News Release **March 8, 2016**

Parex Resources Announces 2015 Fourth Quarter and Full Year 2015 Results

Calgary, Canada

Parex Resources Inc. (“Parex” or the “Company”) (TSX:PXT), a company focused on Colombian oil exploration and production, is pleased to announce financial and operating results for the three months (“Fourth Quarter” or “Q4”) ended December 31, 2015. All amounts herein are in United States dollars (“USD”) unless otherwise stated. Please note that a conference call to discuss Q4 results on Wednesday, March 9, 2016 beginning at 9:30 AM Mountain Time.

2015 Financial and Operational Highlights

- Achieved annual average oil production in 2015 of 27,434 barrels per day, an increase of 22 percent over 2014;
- Increased net working capital to $76.7 million at December 31, 2015 compared to a net debt position of $31.7 at December 31, 2014, and exited fourth quarter with no bank debt and available credit facility of $200 million;
- Released an updated independently evaluated reserves assessment prepared by GLJ Petroleum Consultants Ltd. with proved plus probable (“2P”) reserves growth of 19 percent over 2014, increasing to 81.7 million barrels of oil equivalent (98% crude oil) at December 31, 2015 from 68.4 million barrels of oil equivalent (net company working interest) at December 31, 2014;
- Finding, Development and Acquisition costs (“FD&A”) for the year were $2.00/bbl for proved (“1P’) reserves and $3.57/bbl for 2P reserves including future development capital;
- Generated full year 2015 funds flow from continuing operations of $130.3 million ($0.90 (CAD $1.15[1]) per share basic). Funds flow decreased from the comparative period of $293.9 million ($2.44 (CAD $2.69[2]) per share basic) due to lower oil prices partially offset by an increase in sales volumes;
- Recorded a net loss of $44.6 million ($0.31 per basic share) for the year ended December 31, 2015. The net loss was driven by non-cash impairment charges mainly associated with the decrease in world oil prices and expensed exploration costs;
- Completed a bought deal financing in April 2015 issuing 14.95 million shares at a price of CAD$9.15 per common share for gross proceeds of CAD $136.8 million;
- Executed a farm-in agreement with Empresa Colombiana de Petroleos S.A (“Ecopetrol) to operate and earn 50% working interest in the Aguas Blancas light oil field located in the Middle Magdalena Basin of Colombia; and

[1] Using USDCAD Bank of Canada 2015 annual average of 1.2787.
2 Using USDCAD Bank of Canada 2014 annual average of 1.1044.

- Participated in drilling 12 gross wells in Colombia resulting in 7 oil wells, 2 disposal wells and 3 abandoned wells, for a success rate of 70 percent.

Fourth Quarter Financial and Operational Highlights

- Achieved a record quarterly oil production of 28,588 barrels per day, an increase of 8% over the prior year comparative period and 4% greater than the 2015 average oil production;
- Generated funds flow from continuing operations of $33.6 million ($0.22 per share basic) or $12.16/bbl;
- Reduced production and transportation costs on a combined basis by 33% to $19.03/bbl from $28.23/bbl in the comparative period; and
- Generated free funds flow of $10.0 million as a result of funds flow from operations being in excess of fourth quarter capital expenditures.

Fourth Quarter and 2015 Financial Summary

For Q4 2015, sales volumes excluding purchased oil averaged 30,064 barrels of oil per day (working interest before royalty) and the average realized sales price in Colombia was $36.69 per barrel ("/bbl"), generating an operating netback of $15.12/bbl before crude oil hedge gains. Compared to the previous quarter, transportation and operating expenses decreased by $1.31/bbl. Parex expects to realize continued cash costs improvements during 2016 due to lower levels of industry activity and the depreciation of local currencies.

The Q4 2015 differential between Brent reference pricing and the realized sales price was $8.00/bbl. To date in 2016, Parex' realized sales price is in line with our historical differential of $5.00-7.00 on a per bbl basis.

Funds flow from operations in the Fourth Quarter of 2015 was $33.6 million ($0.22 per share diluted) compared to $13.5 million ($0.09 per share diluted) in the previous quarter which included a $30.8 million tax restructuring expense. The Q4 decrease in Brent oil prices offset the increase in quarterly production. Realizing the benefit of a Brent oil price put option increased the funds flow netback by $1.12 per bbl.

For the year 2015, funds flow from operations of $130.3 million funded capital expenditure of $125.5 million. Q4 capital expenditure program of $23.6 million included $14.5 million for drilling and completions. The level of drilling activity decreased during the Fourth Quarter of 2015 as the Company drilled 1 net well (Rumba-4) compared to 6 wells (4.2 net) in Q4 2014.

Parex had no debt at December 31, 2015 compared to a net debt (defined as total debt less working capital surplus) of $31.7 million in 2014. The Company currently has a credit facility borrowing base of $200 million ($175 million at December 31, 2014).

	Three Months ended			Year ended December 31,		
	Dec. 31,	Dec. 31,	Sep. 30,			
	2015	**2014**	**2015**	**2015**	**2014**	**2013**
Operational						
Average daily production						
Oil (bbl/d)	**28,588**	26,544	27,377	**27,434**	22,526	15,854
Average daily sales of produced oil						
Oil (bbl/d)	**30,064**	26,098	26,948	**27,751**	22,058	15,767
Oil inventory – end of period (barrels)	**136,184**	252,031	272,002	**136,184**	252,031	137,000
Operating netback ($/bbl)						
Reference price - Brent	**44.69**	77.07	51.16	**53.57**	99.56	108.64
Oil revenue (excluding hedging)	**36.69**	60.08	44.62	**46.59**	87.60	104.20
Royalties	**(2.54)**	(6.64)	(3.58)	**(3.79)**	(11.23)	(13.46)
Net revenue	**34.15**	53.44	41.04	**42.80**	76.37	90.74
Production expense	**(6.57)**	(10.95)	(7.03)	**(7.26)**	(11.15)	(9.95)
Transportation expense	**(12.46)**	(17.28)	(13.31)	**(13.84)**	(17.41)	(18.09)
Operating netback	**15.12**	25.21	20.70	**21.70**	47.81	62.70
Financial ($000s except per share amounts)						
Oil and natural gas revenue	**107,816**	160,584	123,249	**521,089**	752,022	636,577
Net income	**(3,474)**	(146,612)	(27,417)	**(44,621)**	(108,773)	12,672
Per share – basic	**(0.02)**	(1.09)	(0.18)	**(0.31)**	(0.90)	0.12
Funds flow from continuing operations	**33,628**	49,759	13,448	**130,271**	293,853	271,670
Per share – basic	**0.22**	0.37	0.09	**0.90**	2.44	2.51
Acquisitions	**-**	-	-	**-**	191,065	12,489
Capital expenditure	**23,611**	83,571	37,674	**125,482**	296,876	233,872
Total assets	**957,966**	1,034,415	1,003,271	**957,966**	1,034,415	854,808
Working capital (deficit) surplus	**76,708**	3,261	62,689	**76,708**	3,261	24,005
Convertible debentures(1)	**-**	-	-	**-**	-	66,060
Long-term debt(2)	**-**	35,000	-	**-**	35,000	8,530
Outstanding shares (end of period) (000s)						
Basic	**151,489**	134,690	150,208	**151,489**	134,690	108,712
Weighted average basic	**150,791**	134,503	150,164	**145,018**	120,379	108,421
Diluted(3)	**157,965**	142,091	156,979	**157,965**	142,091	118,276

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

(1) The convertible debentures with a face value of Cdn$85 million with a conversion price of Cdn$10.15 per share were fully redeemed on September 25, 2014.

(2) Borrowing limit of $200 million as of December 31, 2015, was $175 million at December 31, 2014.

(3) Diluted shares as stated include the effects of common shares and in-the-money stock options outstanding at the period-end. The December 31, 2015 closing stock price was Cdn$10.16 per share.

2015 Year-End Gross Reserves Volumes

Reserve Category [1]	December 31, 2013 (Mboe) [2]	December 31, 2014 (Mboe) [2]	December 31, 2015 (Mboe)	Increase over Dec 31, 2014
Proved Developed Producing (PDP)	7,795	20,342	**26,088**	28%
Proved (1P)	17,368	40,424	**46,006**	14%
Proved plus Probable (2P)	32,021	68,425	**81,679**	19%
Proved plus Probable plus Possible (3P)	49,949	103,981	**124,453**	20%

(1) 2015 2P Reserves are 98% crude oil. 2015 2P Reserves are 84% heavy crude oil compared to the 2014 GLJ Report of 82%. Heavy crude oil is defined as having an API greater than 10 degrees but less than or equal to 22.3 degrees. All reserves are presented as Parex working interest before royalties. Please refer to the "Reserve Advisory" section for a description of each reserve category.

(2) Mboe is defined as thousand barrels of oil equivalent.

- 2P growth of 19 percent from December 31, 2014, increasing from 68.4 million barrels of oil equivalent ("MMboe") (net company working interest) at December 31, 2015 to 81.7 MMboe (net company working interest) at December 31, 2015;
- Achieved 2P reserve replacement of 232%, with total 2015 reserve additions of 23.3 MMboe (98% oil);
- 2P after tax net present value discounted at 10 percent of approximately $928 million (CAD$1.3 billion at February average exchange rate) at December 31, 2015 compared to $1.1 billion at December 31, 2014;
- Gross undeveloped drilling locations of 40, 102 and 132 wells in the 1P, 2P and 3P cases respectively;
- 2P reserve life index increased from 7.1 years to 7.8 years and requires $318 million of future development capital; and
- Underpinned by strong reserves growth and superior capital efficiencies, Parex achieved PDP FD&A of $8.62/bbl and 2P FD&A of $3.57/bbl.

Operations Update & 2016 Guidance:

At Brent oil prices of $35-$40/bbl, we forecast our 2016 capital budget and funds flow from operations to be approximately $40-$80 million. We anticipate first quarter 2016 production to exceed 28,700 bopd and 2016 full year production to be 29,000 bopd, above the 2015 average of 27,434 bopd. Capital expenditures for 2016 consist of both maintenance and growth capital with our 2016 drilling program starting in Q2 2016 on blocks LLA-34 and Cabrestero.

Q4 Conference Call Information

Parex will host a conference call to discuss 2015 Fourth Quarter and Year End results on Wednesday, March 9, 2016 beginning at 9:30 am MT. To participate in the call, dial 1-866-696-5910, pass code: 2615313#
The live audio will be carried at: http://bell.media-server.com/m/p/7zuqceku

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

This report contains financial terms that are not considered measures under GAAP such as funds flow used in, or from operations, working capital, operating netback per barrel and adjusted net income, but do not have any standardized meaning under IFRS and may not be comparable to similar measures presented by other companies. 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.

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.

Reserve Advisory

The information provided is a summary of the independent reserves report prepared by GLJ dated February 5, 2016 with an effective date of December 31, 2015 (the "GLJ 2015 Report"), with comparatives to the independent reserves report prepared by GLJ dated February 13, 2015 with an effective date of December 31, 2014 (the "GLJ 2014 Report"), and the independent reserves report prepared by GLJ dated February 20, 2014 with an effective date of December 31, 2013 ("GLJ 2013 Report", and collectively with the GLJ 2015 Report and the GLJ 2014 Report, the "GLJ Reports"). Each GLJ Report was prepared in accordance with definitions, standards and procedures contained in the Canadian Oil and Gas Evaluation Handbook ("COGE Handbook") and National Instrument 51-101, Standards of Disclosure for Oil and Gas Activities ("NI 51-101"). Additional reserve information as required under NI 51-101 will be included in the Company's Annual Information Form which will be filed on SEDAR by March 31, 2016.

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. All December 31, 2015 reserves presented are based on GLJ's forecast pricing effective January 1, 2016, All December 31, 2014 reserves presented are based on GLJ's forecast pricing effective January 1, 2015. All December 31, 2013 reserves presented are based on GLJ's forecast pricing effective January 1, 2014.

"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.

“Possible” reserves are those additional reserves that are less certain to be recovered than probable reserves. There is a 10 percent probability that the quantities actually recovered will equal or exceed the sum of proved plus probable plus possible reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved plus probable plus possible reserves.

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.

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. 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 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.

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.

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.