

NEWS RELEASE

Parex Resources Announces 2024 Full-Year Results & Reserves, Declaration of Q1 2025 Dividend, and Appointment of Chief Financial Officer



Calgary, Alberta, March 5, 2025 – 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, 2024, as well as the results of its independent reserves assessment as at December 31, 2024. Additionally, the Company declares its Q1 2025 regular dividend of C\$0.385 per share and provides a corporate update. *All amounts herein are in United States dollars (“USD”) unless otherwise stated.*

Key Highlights

- Generated annual funds flow provided by operations of \$622 million⁽¹⁾ and free funds flow of \$275 million⁽²⁾ in 2024.
- Evaluated PDP after-tax net asset value per share of C\$22.02⁽³⁾.
- Added 10 mmboe 1P reserves and 7 mmboe 2P reserves at LLA-34 and Cabrestero through positive technical revisions as well as extensions & improved recovery; 2024 reserves evaluation supported by technology, including waterflood and polymer injection results⁽⁸⁾.
- Tracking to deliver FY 2025 average production guidance of 43,000 to 47,000 boe/d (45,000 boe/d midpoint); YTD average production is 44,500 boe/d⁽⁴⁾.
- Declared a Q1 2025 regular dividend of C\$0.385 per share⁽⁵⁾ (C\$1.54 per share annualized).
- Commenced a normal course issuer bid (“NCIB”) on January 22, 2025; in 2024, the Company repurchased roughly 5% of its outstanding shares through its prior NCIB.
- Appointed Cameron Grainger as Chief Financial Officer, effective immediately.
- Retiring from the Board of Directors are Lisa Colnett and Robert Engbloom as part of standard Board renewal process; in preparation, the Company has approved Mona Jasinski and Jeff Lawson as director nominees for the upcoming Annual General Meeting of Shareholders.

Imad Mohsen, President & Chief Executive Officer, commented: “In 2024, Parex generated strong financial results from its underlying asset base while achieving its best annual safety performance. Despite challenges, we accomplished multiple strategic milestones throughout the year that reinforce Parex’s long-term sustainability. Building on a strong foundation, as reflected in today’s reserve report, we remain focused on executing our 2025 plan, which is characterized by lower-risk activities and a high-graded set of opportunities. The team at Parex is dedicated to rebuilding market confidence, by delivering steady results, evolving our Colombian portfolio, and strengthening our track record of shareholder returns — while also progressing towards Llanos Foothills exploration in 2026.”

2024 Full-Year Achievements & Results

- Achieved multiple strategic milestones throughout the year, in addition to delivering returns to shareholders:
 - Signed definitive agreements in the Llanos Foothills to consolidate Parex’s position, advancing gas and exploration strategies;
 - Implemented waterflood at Cabrestero successfully and continued waterflood progression at LLA-34;
 - Completed polymer injection pilot at Cabrestero with positive results, advancing enhanced oil recovery initiatives;
 - Executed Putumayo business collaboration agreements to add a new core area for the Company; and
 - Returned \$186 million to shareholders during the year, which cumulatively results in C\$1.5 billion returned to shareholders through dividends and share repurchases over the past five years.
- Average production of 49,924⁽⁶⁾ boe/d, meeting revised FY 2024 guidance range of 49,000 to 50,000 boe/d.
- Realized net income of \$61 million or \$0.60 per share basic⁽⁷⁾.
- Generated funds flow provided by operations (“FFO”) of \$622 million⁽¹⁾ and FFO per share of \$6.14⁽³⁾⁽⁷⁾.

- Produced an operating netback of \$41.30/boe⁽³⁾ and an FFO netback of \$33.95/boe⁽³⁾ from an average Brent price of \$79.86/bbl.
- Incurred \$348 million⁽²⁾ of capital expenditures, primarily from activities at LLA-34, Arauca, LLA-32, LLA-122, and Capachos.
- Delivered the Company's best safety performance on record, with strong results across all safety metrics, including lagging and leading indicators.

2024 Fourth Quarter Results

- Average production was 45,297 boe/d⁽⁶⁾.
- Realized net loss of \$69 million or \$0.70 per share basic⁽⁷⁾, largely a result of non-cash impairments recorded in the period.
- Generated FFO of \$141 million⁽¹⁾ and FFO per share of \$1.43⁽³⁾⁽⁷⁾.
- Produced an operating netback of \$34.90/boe⁽³⁾ and an FFO netback of \$32.39/boe⁽³⁾ from an average Brent price of \$74.01/bbl.
- Recovered current tax of \$6 million in the quarter; for 2025 the Company expects its FFO netback to be supported by lower current tax expenses compared to prior periods due to the Company's before tax cash flow profile, previous capital expenditures, and certain tax strategies that have been deployed over recent years.
- Incurred \$82 million⁽²⁾ of capital expenditures, primarily from activities at LLA-34, LLA-32, and Capachos.
- Generated \$59 million of free funds flow⁽²⁾; working capital surplus was \$59 million⁽¹⁾ and cash was \$98 million at quarter end.

2024 Year-End Corporate Reserves Report: Highlights⁽⁸⁾

For the year ended December 31, 2024, the Company:

- Increased both proved ("1P") reserves per share and proved plus probable ("2P") reserves per share by 6%, while proved developed producing ("PDP") reserves per share was down 9%, compared to 2023.
 - LLA-34: realized positive technical revisions of 6 mmboe 1P related to waterflood implementation and increased recovery factor.
 - Cabrestero: added 3 mmboe 2P related to improved recovery through implementation of polymer injection.
 - LLA-32: more than doubled 1P and 2P through extensions to 2 mmboe and 4 mmboe, respectively, compared to 2023.
 - Putumayo: added inventory runway and acquired 10 mmboe and 18 mmboe of 1P and 2P, respectively, from Parex earning 50% working interest in four blocks through an enhanced strategic partnership with Ecopetrol S.A.⁽⁹⁾.
- Increases in 1P and 2P reserves per share were partially offset by negative technical revisions associated with portfolio management at Arauca as well as a non-core block in the Magdalena basin.
 - Arauca negative technical revisions were 3 mmboe and 6 mmboe of 1P and 2P, respectively.
 - Aguas Blancas negative technical revisions were 2 mmboe and 2 mmboe of 1P and 2P, respectively.
- Realized PDP reserves replacement ratio of 41%; three-year average PDP reserves replacement ratio was 85%.
 - Lower-than-expected Arauca and corporate exploration results were in-year PDP replacement factors.
- Improved PDP, 1P and 2P reserve life index by 10%, 26% and 27%, respectively, compared to 2023.
 - Improved metrics supported by a lower absolute production profile that benefited PDP, 1P and 2P metrics, as well as achieving approximately 100% year-over-year reserve replacement in 1P and 2P.
- Evaluated after-tax PDP, 1P and 2P net asset value per share⁽³⁾ of C\$22.02, C\$26.60, and C\$35.55, 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) Non-GAAP ratio. See "Non-GAAP and Other Financial Measures Advisory."

(4) Estimated average production for January 1, 2025 to February 28, 2025; light & medium crude oil: ~9,382 bbl/d, heavy crude oil: ~34,268 bbl/d, conventional natural gas: ~5,100 mcf/d; rounded for presentation purposes.

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

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

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

(8) See "2024 Year-End Corporate Reserves Report" sections and "Reserves Advisory" for additional information.

(9) As previously announced December 11, 2024.

Operational and Financial Highlights	Three Months Ended			Year Ended		
	Dec. 31, 2024	Dec. 31, 2023	Sep. 30, 2024	December 31,		2022
	2024	2023	2024	2024	2023	2022
Operational						
Average daily production						
Light Crude Oil and Medium Crude Oil (bbl/d)	9,550	9,700	9,064	8,850	8,417	7,471
Heavy Crude Oil (bbl/d)	34,882	46,760	37,777	40,336	45,163	43,008
Crude oil (bbl/d)	44,432	56,460	46,841	49,186	53,580	50,479
Conventional Natural Gas (mcf/d)	5,190	5,214	4,368	4,428	4,656	9,420
Oil & Gas (boe/d) ⁽¹⁾	45,297	57,329	47,569	49,924	54,356	52,049
Operating netback (\$/boe)						
Reference price - Brent (\$/bbl)	74.01	82.90	78.71	79.86	82.18	99.04
Oil & gas sales ⁽⁴⁾	63.73	70.55	68.75	69.80	70.71	86.55
Royalties ⁽⁴⁾	(9.43)	(12.12)	(10.59)	(10.99)	(12.31)	(17.61)
Net revenue ⁽⁴⁾	54.30	58.43	58.16	58.81	58.40	68.94
Production expense ⁽⁴⁾	(15.53)	(13.67)	(14.81)	(13.93)	(10.42)	(6.88)
Transportation expense ⁽⁴⁾	(3.87)	(3.54)	(3.71)	(3.58)	(3.43)	(3.22)
Operating netback (\$/boe)⁽²⁾	34.90	41.22	39.64	41.30	44.55	58.84
Funds flow provided by operations netback (\$/boe)⁽²⁾	32.39	36.81	34.58	33.95	33.59	38.35
Financial (\$000s except per share amounts)						
Net income (loss)	(69,051)	133,783	65,793	60,680	459,309	611,368
Per share - basic ⁽⁶⁾	(0.70)	1.28	0.65	0.60	4.32	5.38
Funds flow provided by operations⁽⁵⁾	141,201	193,377	151,773	622,233	667,782	724,890
Per share - basic ⁽²⁾⁽⁶⁾	1.43	1.85	1.50	6.14	6.29	6.38
Capital expenditures⁽³⁾	82,110	91,419	82,367	347,695	483,343	512,252
Free funds flow⁽³⁾	59,091	101,958	69,406	274,538	184,439	212,638
EBITDA⁽³⁾	(10,419)	110,860	167,763	545,362	650,829	953,210
Adjusted EBITDA⁽³⁾	137,312	201,552	164,002	720,089	817,280	1,066,040
Long-term inventory expenditures	(2,569)	(866)	(6,318)	4,773	39,430	140,266
Dividends paid	26,658	29,505	28,467	112,184	118,676	75,491
Per share – Cdn\$ ⁽⁴⁾⁽⁶⁾	0.385	0.375	0.385	1.53	1.50	0.89
Shares repurchased	16,408	22,453	20,723	73,789	105,068	221,464
Number of shares repurchased (000s)	1,692	1,220	1,585	5,495	5,628	11,821
Outstanding shares (end of period) (000s)						
Basic	98,339	103,812	100,031	98,339	103,812	109,112
Weighted average basic	99,063	104,394	100,891	101,414	106,247	113,572
Diluted ⁽⁸⁾	99,238	104,502	100,933	99,238	104,502	109,939
Working capital surplus⁽⁵⁾	59,397	79,027	37,509	59,397	79,027	84,988
Bank debt⁽⁷⁾	60,000	90,000	30,000	60,000	90,000	—
Cash	98,022	140,352	147,454	98,022	140,352	419,002

(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.

(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 common shares.

(7) Borrowing limit of \$240.0 million as of December 31, 2024.

(8) Diluted shares as stated include the effects of common shares and stock options outstanding at the period-end. The December 31, 2024 closing stock price was C\$14.58 per share.

Operational Update

For the period of January 1, 2025, to February 28, 2025, estimated average production was 44,500 boe/d⁽⁵⁾.

Parex currently has two drilling rigs operating (one operated and one non-operated), with expectations to ramp-up to four drilling rigs in Q2 2025 (three operated and one non-operated).

The Company's operations are supportive of a growing H2 2025 production profile, with the following activities:

- Progressing waterflood and polymer injection programs at LLA-34 and Cabrestero.
 - Cabrestero is fully on waterflood, with plans for a full polymer injection scheme that is supported by pilot results to date.
 - LLA-34 continues to ramp-up waterflood activity and is planning to commence a polymer injection pilot in 2025.
- Planning to begin LLA-32 drilling campaign in Q2 2025.
 - LLA-32 is located to the north and adjacent to LLA-34 and Cabrestero; Parex drilled three successful wells at LLA-32 in 2024.
- Advancing near-field exploration program, with the expectation to drill 3-4 prospects in H1 2025.
 - Prospects are generally focused in the Southern Llanos where Parex has had previous basin success.
- Gaining momentum to achieve initial access in the Putumayo in Q2 2025 as originally anticipated.
 - Per budgeted plans, activity is expected to begin with a workover rig, with a drilling rig added approximately mid-year.

Operations so far this year are progressing within Management expectations and Parex's 2025 corporate guidance remains as previously released January 14, 2025, and as set out below:

Category	2025 Guidance
Brent Crude Oil Average Price	\$70/bbl
Average Production ⁽¹⁾	43,000-47,000 boe/d
Funds Flow Provided by Operations Netback ⁽¹⁾⁽²⁾	\$26-28/boe
Funds Flow Provided by Operations ⁽¹⁾⁽³⁾	\$425-465 million
Capital Expenditures ⁽⁴⁾	\$285-315 million
Free Funds Flow ⁽⁴⁾	\$145 million (midpoint)

(1) 2025 assumptions: operational downtime: ~5%; Vasconia differential: ~\$5/bbl; production expense: \$15-16/bbl; transportation expense: ~\$3.50/bbl; G&A expense: ~\$4.50/bbl; effective tax rate: 3-6%; see "Non-GAAP and Other Financial Measures Advisory".

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

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

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

(5) Estimated average production for January 1, 2025 to February 28, 2025; light & medium crude oil: ~9,382 bbl/d, heavy crude oil: ~34,268 bbl/d, conventional natural gas: ~5,100 mcf/d; rounded for presentation purposes.

Return of Capital

Q1 2025 Dividend

Parex's Board of Directors has approved a Q1 2025 regular dividend of C\$0.385 per share to shareholders of record on March 11, 2025, to be paid on March 18, 2025.

This quarterly dividend payment to shareholders is designated as an "eligible dividend" for purposes of the Income Tax Act (Canada).

Normal Course Issuer Bid Update

As at February 28, 2025, Parex has repurchased approximately 0.3 million shares under its current NCIB at an average price of C\$14.30 per share, for a total consideration of roughly C\$4 million.

In 2024, Parex repurchased 5.5 million shares under a prior NCIB, representing approximately 5% of the public float and a return of C\$99 million to shareholders.

2024 Year-End Corporate Reserves Report: Discussion

The following tables summarize information contained in the independent reserves report prepared by GLJ Ltd. ("GLJ") dated March 4, 2025 with an effective date of December 31, 2024 (the "GLJ 2024 Report"). 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 and all December 31, 2022 reserves presented are based on GLJ's forecast pricing effective January 1, 2023. GLJ pricing is available on their website at www.gljpc.com.

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. Additional reserve information as required under NI 51-101 will be included in the Company's Annual Information Form for the 2024 fiscal year, which is available on SEDAR+.

Gross Reserves Volumes

Reserve Category	2022 Mboe	2023 Mboe	Dec. 31 2024 Mboe ⁽¹⁾	Change over Dec. 31, 2023
Proved Developed Producing (PDP)	82,788	82,628	71,908	(13%)
Proved Developed Non-Producing	11,767	7,252	5,534	(24%)
Proved Undeveloped	36,100	22,647	34,678	53%
Proved (1P)	130,655	112,528	112,119	—%
Proved + Probable (2P)	200,704	168,625	169,633	1%
Proved + Probable + Possible (3P)	281,595	231,299	245,383	6%

(1) 2024 net reserves after royalties are: PDP 62,128 Mboe, proved developed non-producing 4,939 Mboe, proved undeveloped 29,644 Mboe, 1P 96,711 Mboe, 2P 146,645 Mboe and 3P 211,882 Mboe.

Gross Reserves Reconciliation

	Total 1P Mboe	Total 2P Mboe	Total 3P Mboe
December 31, 2023	112,528	168,625	231,299
Technical Revisions ⁽¹⁾	2,777	(5,434)	(10,870)
Extensions & Improved Recovery ⁽²⁾	4,760	6,636	9,133
Discoveries ⁽³⁾	160	200	240
Acquisitions ⁽⁴⁾	10,166	17,877	33,853
Production	(18,272)	(18,272)	(18,272)
December 31, 2024⁽⁵⁾	112,119	169,633	245,383

(1) Reserves technical revisions are associated with positive evaluations of LLA-34 and Cabretero, offset by negative revisions of Arauca, Aguas Blancas, and Capachos.

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

(3) Discoveries are associated with the positive evaluation of LLA-30.

(4) Acquisitions are associated with the positive evaluations of Occidente, Nororientado and Area Sur.

(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.

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

Reserve Category	NPV15 December 31, 2023 (000s) ⁽²⁾	NPV15 December 31, 2024 (000s) ⁽²⁾	NAV December 31, 2024 (CAD/sh) ⁽³⁾	CAD/sh Change over Dec. 31, 2023 ⁽⁴⁾
PDP	\$ 1,679,078	\$ 1,505,386	\$ 22.02	4%
Proved Developed Non-Producing	112,298	83,310	1.21	(6%)
Proved Undeveloped	201,380	230,174	3.36	38%
1P	\$ 1,992,757	\$ 1,818,870	\$ 26.60	5%
2P	\$ 2,556,169	\$ 2,430,060	\$ 35.55	10%
3P	\$ 3,191,329	\$ 3,102,864	\$ 45.39	12%

(1) Net present values ("NPV") are stated in USD and are discounted at 15 percent. The forecast prices used in the calculation of the present value of future net revenue are based on the GLJ January 1, 2024 and GLJ January 1, 2025 price forecasts, respectively. The GLJ January 1, 2025 price forecast is in the Company's Annual Information Form for the 2024 fiscal year.

(2) Includes future development capital ("FDC") as at December 31, 2023 of \$27 million for PDP, \$346 million for 1P, \$537 million for 2P and \$707 million for 3P and FDC as at December 31, 2024 of \$23 million for PDP, \$440 million for 1P, \$595 million for 2P and \$740 million for 3P.

(3) 2024 NAV calculated, as at December 31, 2024, as after tax NPV15 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".

(4) 2023 NAV calculated, as at December 31, 2023, as after tax NPV15 plus working capital of USD\$79 million (converted at USDCAD=1.3226), less bank debt of USD\$90 million, divided by 104 million basic shares outstanding as at December 31, 2023. Non-GAAP ratio. See "Non-GAAP and Other Financial Measures Advisory".

Appointment of Chief Financial Officer

Following a thorough executive search, Cameron Grainger has been appointed as Chief Financial Officer ("CFO"), effective immediately.

"We are very pleased to announce Cam as CFO. He is a trusted leader, who has developed an exceptional understanding of our portfolio while providing over 15 years of financial leadership at Parex. I look forward to continuing to work with Cam as he plays an integral role on our leadership team and am confident that he will continue to make significant contributions in support of our strategy," said Imad Mohsen, President & Chief Executive Officer.

Mr. Grainger has served as the Company's interim CFO since September 21, 2024, and prior to, was the Vice President, Finance, as well as Controller. Mr. Grainger has held roles with increasing levels of responsibility at Parex since 2011, and is a Chartered Professional Accountant.

Board of Directors Update

The Company announces that Lisa Colnett as well as Robert Engbloom are retiring from the Board of Directors and will not stand for re-election at the upcoming Annual General Meeting of Shareholders ("Meeting").

"We want to thank Lisa and Bob for their contributions that have supported Parex's growth in Colombia and wish them all the best," commented Wayne Foo, Chair of the Board of Parex.

In preparation for the upcoming retirements, the Company has approved Mona Jasinski and Jeff Lawson as director nominees at the upcoming Meeting.

"We are excited to recommend Mona and Jeff to Parex's Board of Directors, both of whom have a wealth of experience across the energy sector and bring refreshed perspectives," commented Mr. Foo.

Ms. Jasinski has over 20 years of human resources, corporate strategy and leadership expertise with experience spanning the energy and chemicals sectors as well as philanthropic boards. She is currently the Senior Vice President, HR & Communications at NOVA Chemicals. Prior to NOVA Chemicals, she built a depth of energy-specific experience, serving as Executive Vice President, People and Culture, at Vermilion Energy for 12 years, and previously held leadership roles at Royal Dutch Shell and TransCanada Pipelines. Ms. Jasinski holds a Master of Business Administration from the University of Calgary and an ICD.D designation from the Institute of Corporate Directors.

Mr. Lawson has extensive experience in corporate strategy, mergers & acquisitions as well as investments and corporate restructurings across the energy and legal sectors. He is currently the Senior Vice President, Corporate Development and Chief Sustainability Officer at Cenovus Energy. Prior to Cenovus, he spent 15 years at Peters & Co. in a variety of senior finance roles and he was also a securities lawyer at Burnet, Duckworth & Palmer for 14 years where he co-led the securities group and served on the firm's executive committee. Mr. Lawson holds a Bachelor of Laws from the University of Alberta.

Q4 2024 and FY 2024 Results - Conference Call & Webcast

Parex will host a conference call and webcast to discuss its Q4 2024 and FY 2024 results on Thursday, March 6, 2025, beginning at 9:30 am MT (11:30 am ET). To participate in the conference call or webcast, please see the access information below:

Conference ID:	2908137
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/690785926

Annual General Meeting

Parex anticipates holding its Annual General Meeting of Shareholders on Thursday, May 8, 2025.

The Notice of Annual General Meeting & Management Proxy Circular is expected to be available on or about March 26, 2025, 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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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, 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. All December 31, 2022 reserves presented are based on GLJ's forecast pricing effective January 1, 2023.

Comparatives to the independent reserves report prepared by GLJ dated February 29, 2024 with an effective date of December 31, 2023 (the "GLJ 2023 Report"), and the independent reserves report prepared by GLJ dated February 2, 2023 with an effective date of December 31, 2022 ("GLJ 2022 Report", and collectively with the GLJ 2024 Report and the GLJ 2023 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.

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.

2024 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 by Area⁽¹⁾

Area	1P Mboe ⁽¹⁾	2P Mboe ⁽¹⁾	3P Mboe ⁽¹⁾
LLA-34	63,320	88,823	120,283
Southern Llanos	20,634	30,487	37,749
Northern Llanos	12,246	18,007	24,113
Magdalena	5,754	14,439	29,384
Putumayo	10,166	17,877	33,853
Total	112,119	169,633	245,383

(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 Volumes by Product Type

Product Type	PDP	1P	2P	3P
Light & Medium Crude Oil (Mbbbl)	10,084	30,138	51,422	84,901
Heavy Crude Oil (Mbbbl)	58,654	76,788	107,161	140,348
Natural Gas Liquids (Mbbbl)	480	1,207	1,643	2,108
Conventional Natural Gas (MMcf)	16,139	23,915	56,441	108,155
Oil Equivalent (Mboe)	71,908	112,119	169,633	245,383

Gross Reserves Volumes Per Share⁽¹⁾

	2022	2023	Dec. 31 2024 ⁽¹⁾	Change over Dec. 31, 2022
Year-End Basic Outstanding Shares (000s)	109.1	103.8	98.3	(5%)
PDP (boe/share)	0.76	0.80	0.73	(9%)
1P (boe/share)	1.20	1.08	1.14	6%
2P (boe/share)	1.84	1.62	1.72	6%
3P (boe/share)	2.58	2.23	2.50	12%

(1) 2024 net reserves after royalties are: PDP 62,128 Mboe, proved developed non-producing 4,939 Mboe, proved undeveloped 29,644 Mboe, 1P 96,711 Mboe, 2P 146,645 Mboe and 3P 211,882 Mboe.

Reserve Replacement Ratio and Reserve Life Index

	Dec. 31, 2022 ⁽¹⁾	Dec. 31, 2023 ⁽²⁾	Dec. 31, 2024 ⁽³⁾	3-Year
PDP				
Reserve Replacement Ratio	112 %	99 %	41 %	85 %
Reserve Life Index	4.2 years	3.9 years	4.3 years	4.1 years
1P				
Reserve Replacement Ratio	128 %	9 %	98 %	77 %
Reserve Life Index	6.6 years	5.4 years	6.8 years	6.2 years
2P				
Reserve Replacement Ratio	110 %	(62 %)	106 %	49 %
Reserve Life Index	10.1 years	8.1 years	10.3 years	9.4 years

(1) Calculated by dividing the amount of the relevant reserves category by average Q4 2022 production of 54,257 boe/d annualized (consisting of 10,511 bbl/d of light crude oil and medium crude oil, 42,746 bbl/d of heavy crude oil and 6,000 mcf/d of conventional natural gas).

(2) 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).

(3) Calculated by dividing the amount of the relevant reserves category by estimated 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).

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

Reserve Category	2025	2026	2027	2028	2029+	Total FDC	Total FDC/ boe
PDP	\$ 23,467	\$ —	\$ —	\$ —	\$ —	\$ 23,467	\$ 0.33
1P	\$ 239,609	\$ 113,210	\$ 73,861	\$ 13,000	\$ 622	\$ 440,302	\$ 3.93
2P	\$ 241,934	\$ 157,800	\$ 157,181	\$ 17,166	\$ 21,317	\$ 595,398	\$ 3.51

(1) FDC are stated in USD, undiscounted and based on GLJ January 1, 2025 price forecasts.

Summary of Reserve Metrics – Company Gross

	2024			3-Year		
	PDP	1P	2P	PDP	1P	2P
F&D Costs (\$/boe) ⁽¹⁾	45.60	36.11	169.52	27.90	36.91	122.51
FD&A Costs (\$/boe) ⁽¹⁾	45.60	24.75	21.09	27.90	32.21	49.94
Recycle Ratio - F&D ⁽¹⁾	0.9 x	1.1 x	0.2 x	1.7 x	1.3 x	0.4 x
Recycle Ratio - FD&A ⁽¹⁾	0.9 x	1.7 x	2.0 x	1.7 x	1.5 x	1.0 x

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

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,		
	2024	2023	2024	2024	2023	2022	
Property, plant and equipment expenditures	\$ 62,799	\$ 50,753	\$ 68,406	\$ 221,250	\$ 310,933	\$ 389,979	
Exploration and evaluation expenditures	19,311	40,666	13,961	126,445	172,410	122,273	
Capital expenditures	\$ 82,110	\$ 91,419	\$ 82,367	\$ 347,695	\$ 483,343	\$ 512,252	

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,		
	2024	2023	2024	2024	2023	2022	
Cash provided by operating activities	\$ 67,847	\$ 194,242	\$ 181,874	\$ 569,915	\$ 376,471	\$ 983,602	
Net change in non-cash assets and liabilities	73,354	(865)	(30,101)	52,318	291,311	(258,712)	
Funds flow provided by operations	141,201	193,377	151,773	622,233	667,782	724,890	
Capital expenditures	82,110	91,419	82,367	347,695	483,343	512,252	
Free funds flow	\$ 59,091	\$ 101,958	\$ 69,406	\$ 274,538	\$ 184,439	\$ 212,638	

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

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,		September 30,		December 31,		
	2024	2023	2024	2024	2023	2022	
Net income (loss)	\$ (69,051)	\$ 133,783	\$ 65,793	\$ 60,680	\$ 459,309	\$ 611,368	
Adjustments to reconcile net income (loss) to EBITDA:							
Finance income	(998)	(2,067)	(963)	(4,315)	(14,055)	(9,015)	
Finance expenses	4,318	2,878	5,676	18,408	13,834	8,393	
Other expense	2,208	362	1,818	6,227	2,582	1,315	
Income tax expense (recovery)	(880)	(81,929)	42,767	248,592	(5,070)	191,798	
Depletion, depreciation and amortization	53,984	57,833	52,672	215,770	194,229	149,351	
EBITDA	\$ (10,419)	\$ 110,860	\$ 167,763	\$ 545,362	\$ 650,829	\$ 953,210	
Non-cash impairment charges	137,841	85,330	—	142,502	142,540	103,394	
Share-based compensation expense (recovery)	6,149	7,674	(7,994)	1,462	30,364	19,128	
Unrealized foreign exchange loss (gain)	2,581	(2,312)	4,233	29,603	(6,453)	(9,692)	
Unrealized loss on risk management contracts	1,160	—	—	1,160	—	—	
Adjusted EBITDA	\$ 137,312	\$ 201,552	\$ 164,002	\$ 720,089	\$ 817,280	\$ 1,066,040	

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.

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)	2024			3-Year		
	PDP	1P	2P	PDP	1P	2P
Capital Expenditures ⁽²⁾	347,695	347,695	347,695	1,343,290	1,343,290	1,343,290
Capital Expenditures - change in FDC	(3,321)	(69,775)	(109,856)	8,730	(95,935)	(113,170)
Total Capital	344,374	277,920	237,839	1,352,020	1,247,355	1,230,120
Net Acquisitions	—	—	—	—	—	—
Net Acquisitions - change in FDC	—	164,207	168,739	—	168,739	164,207
Total Net Acquisitions	—	164,207	168,739	—	168,739	164,207
Total Capital including Acquisitions	344,374	442,127	406,578	1,352,020	1,416,094	1,394,327
Reserve Additions	7,552	7,697	1,403	48,459	33,797	10,041
Net Acquisitions Reserve Additions	—	10,166	17,877	—	10,166	17,877
Reserve Additions including Acquisitions (Mboe)	7,552	17,863	19,280	48,459	43,963	27,918
F&D Costs (\$/boe)	45.60	36.11	169.52	27.90	36.91	122.51
FD&A Costs (\$/boe)	45.60	24.75	21.09	27.90	32.21	49.94

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

(2) Calculated using capital expenditures for the period ended December 31, 2024.

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.

	2024			3-Year		
	PDP	1P	2P	PDP	1P	2P
Operating netback (\$/boe)	41.30	41.30	41.30	48.43	48.43	48.43
F&D Costs ⁽²⁾ (\$/boe)	45.60	36.11	169.52	27.90	36.91	122.51
FD&A Costs ⁽²⁾ (\$/boe)	45.60	24.75	21.09	27.90	32.21	49.94
Recycle Ratio - F&D⁽¹⁾	0.9 x	1.1 x	0.2 x	1.7 x	1.3 x	0.4 x
Recycle Ratio - FD&A⁽¹⁾	0.9 x	1.7 x	2.0 x	1.7 x	1.5 x	1.0 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 NPV15 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 NPV15 after tax value on Oil and Gas Reserves. NAV per share is stated in CAD dollars using an exchange rate of USDCAD=1.4389. 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 NPV15 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 NPV15 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, 2024	2023	September 30, 2024	2024	2023	December 31, 2022
Cash provided by operating activities	\$ 67,847	\$ 194,242	\$ 181,874	\$ 569,915	\$ 376,471	\$ 983,602
Net change in non-cash assets and liabilities	73,354	(865)	(30,101)	52,318	291,311	(258,712)
Funds flow provided by operations	\$ 141,201	\$ 193,377	\$ 151,773	\$ 622,233	\$ 667,782	\$ 724,890

Working capital surplus, 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 is defined as current assets less current liabilities.

(\$000s)	For the three months ended			For the year ended		
	December 31, 2024	2023	September 30, 2024	2024	2023	December 31, 2022
Current assets	\$ 245,943	\$ 337,175	\$ 248,208	\$ 245,943	\$ 337,175	\$ 593,602
Current liabilities	186,546	258,148	210,699	186,546	258,148	508,614
Working capital surplus	\$ 59,397	\$ 79,027	\$ 37,509	\$ 59,397	\$ 79,027	\$ 84,988

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 an NCIB, 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

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; the focus of the Company's 2025 operational plan; Parex's plan of rebuilding market confidence by delivering steady results, evolving its Colombian portfolio and strengthening its track record of shareholder returns, while also progressing towards Llanos Foothills exploration in 2026; Parex's FY 2025 average production guidance; the anticipated Board nominees at Parex's upcoming Meeting; the anticipated number of operating and non-operating drilling rigs that Parex will have in Q2 2025; expectations that the Company's operations are supportive of a growing H2 2025 production profile and the Company's anticipated activities at certain of its locations, including the anticipated timing thereof; the Company's 2025 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; the anticipated terms of the Company's Q1 2025 regular quarterly dividend including its expectation that it will be designated as an "eligible dividend"; the anticipated date and time of Parex's 2025 Meeting and the release of its 2024 Annual Information Form; 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; 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 2025 average production may be less than anticipated; the risk that Parex may have less operating and non-operating drilling rigs in Q2 2025 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 its Annual Information Form or hold its 2025 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; that Parex's conduct and results of operations will be consistent with its expectations; 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 2025 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 2025 regular quarterly dividend including its expectation that it will be designated as an "eligible dividend". 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 used in this press release have the meanings set forth below:

PDP	proved developed producing
1P	proved
2P	proved plus probable
3P	proved plus probable plus possible
bbl	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
mdbl	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