News Release **November 4, 2014**

Parex Resources Announces 2014 Third Quarter 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 ("Third Quarter" or "Q3") ended September 30, 2014. All amounts herein are in United States dollars unless otherwise stated. Please note that there will be a conference call on Friday, November 7, 2014 beginning at 9:30 am MT.

Q3 2014 Financial and Operational Highlights

- Achieved a record quarterly oil production of 25,175 barrels per day ("bopd"), an increase of 27 percent over the three months ending June 30, 2014;
- Redeemed the Company's CDN$85 million convertible debenture for 8.3 million Parex basic shares. At September 30, 2014 Parex had no net debt as our working capital was in excess of our bank debt;
- Generated funds flow from operations of $88.7 million ($0.70 per share basic). This was reduced by a $9.1 million ($0.07 per share basic) one-time charge related to the unwinding of the cross-currency hedge associated with the conversion of the Company's debenture;
- Achieved funds flow from operations per diluted share of $0.69 compared to $0.64 in the prior period; grew year over year production by 55% with year to date funds flow from operations exceeding capital expenditures by $29 million;
- Realized an operating netback of $53.39 per bbl and a funds flow netback of $39.36 per bbl. Further, the Company built up its oil price hedge position for the three months ending December 31, 2014 by purchasing $103 per bbl puts for 6,000 bopd;
- Invested $56.8 million including drilling 9 gross wells (5.7 net) in Colombia, resulting in 5 oil wells, 2 disposal wells, 1 untested well, and 1 dry hole(1); and
- Acquired two new blocks in the 2014 Colombian bid round at 100% working interest in the Magdalena Basin, VIM-1 and VMM-9, totaling 375,965 acres. Also acquired a 50% working interest in Block LLA-10 adding another 189,544 gross acres(2).

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1 Wells Drilled: Oil Wells: Las Maracas-15(producing), Katmandu Norte-1(temporarily shut-in), Tigana Sur-2(producing), Kananaskis-3(producing), Akira-9(producing); Disposal wells: Las Maracas-16, Kananaskis-4; Untested (standing): Tua-7; Dry & Abandoned: Tigana Sur-3.

2 During Q3 2014 Parex signed a farm-in agreement to earn 44.5% working interest and operatorship of LLA-10. During October 2014 Parex acquired an additional 5.5% working interest to increase its total

Third Quarter Financial Summary

For Q3 2014, sales volumes excluding purchased oil averaged 24,490 bopd (net working interest before royalty) and the average realized sales price in Colombia was $94.40 per barrel ("/bbl"), generating an operating netback of $53.39/bbl. Production volumes in excess of sales volumes were added to inventory and are expected to be sold prior to year end.

Funds flow from operations in the Third Quarter of 2014 was $88.7 million ($0.69 per share diluted) compared to $77.3 million ($0.64 per share diluted) in the previous quarter as increased production volume offset a decrease in Brent oil prices. Unwinding of the cross-currency hedge associated with the conversion of the Company's debenture reduced the funds flow netback by $4.04 per bbl. Overall during the quarter the average reference price of Brent crude oil decreased by $6.23 per bbl and the Company's funds flow per bbl after adjusting for the settlement of the Company's debenture decreased by $3.94 per bbl as income tax and general and administrative units declined from the prior quarter.

Production and transportation unit costs were $30.12 per bbl compared to $27.82 per bbl in the prior quarter. The increase in these costs per barrel is expected to be addressed in 2014/early 2015 with oil treatment facilities construction on LLA-34 and accessing crude delivery stations closer to our field operations.

For the period from January 1, 2014 to September 30, 2014, funds flow from operations was $242.8 million and capital expenditures, excluding corporate acquisition costs, were $213.3 million. As expected during the Llanos Basin wet season, the Company executed a Q3 capital expenditure program of $56.8 million which included $45.5 million for drilling and completions. With the beginning of the dry season in the Llanos basin we expect Q4 capital expenditures to be approximately $75 million.

Net surplus, defined as working capital surplus less bank debt, was $3.0 million at period end, compared to a net debt of $24.8 million in the previous quarter. The Company currently has a credit facility borrowing base of $175 million.

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working interest to 50%.

	Three Months ended September 30, 2014	2013	Three Months ended June 30, 2014	Nine Months ended September 30, 2014
Operational				
Average daily production				
Oil (bbl/d)	**25,175**	16,199	19,876	21,172
Average daily sales of produced oil				
Oil (bbl/d)	**24,490**	16,041	18,502	20,697
Oil Inventory – end of period (barrels)	**249,355**	146,588	195,440	249,355
Operating netback ($/bbl)				
Reference Price - Brent	**103.46**	110.22	109.76	106.99
Oil revenue	**94.40**	106.41	104.53	100.05
Royalties	**(10.89)**	(13.75)	(15.06)	(13.22)
Net revenue	**83.51**	92.66	89.47	86.83
Production expense	**(12.32)**	(10.06)	(11.41)	(11.24)
Transportation expense	**(17.80)**	(18.72)	(16.41)	(17.47)
Operating netback	**53.39**	63.88	61.65	58.12
Financial ($000s except per share amounts)(1)				
Oil and natural gas revenue	**228,648**	157,043	182,996	591,438
Net income	**16,768**	(27,965)	11,408	37,839
Per share – basic	**0.13**	(0.26)	0.10	0.33
Funds flow from operations	**88,678**	68,291	77,331	242,755
Per share – basic	**0.70**	0.63	0.70	2.10
Per share – diluted	**0.69**	0.56	0.64	2.07
Acquisitions	**-**	**-**	191,065	191,065
Capital expenditure	**56,799**	49,962	95,101	213,305
Total assets	**1,266,610**	820,827	1,226,983	1,266,610
Working capital (deficit) surplus	**45,321**	18,801	31,189	45,321
Convertible debentures(2)	**-**	66,898	68,375	-
Long-term debt (3)	**42,305**	18,500	56,000	42,305
Outstanding shares (end of period) (000s)				
Basic	**134,253**	108,355	125,197	134,253
Weighted average basic	**126,410**	108,285	111,163	115,620
Diluted(4)	**141,344**	113,256	141,466	141,344

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) 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.
(3) Borrowing limit currently set at $175 million.
(4) Diluted shares as stated include the effects of common shares and in-the-money stock options outstanding at the period-end. The September 30, 2014 closing stock price was Cdn$12.45 per share.

Operational Update

Parex provided a detailed Operational Update on October 15, 2014. The following information reflects subsequent activity to date.

Akira (Operated, Cabrestero Block, WI 100%): Successfully drilled Akira-11 and the well is being tested by the drilling rig. Current field production is approximately 2,600 bopd with four wells on production.

Los Ocarros Block (Operated, WI 50%): The exploration prospect Zampona-1 was spud on Oct 28, 2014 to evaluate the Mirador, Gacheta and Une formations to a depth of approximately 12,700 feet.

Block LLA-32 (Operated, WI 70%): Carmentea 1 has been on production since July 10, 2014 at an average rate of approximately 2,000 bopd with a watercut of less than 0.5%. In the Carmentea-2 well Parex tested the Une Formation over a period of 19 hours. We recorded an average production rate of 240 bopd of 40^{o} API oil and 7.2 MMCFD of gas with a stable watercut of 7% over the test period. The existence of an apparent oil rim at the Une level in the Carmentea discovery will require further evaluation.

Tua (Non-Operated, Block LLA-34, WI 55%): The appraisal well Tua-8 was successfully drilled and Parex expects the drilling rig to be mobilized to the next exploration prospect Tilo-1, located directly north of the Tigana field.

Production: Production for the month of October was in excess of 26,500 bopd as test volumes were brought on stream primarily at blocks LLA-32 and Cabrestero. The Company had previously guided that production for the three month period ending December 31, 2014 would be 25,500-26,500 bopd. The Company forecasts that the 2014 production guidance can be achieved with a capital expenditure budget of approximately $290 million as compared to the previous outlook of $365 million, excluding the corporate acquisition costs, and is forecast to be funded entirely from cash flow. There was no reduction of the 2014 production guidance forecast resulting from the decreased forecast capital expenditures as the deferred capital was in respect of: a) deferral of drilling into Q1 2015 on blocks LLA-26 and El Porton; b) drilling and testing proof of concept activity on the Cebucan Block.

2015 Guidance

Parex expects to release its 2015 Guidance after market close on Thursday November 6, 2014.

Q3 & 2015 Guidance Conference Call Information

Parex will host a conference call to discuss Q3 results and 2015 Guidance on Friday, November 7, 2014 beginning at 9:30 am MT. To participate in the call, dial 1-866-696-5910, pass code: 8740503

The live audio will be carried at: http://bell.media-server.com/m/p/uwog8943

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.

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 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.

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