

# About Parex Resources

**Parex is the largest independent exploration and production (E&P) company in Colombia, focused on conventional oil and gas production.**

## Company Overview

- ✓ Track record of creating value in Colombia since 2009
- ✓ Largest independent land holder in Colombia with 5.4 million net acres
- ✓ Simple corporate structure
- ✓ Self-funded growth, offering transformational exploration opportunities, dividend yield & share buybacks
- ✓ Growing operated component of portfolio

## Strategy

There are three key pillars to our Colombian growth strategy:

### 1 Exploitation & Technology

Unlocking extensive land base using globally-proven technology

### 2 Liquids-Rich Gas

Pursuing onshore, world-class underexplored gas plays

### 3 Outsized Exploration Potential

Focusing on the execution of transformational, high-impact prospects

## Business At-a-Glance



Stock Symbol:  
PXT



Share Price<sup>1</sup>:  
C\$22.37



Market Capitalization<sup>1</sup>:  
C\$2.3 billion



Quarterly Dividend<sup>3</sup>:  
C\$0.385 per share



Dividend Yield<sup>1,2</sup>:  
6.9%



Average Production<sup>4</sup>:  
53,568 boe/d

<sup>1</sup>As of May 31, 2024.

<sup>2</sup>Supplementary financial measure; annualized dividend per share divided by PXT share price; see advisory.

<sup>3</sup>Based on C\$0.385 per share quarterly dividend as first approved on May 8, 2024.

<sup>4</sup>For the three months ended June 30, 2024 (light & medium crude oil: 9,541 bbl/d, heavy crude oil: 43,229 bbl/d, conventional natural gas: 4,788 mcf/d).



# Diversified Portfolio with Running Room for Growth in Colombia



## How We Produce Every Barrel

Our strategy & approach to **PRODUCTION** focuses on:

1. Minimizing decline rates and maximizing net present value
2. Leveraging technology such as horizontal drilling, as well as waterflood and polymer injection
3. Unlocking liquid-rich gas fields using industry-proven techniques such as gas cycling

### Production Portfolio

- Full-Year 2023 average production: 54,356 boe/d<sup>1</sup>
- 55% operated production<sup>2</sup>
- Full-Year 2024 average production guidance of 54-60 mboe/d<sup>3</sup>



### Production Legend

**OP** Operator

**NON-OP** Non-operator

Oil production

Gas production

**VIM-1 (50% WI)** **OP**  
*Magdalena*

Growing long-term liquids recovery through reinjecting gas

**Onstream:** 2021

**Future Outlook:** Gas cycling expected to be used as a template for future expansions in the VIM basin and the Northern Llanos

**LLA-34 (55% WI)** **NON-OP**

Focused on pressure management and minimizing decline; replicating Cabrestero success

**Onstream:** 2012

**Future Outlook:** Applying waterflood injection and horizontal drilling to increase EOR and minimize decline rates

**Cabrestero (100% WI)** **OP**  
*Southern Llanos*

Focused on pressure management, minimizing decline and near-field exploration

**Onstream:** 2012

**Future Outlook:** Applying waterflood injection and a polymer injection pilot to increase EOR and minimize decline rates

**Arauca & LLA-38 (50% WI)** **OP**  
*Northern Llanos*

Delivered exploration success at Arauca-8

**Onstream:** 2024

**Future Outlook:** Assessing initial performance results to determine future exploration and development plans.

**Capachos (50% WI)** **OP**  
*Northern Llanos*

Leveraging multi-zone potential in an area that has superior reservoir quality and attractive royalty structure; building block for Arauca and LLA-38 development

**Onstream:** 2018

**Future Outlook:** Capture incremental growth for optimization and recomplete opportunities, as well as execute near-field exploration

**Llanos Foothills** **OP**

Partnered with Ecopetrol S.A. to explore in a world-class trend for new sources of domestic gas and liquids

**Onstream:** Initial drilling commenced in 2024

**Future Outlook:** With the high-potential part of the trend captured, vision is to be continuously drilling in the region

## Exploring for Small and Big Wins

Our strategy & approach to **EXPLORATION** focuses on:

1. Prospects that generate quick shareholder returns through:
  - Fast onstream time
  - High production rates
  - Lower risk opportunities
2. Transformational big 'E':
  - Large resource potential
  - Strong risk/reward characteristics
  - World-class opportunities

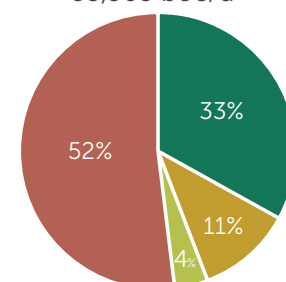
### Exploration Portfolio



- 41 blocks
- >100 exploration targets
- Both oil and gas targets, with range of cost and risk

### Q2 2024 Production

53,568 boe/d<sup>4</sup>



### Map Legend

- Northern Llanos
- Southern Llanos
- Magdalena
- Llanos-34
- Llanos Foothills
- 2024 Big 'E' Exploration Target
- WI Working Interest

<sup>1</sup>For year ended December 31, 2023 (light & medium crude oil: 8,417 bbl/d, heavy crude oil: 45,163 bbl/d, conventional natural gas: 4,656 mcf/d).

<sup>2</sup>Based on Q4 2023.

<sup>3</sup>See January 15, 2024 news release for additional information.

<sup>4</sup>For the three months ended June 30, 2024 (light & medium crude oil: 9,541 bbl/d, heavy crude oil: 43,229 bbl/d, conventional natural gas: 4,788 mcf/d).

# Top Quartile ESG Performance

Our ESG strategy focuses on four areas that support our ability to meet our goals, while addressing stakeholder concerns and priorities:

GOAL	1 COMMUNITY	2 GHG EMISSIONS & CLIMATE	3 OUR PEOPLE	4 WATER STEWARDSHIP
	Deliver long-term impacts to communities through targeted social investment	Reduce GHG emissions intensity rate year-over-year while meeting global energy needs	Promote an inclusive and diverse workforce	Use water responsibly as a trusted neighbour
PROGRESS	<ul style="list-style-type: none"> <li><b>Community investment:</b> Total delivered in 2023 is ~US\$21 million, which included US\$5 million in social investment and &gt;US\$16 million in Work for Taxes</li> <li><b>Work for Taxes</b> granted ~US\$33 million to deliver five community projects by 2026</li> </ul>	<ul style="list-style-type: none"> <li><b>Performance GHG:</b> 39% reduction (scope 1 &amp; 2) in intensity since 2019</li> <li><b>Solar power:</b> Avoided ~5,300 tCO<sub>2</sub>e through Cabrestero electricity grid connection; now supplying ~17% of the field's energy demand</li> </ul>	<ul style="list-style-type: none"> <li><b>85% participation</b> in 2023 Employee Engagement Survey</li> <li><b>Over 40% of directors</b> identify as diverse based on either ethnic, gender and/or racial background</li> </ul>	<ul style="list-style-type: none"> <li><b>4% annual decrease in total freshwater withdrawal</b> from operations in 2023</li> <li><b>Over 2,000 community members gained access to clean water</b> through Parex's Water for All program</li> </ul>

## Full-Year 2023 Performance

Net income of <b>US\$459 million</b>	<b>US\$668 million</b> Funds flow provided by operations <sup>1</sup>
<b>C\$1.50 per share<sup>2</sup> • US\$119 million</b> paid through regular dividends	<b>5.6 million shares • US\$105 million</b> repurchased

<sup>1</sup> Capital management measure; see advisory.

<sup>2</sup> Supplementary financial measure; see advisory.

**Advisory:** This brochure is provided for informational purposes only as of June 1, 2024, is not complete and may not contain certain material information about Parex Resources Inc. ("Parex" or the "Company"), including important disclosures and risk factors associated with an investment in Parex. This brochure does not take into account the particular investment objectives or financial circumstances of any specific person who may receive it and does not constitute an offer to sell or a solicitation of an offer to buy any security in Canada, the United States or any other jurisdiction. The contents of this brochure have not been approved or disapproved by any securities commission or regulatory authority in Canada, the United States or any other jurisdiction, and Parex expressly disclaims any duty on Parex to make disclosure or any filings with any securities commission or regulatory authority, beyond that imposed by applicable laws. This brochure includes Forward-Looking Statements, Non-GAAP and Other Financial measures, as well as Oil and Gas Information. Please refer to Parex Resources' news releases, Management Discussion & Analysis (MD&A) and investor presentations for a discussion of the material assumptions and risks.

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**MSCI**  
ESG RATINGS

