



News Release

April 27, 2016

Parex Announces Two Farm-in Agreements with Ecopetrol for the De Mares and Playon Middle Magdalena Blocks in Colombia and Provides an Operational Update

Calgary, Canada

NOT FOR DISTRIBUTION OR FOR DISSEMINATION IN THE UNITED STATES

Parex Resources Inc. ("Parex" or the "Company") (TSX: PXT), a company focused on oil exploration and production in Colombia, is pleased to announce the execution of two formal binding agreements with Ecopetrol S.A. ("Ecopetrol") whereby Parex will farm-in to operate and earn a 50% working interest in the De Mares and Playon blocks located in the Middle Magdalena Basin of Colombia. The transfer of 50% of the working interest and the operatorship from Ecopetrol to Parex is subject to the National Hydrocarbons Agency of Colombia (Agencia Nacional de Hidrocarburos) approval, and in accordance with the De Mares and Playon agreements.

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

De Mares Block Farm-in Agreement

The De Mares Block (174,387 gross acres) is located in the Middle Magdalena Basin immediately east of the La Cira-Infantas and Aguas Blancas oil fields. Parex previously announced the farm-in agreement with Ecopetrol in respect of the Aguas Blancas block whereby Parex will invest approximately \$61 million in appraisal work to earn a 50% working interest and operatorship in the block. Aguas Blancas is located immediately south of the La Cira-Infantas oil field which has produced approximately 850 mmbbls to date according to public data.

Under the agreement Parex has committed to fund 100% of a work-over of the Coyote-1 well for an estimated cost of \$3 million to earn a 50% working interest and operatorship of the De Mares Block. The Coyote-1 exploration well was drilled in 2012 based on interpretation of 200km of 2D seismic. It encountered oil bearing sands in the Esmeraldas/La Paz Formation at a depth of approximately 6,700-7,200 feet and tested low rates of 22 API oil. There is currently no oil production from this block and the Coyote-1 well is the only recently drilled well on the block.

Subsequent to the Coyote-1 work-over, Parex and Ecopetrol have the option to drill one additional exploration well with Parex paying 100% of the costs. Parex is obligated to fulfill the farm-in agreement by April 2018 however, immediately following regulatory approval the Company expects to undertake the re-completion operation.

Playon Block Farm-in Agreement

The Playon Block (43,200 gross acres) is located in the Middle Magdalena Basin north of the La Cira-Infantas and Aguas Blancas oil fields. Under the agreement Parex has committed to fund 100% of the estimated drilling costs of \$7 million for the Boranda-1 exploration well to earn a 50% working interest and operatorship of the Playon Block. Although the current block license expires in November 2016, the Boranda-1 drilling pad has been built by Ecopetrol on the basis of interpretation of 3-D seismic which

should enable Parex to commence drilling operations in the fourth quarter of 2016, subject to regulatory approval.

The Boranda-1 well will explore the continuity of a stratigraphic play identified by offsetting discoveries that were drilled to the north and south of the Playon Block that tested medium gravity oil and it will target the Esmeraldas/La Paz Formation. Prior wells drilled on the block were located up-dip of the mapped pinch out edge supporting the stratigraphic play concept at Boranda-1.

For more information, please see the map on the Company's website at the following link:

<http://www.parexresources.com/wp-content/uploads/2016/04/Playon-De-Mares-Farm-In.pdf>

Operational Update

Parex expects Q1 2016 production to average approximately 28,900 barrels of oil equivalent per day ("boed") (99% crude oil) and produced sales are estimated at 30,200 boed due to a draw down of crude oil inventory. Our 2016 full year production guidance remains at 29,000 boed excluding any future exploration success. The 2016 drilling program is planned to commence in May 2016 on the Llanos Basin blocks Cabretero and LLA-34, and will include development, appraisal and exploration drilling. At current oil prices, the Company expects its 2016 capital expenditure program to be approximately \$80 million. However, upon the receipt of various regulatory approvals, Parex intentions are to expand the 2016 capital program with a focus in the Middle Magdalena Basin. At December 31, 2015 Parex had no bank debt and a working capital surplus of \$76.7 million.

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

Vice-President Corporate Planning and Investor Relations

Phone: (403) 517-1733

Investor.relations@parexresources.com

NOT FOR DISTRIBUTION OR FOR DISSEMINATION IN THE UNITED STATES

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 exit rate 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, 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, 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 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: 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.

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.