

Parex Resources Announces Appointment to the Board of Directors, Production Update and Acceleration of Share Buybacks

Calgary, AB

Parex Resources Inc. ("Parex" or the "Company") (TSX: PXT) is pleased to announce the appointment of Mrs. Lynn Azar to the Board of Directors (the "Board") effective immediately, and a production and return of capital update. Additionally, Parex has confirmed that it will release its second quarter 2022 financial and operating results on Wednesday, August 3, 2022, following the close of markets, with a conference call & webcast the following day.

Appointment to the Board of Directors

Parex is pleased to announce the appointment of Mrs. Lynn Azar to its Board as an independent director. Lynn is a finance executive who is currently Senior Vice President, Head of Finance at PlayStation Studios, a division of Sony Interactive Entertainment. Prior to this role, she spent 18 years in the energy industry at Shell, holding senior financial and commercial roles.

Mrs. Azar has a Bachelor's and Master's degree in Economics and Finance from the American University of Beirut, is a Certified Management Accountant (CMA), and a Chartered Financial Analyst (CFA) charterholder. She has experience sitting on subsidiary boards and has joined the Finance & Audit Committee of the Board.

"We are excited to welcome Lynn to our Board of Directors and look forward to her expertise as well as valuable insights that will contribute to the ongoing success of Parex," commented Wayne Foo, Chair of Parex' Board of Directors.

Production Update

- **Q2 2022 Production:** Average production is estimated to be approximately 51,143 boe/d (6,734 bbl/d of light crude oil and medium crude oil, 42,373 bbl/d of heavy crude oil and 12,216 mcf/d of conventional natural gas), up approximately 17% from second quarter 2021 and relatively consistent with first quarter 2022; average production varied from Management's guidance of 52,000 to 53,000 boe/d primarily due to well timing as well as higher than expected downtime that has since normalized.
- **Total Current Production:** Average current production is approximately 54,000 boe/d.
- **Reconfirmation of Full-Year 2022 Production Guidance:** Parex expects 2022 full-year production to average 54,000 to 56,000 boe/d and by the fourth quarter of 2022 achieve record production with an expected exit rate in excess of 60,000 boe/d.

Return of Capital Update – Share Buyback Accelerated

As of June 23, 2022, Parex accelerated the pace of share buybacks under its current normal course issuer bid (“NCIB”). Year-to-date June 30, 2022, Parex has repurchased over 7.2 million shares and expects that the Company will purchase the maximum allowable shares of 11.8 million during the year. This would mark the fourth year in a row where Parex has purchased the maximum allowable shares under its NCIBs.

2022 Second Quarter Results and Conference Call & Webcast

We are holding a conference call and webcast for investors, analysts and other interested parties on Thursday, August 4, 2022, at 8:30 am MT (10:30 am ET). To participate in the conference call or webcast, please see access information below:

Toll-free dial number (Canada/US)	1-800-952-5114
International dial-in numbers	Click to access the dial-in number of your location
Passcode	5806112 #
Webcast	https://edge.media-server.com/mmc/p/f3hy7o9c

About Parex Resources Inc.

Parex is the largest independent oil and gas company in Colombia, focusing on sustainable, conventional production. Parex’s corporate headquarters are in Calgary, Canada, and the Company has 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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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 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 Mcf: 1bbl, utilizing a conversion ratio at 6 Mcf: 1 bbl may be misleading as an indication of value.

Share Buyback Advisory

The acquisition by the Company of its shares pursuant to its NCIB, if any, and the level thereof is uncertain. Any decision to acquire shares of the Company will be subject to the discretion of the Board 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. There can be no assurance that the Company will repurchase any shares of the Company in the future.

Advisory on Forward Looking Statements

Certain information regarding Parex set forth in this document contains forward-looking statements that involve substantial known and unknown risks and uncertainties. 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.

In particular, forward-looking statements contained in this document include, but are not limited to, statements with respect to: Parex's timing to release its second quarter 2022 financial and operating results; Parex's expected 2022 full year average production, its expectations that it will achieve record production by the fourth quarter of 2022 and its expected 2022 exit production rate; and Parex's expectations that the Company will purchase the maximum allowable shares under its NCIB and the anticipated timing thereof.

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; 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; 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; the risk that Parex's anticipated Q2 2022 production guidance and 2022 full year production and 2022 exit production rate guidance may be less than anticipated; the risk that Parex may not purchase the maximum allowable shares under its NCIB when anticipated, or at all; 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, among other things: current and anticipated 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, 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; 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 to acquire shares pursuant to its NCIB 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's potential financial position, including Parex's expectations that the Company will purchase the maximum allowable shares under its NCIB and the anticipated timing thereof, which information is subject to numerous assumptions, risk factors, limitations and qualifications, including those set forth in the above paragraphs. This information has been provided for illustration only and with respect to future periods are based on budgets and forecasts that are speculative and are subject to a variety of contingencies and may not be appropriate for other purposes. Accordingly, these estimates are not conclusive and are subject to change and are not to be relied upon as indicative of future results. 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. Except as required by applicable securities laws, the Company undertakes no obligation to update such financial outlook.