NEWS RELEASE

Parex Resources Announces 2026 Guidance and Board Chair Transition

Calgary, Alberta, January 19, 2026 – Parex Resources Inc. ("Parex" or the "Company") (TSX: PXT) is pleased to publish its 2026 guidance. Additionally, the Company announces that Wayne Foo will be retiring as Board Chair and Director of the Board, effective May 12, 2026, and in line with succession planning, current Vice Chair and Director, Glenn McNamara, will assume the role of Chair. *All amounts herein are in United States Dollars ("USD") unless otherwise stated.*

Key Highlights

- Targeting FY 2026 average production of 47,000 boe/d, which represents production growth of 5% relative to FY 2025.
- Forecasting FY 2026 capital expenditures(1) of $300 million, inclusive of $65 million of acquisition capital in the form of carry related to previously announced farm-in agreements(2).
- Fully funded program at the midpoint of guidance, with estimated FY 2026 funds flow provided by operations(3) of $405 million and free funds flow(1) of $105 million at $60/bbl Brent, with upside at current strip pricing.

"Parex's 2026 program reflects a year-over-year reduction in sustaining capital and moderate base growth, while strategically investing in independent projects that offer meaningful growth potential for shareholders," commented Imad Mohsen, President & Chief Executive Officer.

"While we will maintain disciplined investment in waterflood and polymer to optimize the performance of our core assets, our fully funded program also includes noteworthy carry capital. This represents the acquisition cost of gaining working interests in highly prospective new blocks, such as the Putumayo, where development is being accelerated, and the Foothills, where a transformational exploration well is positioned to unlock significant upside."

2026 Guidance

The budget is prudently aligned with current commodity prices, balancing short- and long-term growth:

- Full-year average production growth from base production, development activity, and near-field exploration;
- Advancement of multiple independent pathways to add high-quality inventory and grow reserves, including targeted capital allocation to Foothills exploration to pursue transformational upside not reflected in production guidance; and
- Maintenance of a strong balance sheet while retaining flexibility to adjust capital in response to commodity pricing as needed.

Category	2026 Guidance
Brent Crude Oil Average Price	$60/bbl
Average Production(4)	45,000-49,000 boe/d
Funds Flow Provided by Operations Netback(4)(5)	$23-24/boe
Funds Flow Provided by Operations(3)(4)	$385-420 million
Capital Expenditures(1)	$280-320 million
Free Funds Flow(1)	$105 million (midpoint)

(1) Non-GAAP financial measure. See "Non-GAAP and Other Financial Measures Advisory".
(2) Acquisition capital relates to previously announced farm-in agreements for Foothills exploration (Piedemonte & Farallones), Putumayo, and Capachos.
(3) Capital management measure. See "Non-GAAP and Other Financial Measures Advisory".
(4) 2026 assumptions: operational downtime: ~5%; Vasconia differential: ~$4.50/bbl; production expense: $13.00-16.00/bbl; transportation expense: $4.00-4.50/bbl; G&A expense: ~$4.50/bbl; effective tax rate: 1-3%; see "Non-GAAP and Other Financial Measures Advisory".
(5) Non-GAAP ratio. See "Non-GAAP and Other Financial Measures Advisory".

2026 Capital Expenditure Breakdown & Activity Overview

Of the $300 million planned for capital expenditures[1] at the midpoint, roughly $190 million will support base development and near-field exploration to sustain production and enable growth, with the remainder allocated to longer-term growth initiatives.

Category	Capital[1]	Notable Planned Activity
Base & Development	$170 million	• LLA-34 (55% W.I.): 8 gross wells, including producers and injectors plus step-out delineation; investment in workovers, facilities & infrastructure, and expansion of waterflood & polymer programs. • Cabrestero: Optimization and facilities investment to support ongoing production. • LLA-32: 1 horizontal well and facilities & infrastructure investment. • CPO-10: 1 exploitation-focused well into a previously discovered oil trend. • VIM-1 (50% W.I.): 1 gross well to further support La Belleza production. • Putumayo Blocks (50% W.I.): 4 gross wells and investment in workovers and facilities & infrastructure.
Near-Field Exploration	$20 million	• Drill 3 independent prospects across the Llanos (LLA-81 & Capachos (50% W.I.)) and Putumayo (Occidente (50% W.I.), each having follow-up potential if successful.
Investing for the Future[2]	$45 million	• Execute a 10-well exploration program at LLA-111, utilizing a fit-for-purpose, fast-moving drilling rig with streamlined well design; total program is estimated to be roughly $20 million. • Extended area of the Piedemonte Convenio (50% W.I.): Foothills prospect targeting gas and condensate, which will be drilled to the north of the producing *Floreña* field; initial works ongoing, with an expected spud in mid-2026. • Farallones (50% W.I.): Progressing civil works activity for the second Foothills prospect, which is expected to spud in late 2026 or early 2027.
Acquisition / Carry	$65 million	• Acquisition capital in the form of carry relates to previously announced farm-in agreements for Foothills exploration (Piedemonte & Farallones; $25 million), Putumayo ($30 million), and Capachos ($10 million).

100% W.I. unless otherwise noted; activity subject to partner approval where applicable.
(1) Capital expenditures; based on midpoint guidance; non-GAAP financial measure. See “Non-GAAP and Other Financial Measures Advisory”.
(2) Guidance assumes no production attributable to this capital spend.

Short-Term Outlook

As the initial phases of the 2026 drilling program are underway, Parex currently has five operated rigs and one non-operated rig, reflecting strong performance in Q4 2025 and translating that momentum into the new year.

Based on the planned front-end weighted activity, Management expects capital expenditures to be elevated in H1 2026, with more moderate spending anticipated for the remainder of the year.

Risk Management

To manage price risk and safeguard the capital program, the Company has hedged Brent crude oil prices on roughly 25% of its planned net production in H1 2026[1].

Parex plans to regularly evaluate market conditions, operational requirements, and other pertinent factors, to assess the need for any additional hedging actions as it progresses through 2026.

(1) Hedging via three-way collars for Q1 2026 (strike prices of $55/$60/$70 per barrel) and Q2 2026 (strike prices of: $53/$60/$70 per barrel).

Board Chair Transition

With Wayne Foo's announcement to retire, Parex extends its sincere gratitude for his exceptional leadership and vision over the past 23 years. As a founder and the Chief Executive Officer of Petro Andina (Parex's predecessor) and Parex, and as Board Chair, Wayne has played an instrumental role in shaping the Company's growth and success.

"On behalf of the Board, our organization, and shareholders, we thank Wayne for his dedication and entrepreneurial vision, which have left a lasting impact on Parex's culture and achievements. We wish Wayne and his family continued success and fulfillment in retirement," said Imad Mohsen, President & Chief Executive Officer.

"We are also pleased to announce that Glenn McNamara, who has served on Parex's Board since 2016, has accepted an offer to serve as Chair of the Board. Glenn brings deep experience and leadership to this role, which will continue to support Parex's strategic direction and long-term success."

Q4 2025 Results – Conference Call & Webcast

Parex will host a conference call and webcast to discuss its Q4 2025 results on Thursday, March 5, 2026. Additional details will be available on the Company's website in due course.

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.

For more information, please contact:

Mike Kruchten
Senior Vice President, Capital Markets & Corporate Planning
Parex Resources Inc.
403-517-1733
investor.relations@parexresources.com

Steven Eirich
Senior Investor Relations & Communications Advisor
Parex Resources Inc.
587-293-3286
investor.relations@parexresources.com

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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 National Instrument 52-112 - Non-GAAP and Other Financial Measures Disclosure), 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.

Please refer to the Company's Management's Discussion and Analysis of the financial condition and results of operations for the period ended September 30, 2025 dated November 4, 2025, which is available at the Company's website at www.parexresources.com and on the Company's profile on SEDAR+ at www.sedarplus.ca for additional information about such financial measures, including reconciliations to the nearest GAAP measures, as applicable.

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.

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 return of capital, such as the NCIB and dividends, without accessing outside funds.

Non-GAAP Ratios

Funds flow provided by operations netback ("**FFO netback**"), 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 FFO netback to be a key measure as it demonstrates Parex's profitability after all cash costs relative to current commodity prices.

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 working capital. The Company considers funds flow provided by operations to be a key measure as it demonstrates Parex's profitability after all cash costs relative to current commodity prices.

Supplementary Financial Measures

G&A expense per bbl, is comprised of G&A expense, as determined in accordance with IFRS, divided by the Company's total oil sales volumes.

Production expense per bbl, is comprised of production expense, as determined in accordance with IFRS, divided by the Company's total oil sales volumes.

Transportation expense per bbl, is comprised of transportation expense, as determined in accordance with IFRS, divided by the Company's total oil sales volumes.

Oil & Gas Matters Advisory

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 conversion 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 Mcf: 1Bbl, utilizing a conversion ratio at 6 Mcf: 1 Bbl may be misleading as an indication of value.

This press release contains a number of oil and gas metrics, including FFO netbacks. These oil and gas metrics have been prepared by management and do not have standardized meanings or standard methods of calculation; 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. Therefore, such metrics 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.

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. The use of any of the words "plan", "expect", “prospective”, "project", "intend", "believe", "should", "anticipate", "estimate", “forecast”, "guidance", “potential”, “budget” or other similar words, or statements that certain events or conditions "may" or "will" occur are intended to identify forward-looking statements. Such statements represent Parex's internal projections, estimates or beliefs concerning, among other things, future growth, results of operations, production, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, plans for and results of drilling activity, environmental matters, business prospects and opportunities. These statements are only predictions and actual events or results may differ materially. Although the Company’s management believes that the expectations reflected in the forward-looking statements are reasonable, it cannot guarantee future results, levels of activity, performance or achievement since such expectations are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. 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 press release include, but are not limited to, statements with respect to the Company's focus, plans, priorities and strategies and the benefits to be derived therefrom; the focus of Parex's 2026 program, its fundamentals, and its anticipated benefits; Parex's 2026 guidance, including its anticipated Brent crude oil average price, average production, funds flow provided by operations netback, funds flow provided by operations, and capital expenditures (including the allocation thereof); Parex's 2026 capital expenditure breakdown, including its planned base and development activities near-field exploration, future investments, and exploration activities in areas corresponding to previously announced farm-in agreements, along with the anticipated timing and benefits thereof; expectations regarding the timing of capital expenditures throughout the year; current and anticipated risk management activities, and their expected benefits; ; and the anticipated timing for Parex's webcast to discuss its Q4 2025 results.

These forward-looking statements are subject to numerous risks and uncertainties, including but not limited to, the following risks: operational risks such as the risk that Parex's drilling program, its related activities, and its production profile as disclosed herein do not materialize as expected and/or at all; the risk that Parex may not meet its production or capital expenditures guidance for the year ended December 31, 2026; the results of exploration and development drilling and related activities, including the risk that initial test results are not indicative of future performance or ultimate recovery, and that other zones to be tested do not contain the expected hydrocarbon bearing formations; the risk that Parex's evaluation of its existing portfolio of development and exploration opportunities is not consistent with its expectations; and risks concerning reserve, resource and revenue estimates. Market and economic risks include prolonged volatility in commodity and market prices for oil, and the risk that Brent oil prices are lower than anticipated; determinations by OPEC and other countries as to production levels; the impact of general economic conditions in Canada and Colombia; and fluctuations in foreign exchange or interest rates. Financial risks include the ability to access sufficient capital from internal and external sources; the risk that Parex's risk management strategy may not be an effective means of managing and forecasting cash flow; the risk that Parex may not be responsive to changes in commodity prices; the risk that Parex's 2026 program may not lead to the benefits anticipated or that its financial and operating results may be less favorable than anticipated. Regulatory and political risks include risks associated with negotiating with foreign governments as well as country risk associated with conducting international activities in Colombia; industry conditions including changes in laws and regulations such as new environmental laws and regulations and changes in how they are interpreted and enforced in Canada and Colombia; obtaining required approvals of regulatory authorities in Canada and Colombia;

and changes in income tax laws or changes in tax laws and incentive programs relating to the oil industry. Other risks include the risk that the Company will not 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; lack of availability of qualified personnel; changes to pipeline capacity; risk of failure to achieve the anticipated benefits associated with acquisitions; failure of counterparties to perform under contracts; and the risk that Parex's webcast to discuss its Q4 2025 results may not occur when anticipated or at all. 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 press 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. With respect to forward-looking statements contained in this document, Parex has made assumptions regarding, among other things: commodity pricing and differentials, including average Brent oil price and Vasconia differential, and that royalty regimes and their application remain materially consistent with current expectations; operating and financial parameters consistent with guidance, including operational downtime, production expenses, transportation expense, G&A expense, and effective tax rate; foreign exchange rates, interest rates and inflation in Colombia remaining within ranges used to prepare 2026 guidance; availability and timely access to drilling rigs, services, equipment, materials, logistics and skilled labour at costs consistent with expectations; uninterrupted physical and security access to operating areas and infrastructure, sufficient pipeline and other takeaway capacity, and continued access to export and domestic markets; receipt and maintenance of all required partner, regulatory and community approvals and social license to operate on anticipated timelines; the ability to obtain contract extensions and to satisfy work commitments and other contractual obligations necessary to retain rights to explore, develop and exploit undeveloped properties; execution of the 2026 capital program on the timelines and budgets outlined, including civil works and spud timing; performance of operated and non-operated producing fields, decline rates, recovery factors, and the effectiveness of waterflood and polymer programs being consistent with type curves and historical performance; accuracy, in all material respects, of production and reserves estimates and the underlying assumptions; effectiveness of the Company's risk management activities, including that hedge instruments operate as intended and counterparties perform; stable legal, regulatory, fiscal and environmental frameworks in Colombia and Canada, including timely permitting and no material adverse changes to oil and gas, environmental, tax or royalty laws or their enforcement; sufficient liquidity from funds flow provided by operations to fund planned capital and operating expenditures; absence of material adverse outcomes in existing or potential litigation; and absence of significant business interruptions due to blockades, strikes, community unrest, extreme weather, natural disasters or other force majeure events.

Management has included the above summary of risks and assumptions related to forward-looking information provided in this press release 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 press 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.

This press release contains a financial outlook, in particular: Parex's 2026 guidance, including its anticipated Brent crude oil average price, funds flow provided by operations netback, funds flow provided by operations, capital expenditures (including the allocation thereof), free funds flow, and Parex's 2026 capital expenditure breakdown. This financial outlook has been prepared by Parex's management to provide an outlook of the Company's activities and results for 2026 and may not be appropriate for other purposes.

The financial outlook has been prepared based on a number of assumptions, including the assumptions discussed above and assumptions with respect to costs and expenditures to be incurred by the Company, capital equipment and operating costs, foreign exchange rates, taxation rates applicable to 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 variation may be material.

The Company and its management believe that the financial outlook has been prepared on a reasonable basis, reflecting the best estimates and judgments, and represents, to the best of management's knowledge and opinion, 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, Parex undertakes no obligation to update such financial outlook.

Abbreviations

The following abbreviations used in this press release have the meanings set forth below:

bbl	one barrel
boe	barrels of oil equivalent of natural gas; one barrel of oil or natural gas liquids for six thousand cubic feet of natural gas
boe/d	barrels of oil equivalent of natural gas per day
W.I.	working interest