

Parex Resources Announces Production Update and Timing of Q3 2024 Results



Calgary, Alberta, October 8, 2024 – Parex Resources Inc. (“Parex” or the “Company”) (TSX: PXT) announces a production update as well as its plan to release its Q3 2024 financial and operating results on Tuesday, November 5, 2024.

Q3 2024 Production Update⁽¹⁾

- Q3 2024 average production was 47,569 boe/d.
- Average production was in line with the most recent production guidance⁽²⁾.
- September 2024 production was supported by a new well at Capachos.
- Parex’s production guidance incorporates a range of technical outcomes and contingency for significant downtime events; there were no notable downtime events during the quarter.

boe/d	For the three months ended September 30, 2024
Block LLA-34	24,975
Southern Llanos	15,031
Northern Llanos	4,567
Magdalena Basin	2,268
Natural Gas Production	728
Average Production	47,569

(1) See “Product Type Disclosure.”

(2) See August 28, 2024 news release.

Monthly Production Breakdown⁽¹⁾⁽²⁾

boe/d	July 2024	August 2024	September 2024
Average Production	48,850	46,350	47,450

(1) See “Product Type Disclosure.”

(2) Rounded for presentation purposes.

Q3 2024 Conference Call & Webcast

Parex will host a conference call and webcast to discuss its Q3 2024 results on Wednesday, November 6, 2024, beginning at 9:30 am MT (11:30 am ET). 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.

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Product Type Disclosure

Product Type	July 2024	August 2024	September 2024
Light & Medium Crude Oil (bbl/d)	9,308	8,832	9,041
Heavy Crude Oil (bbl/d)	38,793	36,808	37,681
Conventional Natural Gas (mcf/d)	4,492	4,262	4,363
Oil Equivalent (boe/d)	48,850⁽¹⁾	46,350⁽¹⁾	47,450⁽¹⁾

(1) Rounded for presentation purposes.

Product Type	For the three months ended September 30, 2024
Light & Medium Crude Oil (bbl/d)	9,064
Heavy Crude Oil (bbl/d)	37,776
Conventional Natural Gas (mcf/d)	4,370
Oil Equivalent (boe/d)	47,569

Oil & Gas Matters Advisory

The term "Boe" means a barrel of oil equivalent on the basis of 6 thousand cubic feet ("Mcf") of natural gas to 1 bbl. Boe 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.

Advisory on Forward-Looking Statements

Certain information regarding Parex set forth in this press release 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", "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.

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 press release, 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 price; 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 in the future; that the Board will declare dividends in the future; and other matters.

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; prolonged volatility in commodity prices; industry conditions including changes in laws and regulations including adoption of new environmental laws and regulations, and changes in how they are interpreted and enforced in Canada and Colombia; determinations by OPEC and other countries as to production levels; competition; lack of availability of qualified personnel; the results of exploration and development drilling and related activities; obtaining required approvals of regulatory authorities in Canada and Colombia; 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; failure of counterparties to perform under contracts; risk that Brent oil prices are lower than anticipated; risk that Parex's evaluation of its existing portfolio of development and exploration opportunities is not consistent with its expectations; risk that initial test results are not indicative of future performance or ultimate recovery; risk that other zones to be tested do not contain the expected hydrocarbon bearing formations; the risk that Parex's 2024 capital expenditures and planned exploration and development programs are different than expected, including in a manner adverse to Parex; the risk that Parex's financial and production results may be less favorable than anticipated; the risk that certain of Parex's wells may not spud or come onstream when anticipated, or at all; the risk that Parex may not have sufficient financial resources in the future to pay a dividend or repurchase its shares; the risk that the Board may not declare dividends in the future or that Parex's dividend policy changes; that risk that Parex may not actively adjust its capital allocation or maximize shareholder value; the risk that the Company may purchase less shares per day through its automatic share purchase plan than anticipated and that it may not adjust to match its targeted long-term capital allocation framework as required; 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).

Management has included the above summary of assumptions and risks 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.

Abbreviations

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

bbl	one barrel
bbl/d	barrels per day
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
mcf	thousand cubic feet
mcf/d	thousand cubic feet per day