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News release **August 13, 2013**

Parex Resources Announces 2013 Second Quarter Results and New Block Acquisitions

Calgary, Canada

Parex Resources Inc. ("**Parex**" **or the** "**Company**") (TSX:PXT), a company focused on oil exploration and production in Colombia and Trinidad, is pleased to announce financial and operating results for the three months ("Second Quarter" or "Q2") ended June 30, 2013. An update on current field activities and the Company's drilling schedule are also provided below. All amounts herein are in United States dollars unless otherwise stated.

Second Quarter Highlights:

- Achieved quarterly oil production of 15,463 barrels per day (bopd), an increase of 7% over the first quarter of 2013 and a 49% increase from the comparative period;
- Generated funds flow from operations of $65.6 million ($0.61 per share basic) as compared to $60.2 million ($0.56 per share) for the previous quarter and $0.57 per share in the comparative period. Funds flow has increased from the prior quarter as continued strong operating netbacks and production growth has more than offset a decline in global price for oil;
- Realized Brent referenced sales price of $99.34 per barrel ($/bbl) and an operating netback of $58.22/bbl;
- Released an updated independently evaluated reserves assessment with Proved plus Probable reserves growth of 47%, increasing from 16.1 million barrels of oil at December 31, 2012 to 23.7 million barrels of oil (net company working interest) at June 30, 2013;
- Participated in drilling 10 gross wells[1] (6.75 net) in Colombia, resulting in 8 oil wells, 1 disposal well and 1 untested well;
- Delivered material production and reserve growth in the first half of 2013 which was fully funded through funds flow from operations; and
- Through the Second Quarter and to date, we've increased our land position by 367,000 net acres and expanded our inventory portfolio through:
    - Cabrestero 50% working interest acquisition;
    - VMM-11 farm-in for 60% working interest and operatorship;
    - LLA-26 acquisition of 80% working interest and operatorship;
    - Morpho 50% working interest acquisition and operatorship; and
    - Cebucan acquisition of 100% working interest and operatorship

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[1] Oil wells: Akira-2, Akira-3, Akira-4, Las Maracas-8, Las Maracas-9, Tua-4, Tarotaro-1, Tarotaro-2; Disposal Well : Cumbre Sur-1; Untested Well: Celeus Sur-1.

Highlights

	Three Months ended June 30,		Three Months ended March 31,
	2013	**2012**	**2013**
Operational			
Average daily production			
Oil (bbl/d)	**15,463**	10,389	14,440
Average daily sales			
Oil (bbl/d)	**16,325**	11,556	13,328
Oil Inventory – end of period (bbls)	**134,636**	164,800	196,689
Operating netback ($/bbl)			
Reference Price - Brent	**102.56**	108.04	112.44
Oil revenue	**99.34**	107.54	109.63
Royalties	**(13.65)**	(8.43)	(15.15)
Net revenue	**85.69**	99.11	94.48
Production expense	**(9.19)**	(6.82)	(10.78)
Transportation expense	**(18.28)**	(19.01)	(16.67)
Operating netback	**58.22**	73.28	67.03
Financial **($000s except per share amounts)**			
Oil and natural gas revenue	**147,585**	113,087	164,990
Net income	**7,632**	20,920	11,136
Per share – basic	**0.07**	0.19	0.10
Adjusted Net income(1)	**5,987**	11,654	6,538
Per share – basic	**0.06**	0.11	0.06
Funds flow from operations	**65,638**	61,357	60,226
Per share – basic	**0.61**	0.57	0.56
Capital expenditure(2)	**77,921**	92,514	47,172
Total assets	**824,276**	768,498	827,821
Working capital (deficit) surplus	**8,630**	(555)	16,972
Convertible debentures(3)	**64,338**	61,940	65,402
Long-term debt (4)	**27,400**	-	20,000
Outstanding shares (end of period) (000s)			
Basic	**108,279**	108,422	108,514
Diluted(5)	**110,902**	111,495	112,487

The table above contains Non-GAAP measures. See "Non-GAAP Terms" for further discussion.

(1) Net income has been adjusted for the International Financial Reporting Standards (“IFRS”) accounting effects of changes in the derivative financial liability related to the convertible debenture. Management considers adjusted net income a better measure of the Company’s financial performance.

(2) Includes the Cabrestero Block acquisition of 50% working interest for approximately $12.5 million.

(3) Face value of the convertible debenture is Cdn$85 million with a conversion price of Cdn$10.15 per share.

(4) Borrowing limit currently set at $100 million.

(5) Diluted shares include the effects of common shares and in-the-money stock options outstanding at the period-end. The June 28, 2013 closing stock price was Cdn$4.12 per share.

Second Quarter Financial Summary

For the Second quarter of 2013, sales volumes averaged 16,325 bopd (net working interest before royalty) and the average realized sales price in Colombia was $99.34 per barrel, generating an operating netback of $58.22 per barrel. Operating plus transportation unit costs were $27.47/bbl compared to $27.45/bbl in the previous quarter. Compared to the previous quarter, Brent reference oil price decreased by $9.88/bbl while our operating netback decreased by $8.81/bbl.

Funds flow from operations in the Second Quarter of 2013 of $65.6 million ($0.61 per share basic) included a net decrease of 62,053 barrels of crude oil inventory. For the period of January 1-June 30, 2013 funds flow from operations were $125.9 million.

The Company's capital expenditures were $77.9 million in the Second Quarter, of which $77.2 million was related to Colombia and the remainder in Trinidad. Capital expenditures included the $12.5 million Cabrestero Block working interest acquisition, $6.4 million for new LLA-34 3D seismic and $7.9 million for facilities at the Las Maracas, Cumbre and Tua fields, with the balance allocated to drilling and completions. For the period of January 1-June 30, 2013 capital expenditures were $125.1 million.

Working capital surplus at period end was $8.6 million compared to a working capital surplus of $17.0 million in the previous quarter. Working capital also reflects the Company's 134,636 bbls of crude oil inventory valued at cost. The Company had bank debt of $27.4 million on a current available facility of $100 million and a cash balance of $44.9 million.

Combined working capital and bank debt remained flat from December 31, 2012 to June 30, 2013. In the same period, proved plus probable reserves increased by 47% and production increased by 21%.

Copies of the Company's consolidated financial statements and the related Management's Discussion and Analysis ("MD&A") have been filed with Canadian securities regulatory authorities and will be made available under the Company's profile at www.sedar.com and on the Company's website at www.parexresources.com.

Expanding Our Colombian Footprint

Leveraging Parex' operational and financial capabilities, the Company has finalized several agreements that have expanded our opportunity portfolio, and we will continue to evaluate similar opportunities as part of normal course of business.

1. **Cabrestero Block Acquisition**
   - Parex (block operator) increased its Cabrestero Block in the Llanos Basin working interest from 50 percent to 100 percent through acquiring its partner's working interest for a cash consideration of approximately $12.5 million before adjustments.
2. **VMM-11 Block Farm-in**
   - Parex signed a farm-in agreement for the VMM-11 block in the Middle Magdalena Basin of Colombia. Pursuant to the terms of the farm-in

agreement, Parex receives 60% working interest and operatorship and has a commitment to pay 100% of the drilling of one exploration well and 20 km^2 of 3D seismic, subject to regulatory approval.

3. **LLA-26 Block Acquisition**
    - Parex signed an assignment agreement for 80% working interest and operatorship of the LLA-26 block in the Llanos Basin of Colombia. Pursuant to the terms of the agreement at the assignment of working interest by the regulator Parex will pay $1.0 million. The Company will also pay 100% of the drilling of one exploration well. This block is located immediately south of our El Eden block.
4. **Morpho Block Acquisition**
    - Parex increased its Morpho Block working interest from 50 percent to 100 percent through acquiring its partner's working interest in return for a 4% net profit interest royalty, subject to regulatory approval. The block is located in the Middle Magdalena Basin of Colombia near the VMM-11 block.
5. **Cebucan Block Acquisition**
    - Parex signed an assignment agreement for 100% working interest and operatorship of the Cebucan block in the Llanos Basin of Colombia. Pursuant to the terms of the agreement at the assignment of working interest by the regulator Parex will pay $4.5 million. The current exploration phase requires drilling one exploration well. This block is adjacent to Block LLA-26.

To view a regional map of Parex' current Colombian land holdings, click on the link:
http://parexresources.com/sites/default/files/PXTLand2.pdf

Operations Update

- Q3 Production: We expect July-September 2013 average oil production to be approximately 16,200 bopd or quarter over quarter growth of approximately 700 bopd;
- Akira (Block Cabrestero, WI 100%): The Akira discovery will be produced at the current restricted rates for the remainder of 2013 as successful delineation of the Akira field has demonstrated the need for larger permanent facilities. These permanent facilities will be commissioned in January, 2014 and will allow for local disposal of produced water and a more efficient operation overall. Akira-1, Akira-2 and Akira-4 have all been tested at rates of 300-400 bopd and we plan to drill two additional delineation wells in the remainder of 2013.
- Las Maracas (Block Los Ocarros, WI 50%): The oil treatment plant has been commissioned and, based on well performance and the positive results of development drilling, total field production has been increased to approximately 11,500-12,000 bopd. For the remainder of 2013, we plan to drill two additional development wells and one appraisal well south of the current development.
- Adalia (Block LLA-30, WI 100%): Parex completed a successful short-term production test of Adalia-1 with a restricted rate averaging 1,000 bopd. Parex is

currently evaluating delineation locations for the Adalia discovery which will be drilled in late 2013 or early 2014, depending on wet season access restrictions.

- Tua (Block LLA-34, WI 45%): Tua-4 was successfully drilled to appraise the southern flank of the Guadalupe structure and is producing approximately 1,000 bopd. An additional delineation well is currently being planned in the southwest part of the pool to better delineate the Guadalupe reservoir. To date, wells producing in the Guadalupe reservoir have performed very well with the three Guadalupe producing wells averaging 1,500 bopd with no water production.
- Tarotaro (Block LLA-34, WI 45%): The Tarotaro-2 and Tarotaro-3 appraisal wells have been drilled and have successfully delineated the pool downdip and south of the Tarotaro 1 discovery. Tarotaro-5 is drilling (ahead of Tarotaro-4) which is a delineation/appraisal well south of the current development. Tarotaro-5 will likely be the final well for 2013. Permanent facilities for the Tarotaro discovery are planned for 2014.
- La Casona (Block El Eden, WI 60%): La Casona-2 was side-tracked for operational reasons on July 5, before reaching any reservoir objectives. The sidetrack well is currently setting casing in the C8 Formation at a depth of 14,500 feet. This well is expected to reach its target depth of 16,500 feet by the end of August 2013. Facilities are currently being installed at the La Casona field and production from La Casona-1 is expected to commence by the end of September.

Drilling Schedule

Parex currently has a catalyst rich program. A summary of the current drilling/testing program plus the immediately following locations is provided below:

#	Prospect	Block	Timing / Status
1	Las Maracas-10	Los Ocarros	Drilling
2	Las Maracas-12	Los Ocarros	Spud following Las Maracas-10
3	Las Maracas-14	Los Ocarros	Spud following Las Maracas-12
4	Celeus Sur	LLA-17	Completing / Testing
5	Akira 5	Cabrestero	Spud following Las Maracas-14
6	La Casona-2	El Eden	Drilling
7	La Guira	Los Ocarros	Spud following La Casona-2
8	Tarotaro-5	LLA-34	Drilling
9	Tigana-1	LLA-34	Preparing to spud following Tarotaro-5

For the second half of 2013, Parex plans to drill approximately (gross) 5 exploration prospects and 15 appraisal/development wells, all in Colombia. We anticipate Trinidad drilling activities to be deferred to 2014 and have re-allocated $20 million budgeted capital to Colombia.

Incorporating the pre-drill activities related to the Colombian block acquisitions and the additional cost of the La Casona-2 side-track well, the 2013 full year capital expenditures is now estimated to be $215-$225 million compared to the original budget of $210 million.

We continue to estimate full year production at 15,000-15,500 bopd, an increase of 34% over 2012, with capital expenditures fully self-funded through cash flow.

Q2 Conference Call Information

Parex will host a conference call to discuss these results on Wednesday**, August 14, 2013 at 9:30 am MT** (11:30 am ET). Media, analysts and investors wishing to participate can access it by calling 1-866-696-5910, pass code: 8740503.

The live audio will be carried at: http://bell.media-server.com/m/p/rbvfhz4v

Corporate Overview

Parex, through its direct and indirect subsidiaries, is engaged in oil and natural gas exploration, development and production in South America and the Caribbean region. Parex is conducting exploration activities on its 1,759,000 gross acre holdings primarily in the Llanos Basin of Colombia and 219,000 gross acre holdings onshore Trinidad. Parex is headquartered in Calgary, Canada.

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

Funds flow used in, or from operations, working capital, adjusted net income, operating netback per barrel and net debt may from time to time be used by the Company, but do not have any standardized meaning under IFRS and may not be comparable to similar measures presented by other companies. Funds flow used in, or from operations includes all cash generated from operating activities and is calculated before changes in non-cash working capital. Funds flow used in, or from operations is reconciled with net earnings in the consolidated statements of cash flows. Funds flow per share is calculated by dividing funds flow used in, or from operations by the weighted average number of shares outstanding. Working capital includes current assets less current liabilities but may not include the change in non-cash working capital from one period to the next. Adjusted net income is determined by adding back any losses or deducting any gains associated with the Company's derivative financial liability. Operating netback per barrel equals sales revenue, less royalties, production expense and transportation expense, divided by total equivalent sales volume. Total net debt is a non-GAAP measure defined as the sum of working capital less the convertible debentures (excluding the derivative financial liability associated with the convertible debentures). 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 growth expenditures.

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, 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 rates; plans to acquire and process 3D 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, Colombia and Trinidad & Tobago; 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, Colombia and Trinidad & Tobago; competition; lack of availability of qualified personnel; the results of exploration and development drilling and related activities; obtaining required approvals of regulatory authorities and partners, in Canada, Colombia and Trinidad & Tobago; 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 effect 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; 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'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.

Any references in this press release to test production rates are useful in confirming the presence of hydrocarbons, however, such rates are not determinative of the rates at which such wells will commence production and decline thereafter. These test results are not necessarily indicative of long-term performance or ultimate recovery. Readers are cautioned not to place reliance on such rates in calculating the aggregate production for the Company.

The TSX has not received and does not accept responsibility for the adequacy or accuracy of this news release.