



News Release

September 8, 2016

Parex Provides Operational Update & Upcoming Drilling Program

Calgary, Canada

Parex Resources Inc. ("Parex" or the "Company") (TSX:PXT), provides an operational update.

Upcoming Work Program

Throughout September 2016, Parex expects to accelerate its drilling program, with rigs mobilizing to the following locations:

- **Aguas Blancas** (WI 50%): Civil works are underway as we prepare to mobilize a drilling rig to spud an appraisal well prior to the end of September 2016. We are also preparing a second pad for drilling and expect to drill a total of 6 appraisal wells in 2016.
- **Block LLA-34** (WI 55%): Following up on the successful Jacana-5 exploration well (currently producing approximately 2,500 bopd), the drilling rig will move from the Tigana-4 development well to the Jacana-6 exploration well. The Jacana-6 well is programmed to evaluate the extent of the Guadalupe oil accumulation to the south-west.
- **Playon Block** (WI 50%): We are preparing to mobilize a drilling rig to spud an exploration well, Boranda-1, prior to the end of September 2016.
- **Block LLA-32** (WI 70%): We are preparing to mobilize a drilling rig to spud an exploration well, Xorop-1, prior to the end of September 2016.
- **Cerrero Block** (WI 100%): The Katmandu Norte-2 exploration well was drilled and cased. Parex plans to complete and test Katmandu Norte-2 and begin a long-term test on Katmandu Norte-1 in order to evaluate the Gacheta/Une reservoir.

The following is a summary of the expected drilling activities for second half (H2) of 2016:

#	Prospect/Well	Block	Well Type	Status/ Expected Timing (Spud Date)
1	Jacana-4	LLA-34	Development	Producing ~2,000 bopd
2	Jacana-5	LLA-34	Appraisal	Producing ~2,500 bopd
3	Katmandu N-2	Cerrero	Exploration	Cased. Preparing to test
4	Tigana-4	LLA-34	Development	Drilling
5	Jacana-6	LLA-34	Exploration	Q3
6	Chiricoca-1	LLA-34	Exploration	Q4
7	Tigana Sur-4	LLA-34	Development	Q4
8	Tigana Sur-5	LLA-34	Development	Q4

9	Xorop-1	LLA-32	Exploration	Q3
10	Boranda -1	Playon	Exploration	Q3 - 1 st Playon farm-in well
11	Glauca-1	VMM-11	Exploration	Q4
12	Ponyo-1	Cabrestero	Exploration	Q4 (re-drill at new location)
13	AB	Aguas Blancas	Appraisal	Q3
14	AB	Aguas Blancas	Appraisal	Q4
15	AB	Aguas Blancas	Appraisal	Q4
16	AB	Aguas Blancas	Appraisal	Q4
17	AB	Aguas Blancas	Appraisal	Q4
18	AB	Aguas Blancas	Appraisal	Q4

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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, competitive advantages, plans for and results of drilling activity, 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 Parex' expected drilling plans and activities for the second half of 2016, including Parex's plans to mobilize drilling rigs to spud an appraisal well at Aguas Blancas, an exploration well at Playon Block and an exploration well at Block LLA-31 and the anticipated timing thereof; the expected number of appraisal wells to be drilled at Aguas Blancas in 2016; Parex' plans to complete and test the Katmandu Norte-2 well and to long-term test the Katmandu Norte-1 on the Cerrero Block; and Parex' expected drilling activities on each of its prospects for the second half of 2016, including the types of wells to be drilled and the status and expected 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; 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; risks related to obtaining required approvals of regulatory authorities, in Canada and Colombia and partner and community approvals in 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 the terms of their contracts; 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; royalty rates; future operating costs; 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; 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; that the estimates of Parex' 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; 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.