

Parex Resources Announces Resumption of Operations at Capachos as well as the Timing of Q1 2023 Results and Annual General Meeting



Calgary, Alberta, April 17, 2023 – Parex Resources Inc. (“Parex” or the “Company”) (TSX: PXT) is pleased to announce that it is resuming full operations at its Capachos Block (50% W.I.). The Company also provides an update on its Arauca Block (50% W.I.), announces that it will release its Q1 2023 financial and operating results on Wednesday, May 10, 2023, and will hold its Annual General and Special Meeting of shareholders at 9:30 am MT (11:30 am ET) on Thursday, May 11, 2023.

Resuming Operations at Capachos Block (50% W.I.) and Update on Arauca Block (50% W.I.)

“Parex’s top priority is the safety of its employees and contractors. I want to personally recognize our workforce, community members as well as national and local authorities, for their work in helping us progress the first step of carefully resuming full activities in the Northern Llanos. After continuous dialogue and coordination with various government entities, as well as a robust safety and security assessment in alignment with our workforce, we are confident in safely restarting activity in the area. We are excited to say that we have begun the first steps to resume full operations at our Capachos block, and will continue to proactively work with all stakeholders in order to resume activities at our Arauca block,” commented Daniel Ferreiro, President & Country Manager of Parex Resources Colombia.

In the Northern Llanos, on January 21, 2023, the Company shut-in its Capachos Block (50% W.I.) and halted drilling operations at the Arauca Block (50% W.I.) due to heightened security concerns. Following the successful engagement with stakeholders at all levels, safe conditions have been restored at the Capachos Block (50% W.I.) and initial production has been restarted. Following the positive progress at Capachos, the Company is aiming to resume drilling operations at its Arauca Block (50% W.I.) in Q2 2023.

Corporately, the shut-ins were limited to the Capachos and Arauca Blocks (50% W.I.) and are expected to affect Parex’s Q1 2023 results. Net production was impacted by approximately 6,500 boe/d during the suspension of operations, in addition to slowing the pace of new wells that could be drilled and brought online.

Q1 2023 Results and 2023 Annual General & Special Meeting of Shareholders

Parex will release its Q1 2023 financial and operating results after markets close on Wednesday, May 10, 2023.

On Thursday, May 11, 2023, the Company will hold its Annual General and Special Meeting of shareholders at 9:30 am MT (11:30 am ET) in-person and virtually. Participants looking to attend in-person can at the 4th Floor Conference Center, Eight Avenue Place, East Tower, 525, 8th Ave SW, Calgary, Alberta – and those wishing to participate can do so virtually through the following link: <https://meetnow.global/M9TT6PK>.

Further information regarding the Annual General and Special Meeting, including meeting materials, can be found at www.parexresources.com under Investors.

About Parex Resources Inc.

Parex is the largest independent oil and gas company in Colombia, focusing on sustainable, conventional production. The Company’s corporate headquarters are in Calgary, Canada, with an operating office in Bogotá, Colombia. Parex is a member of the S&P/TSX Composite ESG Index and its shares trade on the Toronto Stock Exchange under the symbol PXT.

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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" 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: the Company's strategy, plans and focus; that the Company will resume full operations in the Northern Llanos basin; that the Company will proactively work with all stakeholders in order to resume activities at its Arauca Block; Parex's expectations that it will resume drilling operations at its Arauca Block and the anticipated timing thereof; Parex's expectations that the proactive shut-in will affect its results for Q1 2023; anticipated production; the anticipated timing of when Parex will release its financial and operating results for Q1 2023; and the anticipated timing of when Parex will hold its Annual General and Special Meeting of its shareholders. 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.

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; 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; impact of the COVID-19 pandemic and the ability of the Company to carry on its operations as currently contemplated in light of the COVID-19 pandemic; determinations by OPEC and other countries as to production levels; prolonged volatility in commodity prices; risk of delay in completing or non-competition of required transfers of the applicable operating and environmental permits; failure of counterparties to perform under contracts; competition; lack of availability of qualified personnel; the results of exploration and development drilling and related activities; obtaining required approvals of regulatory authorities, in Canada and Colombia; 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; ability to access sufficient capital from internal and external sources; failure of counterparties to perform under the terms of their contracts; the risk that the Company may not resume full operations in the Northern Llanos basin when anticipated, or at all; the risk that the Company may not resume activities at its Arauca Block when anticipated, or at all; risk that the Company's production is less than anticipated; risk that the Company operations continue to be affected in the Northern Llanos basin; 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.sedar.com).

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: current commodity prices and royalty regimes; the impact (and the duration thereof) that COVID-19 pandemic will have on the demand for crude oil and natural gas, Parex's supply chain and Parex's ability to produce, transport and sell Parex's crude oil and natural gas; availability of skilled labour; timing and amount of capital expenditures; future exchange rates; the price of oil; the impact of increasing competition; conditions in general economic and financial markets; availability of drilling and related equipment; effects of regulation by governmental agencies; royalty rates; future operating costs; effects of regulation by governmental agencies; 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; 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; 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 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 full operations will resume in the Northern Llanos basin; 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.

Advisory on Oil & Gas Matters

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.