

Parex Resources

*Putumayo Blocks & Farallones Block
December 11, 2024*



Strategic Entry into the Putumayo Basin of Colombia

Establishing a low-risk development & exploitation platform that can become a new core area for PXT



Transaction Details⁽¹⁾

- Acquiring 50% W.I. in four blocks via a phased business collaboration agreement, with no upfront acquisition cost

Phase I

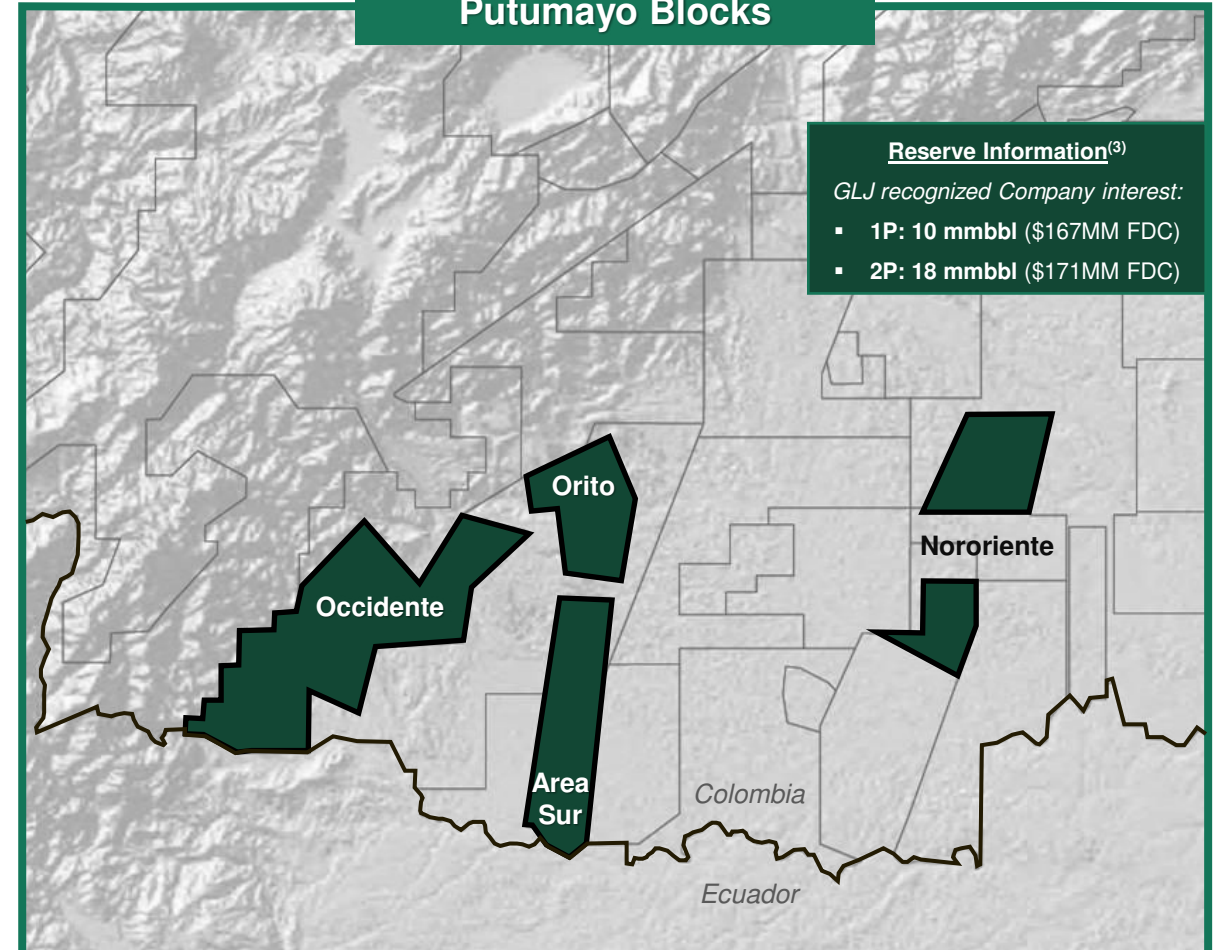
- PXT receives 50% of future incremental production
- Expenditure commitment for carry capital of ~\$175MM

Phase II (upon Phase I completion or after 3 years)

- PXT receives 50% of all base existing production, in addition to the 50% of future incremental production
- PXT pays ongoing 3% capital carry in favour of ECP
- Base existing production is currently ~5,800 bbl/d⁽²⁾
- PXT operatorship in all future drilling & capital activities
- Significant upside potential to increase recovery factors via lower-risk activity, such as infill drilling, re-completions, etc

Flexibility exists to shift commitment carry capital to other PXT & ECP partnerships as required

Putumayo Blocks



Blocks collectively produced >350 mmbbl to date via primary methods⁽⁴⁾

(1) See December 11, 2024 news release and "Forward-Looking Statements" advisory. (2) Source: National Hydrocarbons Agency of the Republic of Colombia ("ANH"); light & medium crude oil. (3) Reserves information contained in the independent reserves report prepared by GLJ Ltd. dated December 10, 2024, with an effective date of September 30, 2024; such report was prepared in accordance with definitions, standards and procedures contained in the Canadian Oil and Gas Evaluation Handbook and National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities; the reserves presented in this presentation are based on GLJ's forecast pricing effective October 1, 2024; all reserves are light & medium crude oil; see "Reserves Advisory." (4) Source: Ecopetrol S.A.; light & medium crude oil.

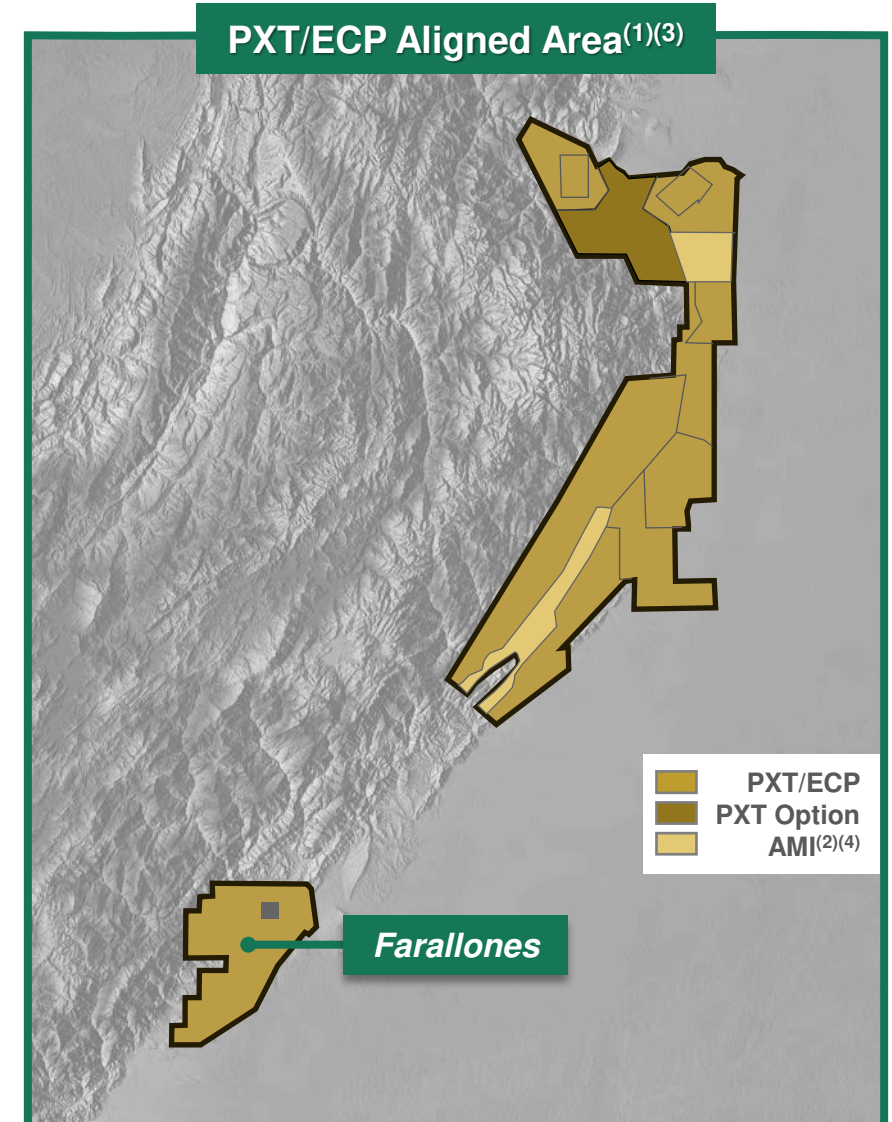
Farrallones Block High-Grades Portfolio

Extending high-potential Llanos foothills position with top-ranked exploration prospect in Colombia's most prolific trend



Transaction Details⁽¹⁾

- Acquiring 50% W.I. & operatorship in the Farallones Block⁽²⁾ for:
 - Drilling a single carry exploration well
 - Expenditure commitment for carry capital of ~\$30MM
 - Carry capital can be executed until 2029, with flexibility existing to shift commitment carry capital to other PXT & ECP partnerships as required
- **Farallones prospect represents one of the highest-ranking prospects in PXT's high-impact, big 'E' exploration portfolio**
 - Clearly imaged basement structure
 - Offset Cusiana, located ~70 kilometres to the southwest
 - Plan to commence initial access work in 2025 to prepare for civil works activity
 - Expect to spud prospect in 2026



(1) See December 11, 2024 news release and "Forward-Looking Statements" advisory. (2) Subject to government approval. (3) See April 11, 2024 news release. (4) Area of mutual interest whereby if either party acquires the rights within an area, each party has the right to acquire a 50% W.I. of the acquired area; excludes the extension of the existing discoveries from the Piedemonte Convenio, where Ecopetrol will keep 100% rights over such area.

Contact Information



Mike Kruchten

Senior Vice President, Capital Markets & Corporate Planning

403-517-1733

investor.relations@parexresources.com

Steven Eirich

Investor Relations & Communications Advisor

587-293-3286

investor.relations@parexresources.com

Parex Resources Inc.

2700 Eighth Avenue Place, West Tower
585 8th Avenue SW
Calgary, Canada

Parex Resources Colombia Ltd. Sucursal

Calle 113 No. 7-21, Of. 611
Edificio Teleport, Torre A
Bogotá, Colombia

www.parexresources.com



This presentation is provided for informational purposes only as of December 11, 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 presentation 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 presentation 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.

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", "forecast", "guidance", "budget" 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's 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 expectations and beliefs related to Parex's partnership with Ecopetrol and the transactions, farm-ins and other matters related thereto and the anticipated benefits to be derived therefrom; the Company's focus, plans, priorities and strategies; expectations regarding the opportunities that exist in the Putumayo and the Llanos Foothills basins; the anticipated amount of capital required to begin Parex's Phase I development and exploration activities in the Putumayo basin and the anticipated timing thereof; the future development capital associated with Parex's 1P and 2P reserves in the Putumayo basin; the anticipated timing of when Parex expects to commence initial access work to prepare for civil works activity; and the anticipated timing of when the Farallones exploration well will spud. 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's 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 and Colombia; prolonged volatility in commodity prices; 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; determinations by OPEC and other countries as to production levels; 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 and Colombia; the 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 contracts; the risk that Brent oil prices may be lower than anticipated; the risk that Parex's evaluation of its existing portfolio of development and exploration opportunities may not be consistent with its expectations; the risk that Parex may not be responsive to changes in commodity prices; the risk that Parex's partnership with Ecopetrol and the transactions, farm-ins and other matters related thereto may not lead to the benefits anticipated; the risk that the Putumayo and the Llanos Foothills basins may not provide Parex with the opportunities anticipated; the risk that the capital required to begin Parex's Phase I development and exploration activities at the Putumayo basin in 2025 may be greater than anticipated; the risk that Parex may not commence initial access work to prepare for civil works activity when anticipated, or at all; the risk that the Farallones exploration well may not spud when anticipated or at all; 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.sedarplus.ca).

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, among other things: current and anticipated commodity prices and royalty regimes; availability of skilled labour; timing and amount of capital; future exchange rates; the price of oil, including the anticipated Brent oil price; 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 partner, regulatory and community approvals; royalty rates; future operating costs; uninterrupted access to areas of Parex's operations and infrastructure; recoverability of reserves and future production rates; the status of litigation; timing of drilling and completion of wells; on-stream timing of production from successful exploration wells; operational performance of non-operated producing fields; 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's 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 Parex's evaluation of its existing portfolio of development and exploration opportunities is consistent with its expectations; current or, where applicable, proposed industry conditions, laws and regulations will continue in effect or as anticipated as described herein; that the estimates of Parex's production and 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; that Parex's partnership with Ecopetrol and the transactions, farm-ins and other matters related thereto will lead to the benefits anticipated; 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.



Forward-Looking Statements (Continued)

This presentation contains information that may be considered a financial outlook under applicable securities laws about the Company's potential financial position, including, but not limited to: the anticipated amount of capital required to begin Parex's Phase I development and exploration activities in the Putumayo basin and the anticipated timing thereof; and the future development capital associated with Parex's 1P and 2P reserves in the Putumayo basin; all of which are subject to numerous assumptions, risk factors, limitations and qualifications, including those set forth in the above paragraphs. The actual results of operations of the Company and the resulting financial results will vary from the amounts set forth in this presentation and such variations may be material. This information has been provided for illustration only and with respect to future periods are based on budgets and forecasts that are speculative and are subject to a variety of contingencies and may not be appropriate for other purposes. Accordingly, these estimates are not to be relied upon as indicative of future results. Except as required by applicable securities laws, the Company undertakes no obligation to update such financial outlook. The financial outlook contained in this presentation was made as of the date of this presentation and was provided for the purpose of providing further information about the Company's potential future business operations. Readers are cautioned that the financial outlook contained in this presentation is not conclusive and is subject to change.

Oil and Gas Advisory

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.

This presentation discloses drilling inventory which is broken down into three categories: (i) proved locations; and (ii) probable locations. Proved locations and probable locations are derived from the GLJ Report and account for drilling locations that have associated proved and/or probable reserves, as applicable. Of the 19 total drilling locations identified herein, 12 are proved locations, and 7 are probable locations. The drilling locations on which Parex will actually drill wells, including the number and timing thereof is ultimately dependent upon the availability of funding, regulatory approvals, seasonal restrictions, oil and natural gas prices, costs, actual drilling results, additional reservoir information that is obtained and other factors.

Reserves Advisory

Estimates of reserves set forth in this presentation from the GLJ Report have been prepared by GLJ as of December 10, 2024, with an effective date of September 30, 2024, in accordance with National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities and the Canadian Oil and Gas Evaluations Handbook and based on GLJ's forecast pricing effective October 1, 2024, which are available at www.gljpc.com. 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.

It should not be assumed that the estimates of future net revenues presented herein represent the fair market value of the reserves. There are numerous uncertainties inherent in estimating quantities of crude oil, reserves and the future cash flows attributed to such reserves.

"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.

Abbreviations

API gravity	American Petroleum Institute gravity	mboe/d	million barrels of oil equivalent per day
bbl(s)	barrel(s)	mcf/d	thousand cubic feet per day
bbl(s)/d or bopd	barrel(s) of oil per day	Mmcf/d	million cubic feet per day
Mmbbl	million barrels	MM	millions
kbbbl/d	thousand barrels of oil per day	W.I.	working interest
BOE or boe	barrel of oil equivalent	Brent	Brent Ice
Mmboe	million barrels of oil equivalent	FFO	funds flow provided by operations
boe/d	barrels of oil equivalent per day	FFF	free funds flow
kboe/d	thousand barrels of oil equivalent per day	tCO2e	tonnes of carbon dioxide equivalent