



News Release

September 3, 2015

Parex Announces Colombian Oil Discoveries and Increased 2015 Oil Production Guidance

Calgary, Canada

Parex Resources Inc. ("Parex" or the "Company") (TSX:PXT), a company focused on Colombian oil exploration and production, is pleased to announce three new Colombian oil discoveries on blocks LLA-26 and LLA-34, and increased oil production guidance for 2015.

All amounts herein are in United States dollars ("USD") unless otherwise stated.

Operational Update

Rumba/Bazar (Operated, Block LLA-26, WI 100%): Parex spud the Bazar-2 exploration well on July 28, 2015 to test the Mirador and Une formations on a separate structural closure along the same fault trend as the recent Rumba discovery. The bottom hole coordinates of the well are approximately 2.2 kilometers northeast of the Rumba-1 discovery well and 1.1 kilometers northeast of the Rumba-2 appraisal well. Bazar-2 reached the Mirador Formation target depth on August 23, 2015 and encountered potential oil bearing zones with electric log characteristics and hydrocarbon shows suggesting oil pay. The Bazar-2 well appears to share the same oil water contact in the Mirador Formation as the Rumba discovery suggesting the Mirador pool is continuous along the fault from Rumba-1 to Bazar-2. The well is currently drilling ahead to final target depth to test the deeper potential in the Une Formation. The well is expected to be tested later in September.

Chachalaca (Non-Operated, Block LLA-34, WI 55%): The Chachalaca-1 well was the first well to be drilled on an untested fault trend located northwest of the Tigana fault trend and was drilled to a depth of 12,270 ft. The well encountered three potential oil zones in the Mirador Formation. The initial test of the Chachalaca-1 well in the upper Mirador was only 63 hours in duration as an Electric Submersible Pump failure necessitated a workover on the well. During the initial 63 hour test, a total of 2,743 barrels of 31 API oil was recovered for an average production rate of 1,045 barrels of oil per day ("bopd"). The measured water cut from the zone at the end of the test period was 6% with some workover fluid yet to be recovered. Failure in the ESP sensor did not allow the producing bottom hole pressure to be estimated but this information will be obtained during the final well test. Testing of the well has now resumed and will continue for the allowed 7 day test period. The well also encountered potential oil pay in the Guadalupe Formation but it tested wet.

Jacana (Non-Operated, Block LLA-34, WI 55%): The Jacana-1 well was drilled to a depth of 10,900 ft along the same fault trend as the Tigana field approximately 6 kilometers southwest of the southernmost Tigana well. The well encountered potential oil bearing zones in the Mirador and Guadalupe formations and was tested in the deeper Guadalupe Formation. After 151 hours of a short term test a total of 10,746 barrels of 14.9 API oil was recovered for an average rate of 1,710 bopd. At the end of the test the well was producing at approximately 1,900 bopd which represents the limit of the current test facilities. After recovery of workover fluids the water cut dropped to 0.4% and subsurface pressure recorders measuring the producing pressure indicate a drawdown of approximately 18%. Testing the Jacana-1 well has been terminated and the drilling rig will be skidded to drill the Jacana-2 appraisal well which is to be located approximately 800 meters northeast of Jacana 1 towards the Tigana pool. Parex expects that the Jacana-1 well will be placed on long term production test in the Guadalupe Formation after drilling the Jacana-2 well. The Mirador Formation is expected to be tested in future Jacana appraisal wells.

Following the Jacana-1 oil discovery, the presence of oil in the Mirador and Guadalupe formations has now been confirmed along the entire fault trend a distance of approximately 15 kilometers from Tilo-1 to Jacana-1. The interpreted oil column height at Jacana-1 in the Guadalupe Formation is in excess of the mapped structural closure which suggests that the discovery may potentially extend beyond the southern end of the fault and is trapped stratigraphically to the south of Jacana-1.

Tilo (Non Operated, Block LLA-34, WI 55%): The Tilo-2 delineation well was drilled 740 meters southwest of the Tilo-1 well to delineate the Guadalupe reservoir. The Tilo discovery is located along the same fault trend as Tigana with the Tilo-2 well bottom hole coordinates approximately 3.5 kilometers from the Tigana Norte well. The well has been cased and encountered potential oil pay in the Guadalupe Formation. The drilling rig is being mobilized off of the location after which a completion rig will be mobilized to test the Tilo-2 well later in the year.

Guepardo (Operated, Block LLA-32, WI 70%): Guepardo-1 well was drilled and encountered good quality sands in the Mirador and Guadalupe formations but were both interpreted to be water bearing. The well was abandoned without testing. Further exploration drilling on LLA-32 had been planned for 2015 but has been deferred to 2016 in light of the exploration drilling success on blocks LLA-26 and LLA-34 and allocating additional capital to those areas.

2015 Guidance Update

Parex forecasts 2015 production to be approximately 27,400 bopd as compared to the original 2015 oil production guidance of 26,500 bopd. The revised production forecast represents an increase of 22% compared to the 2014 annual average oil production of 22,526 bopd. Fourth quarter 2015 oil production is forecast to be 28,500 bopd, an increase of 7% from production of 26,544 bopd for the fourth quarter of 2014.

Capital expenditures for 2015 are estimated to now range between \$140-\$145 million dependent upon oil prices as Parex will continue to review its discretionary exploration capital programs in the context of our funds flow from operations given the lower oil price environment.

Parex plans to drill the Taringa-1 and Tautaco-1 wells back to back to increase drilling rig efficiencies and accordingly does not expect to commence drilling the Taringa-1 well

until surface negotiations are complete for the Tautaco prospect on block LLA-10, which is anticipated to be late 2015. Accordingly for the remainder of 2015 capital expenditures will likely be limited to drilling the Jacana-2 appraisal well on LLA-34, commencement of drilling the Taringa-1 exploration well, Tautaco prospect civil construction and finishing facilities work on LLA-34, Rumba and LLA-32.

Parex is committed and able to maintain its strong balance sheet and cash reserves notwithstanding the lower oil price environment. At June 30, 2015 Parex had drawn no bank debt on its USD \$200 million syndicated credit facility and had working capital of approximately USD \$90 million including approximately USD \$104 million of cash.

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.

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Non-GAAP Terms

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Funds flow from operations is a non-GAAP term that includes all cash generated from operating activities and is calculated before changes in non-cash working capital. Management uses funds from (used in) operations to analyze operating performance and monitor financial leverage, and considers funds from (used in) operations to be a key measure as it demonstrates the Company's ability to generate cash necessary to fund future capital investments. Funds flow from operations is reconciled with net (loss) income in the consolidated statements of cash flows.

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' 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; supply and demand for oil; financial and business prospects and financial outlook; results of drilling and testing, results of operations; drilling plans; activities to be undertaken in various areas; capital plans in Colombia and annual production; plans to acquire and process 3-D seismic; timing of drilling and completion; and planned capital expenditures and the timing thereof. In addition, statements relating to "reserves" or "resources" are by their nature forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions that the resources and reserves 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; 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; ability to access sufficient capital from internal and external sources; the risks that any estimate of potential net oil pay is not based upon an estimate prepared or audited by an independent reserves evaluator; that there is no certainty that any portion of the hydrocarbon resources will be discovered, or if discovered that it will be commercially viable to produce any portion thereof; 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: current commodity prices and royalty regimes; 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; receipt of all required approvals for the Acquisition; royalty rates, future operating costs, 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.

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