News Release **March 6, 2019**

Parex Resources Announces 2018 Fourth Quarter and Full Year Results

Calgary, Canada

Parex Resources Inc. ("Parex" or the "Company") (TSX:PXT) is pleased to announce its financial and operating results for the year and the three months ended ("Fourth Quarter" or "Q4") December 31, 2018.

All amounts herein are in United States dollars ("USD") unless otherwise stated. Please note that Parex will hold a conference call on Thursday, March 7, 2019 beginning at 9:30 AM Mountain Time to discuss the 2018 year-end and fourth quarter results.

2018 Financial and Operational Highlights

- Annual oil and natural gas production in 2018 averaged 44,408 barrels of oil equivalent per day ("boe/d"), of which 99% was crude oil, an increase of 25% over 2017;
- Released an independently evaluated reserves assessment prepared by GLJ Petroleum Consultants Ltd. ("GLJ") with proved plus probable reserves ("2P") growth of 14% over 2017, increasing to 184.7 million barrels of oil equivalent ("MMboe")(net company working interest, 98% crude oil) at December 31, 2018 from 162.2 MMboe (net company working interest, 99% crude oil) at December 31, 2017 and achieved 2P reserve replacement of 238% with total 2018 gross 2P reserve additions of 38.6 MMboe;
- Finding, Development and Acquisition costs ("FD&A") for the year ended December 31, 2018 were $9.75 per barrel of oil equivalent ("boe") for proved developed producing reserves and $7.29/boe for 2P reserves including future development capital;
- Earned net income of $402.9 million ($2.59 per share basic) for the year ended December 31, 2018 as compared to $155.1 million net income ($1.01 per share basic) for the year ended December 31, 2017;
- Generated an operating netback of $41.44/boe and a funds flow provided by operations ("FFO") netback of $23.56/boe from an average Brent price of $71.59/bbl;
- FFO of $382.9 million ($2.46 (CAD $3.19)[1] per share basic), a 37 percent increase from the year ended December 31, 2017 of $279.5 million ($1.81 (CAD $2.35)[1] per share basic) with a 31 percent increase in Brent reference pricing year over year;
- Utilized a portion of free cash flow, $45.9 million, to purchase 2,745,580 of the Company's common shares at an average price of CAD$19.95 pursuant to the Company's normal course issuer bid program ("NCIB");
- Capital expenditures ("Capex") including property acquisitions were $302.3 million compared to $212.3 million for the year ended December 31, 2017. Capital expenditures were funded from FFO;

(1) Using USD-CAD Bank of Canada 2018 Q4 average rate of 1.3204 and 2018 annual average of 1.2957 and 2017 Q4 average rate of 1.2713 and 2017 annual average of 1.2986

- Increased net working capital to $218.5 million at December 31, 2018 compared to a net working capital position of $163.4 million at December 31, 2017, and exited 2018 with no bank or term debt; and
- Participated in drilling 54 gross wells in Colombia resulting in 42 oil wells, 1 disposal well, 7 abandoned wells and 4 water injector wells, for a success rate of 86 percent.

Fourth Quarter Financial and Operational Highlights

- Achieved a record quarterly oil and natural gas production of 49,300 boe/d, an increase of 26 percent over the fourth quarter of 2017, a 10% increase over the previous quarter ended September 30, 2018, and 11% higher than the 2018 average oil and natural gas production;
- Earned net income of $54.1 million ($0.35 (CAD $0.46)[(1)] per share basic) compared to net income of $55.9 million ($0.36 per share basic) in Q4 2017;
- Fourth quarter sales volumes, excluding purchased oil, averaged 52,161 boe/d;
- Realized an operating netback of $37.89/boe and a FFO netback of $31.39/boe from an average Brent price of $68.32/bbl;
- Generated FFO of $150.7 million ($0.97 (CAD $1.28)[1] per share basic) a 61 percent increase compared to $93.9 million ($0.61 (CAD $0.78)[1] per share basic) in Q4 2017;
- Capex was $76.8 million in the period compared to $66.3 million in the comparative period of 2017 and $302.3 million for the full year in 2018. The fourth quarter capital expenditure program included $43.4 million for drilling and completion;
- For the three months ended December 31, 2018, the Company recognized free funds flow of $73.9 million;
- Net working capital was $218.5 million at December 31, 2018 compared to $143.2 million at September 30, 2018 and $163.4 million at December 31, 2017; and
- Participated in drilling 8 gross wells (4.3 net)[(2)] in Colombia resulting in 7 oil wells and 1 abandoned well, for a success rate of 88 percent in Q4 2018 compared to 46 gross wells in the preceding nine months of 2018 and 10 gross wells in the fourth quarter of 2017.

In 2018, Parex strengthened its balance sheet and exited the year with a larger net working capital surplus and no long-term debt.

(2) Oil wells: Andina-2, Jacana-14, Jacana-19, Tigana Norte-11, Tigana Norte-12, Tigana Norte-14 & Tua-11; and abandoned well:Anacaona-1.

	Three Months Ended Dec. 31, 2018	Three Months Ended Dec. 31, 2017	Three Months Ended Sep. 30, 2018	Year Ended December 31, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016
Operational						
Average daily production						
Oil (boe/d)	**49,300**	39,007	45,020	**44,408**	35,541	29,715
Average daily sales of produced oil and natural gas						
Oil (bbl/d)	**51,420**	38,203	42,961	**43,903**	35,181	29,593
Gas (Mcf/d)	**4,446**	2,724	3,834	**3,720**	1,974	1,452
Oil & Gas (boe/d)	**52,161**	38,657	43,600	**44,523**	35,510	29,835
Oil inventory - end of period (bbls)	**60,977**	103,020	324,197	**60,977**	103,020	92,306
Operating netback ($/boe)[1]						
Reference price - Brent ($/bbl)	**68.32**	61.46	75.84	**71.59**	54.75	45.12
Oil and gas revenue (excluding hedging)	**55.42**	50.43	61.69	**58.64**	43.73	33.07
Royalties	**(7.93)**	(5.58)	(9.30)	**(8.17)**	(4.52)	(3.14)
Net revenue	**47.49**	44.85	52.39	**50.47**	39.21	29.93
Production expense	**(5.62)**	(5.41)	(5.40)	**(5.54)**	(5.34)	(4.88)
Transportation expense	**(3.98)**	(4.05)	(2.58)	**(3.49)**	(4.18)	(7.02)
Operating netback ($/boe)[1]	**37.89**	35.39	44.41	**41.44**	29.69	18.03
Funds flow provided by operations ($/boe)[1]	**31.39**	26.39	36.68	**23.56**	21.57	13.20
Financial ($000s except per share amounts)						
Oil and natural gas revenue	**270,599**	180,738	250,909	**965,723**	572,768	393,958
Net income	**54,060**	55,921	88,731	**402,904**	155,078	(46,444)
Per share - basic	**0.35**	0.36	0.57	**2.59**	1.01	(0.31)
Funds flow provided by operations[1]	**150,658**	93,861	147,147	**382,941**	279,528	144,131
Per share - basic	**0.97**	0.61	0.95	**2.46**	1.81	0.95
Capital expenditures and property acquisitions	**76,758**	66,341	66,808	**302,343**	212,346	111,722
Total assets	**1,726,972**	1,121,908	1,681,115	**1,726,972**	1,121,908	918,671
Working capital surplus	**218,526**	163,401	143,243	**218,526**	163,401	93,290
Bank debt[2]	**—**	—	—	**—**	—	—
Outstanding shares (end of period) (000s)						
Basic	**155,014**	154,742	155,435	**155,014**	154,742	152,990
Weighted average basic	**155,403**	154,812	155,424	**155,417**	154,209	152,184
Diluted[3]	**161,991**	164,055	162,740	**161,991**	164,055	163,466

(1) The table above contains Non-GAAP measures. See "Non-GAAP Terms" for further discussion.
(2) Borrowing limit of $200.0 million as of December 31, 2018.
(3) Diluted shares include the effects of common shares and in-the-money stock options outstanding at the period-end. The December 31, 2018 closing stock price on the Toronto Stock Exchange was CAD $16.35 per share.

2019 Guidance

Parex' guidance for 2019, as previously press released on December 18, 2018, is as follows:

Production (average for period)		52,000-54,000 boe/d
Total Capital Expenditures		$200-$230 million
Funds Flow from Operations (FFO)	At $60/bbl Brent:	$450-$500 million
Free Funds Flow (FFO mid-point less Total Capex mid-point)		$260 million

The planned capital expenditures are approximately evenly split between maintenance, development, and exploration/new growth programs. The midpoint of the 2019 production guidance reflects year-over-year growth of approximately 20% as compared to 2018 and does not include potential production volumes resulting from the exploration program nor the accretion to shareholders resulting from the Company executing on a material NCIB ("Normal Course Issuer Bid") program in 2019. Under this guidance scenario, at current Brent pricing levels of approximately $60/bbl, the Company expects to generate a significant amount of free cash flow, which can be used to fund the normal course issuer bid.

We expect Q1 2019 average production to be at least 51,000 boe/d and Q2 2019 average production to exceed 52,000 boe/d.

Operational Update

Capachos (Working Interest 50%): The Andina Norte-1 exploration well was spud to evaluate the Mirador Guadalupe and Une Formations in an undrilled compartment on the Capachos structure. The well is currently drilling at a depth of approximately 16,000 feet. We expect to reach the target depth of 19,100 feet during April 2019.

Normal Course Issuer Bid

As of March 5, 2019, Parex has purchased for cancellation 5,504,355 common shares of the Company at an average cost of CAD$18.47 per share, pursuant to its normal course issuer bid that commenced on December 21, 2018. Pursuant to the normal course issuer bid, Parex may purchase for cancellation up to 15,041,319 common shares prior to December 20, 2019.

Annual General Meeting

Parex anticipates holding the Annual General Meeting on Wednesday, May 8, 2019 at 9:30 am (Mountain Time) at the Eighth Avenue Place Conference Centre located at 525 Eighth Avenue SW, Calgary.

Q4 2018 Conference Call & Webcast

Parex will host a conference call to discuss the 2018 fourth quarter and year-end results on Thursday, March 7, 2019 beginning at 9:30 am Mountain Time. To participate in the call, from Canada and the United States, dial 1-866-696-5910 then enter the passcode 4721458 #.

The live audio webcast will be carried at: https://edge.media-server.com/m6/p/jncedw2d

Individuals located outside of Canada and the USA are invited to access this event via webcast or by calling their respective location dial-in number available at:

https://www.confsolutions.ca/ILT?oss=7P1R8666965910

This news release does not constitute an offer to sell securities, nor is it a solicitation of an offer to buy securities, in any jurisdiction.

For more information, please contact:

Mike Kruchten

Senior Vice President, Capital Markets & Corporate Planning

Parex Resources Inc.

Phone: (403) 517-1733

Investor.relations@parexresources.com

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Non-GAAP Terms

The Company discloses several financial measures ("non-GAAP Measures") herein that do not have any standardized meaning prescribed under International Financial Reporting Standards ("IFRS"). These financial measures include operating netback per boe, funds flow from operations, funds flow from operations per boe, and free funds flow. Management uses these non-GAAP measures for its own performance measurement and to provide shareholders and investors with additional measurements of the Company's efficiency and its ability to fund a portion of its future capital expenditures.

The Company considers operating netbacks per boe to be a key measure as it demonstrates Parex' profitability relative to current commodity prices. The following is a description of each component of the Company's operating netback per boe and how it is determined

- Oil and natural gas sales per boe is determined by sales revenue excluding risk management contracts less non-cash oil revenue from overlifted Ocensa pipeline volumes divided by total equivalent sales volume including purchased oil volumes;
- Royalties per boe is determined by dividing royalty expense by the total equivalent sales volume and excludes purchased oil volumes;
- Production expense per boe is determined by dividing production expense by total equivalent sales volume and excludes purchased oil volumes; and
- Transportation expense per boe is determined by dividing transportation expense by the total equivalent sales volumes including purchased oil volumes.

Funds flow from operations per boe or funds flow netback per boe, is a non-GAAP measure 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.

Free funds flow is determined by funds flow provided by operations less capital expenditures.

Shareholders and investors should be cautioned that these measures should not be construed as an alternative to net income or other measures of financial performance as determined in accordance with IFRS. Parex' method of calculating these measures may differ from other companies, and accordingly, they may not be comparable to similar measures used by other companies. Please see the Company's most recent Management's Discussion and Analysis, which is available at www.sedar.com for additional information about these financial measures.

Oil & Gas Matters Advisory

The reserves information summarized in this press release is from reports prepared by our independent reserves evaluator, GLJ Petroleum Consultants Ltd. ("GLJ"), dated February 7, 2019 with an effective date of December 31, 2018, and dated February 3, 2018 with an effective date of December 31, 2017. Each of these reports was prepared in accordance with definitions, standards and procedures contained in the Canadian Oil and Gas Evaluation Handbook ("COGE") and National

Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities ("NI 51-101"). All December 31, 2018 reserves presented are based on GLJ's forecast pricing effective January 1, 2019 and all December 31, 2017 reserves presented are based on GLJ's forecast pricing effective January 1, 2018. Additional reserve information for December 31, 2018 as required under NI 51-101 will be included in the Company's Annual Information Form which will be filed on SEDAR on or before April 1, 2019. Additional information in respect of our December 31, 2017 reserves is contained in the AIF.

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. "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.

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.

This press release contains a number of oil and gas metrics, including finding, development and acquisition costs ("FD&A"), reserves replacement, reserves additions, and operating netbacks. These oil and gas metrics have 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.

FD&A is the sum of total capital expenditures incurred in the period and the change in future development capital ("FDC") required to develop reserves. FD&A cost per bbl is determined by dividing current period net reserve additions into the corresponding period's FD&A cost. Total capital includes both capital expenditures incurred and changes in future development capital required to bring proved undeveloped reserves and probable reserves to production during the applicable period. Reserve additions are calculated as the change in reserves from the beginning to the end of the applicable period excluding production. The aggregate of the exploration and development costs incurred in the most recent financial year and the change during that year in estimated FD&A generally will not reflect total finding and development costs related to reserves additions for that year. Changes in forecast FD&A occur annually as a result of development activities, acquisition and disposition activities and capital cost estimates that reflect our independent reserve evaluator's best estimate of what it will cost to bring the proved undeveloped and probable reserves on production.

Reserves replacement is calculated as 38.6 million barrels of oil equivalent gross proved plus probable reserve additions (including acquisitions) during the year ended December 31, 2018 divided by current annual production of 44,408 barrels per day and expressed as a percentage. Reserve additions is calculated as the change in proved plus probable reserves from December 31, 2017 (162.236 million barrels of oil equivalent (net company working interest)) to December 31, 2018 (184.674 million barrels of oil equivalent (net company working interest)) excluding production of approximately 16.2 million barrels of oil equivalent (net company working interest).

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' 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' 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 the performance characteristics of the Company's oil properties; the Company's expected 2019 capital expenditures, including its allocation and the Company's plans to fund its 2019 capital program from funds flow from operations; the Company's forecasted 2019 funds flow provided by operations based on certain oil prices and the Company's anticipated free funds flow for 2019; anticipated year-over-year production growth from 2019 production guidance; the Company's ability to generate free cash flow and its allocation; the Company's estimated 2019 full year production rate and the expected average production for Q1 2019 and Q2 2019; the expected timing of reaching targeted drilling depth of the Andina Norte-1 prospect at Capachos. 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 resources described can be profitably produced in the future. The recovery and reserve estimates of Parex' 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; 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 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; risk that Parex' 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; failure to reach production targets; 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' 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; availability of skilled labour; timing and amount of capital expenditures; future exchange rates; the price of oil, including anticipated Brent oil prices; the impact of increasing competition; conditions in general economic and financial markets; availability of drilling and related equipment; receipt of partner, regulatory and community approvals; royalty rates; future operating costs; effects of regulation by governmental agencies; uninterrupted access to areas of Parex' 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' 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' reserves and production 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 fulfil the contractual obligations required to retain its rights to explore, develop and exploit any of its undeveloped properties; 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' current and future operations and such information may not be appropriate for other purposes. Parex' 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 and, in particular the information in respect of the Company's expected capital expenditures for 2019, may contain future oriented financial information ("FOFI") within the meaning of applicable securities laws. The FOFI has been prepared by management to provide an outlook of the Company's financial results and activities and may not be appropriate for other purposes. The FOFI has been prepared based on a number of assumptions including the assumptions discussed in this press release. The actual results of operations of the Company and the resulting financial results may vary from the amounts set forth herein, and such variations may be material. The Company and management believe that the FOFI has been prepared on a reasonable basis, reflecting management's best estimates and judgments. FOFI contained in this press release was made as of the date of this press release and Parex disclaims any intent or obligation to update publicly the press release, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law.

Neither the TSX nor its Regulation Services Provider (as that term is defined in the policies of the TSX) accepts responsibility for the adequacy or accuracy of this release.