 production (approximately 16.3 mmboe), with reserve replacement ratios of:
 - Proved developed producing ("PDP"): 106%, with reserve additions of 17.2 mmboe.
 - Proved ("1P"): 106%, with reserve additions of 17.4 mmboe.
 - Proved plus probable ("2P"): 152%, with reserve additions of 24.9 mmboe.
- Increased both PDP and 1P reserves per share by 4% and 2P reserves per share by 8%, compared to 2024.
 - Additions of 6 mmboe PDP at Cabrestero and LLA-34 from positive technical revisions and extensions.
 - Additions of 7 mmboe PDP and 8 mmboe 2P at LLA-32 through positive technical revisions, extensions and acquisition.
 - Additions of 3 mmboe PDP and 4 mmboe 2P at LLA-74 from successful near-field exploration drilling resulting in discoveries.
 - Additions of 9 mmboe 2P at Occidente and CPO-10 through positive extensions.
 - Consistent year-over-year evaluations of Capachos and VIM-1, with no notable variances.
- Strong capital efficiency recognized.
 - PDP, 1P and 2P finding, development and acquisition ("FD&A") cost per boe⁽⁶⁾ of \$17.74, \$15.28, and \$12.91, respectively.
 - PDP, 1P and 2P FD&A recycle ratios⁽⁶⁾ of 2.0x, 2.3x, and 2.8x, respectively.
- Maintained a 2P reserve life index of 10 years while Q4 2025 average production increased by 7% over the comparative quarter in 2024.
- Based on GLJ Ltd. ("GLJ") forecast pricing, evaluated after-tax PDP, 1P and 2P net asset value per share⁽⁶⁾ of C\$23.61, C\$29.16, and C\$40.92, respectively.
- At a constant \$70/bbl Brent oil price, or \$65/bbl WTI oil price equivalent, GLJ evaluated after-tax PDP, 1P and 2P net asset value per share⁽⁶⁾ of C\$23.20, C\$28.30, and C\$38.97, respectively.

(1) Capital management measure. See "Non-GAAP and Other Financial Measures Advisory."

(2) Non-GAAP financial measure. See "Non-GAAP and Other Financial Measures Advisory."

(3) See "2025 Year-End Corporate Reserves Report" sections and "Oil & Gas Matters Advisory" for additional information.

(4) See "Operational Update" for additional information.

(5) Supplementary financial measure. See "Non-GAAP and Other Financial Measures Advisory."

(6) Non-GAAP ratio. See "Non-GAAP and Other Financial Measures Advisory."

(7) Based on weighted-average basic shares for the period.

(8) See "Operational and Financial Highlights" for a breakdown of production by product type.

Operational and Financial Highlights	Three Months Ended			Year Ended		
	Dec. 31, 2025	Dec. 31, 2024	Sep. 30, 2025	December 31,		2023
	2025	2024	2025	2025	2024	2023
Operational						
Average daily production						
Light Crude Oil and Medium Crude Oil (bbl/d)	14,835	9,550	10,525	11,635	8,850	8,417
Heavy Crude Oil (bbl/d)	32,267	34,882	32,026	31,887	40,336	45,163
Crude oil (bbl/d)	47,102	44,432	42,551	43,522	49,186	53,580
Conventional Natural Gas (mcf/d)	9,024	5,190	8,412	7,071	4,428	4,656
Oil & Gas (boe/d) ⁽¹⁾	48,606	45,297	43,953	44,701	49,924	54,356
Operating netback (\$/boe)						
Reference price - Brent (\$/bbl)	63.08	74.01	68.17	68.19	79.86	82.18
Oil & gas sales ⁽⁴⁾	57.05	63.73	62.41	61.90	69.80	70.71
Royalties ⁽⁴⁾	(6.57)	(9.43)	(7.61)	(7.80)	(10.99)	(12.31)
Net revenue ⁽⁴⁾	50.48	54.30	54.80	54.10	58.81	58.40
Production expense ⁽⁴⁾	(13.09)	(15.53)	(15.36)	(13.88)	(13.93)	(10.42)
Transportation expense ⁽⁴⁾	(5.29)	(3.87)	(4.73)	(4.70)	(3.58)	(3.43)
Operating netback (\$/boe)⁽²⁾	32.10	34.90	34.71	35.52	41.30	44.55
Funds flow provided by operations netback (\$/boe)⁽²⁾	28.19	32.39	26.04	28.00	33.95	33.59
Financial (\$000s except per share amounts)						
Net income (loss)	74,865	(69,051)	50,476	255,083	60,680	459,309
Per share - basic ⁽⁶⁾	0.78	(0.70)	0.52	2.62	0.60	4.32
Funds flow provided by operations⁽⁵⁾	122,922	141,201	105,298	454,985	622,233	667,782
Per share - basic ⁽²⁾⁽⁶⁾	1.28	1.43	1.09	4.68	6.14	6.29
Capital expenditures⁽³⁾	84,620	82,110	79,961	310,325	347,695	483,343
Free funds flow⁽³⁾	38,302	59,091	25,337	144,660	274,538	184,439
EBITDA⁽³⁾	104,764	(10,419)	113,648	481,444	545,362	650,829
Adjusted EBITDA⁽³⁾	128,653	137,312	121,132	512,937	720,089	817,280
Long-term inventory expenditures, net of transfers and sales	(7,678)	(2,569)	(1,585)	(17,578)	4,773	39,430
Dividends paid	26,853	26,658	26,892	107,671	112,184	118,676
Per share – Cdn\$ ⁽⁴⁾⁽⁶⁾	0.385	0.385	0.385	1.54	1.53	1.50
Shares repurchased	7,644	16,408	7,606	26,514	73,789	105,068
Number of shares repurchased (000s)	580	1,692	620	2,365	5,495	5,628
Outstanding shares (end of period) (000s)						
Basic	95,974	98,339	96,564	95,974	98,339	103,812
Weighted average basic	96,239	99,063	96,874	97,176	101,414	106,247
Weighted average diluted	96,374	99,063	96,956	97,223	101,414	106,295
Working capital surplus (deficit)⁽⁵⁾	28,027	59,397	(3,167)	28,027	59,397	79,027
Bank debt⁽⁷⁾	33,000	60,000	10,000	33,000	60,000	90,000
Cash	58,328	98,022	69,810	58,328	98,022	140,352

(1) Reference to crude oil or natural gas in the above table and elsewhere in this press release refer to the light and medium crude oil and heavy crude oil and conventional natural gas, respectively, product types as defined in National Instrument 51-101 - Standard of Disclosure for Oil and Gas Activities ("NI 51-101").

(2) Non-GAAP ratio. See "Non-GAAP and Other Financial Measures Advisory".

(3) Non-GAAP financial measure. See "Non-GAAP and Other Financial Measures Advisory".

(4) Supplementary financial measure. See "Non-GAAP and Other Financial Measures Advisory".

(5) Capital management measure. See "Non-GAAP and Other Financial Measures Advisory".

(6) Per share amounts (with the exception of dividends) are based on weighted-average shares. Dividends paid per share are based on the number of common shares outstanding at each dividend record date.

(7) Borrowing limit of \$240.0 million as of December 31, 2025.

Operational Update

For the period of January 1, 2026, to February 28, 2026, estimated average production was 46,150 boe/d⁽¹⁾.

With the initial phase of the 2026 program progressing steadily, the Company has recently added multiple production-adding wells. These additions are focused at LLA-32, where a multilateral horizontal well was just completed, and in the Putumayo region, where operations are delivering encouraging results across multiple plays. Notable activities include:

- Completed a multilateral horizontal well at LLA-32, which is expected onstream imminently.
 - The multilateral well features four legs, positioning it among the first of its kind in Colombia, and represents a significant technical milestone as Parex seeks to maximize reservoir contact and further enhance its capital efficiency.
- Scaling operations in the Putumayo, where initial results are ahead of Management's expectations and are expected to support the addition of meaningful new inventory at strong economics.
 - Orito:
 - The initial appraisal, horizontal well was drilled to roughly 2,900 feet, and recently brought onstream at approximately 600 bbl/d of medium crude oil (gross)⁽²⁾; the follow-up horizontal injection well is currently being drilled, with initial waterflooding expected to begin by the end of Q1 2026.
 - The Company is advancing its field development planning using multilateral producer and injector well patterns, leveraging Parex's direct drilling experience, and drawing on established North American plays such as the Clearwater formation, to unlock sizable oil in place and drive scalable growth.
 - Area Sur: initial production rates from a recent recompleat have been roughly 1,500 bbl/d of medium crude oil (gross)⁽²⁾, with a string of additional efficient, low-cost production opportunities actively being targeted.
 - Occidente: results from the first well are positive, with logging results indicating that the oil accumulation likely extends further down dip than originally expected, expanding future drilling inventory.
- Began the 10-well exploration program at LLA-111, utilizing a fit-for-purpose drilling rig with streamlined well design.
 - The innovative exploration program is expected to cost approximately \$20 million in total, and if successful, could significantly expand reserves and unlock new development inventory ahead of 2027.
 - The first well of the program has shown positive log results and is scheduled for further testing.
- Drilling a near-field exploration well at Capachos, with results expected in Q2 2026.
 - The well is being drilled as a carry well to satisfy previously announced agreements, specifically a block extension.
- Optimizing performance at Cabrestero and LLA-34, alongside continued advancement of the waterflood and polymer injection programs.
 - Cabrestero is fully on polymer injection with results within expectations.
 - LLA-34 development drilling is ongoing, waterflood activity continues to ramp up, and polymer injection has been successfully implemented in two of the four patterns planned for 2026.
- Progressing initial works activity in the extended area of the Piedemonte Convenio, with the target of beginning civil works in Q2 2026.
 - The Foothills prospect will be drilled to the north of the producing Floreña field, with an expected spud in mid 2026.
- Progressing initial works activity at Farallones, the second planned Foothills prospect, with the target to start civil works in H2 2026.

As previously disclosed, Management expects capital expenditures to be elevated in H1 2026 in line with a front-end weighted activity plan, with more moderate spending anticipated for the remainder of the year.

(1) Estimated average production for January 1, 2026 to February 28, 2026; light & medium crude oil: ~14,085 bbl/d, heavy crude oil: ~30,637 bbl/d, conventional natural gas: ~8,568 mcf/d; rounded for presentation purposes.

(2) Short-term production rate. See "Oil & Gas Matters Advisory."

Return of Capital

Q1 2026 Dividend

Parex's Board of Directors has approved a Q1 2026 regular dividend of C\$0.385 per share to shareholders of record on March 18, 2026, to be paid on March 25, 2026. This regular dividend payment to shareholders is designated as an "eligible dividend" for purposes of the Income Tax Act (Canada).

Normal Course Issuer Bid

In 2025, Parex repurchased 2.4 million shares, representing roughly 2% of the current public float and a return of \$27 million to shareholders.

On January 20, 2026, Parex announced the approval of its normal course issuer bid for between January 22, 2026, and January 21, 2027.

2025 Year-End Corporate Reserves Report: Discussion

The following tables summarize information contained in the independent reserves report prepared by GLJ, a qualified independent reserves evaluator, dated March 3, 2026, with an effective date of December 31, 2025 (the "GLJ 2025 Report")⁽¹⁾⁽²⁾⁽³⁾.

(1) All December 31, 2025 reserves presented are based on GLJ's forecast pricing effective January 1, 2026; all December 31, 2024 reserves presented are based on GLJ's forecast pricing effective January 1, 2025; and all December 31, 2023 reserves presented are based on GLJ's forecast pricing effective January 1, 2024. GLJ pricing is available on their website at www.gljpc.com.

(2) All reserves are presented as Parex's working interest before royalties and in certain tables set forth below, the columns may not add due to rounding.

(3) Additional reserve information as required under NI 51-101 is included in the Company's Annual Information Form for the 2025 fiscal year, which is available on SEDAR+.

Gross Reserves Volumes Per Share⁽¹⁾

	2023	2024	Dec. 31 2025 ⁽¹⁾	Change over Dec. 31, 2024
Year-End Basic Outstanding Shares (000s)	103.8	98.3	96.0	(2%)
PDP (boe/share)	0.80	0.73	0.76	4%
1P (boe/share)	1.08	1.14	1.18	4%
2P (boe/share)	1.62	1.72	1.86	8%

(1) 2025 net reserves after royalties are: PDP 64,514 Mboe, proved developed non-producing 3,153 Mboe, proved undeveloped 31,935 Mboe, 1P 99,603 Mboe, and 2P 157,362 Mboe.

Reserve Replacement Ratio and Reserve Life Index

	Dec. 31, 2023 ⁽¹⁾	Dec. 31, 2024 ⁽²⁾	Dec. 31, 2025 ⁽³⁾	3-Year
PDP Reserve Replacement Ratio	99 %	41 %	106 %	82 %
PDP Reserve Life Index	3.9 years	4.3 years	4.1 years	4.1 years
1P Reserve Replacement Ratio	9 %	98 %	106 %	68 %
1P Reserve Life Index	5.4 years	6.8 years	6.4 years	6.1 years
2P Reserve Replacement Ratio	(62 %)	106 %	152 %	59 %
2P Reserve Life Index	8.1 years	10.2 years	10.0 years	9.3 years

(1) Calculated by dividing the amount of the relevant reserves category by average Q4 2023 production of 57,329 boe/d annualized (consisting of 9,700 bbl/d of light crude oil and medium crude oil, 46,760 bbl/d of heavy crude oil and 5,214 mcf/d of conventional natural gas).

(2) Calculated by dividing the amount of the relevant reserves category by average Q4 2024 production of 45,297 boe/d annualized (consisting of 9,550 bbl/d of light crude oil and medium crude oil, 34,882 bbl/d of heavy crude oil and 5,190 mcf/d of conventional natural gas).

(3) Calculated by dividing the amount of the relevant reserves category by average Q4 2025 production of 48,606 boe/d annualized (consisting of 14,835 bbl/d of light crude oil and medium crude oil, 32,267 bbl/d of heavy crude oil and 9,024 mcf/d of conventional natural gas).

Summary of Reserve Metrics

	2025			3-Year		
	PDP	1P	2P	PDP	1P	2P
F&D Costs (\$/boe) ⁽¹⁾	17.51	14.99	12.77	25.22	32.59	71.00
FD&A Costs (\$/boe) ⁽¹⁾	17.74	15.28	12.91	25.19	27.85	34.84
Recycle Ratio - F&D ⁽¹⁾	2.0 x	2.4 x	2.8 x	1.6 x	1.3 x	0.6 x
Recycle Ratio - FD&A ⁽¹⁾	2.0 x	2.3 x	2.8 x	1.6 x	1.5 x	1.2 x

(1) Non-GAAP ratio. See "Non-GAAP and Other Financial Measures Advisory".

Reserves Net Present Value After Tax Summary – GLJ Brent Forecast⁽¹⁾⁽²⁾

Reserve Category	NPV10		NAV		CAD/sh Change over Dec. 31, 2024 ⁽⁴⁾
	December 31, 2024 (000s) ⁽²⁾	December 31, 2025 (000s) ⁽²⁾	December 31, 2025 (CAD/sh) ⁽³⁾	December 31, 2025	
PDP	\$ 1,702,405	\$ 1,658,027	\$ 23.61		(5%)
Proved Developed Non-Producing	96,252	44,213	0.56		(60%)
Proved Undeveloped	319,610	344,684	4.85		4%
1P	\$ 2,118,266	\$ 2,046,925	\$ 29.16		(6%)
2P	\$ 2,907,013	\$ 2,870,673	\$ 40.92		(4%)

(1) Net present values ("NPV") are stated in USD and are discounted at 10 percent. The forecast prices used in the calculation of the present value of future net revenue are based on the GLJ January 1, 2025 and GLJ January 1, 2026 price forecasts, respectively. The GLJ January 1, 2026 price forecast is in the Company's Annual Information Form for the 2025 fiscal year.

(2) Includes future development capital ("FDC") as at December 31, 2024 of \$23 million for PDP, \$440 million for 1P, and \$595 million for 2P; FDC as at December 31, 2025 of \$3 million for PDP, \$379 million for 1P, and \$590 million for 2P.

(3) 2025 NAV calculated, as at December 31, 2025, as after tax NPV10 plus working capital of USD\$28 million (converted at USDCAD=1.3706), less bank debt of USD\$33 million, divided by 96 million basic shares outstanding as at December 31, 2025. Non-GAAP ratio. See "Non-GAAP and Other Financial Measures Advisory".

(4) 2024 NAV calculated, as at December 31, 2024, as after tax NPV10 plus working capital of USD\$59 million (converted at USDCAD=1.4389), less bank debt of USD\$60 million, divided by 98 million basic shares outstanding as at December 31, 2024. Non-GAAP ratio. See "Non-GAAP and Other Financial Measures Advisory".

Reserves Net Present Value After Tax Summary – at a Flat \$70/bbl Brent Oil Price (\$65/bbl WTI Oil Price)⁽¹⁾⁽²⁾

	PDP		1P		2P
NPV10 (000s) - December 31, 2025	\$	1,629,312	\$	1,986,823	\$ 2,733,970
NAV (CAD/sh) - December 31, 2025 ⁽³⁾	\$	23.20	\$	28.30	\$ 38.97

(1) Net present values ("NPV") are stated in USD and are discounted at 10 percent. At Parex's request, the GLJ 2025 Report was also calculated using a constant \$70/bbl Brent oil price (\$65/bbl WTI oil price).

(2) Includes future development capital ("FDC") as at December 31, 2025 of \$3 million for PDP, \$379 million for 1P, and \$590 million for 2P.

(3) 2025 NAV calculated, as at December 31, 2025, as after tax NPV10 plus working capital of USD\$28 million (converted at USDCAD=1.3706), less bank debt of USD\$33 million, divided by 96 million basic shares outstanding as at December 31, 2025. Non-GAAP ratio. See "Non-GAAP and Other Financial Measures Advisory".

Q4 2025 and FY 2025 Results - Conference Call & Webcast

Parex will host a conference call and webcast to discuss its Q4 2025 and FY 2025 results on Thursday, March 5, 2026, beginning at 9:00 am MT (11:00 am ET). To participate in the conference call or webcast, please see the access information below:

Conference ID: 5403995
Participant Toll-Free Dial-In Number: 1-646-307-1963
Participant International Dial-In Number: 1-647-932-3411
Webcast: <https://events.q4inc.com/attendee/652769040>

Annual General Meeting

Parex anticipates holding its Annual General Meeting of Shareholders on Tuesday, May 12, 2026.

The Notice of Annual General Meeting & Management Proxy Circular is expected to be available on or about March 26, 2026, at www.parexresources.com and SEDAR+.

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

The recovery and reserve estimates of crude oil reserves provided in this news release are estimates only, and there is no guarantee that the estimated reserves will be recovered. Actual crude oil reserves may eventually prove to be greater than, or less than, the estimates provided herein. All December 31, 2025 reserves presented are based on GLJ's forecast pricing effective January 1, 2026. All December 31, 2024 reserves presented are based on GLJ's forecast pricing effective January 1, 2025. All December 31, 2023 reserves presented are based on GLJ's forecast pricing effective January 1, 2024.

Comparatives to the independent reserves report prepared by GLJ dated March 4, 2025 with an effective date of December 31, 2024 (the "GLJ 2024 Report"), and the independent reserves report prepared by GLJ dated February 29, 2024 with an effective date of December 31, 2023 ("GLJ 2023 Report", and collectively with the GLJ 2025 Report and the GLJ 2024 Report, the "GLJ Reports"). Each GLJ Report was prepared in accordance with definitions, standards and procedures contained in the Canadian Oil and Gas Evaluation Handbook ("COGE Handbook") and National Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities ("NI 51-101").

It should not be assumed that the estimates of future net revenues presented herein represent the fair market value of the reserves. There are numerous uncertainties inherent in estimating quantities of crude oil, reserves and the future cash flows attributed to such reserves.

"Proved Developed Producing Reserves" are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut-in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.

"Proved Developed Non-Producing Reserves" are those reserves that either have not been on production or have previously been on production but are shut-in and the date of resumption of production is unknown.

"Proved Undeveloped Reserves" are those reserves expected to be recovered from known accumulations where a significant expenditure (e.g. when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves category (proved, probable, possible) to which they are assigned.

"Proved" reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.

"Probable" reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.

"Possible" reserves are those additional reserves that are less certain to be recovered than probable reserves. There is a 10 percent probability that the quantities actually recovered will equal or exceed the sum of proved plus probable plus possible reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved plus probable plus possible reserves.

The term "Boe" means a barrel of oil equivalent on the basis of 6 Mcf of natural gas to 1 barrel of oil ("bbl"). Boe's may be misleading, particularly if used in isolation. A boe conversation 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. Given the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1, utilizing a conversion ratio at 6:1 may be misleading as an indication of value. Light crude oil is crude oil with a relative density greater than 31.1 degrees API gravity, medium crude oil is crude oil with a relative density greater than 22.3 degrees API gravity and less than or equal to 31.1 degrees API gravity, and heavy crude oil is crude oil with a relative density greater than 10 degrees API gravity and less than or equal to 22.3 degrees API gravity.

With respect to F&D costs, the aggregate of the exploration and development costs incurred in the most recent financial year and the change during that year in estimated future development costs generally will not reflect total F&D costs related to reserve additions for that year. The estimates of reserves and future net revenue for individual properties may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation.

Any reference in this press release to short-term production rates is useful in confirming the presence of hydrocarbons; however such rates are not a determination of the rates at which such wells will continue production and decline thereafter and readers are cautioned not to rely on such rates in calculating the aggregate production of Parex.

This press release contains several oil and gas metrics, including reserve replacement, reserve additions including acquisitions, and reserve life index. In addition, the following non-GAAP financial measures and non-GAAP ratios, as described below under "Non-GAAP and Other Financial Measures", can be considered to be oil and gas metrics: F&D costs, FD&A costs, F&D recycle ratio, FD&A recycle ratio, operating netback, funds flow provided by operations, funds flow provided by operations netback, reserve replacement and NAV. Such oil and gas metrics have been prepared by management and do not have standardized meanings or standard methods of calculation and therefore such measures may not be comparable to similar measures used by other companies and should not be used to make comparisons. Such metrics have been included herein to provide readers with additional measures to evaluate the Company's performance; however, such measures are not reliable indicators of the future performance of the Company and future performance may not compare to the performance in previous periods and therefore such metric should not be unduly relied upon. Management uses these oil and gas metrics for its own performance measurements and to provide security holders with measures to compare the Company's operations over time. Readers are cautioned that the information provided by these metrics, or that can be derived from the metrics presented in this news release, should not be relied upon for investment or other purposes. A summary of the calculations of reserve replacement and RLI are as follows, with the other oil and gas metrics referred to above being described herein under "Non-GAAP and Other Financial Measures":

- Reserve additions including acquisitions is calculated by the change in reserves category and adding current year annual production.
- Reserve replacement is calculated by dividing the annual reserve additions by the annual production.
- Reserve life index is calculated by dividing the applicable reserves category by the annualized fourth quarter average production.

[2025 Year-End Corporate Reserves Report: Supplemental Reserves Tables](#)

All reserves are presented as Parex working interest before royalties and in certain tables set forth below, the columns may not add due to rounding.

Gross Reserves Volumes

Reserve Category	2023	2024	Dec. 31 2025	Change over Dec. 31, 2024
	Mboe	Mboe	Mboe ⁽¹⁾	
PDP	82,628	71,908	72,807	1%
Proved Developed Non-Producing	7,252	5,534	3,521	(36%)
Proved Undeveloped	22,647	34,678	36,850	6%
1P	112,528	112,119	113,177	1%
2P	168,625	169,633	178,182	5%

(1) 2025 net reserves after royalties are: PDP 64,514 Mboe, proved developed non-producing 3,153 Mboe, proved undeveloped 31,935 Mboe, 1P 99,603 Mboe, 2P 157,362 Mboe.

Gross Reserves by Product Type

Product Type	PDP	1P	2P
Light & Medium Crude Oil (Mbbl)	16,094	39,818	64,712
Heavy Crude Oil (Mbbl)	53,296	68,024	102,392
Natural Gas Liquids (Mbbl)	361	1,052	1,509
Conventional Natural Gas (MMcf)	18,332	25,702	57,408
Oil Equivalent (Mboe)	72,807	113,177	178,182

Gross Reserves by Area

Area	PDP Mboe	1P Mboe	2P Mboe
LLA-34	41,699	55,734	84,847
Southern Llanos	21,439	24,912	36,958
Northern Llanos	5,166	11,998	18,589
Magdalena	4,503	5,913	13,947
Putumayo	—	14,621	23,842
Total	72,807	113,177	178,182

(1) The estimates of reserves and future net revenue for individual properties may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation.

Gross Reserves Reconciliation

	PDP Mboe	1P Mboe	2P Mboe
December 31, 2024	71,908	112,119	169,633
Technical Revisions ⁽¹⁾	3,673	3,667	3,547
Extensions & Improved Recovery ⁽²⁾	9,250	9,374	16,496
Discoveries ⁽³⁾	2,999	2,999	3,848
Infill Drilling	604	604	—
Acquisitions ⁽⁴⁾	689	731	975
Production	(16,316)	(16,316)	(16,316)
December 31, 2025⁽⁵⁾	72,807	113,177	178,182

Footnotes relate to the 2P Reconciliation.

(1) Technical revisions are primarily associated with positive evaluations of Capachos, LLA-34, and LLA-32, offset by negative revisions of Arauca, Cabretero, and LLA-40.

(2) Extensions & improved recovery are primarily associated with positive evaluations of LLA-32, Occidente, CPO-10, and LLA-34.

(3) Discoveries are associated with the positive evaluation of LLA-74.

(4) Acquisitions are associated with the positive evaluation of LLA-32.

(5) The estimates of reserves and future net revenue for individual properties may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation.

Future Development Capital ("FDC") (000s)⁽¹⁾

Reserve Category	2026	2027	2028	2029	2030+	Total FDC	Total FDC/ boe
PDP	\$ 1,980	\$ 553	\$ —	\$ —	\$ —	\$ 2,533	\$ 0.03
1P	\$ 180,333	\$ 119,513	\$ 77,093	\$ 1,876	\$ 611	\$ 379,426	\$ 3.35
2P	\$ 258,924	\$ 197,797	\$ 99,449	\$ 10,392	\$ 23,651	\$ 590,213	\$ 3.31

(1) FDC are stated in USD, undiscounted and based on GLJ January 1, 2026 price forecasts.

Non-GAAP and Other Financial Measures Advisory

This press release uses various “non-GAAP financial measures”, “non-GAAP ratios”, “supplementary financial measures” and “capital management measures” (as such terms are defined in NI 52-112), which are described in further detail below. Such measures are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other issuers. Investors are cautioned that non-GAAP financial measures should not be construed as alternatives to or more meaningful than the most directly comparable GAAP measures as indicators of Parex's performance.

These measures facilitate management's comparisons to the Company's historical operating results in assessing its results and strategic and operational decision-making and may be used by financial analysts and others in the oil and natural gas industry to evaluate the Company's performance. Further, management believes that such financial measures are useful supplemental information to analyze operating performance and provide an indication of the results generated by the Company's principal business activities.

Set forth below is a description of the non-GAAP financial measures, non-GAAP ratios, supplementary financial measures and capital management measures used in this press release.

Non-GAAP Financial Measures

Capital expenditures, is a non-GAAP financial measure which the Company uses to describe its capital costs associated with oil and gas expenditures. The measure considers both property, plant and equipment expenditures and exploration and evaluation asset expenditures which are items in the Company's statement of cash flows for the period and is calculated as follows:

(\$000s)	For the three months ended				For the year ended		
	December 31,		September 30,		December 31,		
	2025	2024	2025	2025	2024	2023	
Property, plant and equipment expenditures	\$ 47,575	\$ 62,799	\$ 59,002	\$ 200,595	\$ 221,250	\$ 310,933	
Exploration and evaluation expenditures	37,045	19,311	20,959	109,730	126,445	172,410	
Capital expenditures	\$ 84,620	\$ 82,110	\$ 79,961	\$ 310,325	\$ 347,695	\$ 483,343	

Free funds flow, is a non-GAAP financial measure that is determined by funds flow provided by operations less capital expenditures. The Company considers free funds flow to be a key measure as it demonstrates Parex's ability to fund returns of capital, such as the normal course issuer bid and dividends, without accessing outside funds and is calculated as follows:

(\$000s)	For the three months ended				For the year ended		
	December 31,		September 30,		December 31,		
	2025	2024	2025	2025	2024	2023	
Cash provided by operating activities	\$ 107,744	\$ 67,847	\$ 86,992	\$ 424,756	\$ 569,915	\$ 376,471	
Net change in non-cash assets and liabilities	15,178	73,354	18,306	30,229	52,318	291,311	
Funds flow provided by operations	122,922	141,201	105,298	454,985	622,233	667,782	
Capital expenditures	84,620	82,110	79,961	310,325	347,695	483,343	
Free funds flow	\$ 38,302	\$ 59,091	\$ 25,337	\$ 144,660	\$ 274,538	\$ 184,439	

EBITDA, is a non-GAAP financial measure that is defined as net income (loss) adjusted for finance income and expense, other expense, income tax expense (recovery) and depletion, depreciation and amortization.

Adjusted EBITDA, is a non-GAAP financial measure defined as EBITDA adjusted for non-cash impairment charges, share-based compensation expense (recovery), unrealized foreign exchange gains (losses), and unrealized gains (losses) on risk management contracts and marketable securities.

The Company considers EBITDA and Adjusted EBITDA to be key measures as they demonstrate Parex's profitability before finance income and expenses, taxes, depletion, depreciation and amortization and other non-cash items. A reconciliation from net income to EBITDA and Adjusted EBITDA is as follows:

(\$000s)	For the three months ended			For the year ended		
	December 31, 2025	2024	September 30, 2025	2025	2024	December 31, 2023
Net income (loss)	\$ 74,865	\$ (69,051)	\$ 50,476	\$ 255,083	\$ 60,680	\$ 459,309
Adjustments to reconcile net income (loss) to EBITDA:						
Finance income	(1,154)	(998)	(1,306)	(4,369)	(4,315)	(14,055)
Finance expense	5,076	4,318	5,796	21,402	18,408	13,834
Other expense	11,785	2,208	3,815	29,200	6,227	2,582
Income tax (recovery) expense	(40,078)	(880)	7,100	(20,277)	248,592	(5,070)
Depletion, depreciation and amortization	54,270	53,984	47,767	200,405	215,770	194,229
EBITDA	\$ 104,764	\$ (10,419)	\$ 113,648	\$ 481,444	\$ 545,362	\$ 650,829
Non-cash impairment charges	17,610	137,841	—	17,610	142,502	142,540
Share-based compensation expense (recovery)	10,046	6,149	11,902	30,516	1,462	30,364
Unrealized foreign exchange (gain) loss	677	2,581	(4,246)	(10,857)	29,603	(6,453)
Unrealized (gain) loss on risk management contracts	172	1,160	(172)	(1,160)	1,160	—
Unrealized gain on marketable securities	(4,616)	\$ —	\$ —	(4,616)	—	—
Adjusted EBITDA	\$ 128,653	\$ 137,312	\$ 121,132	\$ 512,937	\$ 720,089	\$ 817,280

Non-GAAP Ratios

Operating netback per boe, is a non-GAAP ratio the Company considers operating netback per boe to be a key measure as it demonstrates Parex's profitability relative to current commodity prices. Parex calculates operating netback per boe as operating netback divided by the total equivalent sales volume including purchased oil volumes for oil and natural gas sales price and transportation expense per boe and by the total equivalent sales volume and excludes purchased oil volumes for royalties and operating expense per boe.

Funds flow provided by operations netback per boe, is a non-GAAP ratio that includes all cash generated from operating activities and is calculated before changes in non-cash working capital, divided by produced oil and natural gas sales volumes. The Company considers funds flow provided by operations netback per boe to be a key measure as it demonstrates Parex's profitability after all cash costs relative to current commodity prices.

Funds flow provided by operations per share or FFO per share, is a non-GAAP ratio that is calculated by dividing funds flow provided by operations by the weighted average number of basic shares outstanding. Parex presents basic funds flow provided by operations per share whereby per share amounts are calculated using weighted-average shares outstanding, consistent with the calculation of earnings per share. The Company considers basic funds flow provided by operations per share or FFO per share to be a key measure as it demonstrates Parex's profitability after all cash costs relative to the weighted average number of basic shares outstanding.

Finding & Development Costs (F&D costs) per boe and Finding, Development and Acquisition Costs (FD&A costs) per boe, is a non-GAAP ratio that helps to explain the cost of finding and developing additional oil and gas reserves. F&D costs are determined by dividing capital expenditures plus the change in FDC in the period divided by BOE reserve additions in the period. FD&A costs per boe are determined by dividing capital expenditures in the period plus the change in FDC plus acquisition costs divided by BOE reserve additions in the period.

F&D and FD&A Costs ⁽¹⁾ (\$000s)	2025			3-Year		
	PDP	1P	2P	PDP	1P	2P
Capital Expenditures ⁽²⁾	310,325	310,325	310,325	1,141,363	1,141,363	1,141,363
Capital Expenditures - change in FDC	(20,934)	(60,876)	(5,185)	(37,906)	(292,346)	(214,566)
Total Capital	289,391	249,449	305,140	1,103,457	849,017	926,797
Net Acquisitions	15,968	15,968	15,968	15,968	15,968	15,968
Net Acquisitions - change in FDC	—	—	—	—	164,207	168,739
Total Net Acquisitions	15,968	15,968	15,968	15,968	180,175	184,707
Total Capital including Acquisitions	305,359	265,417	321,108	1,119,425	1,029,192	1,111,504
Reserve Additions	16,526	16,643	23,890	43,758	26,054	13,054
Net Acquisitions Reserve Additions	689	731	975	689	10,897	18,852
Reserve Additions including Acquisitions (Mboe)	17,215	17,374	24,865	44,447	36,951	31,906
F&D Costs (\$/boe)	17.51	14.99	12.77	25.22	32.59	71.00
FD&A Costs (\$/boe)	17.74	15.28	12.91	25.19	27.85	34.84

(1) All reserves are presented as Parex working interest before royalties.

(2) Calculated using capital expenditures for the period ended December 31, 2025.

Recycle ratio, is a non-GAAP ratio that measures the profit per barrel of oil to the cost of finding and developing that barrel of oil. The recycle ratio is determined by dividing the annual operating netback per boe by the F&D costs and FD&A costs in the period.

	2025			3-Year		
	PDP	1P	2P	PDP	1P	2P
Operating netback (\$/boe)	35.52	35.52	35.52	40.83	40.83	40.83
F&D Costs (\$/boe)	17.51	14.99	12.77	25.22	32.59	71.00
FD&A Costs (\$/boe)	17.74	15.28	12.91	25.19	27.85	34.84
Recycle Ratio - F&D⁽¹⁾	2.0 x	2.4 x	2.8 x	1.6 x	1.3 x	0.6 x
Recycle Ratio - FD&A⁽¹⁾	2.0 x	2.3 x	2.8 x	1.6 x	1.5 x	1.2 x

(1) Recycle ratio is calculated as operating netback per boe divided by F&D or FD&A as applicable. Three-year operating netback on a per boe basis is calculated using weighted average sales volumes.

Net Asset Value ("NAV") per share, is a non-GAAP ratio that combines the 51-101 NPV10 value after tax with the Company's estimated working capital at the period end date, less bank debt at the period end date, divided by common shares outstanding at the period end date. The Company uses the NAV per share as a way to reflect the Company's value considering existing working capital on hand, less bank debt, plus the NPV10 after tax value on Oil and Gas Reserves. NAV per share is stated in CAD dollars using an exchange rate of USDCAD=1.3706. NAV is defined as total assets less total liabilities.

Net Asset Value ("NAV") per boe, is a non-GAAP ratio that combines the 51-101 NPV10 value after tax with the Company's estimated working capital at the period end date, less bank debt at the period end date, divided by reserve volumes at the period end date. The Company uses the NAV per boe as a way to reflect the Company's value considering existing working capital on hand, less bank debt, plus the NPV10 after tax value on Oil and Gas Reserves. Net asset value is defined as total assets less total liabilities.

Basic funds flow provided by operations per share is a non-GAAP ratio that is calculated by dividing funds flow provided by operations by the weighted average number of basic shares outstanding. Parex presents basic funds flow provided by operations per share whereby per share amounts are calculated using weighted-average shares outstanding, consistent with the calculation of earnings per share.

Capital Management Measures

Funds flow provided by operations, is a capital management measure that includes all cash generated from operating activities and is calculated before changes in non-cash assets and liabilities. The Company considers funds flow provided by operations to be a key measure as it demonstrates Parex's profitability after all cash costs. A reconciliation from cash provided by operating activities to funds flow provided by operations is as follows:

(\$000s)	For the three months ended				For the year ended		
	December 31,		September 30,		December 31,		
	2025	2024	2025	2025	2024	2023	
Cash provided by operating activities	\$ 107,744	\$ 67,847	\$ 86,992	\$ 424,756	\$ 569,915	\$ 376,471	
Net change in non-cash assets and liabilities	15,178	73,354	18,306	30,229	52,318	291,311	
Funds flow provided by operations	\$ 122,922	\$ 141,201	\$ 105,298	\$ 454,985	\$ 622,233	\$ 667,782	

Working capital surplus (deficit), is a capital management measure which the Company uses to describe its liquidity position and ability to meet its short-term liabilities. Working capital surplus (deficit) is defined as current assets less current liabilities.

(\$000s)	For the three months ended				For the year ended		
	December 31,		September 30,		December 31,		
	2025	2024	2025	2025	2024	2023	
Current assets	\$ 273,994	\$ 245,943	\$ 224,109	\$ 273,994	\$ 245,943	\$ 337,175	
Current liabilities	245,967	186,546	227,276	245,967	186,546	258,148	
Working capital surplus (deficit)	\$ 28,027	\$ 59,397	\$ (3,167)	\$ 28,027	\$ 59,397	\$ 79,027	

Supplementary Financial Measures

"Oil and natural gas sales per boe" is determined by sales revenue excluding risk management contracts, as determined in accordance with IFRS, divided by total equivalent sales volume including purchased oil volumes.

"Royalties per boe" is comprised of royalties, as determined in accordance with IFRS, divided by the total equivalent sales volume and excludes purchased oil volumes.

"Net revenue per boe" is comprised of net revenue, as determined in accordance with IFRS, divided by the total equivalent sales volume and includes purchased oil volumes.

"Production expense per boe" is comprised of production expense, as determined in accordance with IFRS, divided by the total equivalent sales volume and excludes purchased oil volumes.

"Transportation expense per boe" is comprised of transportation expense, as determined in accordance with IFRS, divided by the total equivalent sales volumes including purchased oil volumes.

"Dividends paid per share" is comprised of dividends declared, as determined in accordance with IFRS, divided by the number of shares outstanding at the dividend record date.

Dividend Advisory

The Company's future shareholder distributions, including but not limited to the payment of dividends and the acquisition by the Company of its shares pursuant to a normal course issuer bid, if any, and the level thereof is uncertain. Any decision to pay further dividends on the common shares (including the actual amount, the declaration date, the record date and the payment date in connection therewith and any special dividends) or acquire shares of the Company will be subject to the discretion of the Board of Directors of Parex and may depend on a variety of factors, including, without limitation the Company's business performance, financial condition, financial requirements, growth plans, expected capital requirements and other conditions existing at such future time including, without limitation, contractual restrictions and satisfaction of the solvency tests imposed on the Company under applicable corporate law. Further, the actual amount, the declaration date, the record date and the payment date of any dividend are subject to the discretion of the Board. There can be no assurance that the Company will pay dividends or repurchase any shares of the Company in the future.

Advisory on Forward-Looking Statements

Certain information regarding Parex set forth in this document contains forward-looking statements that involve substantial known and unknown risks and uncertainties. These statements are only predictions and actual events or results may differ materially. In particular, forward-looking statements contained in this document include, but are not limited to, statements with respect to the Company's operational and financial position; the Company's plan, strategy and focus; that the Company has a meaningful, capital-efficient inventory runway; that the Company is well positioned to allocate capital effectively, drive long-term organic growth, and pursue disciplined, value-accretive M&A opportunities focused on Colombia; the focus of the Company's 2026 operational plan; Parex's FY 2026 average production guidance and that Parex is currently tracking to deliver such production; the Company's anticipated activities at certain of its locations, including the anticipated timing thereof; the Company's 2026 guidance, including anticipated Brent crude oil average price, average production, funds flow provided by operations netback, funds flow provided by operations, capital expenditures and free funds flow; anticipated after-tax PDP, 1P and 2P net asset value per share estimates; the anticipated terms of the Company's Q1 2026 regular quarterly dividend including its expectation that it will be designated as an "eligible dividend"; that operations in the Putumayo are expected to support the addition of meaningful new inventory at strong economics; anticipated timing of initial waterflooding in Orito; that the Company is currently advancing its field development planning based on multilateral producer and injector well patterns, drawing on established North American plays such as the Clearwater formation, and targeting an area with significant original oil in place to support scalable growth; Parex's expectations of additional efficient, low-cost production opportunities; that Parex seeks to maximize reservoir contact and further enhance capital efficiency; Parex's expectations to significantly expand reserves and unlock new development inventory ahead of 2027; the anticipated timing of results of the exploration well at Capachos; that LLA-34 development drilling is ongoing and waterflood activity continues to ramp up; anticipated timing of beginning civil works in the area of the Piedemonte Convenio; Parex's expectation to spud the foothills prospect; anticipated timing of beginning civil works in Farallones; that Parex anticipates capital expenditures to be elevated in H1 2026 in line with the front-end weighted activity plan, with more moderate spending anticipated for the remainder of the year; the anticipated date and time of Parex's Annual Meeting and the anticipated timing that the Circular will be available; and the anticipated date of Parex's conference call. In addition, statements relating to "reserves" are by their nature forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions that the reserves described can be profitably produced in the future. The recovery and reserve estimates of Parex's reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered.

These forward-looking statements are subject to numerous risks and uncertainties, including but not limited to, the impact of general economic conditions in Canada and Colombia; determinations by OPEC and other countries as to production levels; 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; competition; lack of availability of qualified personnel; the results and timelines of exploration and development drilling, test, monitoring and work programs and related activities; obtaining required approvals of regulatory authorities, in Canada and Colombia; risks associated with negotiating with foreign governments as well as country risk associated with conducting international activities; the risk that tariffs, taxes, restrictions or prohibitions on import or export of certain goods including oil and gas may have on the Company, the oil and gas industry or the global economy; volatility in market prices for oil; fluctuations in foreign exchange or interest rates; environmental risks; changes in income tax laws or changes in tax laws and incentive programs relating to the oil industry; changes to pipeline capacity; ability to access sufficient capital from internal and external sources; risk that Parex's evaluation of its existing portfolio of development and exploration opportunities is not consistent with its expectations; that production test results may not necessarily be indicative of long term performance or of ultimate recovery; the risk that Parex may not commence exploration activities in the Llanos Foothills area when anticipated, or at all; the risk that Parex's FY 2026 average production may be less than anticipated; the risk that Parex's financial and operating results may not be consistent with its expectations; the risk that the Company may not release the Circular or hold its Annual Meeting when anticipated; the risk that Parex may not have sufficient financial resources in the future to provide distributions to its shareholders; the risk that the Board may not declare dividends in the future or that Parex's dividend policy changes; 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 are 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 document 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. With respect to forward-looking statements contained in this document, Parex has made assumptions regarding, among other things: current and anticipated commodity prices and royalty regimes; availability of skilled labour; timing and amount of capital expenditures; future exchange rates; the price of oil, including the anticipated Brent oil prices; the impact of increasing competition; 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; royalty rates; future operating costs; uninterrupted access to areas of Parex's operations and infrastructure; recoverability of reserves and future production rates; the status of litigation; timing of drilling and completion of wells; on-stream timing of production from successful exploration wells; operational performance of non-operated producing fields; pipeline capacity; that 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; expectations and assumptions regarding forecast interest rates, inflation rates, foreign exchange rates and applicable tax laws; that Parex's conduct and results of operations will be consistent with its expectations; the duration and impact of tariffs, taxes, restrictions or prohibition of importing goods including oil and natural gas; that Parex will have the ability to develop its oil and gas properties in the manner currently contemplated; that Parex's evaluation of its existing portfolio of development and exploration opportunities is consistent with its expectations; current or, where applicable, proposed industry conditions, laws and regulations will continue in effect or as anticipated as described herein; that the estimates of Parex's production and reserves volumes and the assumptions related thereto (including commodity prices and development costs) are accurate in all material respects; that Parex will be able to obtain contract extensions or fulfill the contractual obligations required to retain its rights to explore, develop and exploit any of its undeveloped properties; that Parex will have sufficient financial resources in the future to pay a dividend and repurchase its shares in the future; that the Board will declare dividends in the future; and other matters.

Management has included the above summary of assumptions and risks related to forward-looking information provided in this document in order to provide shareholders with a more complete perspective on Parex's current and future operations and such information may not be appropriate for other purposes. 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 document 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.

This press release contains information that may be considered a financial outlook under applicable securities laws about the Company potential financial position, including, but not limited to: the Company's 2026 guidance, including anticipated funds flow provided by operations netback, funds flow provided by operations, capital expenditures and free funds flow; and the anticipated terms of the Company's Q1 2026 regular quarterly dividend including its expectation that it will be designated as an "eligible dividend"; and anticipated after-tax PDP, 1P and 2P net asset value per share estimates. Such financial outlook has been prepared by Parex's management to provide an outlook of the Company's activities and results. The financial outlook has been prepared based on a number of assumptions including the assumptions discussed above and assumptions with respect to the costs and expenditures to be incurred by the Company, including capital equipment and operating costs, foreign exchange rates, taxation rates for the Company, general and administrative expenses and the prices to be paid for the Company's production.

Management does not have firm commitments for all of the costs, expenditures, prices or other financial assumptions used to prepare the financial outlook or assurance that such operating results will be achieved and, accordingly, the complete financial effects of all of those costs, expenditures, prices and operating results are not objectively determinable. The actual results of operations of the Company and the resulting financial results will likely vary from the amounts set forth in the analysis presented in this press release, and such variations may be material. The Company and Management believe that the financial outlook has been prepared on a reasonable basis, reflecting the best estimates and judgments, and represent, to the best of Management's knowledge, Parex's expected expenditures and results of operations. However, because this information is highly subjective and subject to numerous risks including the risks discussed above, it should not be relied on as necessarily indicative of future results. Except as required by applicable securities laws, the Company undertakes no obligation to update such financial outlook. The financial outlook contained in this press release was made as of the date of this press release and was provided for the purpose of providing further information about the Company's potential future business operations. Readers are cautioned that the financial outlook contained in this press release is not conclusive and is subject to change.

The following abbreviations have the meanings set forth below:

PDP	proved developed producing
1P	proved
2P	proved plus probable
3P	proved plus probable plus possible
bbbl	one barrel
bbls	barrels
bbl/d	barrels per day
boe	barrels of oil equivalent; one barrel of oil or natural gas liquids for six thousand cubic feet of natural gas
boe/d	barrels of oil equivalent per day
mbbl	thousands of barrels
mboe	thousand barrels of oil equivalent
mcf	thousand cubic feet
mcf/d	thousand cubic feet per day
mmboe	one million barrels of oil equivalent
mmcf	one million cubic feet
W.I.	working interest