2025

Notice of Annual General Meeting & Management Proxy Circular

Annual General Meeting

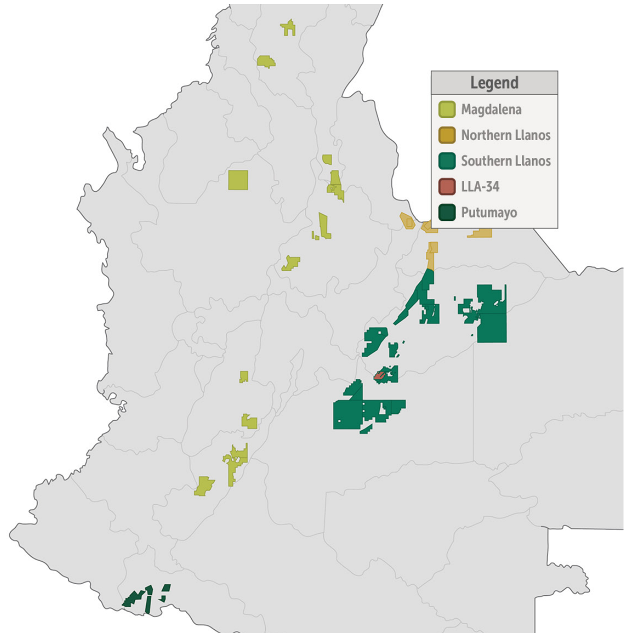
May 8, 2025

About Parex Resources

Parex is one of the largest independent exploration and production (E&P) companies in Colombia, focused on sustainable, conventional oil and gas production.

With its headquarters in Calgary, Canada, and an operating office in Bogotá, Colombia, Parex has a strong track record of delivering shareholder returns as well as partnering with community stakeholders to achieve long-term local benefits.

In support of our Colombia-focused strategy, we are leveraging industry-proven technology and unlocking our extensive land base. As the largest independent landholder in Colombia, we are developing sustainable assets and capturing exploration upside, all while managing shareholder risk and reward.[1]



2024 Operating & Financial Highlights

49,924 boe/d average production[2]	**US$622 million** Funds flow provided by operations[3]
$275 million free funds flow[4]	**US$186 million** returned to shareholders
C$1.53 per share regular dividend[5]	**5.5 million shares** repurchased

2024 ESG Highlights

Methane emissions ~39.6% YoY reduction[6] in scope 1 gross operated volume as result of venting recovery and leak repairs	**Environment** Avoided ~167,500 tCO_2e[6] of scope 1 emissions through Cabrestero's electricity grid connection, supplying on average ~40% of the field's energy
Strong 87% participation in Employee Engagement Survey	**US$36 million** invested to deliver Work for Taxes and social investment projects[7]
Delivered **best safety performance** on record	**50% of Board Committee chairs** were women

Business Fundamentals

- **Leverage** Colombia advantage & ESG performance
- **Drive** Safe & sustainable operations
- **Strategic** Transformational upside
- **Deliver** Return of capital

[1]Parex Resources is the largest independent land holder in Colombia when compared against independent Colombian oil and gas producers.
[2]For the year ended December 31, 2024 (Light & medium crude oil: 8,850 bbl/d, heavy crude oil: 40,336 bbl/d, conventional natural gas: 4,428 mcf/d).
[3]Capital management measure which is not a standardized measure under IFRS and may not be comparable to similar capital management measures used by other entities. Please see "Advisories – Non-GAAP and other Financial Measures Advisory" for the composition of such capital management measure, an explanation of how such capital management measure provides useful information to a reader and the purposes for which Management uses the capital management measure, and a reconciliation of the capital management measure to the most directly comparable IFRS measure.
[4]Non-GAAP financial measure which is not a standardized measure under IFRS and may not be comparable to similar capital management measures used by other entities. Please see "Advisories – Non-GAAP and other Financial Measures Advisory" for the composition of such Non-GAAP financial measure, an explanation of how such Non-GAAP financial measure provides useful information to a reader and the purposes for which Management uses the Non-GAAP financial measure, and a reconciliation of the Non-GAAP financial measure to the most directly comparable IFRS measure.
[5]Supplementary financial measure. Please see "Advisories – Non-GAAP and other Financial Measures Advisory" for the composition of such measure.
[6]Emissions have been calculated in accordance with GHG Protocol and IPCC guidance.
[7]Work for Taxes is a Colombian Government program, launched in 2017 to foster development in Zones Most Affected by Armed Conflict (ZOMAC). Through the program, companies with activities in Colombia can direct up to 50% of their tax obligations to fund infrastructure and other development projects, granted by the Government, that directly benefit and improve local conditions in the ZOMAC.

PAREX RESOURCES

Board Chair's Message

On behalf of the Board of Directors (the "Board") and Management team of Parex Resources Inc. ("Parex" or the "Company"), we invite you to participate in our Annual General Meeting (the "Meeting") of the shareholders of Parex on May 8, 2025, at 11:00 a.m. MT, in person, at the Conference Centre on the 4th floor of Eighth Avenue Place East Tower, 525-8th Avenue S.W., Calgary, Alberta T2P 1G1, or virtually at **https://meetnow.global/M4SULLK**. The accompanying Management Information Circular includes important information about the Meeting and how to vote.

As I reflect on 2024, Parex experienced several headwinds requiring careful navigation, the most notable of which was in the Northern Llanos. Following years of work to gain access to the Arauca region, in parallel with evaluating the subsurface, the Company took a calculated risk to execute a drilling program where it saw significant potential. Unfortunately, Arauca significantly underperformed internal estimates, resulting in Parex missing production and reserves expectations. This unforeseen challenge meaningfully impacted the Company's ability to deliver its 2024 capital plan and led Management to revise guidance downwards. The underperformance in 2024, and resulting share price impact, were key factors considered by the Board in decisions related to executive compensation and particularly realized compensation. They also drove a robust conversation in designing the 2025 scorecard, with components now solely focused on quantitative factors. For further details on decisions made and how the Board continues to ensure a pay-for-performance policy is adhered to, please refer to the HR&C Committee Letter (see "Compensation Letter to Shareholders").

Despite those headwinds, during the year Management delivered a number of milestones in support of the 2025 capital plan and long-term strategy. Through their collective efforts, the team delivered exceptional safety performance across all leading and lagging indicators, marking Parex's best annual safety performance in the Company's history. Continuing Parex's proven track record of building relationships with industry partners, communities, and government, the Company executed material joint venture agreements with its strategic partner, Ecopetrol SA, which expanded its portfolio into producing regions in the Putumayo and Llanos Foothills. For the Putumayo, recent technological success in Cabrestero and LLA-34 are informing our approach, where Management sees substantial potential to increase recovery factors by applying lower-risk strategies to large oil in place volumes on the joint lands. In the Foothills, the Company is progressing its gas strategy alongside its strategic partner for long-term resource development, in a region where significant gas potential exists adjacent to historic producing areas and mutual benefits to Parex and Colombia can be achieved.

With a track record of industry leading return of capital, Parex's fundamentals remain strong despite a challenging year. In 2024, Parex returned US$112 million in regular dividends and US$74 million of share repurchases. Cumulatively, this has amounted to C$1.5 billion returned to shareholders through these mechanisms over the past five years, which notably is more than the Company's current market capitalization.

One of Parex's core values is its delivery of top-quartile environmental, social and governance ("ESG") performance. In 2024, we were once again included in Morningstar Sustainalytics' 2024 ESG Industry Top Rated list and maintained our Morgan Stanley Capital International (MSCI) rating of "AA".(1) Moving forward, the Board remains committed to industry-leading ESG disclosure, while adhering to dynamic, multi-jurisdictional regulatory requirements.

The social component of ESG has always been a priority for Parex. Our ability to build meaningful relationships with community stakeholders and create shared benefits helps us access new regions where other operators have faced challenges. I'm pleased to say that we continued to support local communities in 2024, making meaningful contributions of ~US$36 million through direct investment as well as through Colombia's Work for Taxes government program.

Before closing, I want to recognize the years of service and contributions from directors, Lisa Colnett and Robert Engbloom, who are retiring from the Board. In preparation for their upcoming retirements, and consistent with our Board renewal process, we are pleased to recommend Mona Jasinski and Jeff Lawson, to stand for election. With robust energy sector and leadership experience, Mona and Jeff will bring refreshed perspectives to the Board. We remain committed to attracting new directors who have specific expertise and experience as we continue with Board renewal.

In closing, the Board and Management team remain committed to Colombia. 2024 marked our 15 year anniversary operating in the country, where Parex has built a foundational position in Colombia where untapped world-class conventional resources still exists. We continue to believe Colombia presents significant potential, with one of the best risk / reward opportunities in the energy space for long-term shareholders.

On behalf of the Board and Management Team, I would like to thank all of our stakeholders for your continued support and confidence.

Yours Truly,

"Wayne Foo"

Wayne Foo
Chair of the Board of Directors

Notes:

(1) As of March 19, 2025, Parex received an ESG Risk Rating of 21.7 from Morningstar Sustainalytics and was assessed to be at Medium Risk of experiencing material financial impacts from ESG factors (6th Percentile). In no event will Morningstar Sustainalytics be construed as investment advice or expert opinion as defined by the applicable legislation. Such information and data are proprietary of Sustainalytics and/or its third-party suppliers and are provided for informational purposes only. As of March18, 2025, Parex received an MSCI ESG Rating of AA (on a scale of AAA-CCC). The use by Parex of MSCI ESG Research LLC or its affiliates("MSCI") data, and the use of MSCI logos, trademarks service marks or Index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Parex by MSCI. MSCI services and data are the property of MSCI or its information providers and are provided "as-is" and without warranty. MSCI names and logos are trademarks or services marks of MSCI.

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

Date & Time:	May 8, 2025 at 11:00 a.m. (MT)
Place:	In person at the Conference Centre on the 4th floor of Eighth Avenue Place East Tower, 525 - 8th Avenue S.W., Calgary, Alberta T2P 1G1 and virtually at https://meetnow.global/M4SULLK
Record Date:	March 24, 2025

TO THE HOLDERS OF COMMON SHARES

Notice is hereby given that the Annual General Meeting (the "**Meeting**") of holders ("**Shareholders**") of common shares ("**Common Shares**") of Parex Resources Inc. ("**Parex**" or the "**Company**") will be held on May 8, 2025 at 11:00 a.m. (MT) for the following purposes:

1. to receive and consider the financial statements of the Company for the year ended December 31, 2024, and the auditors' report thereon;
2. to fix the number of directors to be elected at the Meeting at nine (9);
3. to elect nine (9) directors;
4. to appoint the auditors of the Company and to authorize the directors to fix their remuneration as such;
5. to consider an advisory, non-binding resolution (a "**Say on Pay**" vote) on the Company's approach to executive compensation as more particularly described in the management information circular of the Company dated March 25, 2025 (the "**Information Circular**"); and
6. to transact such further and other business as may properly come before the Meeting or any adjournments or postponements thereof.

The nature of the business to be transacted at the Meeting is described in further detail in the Information Circular.

The record date for the determination of Shareholders entitled to receive notice of and to vote at the Meeting is March 24, 2025 (the "**Record Date**"). Shareholders whose names have been entered in the register of Shareholders at the close of business on that date will be entitled to receive notice of and to vote at the Meeting, provided that, to the extent a Shareholder transfers the ownership of any of such Shareholder's Common Shares after such date and the transferee of those Common Shares establishes that the transferee owns the Common Shares and requests, not later than 10 days before the Meeting, to be included in the list of Shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those Common Shares at the Meeting.

This year, we continue to offer Shareholders a choice of attending the Meeting either in-person or virtually. Participation at virtual Shareholder meetings enables access to a wider spectrum of Shareholders, including our own Colombian employee base, than is possible through an exclusively in-person Shareholder meeting. With these benefits in mind, we are happy to offer a hybrid meeting for 2025. We hope that Shareholders will take the opportunity to join the Meeting in-person, where possible, and look forward to seeing even more Shareholders at the Meeting virtually.

The in-person Meeting for this year will be held at the Conference Centre on the 4th floor of Eighth Avenue Place East Tower, 525 - 8th Avenue S.W., Calgary, Alberta T2P 1G1. For those attending the Meeting virtually, it can be accessed at **https://meetnow.global/M4SULLK**. Registered Shareholders and duly appointed proxyholders who attend the Meeting virtually will be able to ask questions and vote, all in real time, provided that they are connected to the internet and comply with all of the requirements set out in the Information Circular. Non-registered (beneficial) Shareholders who have not duly appointed themselves as proxyholder will be able to attend the Meeting virtually as guests, but will not be able to participate or vote at the Meeting. Further details and instructions are provided in the Information Circular under the heading "*Proxies*".

As described in the enclosed Meeting materials, registered Shareholders are entitled to participate at the Meeting if they held their Common Shares as of the close of business on the Record Date.

The persons named in the enclosed form of proxy are directors and/or officers of the Company. Each Shareholder has the right to appoint a proxyholder other than such persons, who need not be a Shareholder, to act for such Shareholder and on such Shareholder's behalf at the Meeting. Registered Shareholders who wish to appoint a third party proxyholder other than the named Parex proxy nominees can do so by printing the proxyholder's name in the space provided in the enclosed form of proxy. Non-registered (beneficial) Shareholders who wish to vote at the Meeting will be required to appoint themselves as proxyholder in advance of the Meeting by writing their own name in the space provided on the voting instruction form provided by their intermediary, generally being a bank, trust company, securities broker, trustee or other institution. In all cases, Shareholders must carefully follow the instructions set out in their applicable proxy or voting instruction forms AND those set out in the Information Circular under the heading "*Proxies – Solicitation and Appointment of Proxies – How to Vote*".

Registered Shareholders and duly appointed proxyholders (including beneficial Shareholders who have duly appointed themselves as proxyholders) who participate at the Meeting virtually will be able to listen to the Meeting, ask questions and vote, all in real time, provided that they are connected to the internet. Guests, including non-registered Shareholders who have not duly appointed themselves as proxyholder, can log in to the Meeting as set out in the Information Circular, under the heading "*Proxies – Solicitation and Appointment of Proxies – Attending the Meeting as a Guest*". Guests attending the Meeting virtually can listen to the Meeting but will not able to participate or vote.

If you attend the Meeting virtually and you are a registered Shareholder or duly appointed proxyholder and wish to vote at the Meeting, it is important that you remain connected to the internet at all times during the Meeting in order to vote when balloting commences. **It is your responsibility to ensure connectivity for the duration of the Meeting.** You should allow ample time to check into the Meeting online and complete the related procedures. If you have questions regarding your ability to participate or vote at the Meeting, please contact our registrar and transfer agent Computershare Trust Company of Canada at **1-800-564-6253**.

If you do not wish to attend the Meeting, either in-person or virtually, please refer to the enclosed Meeting materials for information on how to vote by appointing a proxyholder, submitting a proxy in advance of the Meeting or, in the case of a non-registered Shareholder, through an intermediary. Voting by proxy is the easiest way to vote, as it enables someone else to vote at the Meeting on your behalf. Voting in advance of the Meeting is available via the means described in your proxy or voting instruction form and our Meeting materials, and include the following:

BY MAIL	**BY HAND**	**BY FACSIMILE**
Computershare Trust Company of Canada, Proxy Department, 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1	Computershare Trust Company of Canada, 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1	1-866-249-7775 or 1-416-263-9524

BY TELEPHONE	**BY INTERNET**
1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America)	Use the 15-digit control number at www.investorvote.com

All proxies must be received not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time set for the Meeting or any adjournments or postponements thereof. Instructions are listed in the enclosed form of proxy and see also "*Proxies - Solicitation and Appointment of Proxies - General*" in the Information Circular. In the event of a strike, lockout or other work stoppage involving postal employees, the enclosed proxy should be deposited with Computershare by hand delivery, by facsimile, by telephone or through the internet.

The instrument appointing a proxy shall be in writing and shall be executed by the Shareholder or the Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized.

DATED at Calgary, Alberta this 25th day of March, 2025
BY ORDER OF THE BOARD OF DIRECTORS

"Imad Mohsen"

Imad Mohsen
President and Chief Executive Officer and a Director

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Throughout this information circular you find content on our commitment to ESG practices in the following places:

INFORMATION CIRCULAR – MANAGEMENT PROXY STATEMENT

FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS TO BE HELD ON MAY 8, 2025

PROXIES

Solicitation and Appointment of Proxies

General

This information circular – management proxy statement (the "**Information Circular**") **is furnished in connection with the solicitation of proxies by or on behalf of the management of Parex Resources Inc.** ("**Parex**" or the "**Company**") for use at the annual general meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares ("**Common Shares**") of Parex to be held in person at the Conference Centre on the 4th floor of Eighth Avenue Place East Tower, 525 - 8th Avenue S.W., Calgary, Alberta T2P 1G1 and virtually at **https://meetnow.global/M4SULLK** on May 8, 2025 at 11:00 a.m. (MT), and any adjournments or postponements thereof for the purposes set forth in the accompanying Notice of Annual General Meeting. Only Shareholders of record on March 24, 2025 (the "**Record Date**") are entitled to notice of, and to attend and vote at, the Meeting, unless a Shareholder has transferred any Common Shares subsequent to that date and the transferee shareholder, not later than 10 days before the Meeting, establishes ownership of the Common Shares and demands that the transferee's name be included on the list of shareholders eligible to vote at the Meeting.

Unless otherwise stated information contained in this Information Circular is given as at March 24, 2025. **All amounts set forth in this Information Circular are stated in Canadian dollars, unless otherwise noted.**

This year, we continue to offer Shareholders a choice of attending the Meeting either in-person or virtually. Participation at virtual Shareholder meetings has enabled access to a wider spectrum of Shareholders, including our own Colombian employee base, than is possible through an exclusively in-person Shareholder meeting. With these benefits in mind, we are happy to offer a hybrid meeting for 2025. We hope that Shareholders will take the opportunity to join the Meeting in-person, where possible, and look forward to seeing even more Shareholders at the Meeting virtually.

If you attend the Meeting virtually and you are a registered Shareholder or proxyholder and wish to vote at the Meeting, it is important that you remain connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the Meeting. You should allow ample time to check into the Meeting online and complete the related procedures, as set forth below. If you have questions regarding your ability to participate or vote at the Meeting, please contact our registrar and transfer agent, Computershare Trust Company of Canada ("**Computershare**") at **1-800-564-6253**.

Notice-And-Access

Parex has elected to use the "notice-and-access" provisions (the "**Notice-and-Access Provisions**") under National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer ("**NI 54-101**") for the Meeting in respect of the mailing of the Company's Meeting materials, annual financial statements and management's discussion and analysis to the beneficial holders of Common Shares (i.e., a Shareholder who holds their Common Shares in the name of a broker or an agent) but not in respect of mailings to registered holders of the Common Shares (i.e., a Shareholder whose name appears on the Company's records as a holder of Common Shares). The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials that must be physically mailed to shareholders by allowing a reporting issuer to post its information circular in respect of a meeting of its shareholders and related materials online.

Parex has also elected to use procedures known as "stratification" in relation to the Company's use of the Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of an information circular and, if applicable, a paper copy of financial statements and related management's discussion and analysis ("**Financial Information**"), to some shareholders together with a notice of a meeting of its shareholders. In relation to the Meeting, registered Shareholders will receive a paper copy of the Notice of the Annual General Meeting, this Information Circular, a form of proxy and the Company's Financial Information whereas all Beneficial Shareholders will receive a notice containing information prescribed by the Notice-and-Access Provisions and a voting instruction form. In addition, a paper copy of the Notice of Annual General Meeting, this Information Circular, a voting instruction form and the Financial Information will be mailed to those Beneficial Shareholders who have previously requested to receive paper copies of these materials.

The Company will be delivering proxy-related materials to non-objecting Beneficial Shareholders with the assistance of Broadridge Financial Solutions, Inc. ("**Broadridge**") and the non-objecting Beneficial Shareholder's intermediary. Parex intends to pay the costs for intermediaries to deliver proxy-related materials to objecting Beneficial Shareholders.

Proxies

The persons named in the accompanying form of proxy are directors and/or officers of the Company. As a Shareholder submitting a proxy you have the right to appoint a person or company (who need not be a Shareholder) to represent you at the Meeting other than the persons designated in the form of proxy furnished by Parex. To exercise this right, you should insert the name of the desired representative in the blank space provided in the form of proxy or include the name of the desired representative in the appropriate field when voting through the internet. A proxy must be executed by the Shareholder or his or her attorney authorized in writing, or if the Shareholder is a corporation, under its corporate seal by a duly authorized officer or attorney of the corporation. In order to be effective, the proxy must be deposited with the Company's registrar and transfer agent, Computershare: (a) by mail, using the enclosed return envelope or one addressed to Computershare Trust Company of Canada, Proxy Department, 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1; (b) by hand delivery to Computershare Trust Company of Canada, 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1; (c) by telephone to 1-866-732-VOTE (8683) (toll free within North America) or to 1-312-588-4290 (outside North America); (d) by facsimile to 1-866-249-7775 or 1-416-263-9524 (if outside North America); or (e) through the internet by using the 15 digit control number ("Control Number") located at the bottom of your proxy at www.investorvote.com (see below for further information), not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time set for the Meeting or any adjournments or postponements thereof. All instructions are listed in the enclosed form of proxy.

Shareholders who wish to vote through the internet may use the internet site at **www.investorvote.com** to transmit their voting instructions. Shareholders should have their form of proxy in hand when they access the web site and will be prompted to enter their 15-digit Control Number, which is located at the bottom of the form of proxy. The website may be used to appoint a proxy-holder to attend and vote on a Shareholder's behalf at the Meeting and to convey a Shareholder's voting instructions. Please note that if a Shareholder appoints a proxy holder and submits their voting instructions and subsequently wishes to change their appointment, a Shareholder may resubmit their proxy and/or voting direction, prior to the deadline noted above. When resubmitting a proxy, the most recently submitted proxy will be recognized as the only valid one, and all previously submitted proxies will be disregarded and considered as revoked, provided that the last proxy is submitted by the deadline noted above.

Registered Shareholders and duly appointed proxyholders (including Beneficial Shareholders who have duly appointed themselves as proxyholders as described below) who participate at the Meeting online will be able to listen to the Meeting, ask questions and vote, all in real time, provided that they are connected to the internet. Guests, including Beneficial Shareholders who have not duly appointed themselves as proxyholder, can log in to the Meeting as set out below under "*Attending the Meeting as a Guest*". Guests attending the Meeting virtually can listen to the Meeting but will not able to participate or vote.

For any assistance, Shareholders may contact Kingsdale Advisors, by telephone at 1-855-476-6890 (toll-free in North America) or 1-437-561-5026 (text and call enabled outside North America), or by email at contactus@kingsdaleadvisors.com.

How to Vote

Registered Shareholders

Registered Shareholders may vote at the Meeting by: (A) completing and submitting their form of proxy in advance of the Meeting; or (B) attending the Meeting and completing a ballot at the Meeting that will be made available either in-person or virtually during the Meeting.

(A) Voting by Proxy Before the Meeting

If you are a registered Shareholder, you may vote before the Meeting by completing your form of proxy in accordance with the instructions provided therein. Voting by proxy is the easiest way to vote, as it enables someone else to vote at the Meeting on your behalf. All forms of proxy must be received and all proxyholders must be registered before 11:00 a.m. (MT) on May 6, 2025 or, in the case of any adjournment or postponement of the Meeting, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time fixed for the adjourned or postponed Meeting in order to participate and vote at the Meeting. The time limit for deposit of proxies may be waived or extended by the Chair of the Meeting at his or her discretion, without notice.

Proxyholders must vote your Common Shares according to the instructions provided in the completed proxy, including on any ballot that may be called. If there are changes to the items of business or new items properly come before the Meeting, a proxyholder can vote as he or she sees fit.

As a Shareholder submitting a form of proxy you have the right to appoint a person or company (who need not be a Shareholder) to represent you at the Meeting other than the persons designated in the form of proxy furnished by Parex (being directors and officers of Parex). If you wish to appoint a third party proxyholder to vote on your behalf at the Meeting, you must appoint such proxyholder by inserting their name in the blank space provided on the form of proxy sent to you or in the appropriate field if voting via the internet and follow all other instructions provided, prior to 11:00 a.m. (MT) on May 6, 2025 or, in the case of any adjournment or postponement of the Meeting, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time fixed for the adjourned or postponed Meeting in order to participate and vote at the Meeting. **Shareholders appointing a third party proxyholder (other than the Parex proxy nominees) that wish to vote virtually at the Meeting must ALSO register their proxyholder at www.computershare.com/Parex before 11:00 a.m. (MT) on May 6, 2025 or, in the case of any adjournment or postponement of the Meeting, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time fixed for any adjourned or postponed Meeting in order to participate and vote at the Meeting virtually.** You will need to provide Computershare the required proxyholder contact information so that Computershare can provide the proxyholder with a 15 digit Control Number via email. Without a 15 digit Control Number, proxyholders will not be able to participate or vote virtually at the Meeting but will be able to listen as a guest (see instructions below under "*Attending the Meeting as a Guest*").

The duly appointed proxyholder can follow steps 1 through 4 set out below under the heading "*How to Vote – Registered Shareholders – (B) Attending the Meeting and Voting*" to attend and vote at the Meeting virtually.

(B) Attending the Meeting and Voting

Parex is holding a hybrid format meeting, allowing Shareholders to attend the Meeting in person or virtually. Registered Shareholders and duly appointed proxyholders attending the Meeting virtually will be able to participate, ask questions and vote in real time at the Meeting, regardless of their geographic location. If you are a registered Shareholder or duly appointed proxyholder and wish to attend and vote at the Meeting virtually, please follow these steps:

1. Log into **https://meetnow.global/M4SULLK** at least 30 minutes before the Meeting starts.
2. Click "Shareholder".
3. Enter your 15 digit Control Number or click on “Invitation” and enter your Invite Code if you are a duly appointed proxyholder.
4. Follow the instructions to view the Meeting and vote when prompted.

Once you log into the Meeting, voting by online ballot on matters put forth at the Meeting will revoke any and all proxies you previously submitted for the Meeting.

Revoking a Proxy as a Registered Shareholder

A registered Shareholder who has given a proxy has the power to revoke it. If a person who has given a proxy attends the Meeting at which the proxy is to be voted (either in-person or virtually), such person may revoke the proxy and vote at the Meeting. In addition to revocation in any other manner permitted by law, a proxy may be revoked by a form in writing signed by the Shareholder or his or her attorney authorized in writing, or, if the Shareholder is a corporation, under its corporate seal and signed by a duly authorized officer or attorney for the corporation, and deposited at the registered office of Parex at any time up to and including the last day (other than Saturdays, Sundays and statutory holidays in the Province of Alberta) preceding the date of the Meeting at which the proxy is to be used, or any adjournments or postponements thereof. If a registered Shareholder uses a 15-digit Control Number to login to the Meeting virtually and accepts the terms and conditions, voting by online ballot on matters put forth at the Meeting will revoke any and all previously submitted proxies for the Meeting.

Non-Registered (Beneficial) Shareholders

The information set forth in this section is of significant importance to many Shareholders of Parex, as a substantial number of the Shareholders of Parex do not hold Common Shares in their own name. Shareholders who do not hold their Common Shares in their own name (referred to in this Information Circular as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders whose names appear on the records of Parex as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of Parex. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services, Inc., which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers/nominees are prohibited from voting Common Shares for their clients. The directors and officers of Parex do not know for whose benefit the Common Shares registered in the name of CDS & Co. are held.

Beneficial Shareholders may vote at the Meeting by: (A) completing and submitting their voting instruction form in advance of the Meeting; or (B) attending the Meeting as proxyholder for the registered Shareholder and completing a ballot at the Meeting that will be made available either in-person or virtually during the Meeting.

Beneficial Shareholders are asked to consider signing up for electronic delivery ("**E-delivery**") of the Meeting materials. E-delivery has become a convenient way to make distribution of materials more efficient and is an environmentally responsible alternative by eliminating the use of printed paper and the carbon footprint of the associated mail delivery process. Signing up is quick and easy, go to **www.proxyvote.com** and sign in with your control number, vote for the resolutions being considered at the Meeting and following your vote confirmation, you will be able to select the electronic delivery box and provide an email address. Having registered for electronic delivery, going forward you will receive your Meeting materials by email and will be able to vote on your device by simply following a link in the email sent by your financial intermediary, provided your intermediary supports this service.

(A) Voting by Proxy Before the Meeting

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often, the voting instruction form supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided to registered Shareholders. However, its purpose is limited to instructing the registered Shareholders how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining voting instructions from clients to Broadridge. Broadridge typically applies a special sticker to the voting instruction forms, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the voting instruction forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A Beneficial Shareholder receiving a voting instruction form with a Broadridge sticker on it cannot use that form to vote Common Shares directly at the Meeting. The voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.

As a Beneficial Shareholder submitting a voting instruction form you have the right to appoint a person or company (who need not be a Shareholder) to represent you at the Meeting, and indirectly vote your Common Shares as proxyholder for the registered Shareholder, which person or company can be someone other than the persons designated in the voting instruction form furnished by your intermediary or Broadridge. If you wish to appoint a third party as your "proxyholder" to indirectly vote on your behalf at the Meeting, you must appoint such proxyholder by inserting their name in the blank space provided on the voting instruction form sent to you or in the appropriate field if voting via the internet and follow all other instructions provided.

Beneficial Shareholders appointing a third party proxyholder (other than the Parex proxy nominees) that wish to vote virtually at the Meeting must ALSO register their proxyholder at www.computershare.com/Parex prior to 11:00 a.m. (MT) on May 6, 2025 or, in the case of any adjournment or postponement of the Meeting, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time fixed for any adjourned or postponed Meeting in order to participate and vote at the Meeting virtually. You will need to provide Computershare the required proxyholder contact information so that Computershare can provide the proxyholder with a 15 digit Control Number via email. Without a 15 digit Control Number, proxyholders will not be able to participate or vote at the Meeting virtually but will be able to listen as a guest (see instructions below under "*Attending the Meeting as a Guest*").

Beneficial Shareholders who do not object to their name being made known to the Company may be contacted by Kingsdale to assist in conveniently voting their Parex Common Shares directly by telephone. Parex may also utilize the Broadridge QuickVote™ service to assist such Shareholders with voting their Parex Common Shares.

(B) Attending the Meeting as Proxyholder

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his or her broker (or agent of the broker), a Beneficial Shareholder may attend the Meeting as proxyholder for the registered Shareholder and vote Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered Shareholder should enter their own names in the blank space on the voting instruction form provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

Beneficial Shareholders who have not duly appointed themselves as proxyholder will not be able to participate or vote at the Meeting but will be able to join the Meeting as a guest (see instructions below under "*Attending the Meeting as a Guest*").

Beneficial Shareholders appointing themselves as proxyholder that wish to vote virtually at the Meeting must ALSO register with Computershare as proxyholder at www.computershare.com/Parex before 11:00 a.m. (MT) on May 6, 2025 or, in the case of any adjournment or postponement of the Meeting, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time fixed for the adjourned or postponed Meeting in order to participate and vote at the Meeting virtually. You will need to provide Computershare with your required proxyholder contact information so that Computershare can provide you with a 15 digit Control Number via email. As a duly appointed proxyholder, you can follow steps 1 through 4 set out above under the heading "*How to Vote – Registered Shareholders – (B) Attending the Meeting and Voting*" to attend and vote at the Meeting. Without a 15 digit Control Number, proxyholders will not be able to participate or vote at the Meeting but will be able to listen as a guest (see instructions below under "*Attending the Meeting as a Guest*").

If you are a Beneficial Shareholder, please contact your stockbroker or other intermediary as soon as possible to determine what additional procedures must be followed to appoint yourself or a third party as your proxyholder (including whether to obtain a separate valid legal form of proxy from your intermediary if you are located outside of Canada).

Revoking Voting Instructions as a Beneficial Shareholder

A Beneficial Shareholder who has given a proxy, in the manner prescribed above, has the power to revoke it. If you have provided your voting instructions and change your mind about your vote, you can revoke your voting instructions by contacting your intermediary. If your intermediary provides the option of voting over the internet, you can change your instructions by updating your voting instructions on the website provided by your intermediary, so long as you submit your new instructions before the intermediary's deadline.

For assistance, Shareholders may contact Kingsdale Advisors, by telephone at 1-855-476-6890 (toll-free in North America) or 1-437-561-5026 (text and call enabled outside North America), or by email at contactus@kingsdaleadvisors.com.

Attending the Meeting as a Guest

Guests who wish to attend the Meeting virtually can log into the Meeting by following these steps:

1. Log into **https://meetnow.global/M4SULLK** at least 30 minutes before the Meeting starts.
2. Click "Guest" and then complete the online form.

Guests attending the Meeting virtually can listen to the Meeting but are not able to participate or vote at the Meeting.

Persons Making the Solicitation

This solicitation is made on behalf of the management of Parex. The costs incurred in the preparation and mailing of the form of proxy, Notice of Annual General Meeting and this Information Circular will be borne by Parex. In addition to solicitation by mail, proxies may be solicited by personal interviews, telephone or by other means of communication and by directors and officers of Parex, who will not be specifically remunerated therefor. While no arrangements have been made to date by Parex, Parex may contract for the distribution and solicitation of proxies for the Meeting. The costs incurred by Parex in soliciting proxies will be paid by Parex.

These securityholder materials are being sent to both registered and non-registered (beneficial) owners of Common Shares. If you are a non-registered (beneficial) owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of Common Shares, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

Parex has retained Kingsdale Advisors to provide a broad array of strategic advisory, governance, strategic communications, digital and investor campaign services on a global retainer basis in addition to certain fees accrued during the life of the engagement upon the discretion and direction of Parex.

Shareholders may contact Kingsdale Advisors, by telephone at 1-855-476-6890 (toll-free in North America) or 1-437-561-5026 (text and call enabled outside North America), or by email at contactus@kingsdaleadvisors.com.

Asking Questions at the Meeting Virtually

Registered Shareholders, Beneficial Shareholders who have appointed themselves as proxyholders and proxyholders accessing the Meeting virtually will have an opportunity to ask questions at the Meeting in writing by sending a message to the chair of the Meeting online through the virtual Meeting platform. Shareholders attending the Meeting virtually will have the same opportunity to ask questions on matters of business before the Meeting as Shareholders attending the meeting in person.

The Company will answer written questions submitted during the Meeting through **https://meetnow.global/M4SULLK** (using the control number included on the form of proxy) for Shareholders participating virtually. Only Shareholders and duly appointed proxyholders may submit questions at the Meeting. Guests will not be able to submit questions at the Meeting. It is recommended that Shareholders and duly appointed proxyholders attending the Meeting virtually submit their questions as soon as possible during the Meeting so that they can be addressed at the appropriate time.

Questions related to the matters of business will be addressed at the time such matter is being discussed. Other questions will be addressed during the question and answer period after the business of the Meeting has been completed. Questions on the same topic or otherwise substantially similar may be grouped, summarized and addressed at the same time to avoid repetition. The Chair of the Meeting reserves the right to edit questions or to reject questions that are inappropriate. Any questions pertinent to the Meeting that cannot be answered during the Meeting due to time constraints will be posted and answered on Parex's website. Questions and answers will be available as soon as practicable after the Meeting and will remain available until one week after posting.

Difficulties in Accessing the Meeting Virtually

Shareholders with questions regarding the virtual Meeting portal or requiring assistance accessing the Meeting website may contact Computershare support at 1-888-724-2416 (within North America) or +1-781-575-2748 (internationally).

If you are accessing the Meeting virtually you must remain connected to the internet at all times during the Meeting in order to vote when balloting commences. As previously noted, it is your responsibility to ensure internet connectivity for the duration of the Meeting. If you lose connectivity once the Meeting has commenced, there may be insufficient time to resolve your issue before ballot voting is completed. Therefore, even if your current plan is to access the Meeting and vote during the live webcast, you should consider voting your Common Shares in advance or by proxy so that your vote will be counted in the event you experience any technical difficulties or are otherwise unable to access the Meeting.

Exercise of Discretion by Proxy

The Common Shares represented by the form of proxy enclosed with the accompanying Notice of Annual General Meeting and this Information Circular will be voted for or against or withheld from voting on any ballot that may be called for in accordance with the instructions of the Shareholder, but if no specification is made, they will be voted in favour of the matters set forth in the proxy. If any amendments or variations are proposed at the Meeting or any adjournments or postponements thereof to matters set forth in the proxy and described in the accompanying Notice of Annual General Meeting and this Information Circular, or if any other matters properly come before the Meeting or any adjournments or postponements thereof, the form of proxy confers upon the Shareholder's proxyholder discretionary authority to vote on such amendments or variations or such other matters according to the best judgement of the person voting the proxy at the Meeting. At the date of this Information Circular, management of Parex knows of no such amendments or variations or other matters to come before the Meeting.

ADVISORIES

All dollar amounts in this Information Circular are in Canadian dollars, unless otherwise noted.

Oil & Gas Matters Advisory

This Information Circular contains certain oil and gas metrics, including finding, development and acquisition ("**FD&A**") costs, reserve additions, recycle ratio, and reserves replacement ratio. These oil and gas metrics have been prepared by management and do not have standardized meanings or standard methods of calculation and therefore such measures may not be comparable to similar measures used by other companies and should not be used to make comparisons; however, such measures are not reliable indicators of the future performance of the Company and future performance may not compare to the performance in previous periods and therefore such metrics should not be unduly relied upon. Management uses these oil and gas metrics for its own performance measurements and to provide security holders with measures to compare the Company's operations over time. Readers are cautioned that the information provided by these metrics, or that can be derived from the metrics presented in this Information Circular, should not be relied upon for investment or other purposes. See the below as well as under the heading "Advisories – Non-GAAP and Other Financial Measures Advisory" for the composition of some of these such measures.

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 barrel of oil ("**bbl**") is determined by dividing current period net reserve additions into the corresponding period's FD&A cost.

Total capital expenditures includes both capital expenditures incurred and changes in FDC 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.

Reserves replacement ratio is calculated by dividing the annual reserve additions by annual 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.

The term "Boe" may be misleading, particularly if used in isolation. A Boe conversion ratio of six thousand cubic feet of natural gas to one barrel of oil equivalent (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. As the value ratio between natural gas and crude oil based on the current prices of natural gas and crude oil is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

Non-GAAP and Other Financial Measures Advisory

This Information Circular uses various "non-GAAP financial measures", "non-GAAP ratios", "supplementary financial measures" and "capital management measures" (as such terms are defined in National Instrument 52-112 - *Non-GAAP and Other Financial Measures Disclosure*). Such measures are not standardized financial measures under International Financial Reporting Standards (“GAAP”) and might not be comparable to similar financial measures disclosed by other issuers. Such Non-GAAP measures should not be considered as alternatives to, or more meaningful than measures determined in accordance with GAAP. These measures facilitate management’s comparisons to the Company’s historical operating results in assessing its results and strategic and operational decision-making and may be used by financial analysts and others in the oil and natural gas industry to evaluate the Company’s performance. Further, management believes that such financial measures are useful supplemental information to analyze operating performance and provide an indication of the results generated by the Company's principal business activities. Please refer to the Company’s management’s discussion and analysis for the years ended December 31, 2024 and 2023 dated March 4, 2025 (“**MD&A**”) under "Non-GAAP and Other Financial Measures Advisory", which is available at the Company's website at **www.parexresources.com** and on the Company's profile on SEDAR+ at **www.sedarplus.ca** for additional information about such financial measures, including reconciliations to the nearest GAAP measures, as applicable.

Enterprise value is a supplementary financial measure that is calculated as market capitalization plus net debt, minus cash. Enterprise value is used to assess the valuation of the Company.

Recycle ratio is a supplementary financial measure that is calculated as fourth quarter funds flow provided by operations for the noted year per bbl divided by FD&A costs per bbl for that year.

Total shareholder return or total return is a supplementary financial measure that is comprised of dividends declared and Common Shares repurchased during the period.

Free funds flow, is a non-GAAP financial measure that is determined by funds flow provided by operations less capital expenditures. The Company considers free funds flow to be a key measure as it demonstrates Parex’s ability to fund returns of capital, such as the normal course issuer bid or dividends, without accessing outside funds.

Funds flow provided by operations, is a capital management measure that includes all cash generated from operating activities and is calculated before changes in non-cash assets and liabilities. The Company considers funds flow provided by operations to be a key measure as it demonstrates Parex’s profitability after all cash costs.

Dividends per share is a supplementary financial measure that is comprised of dividends declared, as determined in accordance with IFRS, divided by the number of shares outstanding at the dividend record date.

Reserve Advisory

The recovery and reserve estimates of crude oil reserves provided in this Information Circular 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. Certain reserves information contained in this Information Circular is based upon an evaluation prepared by GLJ Ltd. ("**GLJ**") dated March 4, 2025 and effective December 31, 2024 and an evaluation prepared by GLJ dated February 29, 2024 and effective December 31, 2023. Each report was prepared in accordance with the standards contained in the Canadian Oil and Gas Evaluation Handbook and the reserves definitions contained in National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities*. All December 31, 2024 reserves presented are based on GLJ's forecast pricing effective January 1, 2025 and all December 31, 2023 reserves presented are based on GLJ's forecast pricing effective January 1, 2024.

"1P" or "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.

"2P" reserves include Proved and Probable 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.

“Proved Developed Producing Reserves" or "PDP reserves" are those proved reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut-in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.

Advisory on Forward Looking Statements

This document contains forward-looking information (collectively, "**forward-looking statements**") within the meaning of applicable Canadian securities laws. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "believe", "plan", "intent", "objective", "scheduled", "continuous", "ongoing", "estimate", "expect", "may", "will", "project", "should", or similar words suggesting future events, circumstances or outcomes, including, but not limited to: the Company's strategy, plans, priorities and focus; Parex's growth strategy and plans; Parex's expectations regarding Colombia's potential; that Parex will continue to deliver on its returns of capital; Parex's operational plans, the timing thereof and the benefits derived therefrom; the anticipated timing of when Parex will publish its 2024 Sustainability Report; Parex’s aim to deliver top-tier environmental, social and governance ("**ESG**") performance; Parex's belief that its approach to executive compensation will evolve to attract, retain and engage talent while supporting the Company's strategy and remaining aligned with best governance practices and the interests of its stakeholders; the anticipated benefits to be derived from Parex’s cybersecurity program; the anticipated changes to Parex's compensation design in 2025 and the anticipated benefits to be derived therefrom; the anticipated benefits to be derived from Parex's agreements with local communities; the anticipated benefits to be derived from Parex's interactions with its Shareholders; and the goals and the anticipated effects of the Company's executive compensation strategy described under the heading "*Statement of Executive Compensation – Executive Compensation Components*".

In addition, forward-looking statements contained in this Information Circular include, statements relating to "reserves", which 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.

All such forward-looking statements are subject to important risks and uncertainties, including but not limited to: the risk that Parex may not grow its operations in Colombia; the risk that Parex’s cybersecurity program may not mitigate cybersecurity risks; the risk that Parex may not deliver returns of capital to its Shareholders; the risk that Parex may not meet its operational plans nor the desired benefits; the risk that Parex may not publish its 2024 Sustainability Report when anticipated, or at all; the risk that Parex's approach to executive compensation may not evolve to attract, retain and engage talent while supporting the Company's strategy and remaining aligned with best governance practices and the interests of its stakeholders; the risk that Parex's 2025 compensation design may not lead to the benefits anticipated; the risk that the board of directors of the Company (the "**Board**" or the "**Board of Directors**") may not declare dividends in the future or that Parex's dividend policy changes; the risk that Parex’s interactions with Shareholders may not align the interests of Shareholders with the interests of the Board and management team; the risk that Parex’s refined leadership team program may not enhance capability and skill building; and the risks disclosed in the Company's MD&A under the heading "Risk Factors".

With respect to the forward-looking statements contained herein, Parex has made assumptions regarding, among other things: current and future commodity prices and royalty regimes; Parex's availability of skilled labour; timing and amount of capital expenditures; the impact of increasing competition; conditions in general economic and financial markets; availability of equipment; effects of regulation by governmental agencies; recoverability of reserves and future production rates; future operating costs; that the Company 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 the Company’s conduct and results of operations will be consistent with its expectations; that the Company will have the ability to develop the Company’s oil and gas properties in the manner currently contemplated; current or, where applicable, proposed industry conditions, laws and regulations will continue in effect or as anticipated as described herein; that Parex will have sufficient financial resources in the future to pay a dividend; that the Board will declare dividends in the future; that the Company will continue to meet its diversity targets and compensation strategy; and that the Company will be able to meet its ESG related targets. Unless otherwise indicated, forward-looking statements in this document describe the Company's expectations as at the date hereof and, accordingly are subject to change after such date. The Company's actual results and events could differ materially from those expressed or implied in the forward-looking statements in this Information Circular, if known or unknown risks affect the business of the Company, or if its estimates or assumptions turn out to be inaccurate. As a result, the Company cannot guarantee that the results or events expressed or implied in any forward-looking statement will materialize, and accordingly, you are cautioned against relying on these forward-looking statements. The Company disclaims any intention and assumes no obligation to update or revise any forward-looking statement even if new information becomes available, as a result of future events or for any other reason, except in accordance with applicable Canadian securities laws.

This Information Circular 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: that Parex will continue to deliver on its track record of returns of capital; 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 Information Circular 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 Information Circular was made as of the date of this Information Circular 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 Information Circular is not conclusive and is subject to change.

Distribution Advisory

The Company's future shareholder distributions, including but not limited to the payment of dividends and the acquisition by the Company of its Common Shares pursuant to its normal course issuer bid ("**NCIB**"), if any, and the level thereof is uncertain. Any decision to pay further dividends on the Common Shares (including the actual amount, the declaration date, the record date and the payment date in connection therewith and any special dividends) or acquire Common Shares of the Company will be subject to the discretion of the Board and may depend on a variety of factors and conditions existing from time to time, including, without limitation the Company's business performance, financial condition, financial requirements, growth plans, expected capital requirements and other conditions existing at such future time including, without limitation, agreements governing the Company's credit facilities, contractual restrictions and satisfaction of the solvency tests imposed on the Company under applicable corporate law. Further, the actual amount, the declaration date, the record date and the payment date of any dividend are subject to the discretion of the Board. There can be no assurance that the Company will pay dividends or repurchase any Common Shares in the future. The Board intends to review the dividend program from time to time, at its discretion. Depending on the foregoing factors and any other factors that the Board deems relevant from time to time, many of which are beyond the control of Parex, the Board may change the program following any such review or at any other time that the Board deems appropriate. Any such change may include, without restriction, future cash dividends being reduced or suspended entirely.

Information Regarding Public Issuer Counterparties

Certain information contained in this Information Circular relating to the Company's public issuer counterparties or public issuers forming part of the peer group and the nature of their respective businesses is taken from and based solely upon information published by such issuers. The Company has not independently verified the accuracy or completeness of any such information.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of Common Shares without nominal or par value. As at March 24, 2025, the Record Date of the Meeting, there were 97,854,136 Common Shares issued and outstanding.

The holders of Common Shares are entitled to one vote per Common Share at meetings of Shareholders, to receive any dividend as and when declared by the Board of Directors and to receive *pro rata* upon liquidation, dissolution or winding-up of the Company, the remaining property of the Company.

To the best of the knowledge of the directors and executive officers of the Company, as of March 24, 2025, no person or company, beneficially owns or controls or directs, directly or indirectly, Common Shares carrying more than ten percent (10%) of the votes attached to all of the issued and outstanding Common Shares other than as set forth below:

Name	Number of Common Shares	Percentage of Issued and Outstanding Common Shares
Mawer Investment Management	10,298,930(1)	10.49

Note:
(1) Based on information filed on SEDI as of March 24, 2025.

OTHER MATTERS RELATED TO THE MEETING

Majority Voting for Directors

The Board has adopted a policy stipulating that if the "WITHHOLD" votes in respect of the election of a director nominee at the Meeting represent more than the "FOR" votes, the nominee will immediately submit his or her resignation for the Board's consideration. The Board will consider such resignation within 90 days and after reviewing the matter will determine, having regard to all matters it deems relevant, whether to accept such resignation or not. The Board will accept such resignation absent exceptional circumstances and the resignation will be effective upon acceptance by the Board. The Board's decision to accept or reject the resignation will be disclosed to the public through the issuance of a news release within 90 days of the Meeting, a copy of which will be provided by the Company to the Toronto Stock Exchange (the "**TSX**"). If the Board determines not to accept the nominee's resignation, such news release will disclose the reasons for the Board's decision. The nominee will not participate in any Board deliberations on the resignation. The policy does not apply in circumstances involving contested director elections.

Advance Notice By-law

Amended and Restated By-law No. 1 of the Company (the "**By-law**"), which was ratified by Shareholders at the Company's annual general and special meeting of Shareholders held in 2018, contains advance notice provisions, which provide Shareholders, the Board and management of the Company with a clear framework for nominating directors to help ensure orderly business at shareholder meetings by effectively preventing a Shareholder from putting forth director nominations from the floor of a shareholder meeting without prior notice. Among other things, the By-law fixes a deadline by which Shareholders must submit notice of director nominations to the Company prior to any annual or special meeting of Shareholders. It also specifies the information that a nominating Shareholder must include in the notice to the Company regarding each director nominee and the nominating Shareholder for the notice to be in proper written form in order for any director nominee to be eligible for nomination and election at any annual or special meeting of Shareholders of the Company. These requirements are intended to provide all Shareholders with the opportunity to evaluate and review the proposed candidates and vote on an informed and timely manner regarding such nominees. The By-law does not affect nominations made pursuant to a "proposal" made in accordance with the *Business Corporations Act* (Alberta) ("**ABCA**") or a requisition of a meeting of Shareholders made pursuant to the ABCA. As of the date of this Information Circular, the Company has not received any nominations pursuant to the advance notice provisions contained in the By-law.

If Notice-and-Access Provisions are used for delivery of proxy related materials in respect of a meeting described above and the notice date in respect of the meeting is not less than 50 days before the date of the applicable meeting, the notice must be received not later than the close of business on the 40th day before the date of the applicable meeting.

MATTERS TO BE ACTED UPON AT THE MEETING

Receipt of the Financial Statements and Auditors' Report

At the Meeting, Shareholders will receive and consider the financial statements of the Company for the year ended December 31, 2024 and the Auditors' Report thereon, but no vote by the Shareholders with respect thereto is required or proposed to be taken.

Fixing the Number of Directors and Election of Directors

At the Meeting, it is proposed that the number of directors to be elected be fixed at nine (9) directors and that such directors be elected to hold office until the next annual general meeting of the Company, or until their successors are duly elected or appointed in accordance with the ABCA. Ms. Colnett and Mr. Engbloom will not be standing for re-election to the Board and Ms. Jasinski and Mr. Lawson have been recommended to stand for election at the Meeting.

Unless otherwise directed, it is the intention of management to vote proxies in the accompanying form of proxy in favour of an ordinary resolution fixing the number of directors to be elected at the Meeting at nine (9) directors, and in favour of the election of the nine (9) nominees hereinafter set forth as directors of the Company:

Lynn Azar	**G.R. (Bob) MacDougall**
Sigmund Cornelius	**Glenn McNamara**
Wayne Foo	**Imad Mohsen**
Mona Jasinski	**Carmen Sylvain**
Jeff Lawson	

2024 Voting Results

Motions	Outcome of Vote	Votes For		Against/Withheld	
		Number	Percentage	Number	Percentage
Fixing the number of directors at nine (9)	Approved	74,876,776	99.95	41,021	0.05
Election of the following nominees as directors:					
Lynn Azar	Elected	73,000,220	99.50	369,436	0.50
Lisa Colnett	Elected	72,994,389	99.49	375,267	0.51
Sigmund Cornelius	Elected	73,091,567	99.62	278,089	0.38
Robert Engbloom	Elected	71,428,645	97.35	1,941,011	2.65
Wayne Foo	Elected	72,286,211	98.52	1,083,445	1.48
G. R. (Bob) MacDougall	Elected	73,005,189	99.50	364,467	0.50
Glenn McNamara	Elected	72,384,630	98.66	985,026	1.34
Imad Mohsen	Elected	73,114,519	99.65	255,137	0.35
Carmen Sylvain	Elected	72,353,506	98.62	1,016,150	1.38
Appointment of Auditors	Approved	74,506,453	99.45	411,253	0.55
Approval of Amended and Restated Shareholder Protection Rights Plan Agreement	Approved	71,003,542	96.78	2,366,113	3.22
Approval of Restricted Share Unit Plan (Longer Duration)	Approved	71,983,994	98.11	1,385,661	1.89
Advisory vote on executive compensation	Approved	70,108,407	95.56	3,261,248	4.44

Board of Directors At-a-Glance

Director Nominees

Wayne Foo
Chair of the Board

Glenn McNamara
Vice Chair & Lead Director
Committee:

Lynn Azar
Committee:

Sigmund Cornelius
Committee:

Mona Jasinski

Jeff Lawson

G.R. (Bob) MacDougall
Committee:

Imad Mohsen
President & Chief Executive Officer

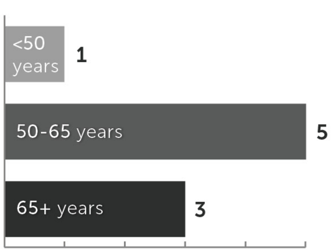
Carmen Sylvain
Committee:

Committees

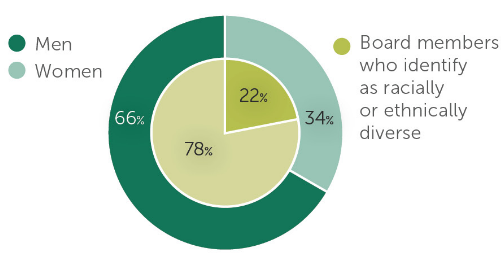
Finance & Audit Committee	HR & Compensation Committee	Corporate Governance & Nominating Committee	HSE & Reserves Committee
Key Responsibilities:	**Key Responsibilities:**	**Key Responsibilities:**	**Key Responsibilities:**
Financial, enterprise risk & cybersecurity management	Executive compensation	Governance	Oil & gas reserves
Audit	Executive performance & succession	Board diversity	Disclosure, safety & operational performance
Financial disclosure	Employee engagement	Board renewal & effectiveness	ESG (GHG emissions management)
	Talent development		
	DE&I		

Board Diversity

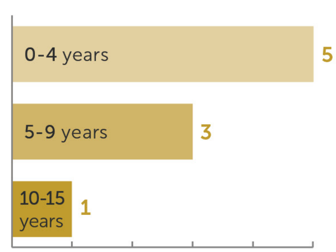
Age



Diversity



Tenure



PAREX RESOURCES

Director Profiles

The name, province and country of residence, and age of the persons nominated for election as directors, the number of voting securities of the Company beneficially owned or controlled or directed, directly or indirectly by each nominee, the period served as director and, the principal occupation of each nominee and certain other information in respect of each of the nominees is set forth below:

Ms. Azar brings over 20 years of senior leadership experience across the energy and technology / entertainment sectors. She is currently the SVP, Corporate Development and Strategy at Sony Interactive Entertainment.

Lynn Azar

Age: 45 | **Residence:** The Hague, Netherlands | **Director since:** July 13, 2022[(1)] | Independent

Parex Board and Committees:
Board of Directors
Finance and Audit
HSE and Reserves

Meeting Attendance:
11/11 Board of Directors (100%)
4/4 Finance and Audit (100%)
6/6 HSE and Reserves (100%)

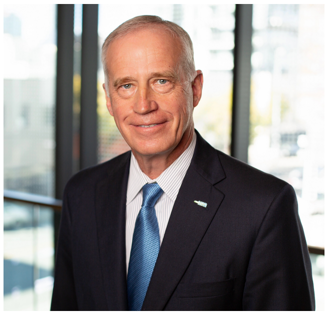
Key Experience and/or Expertise
- Financial Experience
- Financial Literacy
- International Operations
- Mergers and Acquisitions

Other Public Boards
None

Ms. Azar is a senior finance executive who has been appointed the Senior Vice President, Finance, Corporate Development and Strategy at Sony Interactive Entertainment, effective April 1, 2025. Previously she held the role of SVP Head of Finance at PlayStation Studios, a division of Sony Interactive Entertainment. Prior to this role, she spent 18 years in the energy industry at Shell Plc, holding senior financial and commercial roles. Ms. Azar has a Bachelors' and Masters' degree in Economics and Finance from the American University of Beirut, is a Certified Management Accountant (CMA) and is a Chartered Financial Analyst (CFA) charter holder.

Annual General Meeting Voting Results		Share Ownership Requirement[(5)]		
Year	% of votes For	Target Level ($)[(4)]	Current holding as multiple of Target	Status
2023	98.89	$292,500	0.8 times	Comply
2024	**99.50**	**$292,500**	**0.9 times**	**Comply**

	2024			2023		
Securities Held	Number		Value[(2)]	Number		Value[(3)]
Common Shares	**2,539**	**$**	**54,198**	841	$	20,983
DSUs	**8,198**	**$**	**119,527**	4,924	$	122,854
CosRSUs	**5,437**	**$**	**79,271**	4,056	$	101,197
CosPSUs	**—**	**$**	**—**	—	$	—
Total:		**$**	**252,996**		**$**	**245,034**



Mr. Cornelius brings over 40 years of financial and strategic leadership experience in the energy sector to Parex. He currently serves as Chair of the Finance and Audit Committee for Parex and has previously served on the boards of numerous public and privately held companies.

Sigmund Cornelius

Age: 70 | **Residence:** Texas, USA | **Director since:** May 14, 2020(1) | Independent

Parex Board and Committees:
Board of Directors
Finance and Audit (Chair)
HSE and Reserves

Other Public Boards:
None

Meeting Attendance:
11/11 Board of Directors (100%)
4/4 Finance and Audit (100%)
6/6 HSE and Reserves (100%)

Key Experience and/or Expertise
- Capital Markets
- Financial Expertise
- Financial Literacy
- General Oil and Gas Industry
- Mergers and Acquisitions

Mr. Cornelius joined the Parex Board of Directors in 2020, where he currently serves as Chair of the Finance and Audit Committee and is a member of the HSE and Reserves Committee. Mr. Cornelius brings over 40 years of leadership in finance and strategic management to the Board. He was President of Freeport LNG Development L.P., from 2014-2023, a private company based in Houston, Texas. From 1980 to 2010, he held various senior leadership positions at ConocoPhillips Company, retiring as Senior Vice President and Chief Financial Officer in 2010. He currently serves on the board of the Electric Reliability Council of Texas (ERCOT) and has previously served on the board of other multiple public and private companies, including Western Refining Inc., NiSource Inc., Andeavor Logistics LP, DCP Midstream LP, Parallel Energy Trust, United States Enrichment Corporation, Carbo Ceramics Inc., Columbia Pipeline Group Inc., and Chevron Phillips Chemical Co.

Annual General Meeting Voting Results		Share Ownership Requirement		
Year	% of votes For	Target Level ($)(4)	Current holding as multiple of Target	Status
2023	86.32	$382,500	3.0 times	Comply
2024	**99.62**	**$382,500**	**3.2 times**	**Comply**

	2024			2023		
Securities Held	Number		Value(2)	Number		Value(3)
Common Shares	**42,916**	**$**	**819,493**	25,416	$	634,129
DSUs	**28,130**	**$**	**410,135**	20,564	$	513,072
CosRSUs	—	$	—		$	—
CosPSUs	—	$	—	—	$	—
Total:		**$**	**1,229,628**		**$**	**1,147,201**

Mr. Foo is currently the Chair of the Board of Directors at Parex and was formerly the Company's Chief Executive Officer from 2009 to 2017.

Wayne Foo

Age: 68 | **Residence:** Alberta, Canada | **Director since:** August 28, 2009(1) | Independent

Parex Board and Committees:

Board of Directors (Chair)

Other Public Boards:

None

Meeting Attendance:

11/11 Board of Directors (100%)

Key Experience and/or Expertise

- General Oil and Gas Industry
- International Operations
- Risk Management
- Mergers and Acquisitions
- Strategy
- Financial Literacy

Mr. Foo is currently Chair of the Board of Directors of Parex. He was formerly Chief Executive Officer of Parex from September 29, 2009 to May 10, 2017, and President of Parex from September 29, 2009 to November 5, 2015. In addition, Mr. Foo was President and Chief Executive Officer of Parex's predecessor company, Petro Andina Resources Inc., a TSX listed oil and gas company focused in Latin America, from 2004 to 2009. Prior to, Mr. Foo was the President and Chief Executive Officer of Dominion Energy Canada Ltd. from 1998 to October 2002.

Annual General Meeting Voting Results		Share Ownership Requirement		
Year	% of votes For	Target Level ($)(4)	Current holding as multiple of Target	Status
2023	95.64	$517,500	72.5 times	Comply
2024	**98.52**	**$517,500**	**37.0 times**	**Comply**

	2024			2023		
Securities Held	Number		Value(2)	Number		Value(3)
Common Shares	**1,263,479**	**$**	**18,421,524**	1,459,479	$	36,414,001
DSUs	**44,523**	**$**	**649,145**	37,696	$	940,515
CosRSUs	**6,384**	**$**	**93,079**	6,041	$	150,723
CosPSUs	**—**	**$**	**—**	—	$	—
Total:		**$**	**19,163,748**		**$**	**37,505,239**

Ms. Jasinski brings over 30 years of human resources, corporate strategy, communications and leadership expertise to the Parex Board with experience spanning the energy and chemicals sectors as well as non profit Boards.

Mona Jasinski

Age: 61 | **Residence:** Alberta, Canada | **Director since:** Nominee | Independent

Parex Board and Committees:
To be determined upon election

Meeting Attendance:
N/A

Key Experience and/or Expertise
- General Oil and Gas Industry
- Human Resources
- Mergers and Acquisitions
- Strategy

Other Public Boards
None

Ms. Jasinski is a 2025 nominee for Parex's Board of Directors. She is currently the Senior Vice President, HR & Communications at NOVA Chemicals, where she leads the company's HR and Communications functions. Ms. Jasinski joined NOVA Chemicals in January 2021, bringing decades of experience in human resources, organizational effectiveness, and corporate strategy. Ms. Jasinski has built a depth of energy specific experience, serving as Executive Vice President, People and Culture at Vermilion Energy for 12 years prior to NOVA Chemicals, and holding leadership roles at Royal Dutch Shell and TransCanada Pipelines specializing in strategy, leadership effectiveness, and talent management.

Ms. Jasinski holds a Master of Business Administration from the University of Calgary and an ICD.D designation from the Institute of Corporate Directors. She currently serves as Past President of the Board of Governors of the Calgary Petroleum Club and is a board member of the Alberta Children's Hospital Foundation. Previously, she was a member of the Board of Directors for the Calgary YWCA, where she chaired the Governance Committee.

Annual General Meeting Voting Results		Share Ownership Requirement		
Year	% of votes For	Target Level ($)[4]	Current holding as multiple of Target	Status[6]
2023	N/A	N/A	N/A	N/A
2024	**N/A**	**N/A**	**N/A**	**N/A**

	2024		2023	
Securities Held[1]	Number	Value[2]	Number	Value[3]
Common Shares	—	$ —	—	$ —
DSUs	—	$ —	—	$ —
CosRSUs	—	$ —	—	$ —
CosPSUs	—	$ —	—	$ —
Total:		**$ —**		**$ —**

(1) As of March 24, 2025 Ms. Jasinski holds 3,650 Common Shares.

Mr. Lawson brings extensive experience in corporate strategy, mergers and acquisitions, investments and corporate restructurings to the Parex Board gained through senior leadership roles across the energy, investment banking, and legal sectors.

Jeff Lawson

Age: 56 | **Residence:** Alberta, Canada | **Director since:** Nominee | Independent

Parex Board and Committees:

To be determined upon election

Other Public Boards:

None

Meeting Attendance:

N/A

Key Experience and/or Expertise

- Capital Markets
- Corporate Governance
- ESG/Sustainability
- General Oil and Gas Industry
- Government Relations
- Legal
- Mergers and Acquisitions
- Strategy

Mr. Lawson is a 2025 nominee for Parex's Board of Directors. He brings extensive experience in corporate strategy, mergers and acquisitions, investments and corporate restructurings, gained through senior leadership roles across the energy, finance, and legal sectors. Mr. Lawson is currently the Senior Vice-President, Corporate Development and Chief Sustainability Officer at Cenovus Energy, where he oversees strategic initiatives, sustainability, and stakeholder engagement efforts. Prior to Cenovus, Mr. Lawson spent 15 years at Peters & Co. Limited in a variety of senior finance roles, contributing to the firm's success in capital markets and advisory services. Earlier in his career, he was a securities lawyer at Burnet, Duckworth and Palmer LLP for 14 years, where he co-led the Securities Group and served on the firm's executive committee.

Mr. Lawson has extensive board experience, having served on the boards of several public and private companies, as well as charitable organizations, demonstrating his commitment to governance and community service. He holds a Bachelor of Laws from the University of Alberta.

Annual General Meeting Voting Results		Share Ownership Requirement		
Year	% of votes For	Target Level ($)(4)	Current holding as multiple of Target	Status(6)
2023	N/A	N/A	N/A	N/A
2024	**N/A**	**N/A**	**N/A**	**N/A**

	2024		2023	
Securities Held	Number	Value(2)	Number	Value(3)
Common Shares	—	$ —	—	$ —
DSUs	—	$ —	—	$ —
CosRSUs	—	$ —	—	$ —
CosPSUs	—	$ —	—	$ —
Total:		**$ —**		**$ —**

Mr. MacDougall brings over 30 years of industry and senior leadership experience to Parex. From 2004 to 2012, Mr. MacDougall was Executive Vice President and the Chief Operating Officer of Vermilion Energy Corporation.

G.R. (Bob) MacDougall

Age: 61 | **Residence:** Alberta, Canada | **Director since:** October 4, 2016(1) | Independent

Parex Board and Committees:

Board of Directors

Finance and Audit

HSE and Reserves (Chair)

Other Public Boards:

None

Meeting Attendance:

11/11 Board of Directors (100%)

4/4 Finance and Audit (100%)

6/6 HSE and Reserves (100%)

Key Experience and/or Expertise

- General Oil and Gas Industry
- Reserves Evaluation
- Health, Safety and Environment
- International Operations
- Risk Management
- Mergers and Acquisitions
- Strategy
- Financial Literacy
- Human Resources
- ESG / Sustainability

Mr. MacDougall is a professional engineer with over to 30 years of domestic and international oil and gas operations and senior executive management experience. Mr. MacDougall was the Executive Vice President and Chief Operating Officer of Vermilion Energy Corporation from 2004 to 2012 and is currently a member of the Institute of Corporate Directors having completed the Directors Education Program.

Annual General Meeting Voting Results		Share Ownership Requirement		
Year	% of votes For	Target Level ($)(4)	Current holding as multiple of Target	Status
2023	98.90	$360,000	5.1 times	Comply
2024	**99.50**	**$360,000**	**3.8 times**	**Comply**

	2024			2023		
Securities Held	Number		Value(2)	Number		Value(3)
Common Shares	**34,134**	**$**	**531,459**	26,460	$	660,177
DSUs	**56,452**	**$**	**823,070**	46,437	$	1,158,603
CosRSUs	—	$	—		$	—
CosPSUs	—	$	—	—	$	—
Total:		**$**	**1,354,529**		**$**	**1,818,780**

Mr. McNamara brings significant industry and leadership experience to Parex, having led numerous oil and gas companies throughout his career. Mr. McNamara is currently the Vice Chair & Lead Director of the Board of Directors at Parex.

Glenn McNamara

Age: 72 | **Residence:** Alberta, Canada | **Director since:** October 4, 2016[1] | Independent

Parex Board and Committees:

Board of Directors (Vice Chair & Lead Director)

Human Resources and Compensation

Corporate Governance & Nominating

Other Public Boards:

Whitecap Resources Inc.

PrairieSky Royalty Ltd.

Meeting Attendance:

11/11 Board of Directors (100%)

4/4 Human Resources and Compensation (100%)

6/6 HSE and Reserves (100%)

11/11 Corporate Governance & Nominating (100%)

Key Experience and/or Expertise

- Capital Markets
- Corporate Governance
- ESG/Sustainability
- General Oil and Gas Industry
- Government Relations
- Health, Safety and Environment
- Human Resources
- International Operations
- Mergers and Acquisitions
- Reserves Evaluation
- Risk Management
- Strategy
- Financial Literacy

Mr. McNamara joined the Parex Board of Directors in 2016, and is currently the Board's Vice Chair & Lead Director. Prior to retirement in 2023, Mr. McNamara was the President and Chief Executive Officer of Heritage Resources LP, a private fee title acreage owner business. Prior thereto, Mr. McNamara was the Chief Executive Officer and a director of PMI Resources Ltd. (formerly, Petromanas Energy Inc.), a public oil and gas company, from September 2010 to May 2016. From August 2005 to August 2010, Mr. McNamara was the President of BG Canada (part of the BG Group PLC, a public gas company with its head office in the United Kingdom, trading on the London Stock Exchange). Mr. McNamara also currently serves on the boards of Whitecap Resources Inc., and PrairieSky Royalty Ltd., and is a member of the Institute of Corporate Directors having completed the Directors Education Program.

Annual General Meeting Voting Results		Share Ownership Requirement		
Year	% of votes For	Target Level ($)[4]	Current holding as multiple of Target	Status
2023	99.14	$450,000	2.9 times	Comply
2024	**98.66**	**$450,000**	**2.4 times**	**Comply**

	2024		2023	
Securities Held	Number	Value[2]	Number	Value[3]
Common Shares	**18,973**	**$ 327,029**	9,061	$ 226,072
DSUs	**45,157**	**$ 658,389**	38,481	$ 960,101
CosRSUs	**5,687**	**$ 82,916**	5,093	$ 127,070
CosPSUs	—	$ —	—	$ —
Total:		**$ 1,068,334**		**$ 1,313,243**

Mr. Mohsen is currently the President and Chief Executive Officer of Parex and brings significant international, industry, and leadership experience from both public and privately held companies.

Imad Mohsen

Age: 51 | **Residence:** Alberta, Canada | **Director since:** February 4, 2021[1] | Non-Independent

Parex Board and Committees:

Board of Directors

Other Public Boards:

None

Meeting Attendance:

11/11 Board of Directors (100%)

Key Experience and/or Expertise

- Capital Markets
- General Oil and Gas Industry
- Reserves Evaluation
- Health, Safety and Environment
- International Operations
- Government Relations
- Mergers and Acquisitions
- Strategy
- ESG/Sustainability
- Financial Literacy
- Geopolitical
- Strategy

Mr. Mohsen joined Parex as the President & Chief Executive Officer in 2021, and is accountable for the Company's overall leadership, strategic vision and delivery of Shareholder value. With 25 years of experience in senior leadership positions, he has a proven track record leading teams to execute growth through exploration, project management excellence and stakeholder relations.

Prior to joining Parex, Mr. Mohsen held numerous senior leadership roles at private and public companies. Most recently, Mr. Mohsen was the Chief Executive Officer at Tulip Oil Holding B.V. ("Tulip"), a private equity backed upstream company. Under his leadership, Tulip had success with near field, short-cycle time exploration and development of gas in the challenging environment of the Dutch North Sea. Prior to Tulip, Mr. Mohsen spent 15 years at Shell where he held notable roles including Development Manager for Shell's Subsea Gulf of Mexico assets, and the General Manager, Operations for Shell's Egypt JV (Bapetco).

Mr. Mohsen holds an engineering degree from the Paris School of Mines. He is a former Board member of NOGEPA (Dutch E&P Producers Association) and Nextstep (Dutch Decommissioning E&P Producers Associations).

Annual General Meeting Voting Results		Share Ownership Requirement		
Year	% of votes For	Target Level ($)[4]	Current holding as multiple of Target	Status
2023	99.67	$3,375,000	1.1 times	Comply
2024	**99.65**	**$3,375,000**	**1.1 times**	**Comply**

	2024			2023		
Securities Held[7]	Number		Value[2]	Number		Value[3]
Common Shares	**89,597**	**$**	**1,797,012**	27,717	$	691,539
DSUs	**—**	**$**	**—**	—	$	—
LDRSUs	**37,428**	**$**	**545,700**	N/A		N/A
LDPSUs	**74,856**	**$**	**1,091,400**	N/A		N/A
CosRSUs	**33,216**	**$**	**484,289**	66,660	$	1,663,167
CosPSUs	**128,833**	**$**	**1,878,385**	173,510	$	4,329,075
Total:		**$**	**5,796,786**		**$**	**6,683,781**

Ms. Sylvain is a former Canadian Ambassador and Assistant Deputy Minister with over 30 years of experience in foreign affairs, international trade and investment.

Carmen Sylvain

Age: 64 | **Residence:** Quebec, Canada | **Director since:** July 7, 2017(1) | Independent

Parex Board and Committees:

Board of Directors

Corporate Governance and Nominating (Chair)

Human Resources and Compensation

Other Public Boards:

None

Meeting Attendance:

11/11 Board of Directors (100%)

11/11 Corporate Governance and Nominating (100%)

4/4 Human Resources and Compensation (100%)

Key Experience and/or Expertise

- Risk Management
- Strategy
- Government Relations
- Corporate Governance
- Geopolitical
- Health Safety and Environment

Ms. Sylvain is a former Canadian Ambassador and Assistant Deputy Minister with 30 years of combined experience in foreign affairs, international trade and investment. She was Canada's Ambassador to Colombia, Morocco and Mauritania and served as Assistant Deputy Minister for Europe, Africa and the Middle East as well as Assistant Deputy Minister for Strategic Planning within Global Affairs. In the private sector, she was strategic advisor to Borealis Infrastructure and the OMERS pension fund. She currently serves on the Boards of LCI Education Network, Orient Investment Properties and the Egyptian Refining Company. Ms. Sylvain is a member of the Institute of Corporate Directors having completed the Directors Education Program, the DCRO Qualified Risk Directors Program and the DCRO Certificate in Cyber Risk Governance.

Annual General Meeting Voting Results		Share Ownership Requirement		
Year	% of votes For	Target Level ($)(4)	Current holding as multiple of Target	Status
2023	98.75	$360,000	2.9 times	Comply
2024	**98.62**	**$360,000**	**2.2 times**	**Comply**

	2024			2023		
Securities Held	Number		Value(2)	Number		Value(3)
Common Shares	**9,080**	**$**	**184,868**	7,470	$	186,377
DSUs	**36,828**	**$**	**536,952**	31,076	$	775,346
CosRSUs	**3,772**	**$**	**54,996**	2,773	$	69,186
CosPSUs	**—**	**$**	**—**	—	$	—
Total:		**$**	**776,816**		**$**	**1,030,909**

Notes:

(1) Parex's directors will hold office until the next annual shareholders meeting or until each director's successor is duly elected or appointed in accordance with the ABCA.

(2) Pursuant to Parex's Share Ownership Policy, the value of the Common Shares for 2024 is the number of Common Shares held by each nominee as of December 31, 2024 multiplied by the higher of the purchase price paid for such Common Shares and the closing price of the Common Shares on the TSX on December 31, 2024 of $14.58. Mr. Foo's value has been calculated using only the closing price of the Common Shares on the TSX on December 31, 2024 given the complexity of his calculations. The value of DSUs (as defined herein) for 2024 is the number of DSUs held by each nominee as of December 31, 2024 multiplied by the closing price of the Common Shares on the TSX on December 31, 2024 of $14.58. The value of LDRSUs, LDPSUs. CosRSUs and CosPSUs (each as defined herein) for 2024 is the number of LDRSUs, LDPSUs, CosRSUs and CosPSUs held by each nominee, as applicable, as of December 31, 2024 multiplied by the closing price of the Common Shares on the TSX on December 31, 2024 of $14.58. The value of CosPSUs and LDRSUs assumes a payout multiplier of 1x.

(3) The market value of Common Shares for 2023 is the number of Common Shares held by each nominee as of December 31, 2023 multiplied by the closing price of the Common Shares on the TSX on December 31, 2023 of $24.95. The value of DSUs for 2023 is the number of DSUs held by each nominee as of December 31, 2023 multiplied by the closing price of the Common Shares on the TSX on December 31, 2023 of $24.95. The value of CosRSUs and CosPSUs for 2023 is the number of CosRSUs and CosPSUs held by each nominee, as applicable, as of December 31, 2023 multiplied by the closing price of the Common Shares on the TSX on December 31, 2023 of $24.95. The value of CosPSUs assumes a payout multiplier of 1x.

(4) Target Level is determined by multiplying the director's base annual retainer by 4.5, pursuant to the Share Ownership Policy. The qualifying value for independent directors will be calculated using any mix of Common Shares, DSUs, and unvested and CosRSUs. Refer to "*Corporate Governance - Governance - Share Ownership Policy*" in this Information Circular for the named executive officer share ownership requirement for Mr. Mohsen.

(5) Ms. Azar has until July 2027 to meet the minimum share ownership threshold and is considered to be compliant until that time.

(6) Ms. Jasinski and Mr. Lawson will have until May 2030 to meet the minimum share ownership threshold.

(7) Mr. Mohsen also held 141,065 Options (as defined herein) as at December 31, 2024 and 94,372 Options as at December 31, 2023. Parex's non-executive directors do not receive Options as a form of compensation. Pursuant to the Share Ownership Policy, Options that have been granted to executive employees, but have not been exercised, will be excluded for the purpose of calculating the value of share ownership for the purposes of the Share Ownership Policy.

The information as to Common Shares beneficially owned or controlled or directed, directly or indirectly, is based upon information furnished to the Company by the respective nominees.

As at March 24, 2025, the directors and executive officers of the Company, as a group, beneficially owned or controlled or directed, directly or indirectly, 1,840,962 Common Shares constituting approximately 1.9% of the issued and outstanding Common Shares. The number of Common Shares beneficially owned or controlled or directed, directly or indirectly, by each director and executive officer of the Company exceeds the share ownership requirements under the share ownership policy for executive directors and officers that was implemented by the Company. See *"Corporate Governance – Governance – Share Ownership Policy"* in this Information Circular.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Other than as noted below, to the knowledge of the directors, no proposed director of the Company (nor any personal holding company of any such persons):

(a) is, as at the date of this Information Circular, or has been, within ten years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including Parex), that:

(i) was subject to a cease trade order (including a management cease trade order), an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days (collectively, an "**Order**") that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or

(ii) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;

(b) is, as at the date of this Information Circular, or has been, within ten years before the date of this Information Circular, a director or executive officer of any company (including Parex) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(c) has, within the ten years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

In addition, no proposed director of the Company has been subject to: (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

Mr. Cornelius was a director of Parallel Energy Trust (a TSX listed company) from March 2011 to February 2016. Parallel Energy Trust filed an application in the Court of Queen's Bench of Alberta for creditor protection under the *Companies' Creditors Arrangement Act* (Canada) and voluntary petitions for relief under Chapter 11 of the *United States Bankruptcy Code*. In the Chapter 11 proceedings, the Bankruptcy Court approved the sale of the assets of Parallel Energy Trust and the sale closed on January 28, 2016. On March 3, 2016, the Canadian entities of Parallel Energy Trust filed for bankruptcy under the *Bankruptcy and Insolvency Act* (Canada) and a notice to creditors was sent by the trustee on March 4, 2016.

Mr. Cornelius was a director of CARBO from November 2009 to July 2020. In March 2020, CARBO and its direct wholly owned subsidiaries filed voluntary petitions for reorganization under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Southern District of Texas. As part of the process, CARBO entered into an agreement with Wilks Brothers, LLC. Pursuant to such agreement, CARBO emerged from Chapter 11 bankruptcy protection under new ownership of the Wilks Brothers, LLC.

Appointment of Auditors

Unless otherwise directed, it is management's intention to vote the proxies in favour of an ordinary resolution to appoint the firm of PricewaterhouseCoopers LLP, Chartered Professional Accountants, Calgary, Alberta, (“**PwC**”) to serve as auditors of the Company until the next annual general meeting of Shareholders and to authorize the directors to fix their remuneration as such. PWC have been the auditors of the Company since September 29, 2009.

External Auditor Service Fees

The Finance and Audit Committee has reviewed the nature and amount of non-audit services provided by PwC to the Company to ensure auditor independence. Fees paid to PwC for audit and non-audit services in the last two fiscal years are outlined in the following table.

Nature of Services	Fees Paid to Auditor in the Year Ended December 31, 2024	Fees Paid to Auditor in the Year Ended December 31, 2023
Audit Fees(1)	$719,166	$608,264
Audit-Related Fees(2)	—	—
Tax Fees - Compliance(3)	$115,601	$77,921
Tax Fees - Consulting(4)	$43,232	$94,039
All Other Fees(5)	$109,509	$99,822
Total	$987,508	$880,046

Notes:
(1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's consolidated financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
(2) "Audit-Related Fees" include services that are traditionally performed by the auditor.
(3) "Tax Fees - Compliance" include fees related to tax compliance work for statutory tax obligations in the international jurisdictions that the Company operated in.
(4) "Tax Fees - Consulting" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice.
(5) "All Other Fees" include all other non-audit products and services.

Additional information regarding the Finance and Audit Committee, including information that is required to be disclosed in accordance with National Instrument 52-110 – *Audit Committees* is contained in the Company's annual information form for the year ended December 31, 2024, an electronic copy of which is available on the Company's SEDAR+ profile at **www.sedarplus.ca**

Shareholder Advisory Vote on Executive Compensation

The Board believes that Shareholders should have the opportunity to receive information to assist them in understanding the objectives, philosophy and principles used in its approach to executive compensation and to provide feedback to the Board on such matters. As such, the Board includes a Shareholder advisory vote (the "**Say on Pay Vote**") on executive compensation at the Company's annual general meetings of Shareholders. The Say on Pay Vote is a non-binding advisory vote on the Board's approach to executive compensation. The purpose of the Say on Pay Vote is to provide Board accountability to the Shareholders for the Board's compensation decisions by giving Shareholders a formal opportunity to provide their views on the disclosed objectives of the Company's executive compensation plans, and on the plans themselves. At the Company's annual general and special meeting of Shareholders held in 2024, Shareholders voted 95.56% in favour of the Company's approach to executive compensation described in the Company's management information circular dated March 25, 2024.

Shareholders will be asked at the Meeting to vote, on an advisory basis, on the acceptance of Parex's approach to executive compensation as set forth in the "*Statement of Executive Compensation*" section of this Information Circular. Shareholders are encouraged to carefully review the information set forth in that section before voting on this matter. The "*Statement of Executive Compensation*" section discusses our compensation philosophy, the objectives of the different elements of our compensation programs and the way the Board assesses performance and makes decisions. It explains how the Company's compensation programs are centered on a pay-for-performance culture and are aligned with the long-term development strategy of our business and taking into account the interests of our Shareholders.

As this is an advisory vote, the results will not be binding upon the Board, however, the Board places a great deal of importance on the views of Shareholders and will take the results of the vote into account, as appropriate, when considering future compensation policies, procedures and decisions. The Board believes that it is essential for Shareholders to be well informed of Parex's approach to executive compensation and consider the advisory vote to be an important part of the ongoing process of engagement between the Shareholders and the Board. The Company will disclose the results of the Shareholder advisory vote as a part of its report on voting results.

In the event that the advisory resolution is not approved by a majority of the votes cast at the Meeting, the Board will consult with its Shareholders (particularly those who are known to have voted against it) to understand their concerns and will review the Board's approach to compensation in the context of those concerns. Results from any such Board review, if necessary, will be discussed in the Company's management information circular for the annual meeting of Shareholders to be held in 2026. In addition, Shareholders may contact the Corporate Secretary of the Company by mail at the Company's head office at 2700 Eighth Avenue Place, West Tower, 585-8 Avenue S.W., Calgary, Alberta T2P 1G1, if they wish to share their view on executive compensation with the Board.

At the Meeting, Shareholders will be asked to approve the following resolution (the "**Say on Pay Resolution**"):

> "BE IT RESOLVED, on an advisory basis and not to diminish the role and responsibilities of the Board of Directors of Parex Resources Inc. (the "**Company**"), that the shareholders accept the approach to executive compensation as disclosed in the "*Statement of Executive Compensation*" section in the management information circular of the Company dated March 25, 2025."

Unless otherwise directed, it is the intention of management to vote proxies in favour of the Say on Pay Resolution.

Other Matters

Management knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Annual General Meeting. However, if any other matter properly comes before the Meeting, the accompanying proxy will be voted on such matter in accordance with the best judgement of the person or persons voting the proxy.

Director Compensation

General

The Human Resources and Compensation Committee ("**HR&C Committee**") retained compensation advice throughout 2024 from Meridian Compensation Partners (“**Meridian**”). Advice included benchmarking director compensation and share ownership guidelines (against the Company’s peers). See "*Statement of Executive Compensation – Compensation Discussion and Analysis – Comparator Group*" in this Information Circular. As a result of such advice, there were no changes made to the Company’s Director compensation package in 2024.

The current directors' compensation program is as follows, which is only available to directors who are not also NEOs (as defined herein).

Components of Director Compensation for 2024	
Cash Retainer	
Annual Retainer Fees	
Member of the Board	$65,000
Chair of the Board	$115,000
Vice Chair and Lead Director of the Board	$100,000
Committee Annual Retainer Fees	
Standing Committee Member	$0
Chair of Finance and Audit Committee	$20,000
Chair of HR&C Committee	$15,000
Chair of HSE and Reserves Committee	$15,000
Chair of Governance & Nominating Committees	$15,000
Chair of a standing committee of the Board other than the Finance and Audit, HR&C and HSE and Reserves	$15,000
Meeting Fees	
Board Meeting Attendance	$1,500
Committee Meeting Attendance	$1,500
Equity Compensation	
Cash/Share Settled RSUs	50%
DSUs	50%

Directors elect each year to receive their annual retainers paid quarterly in cash and/or be awarded in Cash/Share Settled RSUs (as defined herein) and deferred share units (“**DSUs**”) under the Company’s deferred share unit plan (“**DSU Plan**”). Each director makes the election late in the year, subject to blackout periods being in effect, for effect the following year. The default, if no election is made by an individual director each year, will be 100% cash for the annual retainer for the following year.

The DSU Plan was approved by the Board on April 1, 2015 and by Shareholders on May 12, 2015. DSU grants were last made to independent directors on May 10, 2024. The cash or share settled restricted share unit plan (the “**Cash/Share Settled RSU Plan”**) was approved by the Board on February 7, 2019, which does not, pursuant to TSX policies, require Shareholder approval. Cash/Share Settled RSUs were granted to independent directors on May 10, 2024.

Parex's director compensation program includes a fixed annual retainer and no per-meeting fees for the first 12 Board or committee meetings attended by each director per year. After a director has attended 12 Board or committee meetings in a calendar year, such director will be entitled to a payment of $1,500 for attending in person or by telephone at each Board or committee meeting of which they are a member. Where a director is not a committee member, the director will receive a payment of $1,500 for attending a meeting of such committee, when requested to do so by the Committee's Chair.

Non-management directors are also eligible to receive long-term incentive compensation in the form of participation in the Cash/Share Settled RSU Plan and the DSU Plan. The number of long-term incentives granted, if any, is to be reviewed each year by the HR&C Committee for grants to be approved by the Board and awarded following any blackout period subsequent to the annual meeting of Shareholders. Directors may elect to take their annual long term incentive grants as either 100% DSUs, or 50% Cash/Share Settled RSUs and 50% DSUs.

For a summary of the terms of the DSU Plan and Cash/Share Settled RSU Plan, see Appendix "C" and Appendix "D", respectively, to this Information Circular.

Directors are reimbursed for miscellaneous out-of-pocket expenses, if any, incurred in carrying out their duties as directors.

Director Compensation[1]

The table below summarizes the director compensation for 2024:

Name	Fees earned[2] ($)	Share-based awards (DSUs)[3] ($)	Share-based awards (CosRSUs)[4] ($)	Option-based awards[5] ($)	All other compensation ($)	Total ($)
Lynn Azar	71,000	67,232	67,235	—	—	205,467
Lisa Colnett	87,500	67,232	67,235	—	—	221,967
Sigmund Cornelius	91,000	134,439	—	—	—	225,439
Robert Engbloom	75,500	67,232	67,235	—	—	209,967
Wayne Foo	115,000	77,992	77,950	—	—	270,942
G. R. (Bob) MacDougall	86,000	134,439	—	—	—	220,439
Glenn McNamara	116,500	72,612	72,593	—	—	261,705
Carmen Sylvain	96,500	67,232	67,235	—	—	230,967

Notes:

(1) The Company does not provide non equity incentive plan or pension plan compensation to directors.

(2) See "*Director Compensation – General*".

(3) The grant date fair value of share-based awards (DSUs) is $23.93, being the weighted average of the price at which the Common Shares traded on the TSX for the five trading days immediately preceding the grant date of May 10, 2024 as per the terms of the DSU Plan and a commonly accepted methodology for valuing compensation among the Company's peer comparator group. It is the same methodology used by the Company to determine the accounting fair value of the DSUs in accordance with International Financial Reporting Standard 2 – Share Based Payments.

(4) The grant date fair value of share-based awards (CosRSUs) is $24.06, being the weighted average of the price at which the Common Shares traded on the TSX for the three trading days immediately preceding the grant date of May 10, 2024. This methodology for accounting fair value of Cash/Share Settled RSUs is in accordance with International Financial Reporting Standards 2 – Cash-Based Payments.

(5) Directors were not granted option-based awards (Options) in 2024.

(6) Mr. Mohsen, a director of the Company, is also the President and CEO (as defined herein) of the Company and is therefore an NEO and does not receive compensation as a director. See "*Statement of Executive Compensation - NEO Summary Compensation Table*" for information with respect to Mr. Mohsen's compensation.

Director Fees

Fees were paid to directors in 2024 in accordance with the schedule of annual retainers and meeting fees outlined under "*Director Compensation – General*" above. The number of meetings attended by each director is outlined under the "*Matters to be Acted Upon at the Meeting – Fixing the number of Directors and election of Directors – Director Profiles*" section of this Information Circular.

Incentive Compensation

In accordance with the directors' compensation program, remuneration in the form of cash-settled DSUs and CosRSUs were provided to directors in 2024. No non-equity incentive compensation was provided to directors in 2024. Directors have not been granted option-based awards (Options) since 2013.

Parex's intention is for the timing of annual equity incentive plan awards to coincide with the election of directors at the Company's annual general meeting of Shareholders.

Outstanding Option-based and Share-based Awards – Independent Directors (as at December 31, 2024)

The directors did not hold any outstanding option-based awards (Options) as at December 31, 2024. No non-equity incentive compensation was provided to directors in 2024.

	Number of common shares or units of common shares that have not vested		Market or payout value of share-based awards that have not vested[2] ($)		Market or payout value of vested share-based awards not paid out or distributed[3] ($)	
Name	DSUs	CosRSUs	DSUs	CosRSUs	DSUs	CosRSUs
Lynn Azar	—	5,437	—	79,271	119,527	—
Lisa Colnett	—	5,465	—	79,680	909,676	—
Sigmund Cornelius	—	—	—	—	410,135	—
Robert Engbloom	—	4,623	—	67,403	978,533	—
Wayne Foo	—	6,384	—	93,079	649,145	—
G. R. (Bob) MacDougall	—	—	—	—	823,070	—
Glenn McNamara	—	5,687	—	82,916	658,389	—
Carmen Sylvain	—	3,772	—	54,996	536,952	—

Notes:
(1) On March 7, 2017, the Board approved certain amendments to the DSU Plan to provide for the cash settlement of all DSUs (including the DSUs noted in the above table) rather than the settlement through the issuance of Common Shares.
(2) Based on multiplying the closing price of the Common Shares on the TSX on December 31, 2024 of $14.58 by the number of DSUs and CosRSUs, as applicable, that were not vested as at December 31, 2024.
(3) Based on multiplying the closing price of the Common Shares on the TSX on December 31, 2024 of $14.58 by the number of DSUs and CosRSUs, as applicable, that were vested but not paid out or distributed as at December 31, 2024.

Name	Option-based awards – value vested during the year ($)	Share-based Awards value vested during the year[1] DSUs ($)	Share-based Awards value vested during the year[1] CosRSUs ($)	Non-equity incentive plan compensation – value earned during the year[2] ($)
Lynn Azar [3]	N/A	67,232	32,725	N/A
Lisa Colnett	N/A	67,232	58,580	N/A
Sigmund Cornelius	N/A	134,439	—	N/A
Robert Engbloom	N/A	67,232	14,403	N/A
Wayne Foo	N/A	77,992	70,111	N/A
G.R. (Bob) MacDougall	N/A	134,439	—	N/A
Glenn McNamara	N/A	72,612	58,572	N/A
Carmen Sylvain	N/A	67,232	45,244	N/A

Notes:
(1) Based on multiplying the closing price of the Common Shares on the TSX on the vesting date by the number of DSUs and CosRSUs, as applicable, that vest on such date.
(2) The Company did not provide non-equity incentive plan compensation to independent directors during the year ended December 31, 2024.

Corporate Governance

National Instrument 58-101 - Disclosure of Corporate Governance Practices (**"NI 58-101"**) requires reporting issuers to disclose their corporate governance practices with reference to a series of guidelines for effective corporate governance set forth in National Policy 58-201 - Corporate Governance Guidelines. Set out below is a description of the corporate governance practices of the Company, in accordance with NI-58-101.

Strategy

Strategic Planning

The Board oversees the development and execution of a long-range strategic plan and a short-range business plan for Parex which are designed to achieve Parex's primary objectives and identify the principal strategic and operational opportunities and risks of the Company's business. To assist the Board in meeting this responsibility, the agenda for every regularly scheduled Board meeting includes a discussion of the progress of the short-term business plan and quarterly financial results as well as management's views in respect of some, if not all of the following: a review of business development, exploration, financial forecasts, human resources, ESG issues, cybersecurity, and emerging opportunities and threats designed to provide the Board the information required for them to discuss and analyze the main risks associated with the Company's business plan and make recommendations to adjust the plan if necessary.

In addition, the Board sets aside at least two days every year for a strategic planning session where they meet with management and discuss the long-term plan for the organization in detail. From time to time, external advisors are invited to present at these meetings. A fulsome in-camera (without management present) session concludes each of these sessions.

Board Accountability

Board effectiveness is critical to the success of the Company. Each year, the Corporate Governance and Nominating Committee ("**CGNC**"), in consultation with the Board Chair, determines the process by which assessments of the Board, Committees and individual directors will be conducted on their effectiveness and contribution. The process includes the use of questionnaires and one-on-one interviews with each director by the Board Chair and Vice Chair & Lead Director. A written report on the assessment is provided to the Board members and is discussed at the CGNC. The CGNC believes that while the traditional annual assessment process is robust and effective, from time to time the process may be supplemented with the engagement of a third-party consultant in order to provide additional insights.

In reviewing the 2024 performance assessment process it was determined that the engagement of a third party for the Board effectiveness assessment would provide an opportunity for an enhanced view of the Board's efficacy. A survey format was used, and while consistent with the one used in 2023, several enhancements were made. Consistent with 2023, an anonymous peer evaluation of the directors was completed by Board members and the Executive Management Team. Following the completion of the Board effectiveness survey and peer evaluations, the Board Chair and Vice Chair & Lead Director met with each director one-on-one to engage in an open two-way discussion on any issues that either wanted to raise, with an emphasis placed on maximizing the contribution of each director to the Board and continually improving the effectiveness of the Board. The Board as a whole discussed the results of the findings and go-forward suggestions during in-camera sessions that took place following the Board meeting held in the first quarter of 2025. The final piece of the individual assessment process is the review of the skills matrix noted below, outlining the experience and background of the directors in a variety of key subject areas. This updated matrix is maintained so that the members of the Board can identify areas for strengthening the Board as a whole and address them through the board renewal process. The Board Chair and Vice Chair & Lead Director, also use the information obtained through these surveys to decide whether any changes are needed in Board processes, mandates, composition, or committee structure.

Enterprise Risk Management

The Board and management are responsible for overseeing Parex's enterprise risk management process ("**ERM process**"). The Board has delegated to the appropriate Board committee responsibility to review and assess the identification and management of enterprise risk management matters as follows:

Finance and Audit Committee: Oversight of financial risks including balance sheet risk, climate-related risk and review of appropriate risk management policies and strategies. Engaging directly with our external auditors and internal control auditors with respect to financial controls and financial disclosure.

HSE and Reserves Committee: Oversight of the disclosure of Parex's oil and gas reserves and reporting requirements, including the appointment of a qualified external reserves evaluator. Oversight of Parex's environmental, health and safety practices and programs; environmental and safety protection; monitoring of surface access, including security risk; and investments in reducing energy consumption and greenhouse gas ("**GHG**") emissions.

HR&C Committee: Oversight of compensation risk, including ensuring compensation practices do not motivate undue risk taking and short-term decision making at the expense of long-term goals. Oversight of employee relations, executive development and succession planning and diversity.

The HR&C Committee is comprised entirely of independent directors and is responsible for the functions of a compensation committee. See "Statement of Executive Compensation – Compensation Governance".

The HR&C Committee reviews competitive market data from third-party sources for compensation for directors and officers of the Company and makes recommendations regarding the format and quantum of such compensation to the Board for approval. As part of this process, external consultants may be engaged by the HR&C Committee to conduct a competitive review of, and to make specific recommendations on, compensation for directors and officers. See "*Statement of Executive Compensation – Compensation Governance*".

Corporate Governance and Nominating: Oversight of corporate governance practices including Board composition, director education and orientation, diversity, and effectiveness.

The Board as a whole has retained oversight on CEO succession, Parex's business strategy, ethics-related practices and policies, cybersecurity, impact of climate-related issues on strategy and ESG risk management, and Parex's overall approach to corporate sustainability and community relations efforts.

The Board receives quarterly cyber risk updates as well as an annual presentation on current Parex operational cybersecurity statistics (firewall, phishing and e-mail filtering), the Company's cybersecurity program, milestones completed and planned work. During this session the Board is provided with general industry updates, and key risk/areas of concern that pertain to the industry or our regions. Parex has a robust cybersecurity program in place to mitigate risk, and in 2024, the Company did not experience any notable cybersecurity issues. Further, Parex has not experienced an information security breach from a third party, or otherwise.

Parex's ERM process, approved by the Board of Directors, outlines the Company's risk management principles and expectations, as well as the roles and responsibilities of all staff. The ERM process includes a risk management framework and risk assessment tools, including a risk matrix. Parex's risk management framework contains the key attributes recommended by the International Standards Organization ("**ISO**") in its ISO 31000 – Risk Management Guidelines (2017). The results of the Company's ERM process are documented in a semi-annual summary presented to the Board of Directors as well as through regular updates.

Governance

Board Assessments

The CGNC in conjunction with the Chair of the Board, has responsibility for assessing the performance of the Board as a whole, the committees of the Board and the individual directors. The size of the Board allows for significant and consistent communication amongst the directors and management with respect to matters of effectiveness. On an annual basis, the Chair and Vice Chair & Lead Director meet individually with each member of the Board to review their peer assessment and the overall Board effectiveness survey results. See "*Corporate Governance – Strategy – Board Accountability*". The process evaluates the purpose, performance and priorities of the Board and the organization. Ultimately, the Board and management team gain important performance feedback to strengthen relationships and focus on matters of relevance, and on creating Shareholder value. For the 2024 assessment, the Board engaged an external consultant to conduct the Board evaluation to enhance its process, provide additional insight, and align with best governance practices.

The outcome of this evaluation process is an integrated set of actionable priorities for the coming year for the Board as a whole, its Chair, its committees, the CEO and individual directors. Priorities set this year provide a basis for performance reviews to be completed next year.

Ethical Business Conduct

The Company has had a code of conduct since its inception in 2009. The code of conduct was most recently reviewed and amended in 2023. A copy of the code of conduct can be obtained on the Company's SEDAR+ profile at **www.sedarplus.ca** or upon written request to the Company.

As discussed above, the Board conducts an annual assessment process, a part of which focuses on the ethical business conduct of the Board and the organization as a whole. In 2024, all directors reviewed and approved the Company's Code of Conduct, Whistleblower Policy and Anti-Bribery and Anti-Corruption Policies and completed their certification with respect thereto.

The Company has not filed any material change reports since its inception that pertains to any conduct of a director or executive officer that constitutes a departure from the Code of Conduct.

Board and Committee Meetings without Management

The Board and each Committee of the Board has a written mandate. In accordance with the mandates, time is set aside at every meeting to meet in-camera to facilitate open and candid discussion. In 2024, there were 11 Board meetings, six HSE and Reserves Committee meetings, four Finance and Audit Committee meetings, 11 CGNC meetings, and four HR&C Committee meetings. An in-camera session was held at the beginning and/or end of each of those meetings. The independent directors also routinely hold meetings at which non-independent directors and members of management are not in attendance.

Share Ownership Policy

The Board adopted a share ownership policy for directors and executive officers on November 7, 2017, that was amended on February 4, 2021. On December 1, 2023, the Board approved an amendment to the share ownership policy, which increased the holding requirements for the CEO to better align with the Company's peers.

Independent directors are required to acquire and hold Common Shares with a minimum aggregate market value of 4.5 times their annual cash retainers and the CEO is required to acquire and hold Common Shares with a minimum aggregate market value of five times his base annual salary. The CFO is required to acquire and hold Common Shares with a minimum aggregate market value of three times his base annual salary. The executive officers of the Company other than the CEO and CFO are required to acquire and hold Common Shares with a minimum aggregate market value of two times their base annual salary. Determinations of the value of Common Shares owned by any director or executive officer will be based on the trading price of the Common Shares on the TSX. In the event that the market value of Common Shares owned by a director or executive officer falls below the original purchase price actually paid by the director or executive officer for such Common Shares, the original purchase price may be used when calculating the director or executive officer's Common Share ownership. The independent directors and executive officers have a period of five years from the date of the implementation of the initial share ownership policy on November 7, 2017, or from the date of their appointment as an independent director or executive officer of the Company, as applicable, whichever is later, to acquire the value required. As of December 31, 2024, all of the independent directors and executive officers of the Company were in compliance with the share ownership policy. In 2024, changes were made to the Share Ownership Policy, increasing CEO ownership requirements to five times as a multiple of salary. As of December 31, 2024, Mr. Mohsen had met all shareholder ownership requirements.

Named Executive Officer Share Ownership Requirement - as at December 31, 2024

Name and Principal position	Salary ($)(1)	Target ownership guideline level ($)(2)	Current Holdings					Comply with share ownership policy(8)	Current holdings as a multiple of Target
			Common Shares (#)(3)	Common Shares ($)(4)	LDRSUs (#)(5)	CosRSUs (#) (6)	LDRSU & CosRSU Value ($)(7)		
Imad Mohsen President and CEO	675,000	3,375,000	89,597	1,797,012	112,284	162,049	1,999,888	Yes	1.1
Cameron Grainger Interim Chief Financial Officer(9)	250,185	N/A	41,708	608,103	0	43,043	313,783	Yes	N/A
Eric Furlan Chief Operating Officer	429,682	859,364	116,323	1,695,989	48,209	75,059	898,624	Yes	3.0
Michael Kruchten SVP Capital Markets & Corp Planning	347,412	694,824	59,671	870,003	39,845	62,092	743,121	Yes	2.3
Daniel Ferreiro President Parex Resources (Colombia) Ltd.	378,000	756,000	45,454	662,719	35,556	52,736	643,649	Yes	1.7

Notes:
(1) Salary at December 31, 2024.
(2) Target ownership guideline level is five times base annual salary for the CEO, three times base annual salary for the CFO, and two times base annual salary for all other executive officers. NEOs have five years to meet the threshold for ownership levels.
(3) Represents Common Shares held at December 31, 2024.
(4) The market value of the Common Shares for Messrs. Grainger, Furlan, Kruchten and Ferreiro for 2024 is the number of Common Shares held by them as of December 31, 2024 multiplied by the closing price of the Common Shares on the TSX on December 31, 2024 of $14.58. The market value of Common Shares for Mr. Mohsen is the number of Common Shares held by him as of December 31, 2024 multiplied by the higher of the purchase price paid for such Common Shares and the closing price of the Common Shares on the TSX on December 31, 2024 of $14.58, consistent with the calculation used for the directors.
(5) In 2024, the Board approved a Restricted Share Unit Plan (Longer Duration) ("**LDRSU Plan**") which replaces the Cash/Share Settled RSU Plan go-forward for executives and provides executives with optionality to hold LDRSUs for a period up to 10 years. LDRSUs are a combination of vested and unvested LDRSUs and LDPSUs at December 31, 2024 with a maximum of 50% of the unvested LDRSUs and LDPSUs being applied towards the target total ownership.
(6) CosRSUs are a combination of vested and unvested CosRSUs and CosPSUs at December 31, 2024 with a maximum of 50% of the unvested CosRSUs and CosPSUs being applied towards the target total ownership.
(7) Value is calculated using the closing price of the Common Shares on the TSX on December 31, 2024 of $14.58 per Common Share multiplied by the number of CosRSUs and LDRSUs held at December 31, 2024. A minimum of 50% of the target ownership value will be calculated using Common Shares. The remaining 50% of the target ownership value will be calculated using a mixture of Common Shares and unvested CosRSUs, CosPSUs, LDRSU, and LDPSUs.
(8) On December 1, 2023 the Board approved a change requiring the CEO to acquire and hold Common Shares with a minimum aggregate market value of five times his base annual salary. Previously the requirement had been four times base annual salary. Mr. Mohsen has 5 years from December 1, 2023, to meet the incremental share ownership increase requirement.
(9) Mr. Grainger was appointed as Interim CFO effective September 21, 2024, and CFO effective March 5, 2025. Mr.Grainger has 5 years from March 5, 2025 to meet the minimum share ownership of three times base annual salary and is considered to be compliant until that time.

ESG & Climate Change Governance

Parex believes that to benefit all stakeholders, delivering Shareholder value must be coupled with taking meaningful steps to reduce corporate carbon intensity, ensuring that local communities where the Company operates benefit from its operations, and that the environment and the health and safety of local communities, contractors, and employees are not compromised. With that commitment in mind, Parex aims to deliver top-tier ESG performance. The Company's governance structure is equipped to ensure effective management and oversight of ESG and climate-related impacts, risks, and opportunities that could influence corporate strategy and performance.

Detailed information on the Company's governance structure and ESG performance and practices are discussed in Parex's sustainability disclosure documents available on the Company's web-page (**https://parexresources.com/sustainability-reporting/**). The following discussion highlights the structure in place:

ESG Oversight and Management: The Board oversees ESG and climate governance with the support of four Board committees as well as the ESG Steering Committee ("**ESG SC**") and the Sustainability Working Group with each having specific mandates and roles in ensuring that Parex is prepared to face current and emerging ESG and climate-related challenges.

Management updates the Board and its committees quarterly on ESG-related matters, including progress on corporate approved annual scorecard ESG objectives to advance Parex's strategy. The President and CEO chairs the ESG SC, which is comprised of executives and staff members and provides ESG leadership on strategy, performance and disclosures. The ESG SC assists and supports the Board, its committees and management with identifying, assessing, managing, and understanding current and emerging ESG and climate-related impacts, risks, and opportunities pertaining to Parex's operations and stakeholders. This ESG SC meets four times annually and its members provide ESG performance updates quarterly to the Board and periodically at cross-functional status meetings.

Risk Management: Parex references outcomes from its qualitative and quantitative climate scenario analysis to prioritize climate-related risks and opportunities that have the potential to impact the Company over multiple time horizons. Outcomes identified through the climate scenario analysis inform Parex's assessment of climate-related risks and the potential financial impact of such risks to corporate funds flow provided by operations under a range of assumptions, guided by different scenarios data. These actions highlight the Company's efforts to further integrate considerations of climate-related risks and opportunities into its long-term strategic planning, as well as provide insight into the resilience of the business.

ESG and climate risks are integrated in the ERM process and reviewed bi-annually by the appropriate board committee. Parex's ESG and climate risks are described in the Annual Information Form for the year-ended December 31, 2024 under the "*Risk Factors*" section and its corporate risk management approach can be found in the "*Corporate Governance - Strategy - Enterprise Risk Management*" in this Information Circular.

Consistent with the treatment of other business and enterprise risks, Management reports ESG risks and risk assessments to the Board Committees with oversight of the respective risk type. In turn, the Committees submit to the Board for a full review the top risks assessed based on likelihood and impact scores. For any ESG or climate risk ranked in the top five risks, responsibility for management is assigned to an executive and mitigation responses and/or action plans are developed.

ESG Reporting: Annually, Parex discloses on its website certain ESG performance indicators on material ESG topics. The Company produces a comprehensive sustainability report in alignment with recognized international sustainability reporting standards, documenting the Company's assessment of impacts, risks, opportunities, management approach, progress and challenges pertaining to sustainability issues. The content and methods used in the Company's voluntary sustainability disclosures are informed by the Sustainability Accounting Standards Board (SASB), the Task force on Climate-Related Financial Disclosures ("**TCFD**") Recommendations, and the Global Reporting Initiative Standards (GRI). The 2023 Sustainability Report, including TCFD aligned disclosures, is available on the Company's sustainability web-page (**https://parexresources.com/sustainability-reporting/**), where the Company's GHG emissions performance metrics and initiatives up to December 31, 2023 are disclosed (see pages 20-22 of the 2023 Sustainability Report). Parex expects to publish the 2024 Sustainability Report in the third quarter of 2025, with the Board's approval. The report will provide a progress update on the Company's performance related to ESG key performance indicators.

Stakeholder Engagement

Parex is focused on engaging all stakeholders, including Shareholders. Through active regular dialogue with its Shareholders, Parex believes that direct interaction allows for strong alignment of the interests of Shareholders with the interests of the Board and management team. Parex's shareholder base is primarily comprised of institutional investors. The Company conducts regular engagement with investors through non-deal roadshows, face-to-face meetings and broker-sponsored conferences. Additionally, our executive leadership team hosts conference calls to discuss our quarterly financial and operating results. Conferences calls are available to research analysts, shareholders and the public. The Company's annual Shareholders meeting is also typically a forum where multiple stakeholders have an opportunity to directly engage with the Board and management. The Board of Directors can be directly contacted via email at boardofdirectors@parexresources.com.

Board Composition

Director Independence

The Company currently has nine directors, of which eight are independent directors within the meaning of NI 58-101. The two new director nominees, Mona Jasinski and Jeff Lawson are also independent within the meaning of NI 58-101. Imad Mohsen, who is the current President and CEO of the Company, is not independent. Wayne Foo, who was the Company's CEO until May 11, 2017 became independent under the definition of independence in NI 58-101 on May 11, 2020 as it was then three years since his retirement as an employee or executive officer of Parex. In the view of the Board, Mr. Foo has no direct or indirect relationship with Parex that could reasonably interfere in Mr. Foo's independent judgment, however, the Board has appointed an independent director as Lead Director in observance of governance best practices. As part of Board succession planning, Glenn McNamara was appointed Vice Chair & Lead Director on November 7, 2023. On at least an annual basis, the Board conducts an analysis and makes a determination as to the "independence" of each member of the Board. The Finance and Audit Committee, HR&C Committee, CGNC and HSE and Reserves Committee of the Board are all comprised entirely of independent directors.

The Company has adopted a written description for the Chair of the Board detailing the roles and responsibilities of the position which include the following:

- determining the schedules and agendas of the meetings of the Board and the Shareholders;
- enabling the design and implementation of effective committees of the Board including the selection of members;
- supporting the Board director recruitment process, the orientation of new and the continued education of incumbent directors and the review and assessment of director attendance, compensation and the size and composition of the Board;
- providing leadership in the process of reviewing and deciding upon matters that exert major influence on the manner in which the Company's business is conducted, such as corporate strategic planning, corporate governance, policy formulation, and mergers and acquisitions;
- overseeing the administration of the annual evaluation of performance and effectiveness of the Board, Board committees and committee Chairs; and
- facilitating communication between the Board, management and Shareholders.

The mandate of the Board is attached as Appendix "A" hereto.

Director Participation with Other Reporting Issuers

Certain directors are presently directors of other issuers that are reporting issuers (or the equivalent). Ms. Colnett is currently a director of Parkland Corporation and Northland Power Inc., and Mr. McNamara is currently a director of Whitecap Resources Inc and PrairieSky Royalty Ltd.

Conflicts of Interest

To address conflicts of interest, the members of the Board and executive officers are required to declare the nature and extent of any material interest in any transactions or agreements and may not vote in relation to any such matter. In certain cases, an independent committee may be formed to deliberate on such matters in the absence of the interested party.

The majority of the Board is comprised of independent directors. In any situation where a potential conflict may arise, a director must disclose such conflict and abstain from consideration of the particular transaction or agreement and voting as a result. As members of the Institute of Corporate Directors, the directors of the Company also subscribe to the statement of ethics of that organization.

Other Board Committees and Position Descriptions

The Company has established the Finance and Audit Committee, the HR&C Committee, the CGNC and the HSE and Reserves Committee of the Board, each comprised entirely of independent directors, in accordance with NI 58-101, and in respect of the HSE and Reserves Committee, National Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities ("**NI 51-101**") guidelines. The Board has also developed mandates for each of the committees of the Board which detail the composition, duties and responsibilities of the committees. Certain information regarding the Finance and Audit Committee, including the mandate of the Finance and Audit Committee is contained in the Company's annual information form for the year ended December 31, 2024, an electronic copy of which is available on the internet on the Company's SEDAR+ profile at **www.sedarplus.ca** and see "*Statement of Executive Compensation – Compensation Governance – Mandate of the HR&C Committee*" in this Information Circular for a description of the mandate of the HR&C Committee.

The HSE and Reserves Committee is responsible for:

- assisting management in fulfilling its responsibilities under NI 51-101 with respect to the oil and natural gas reserves evaluation process;
- reviewing any public disclosure and regulatory filings with respect to any reserves evaluation and related oil and natural gas activities;
- acting as the steward of the Company's operational performance;
- reviewing and being satisfied that the Company has in place an adequate process to review all material major projects and capital investments in order to assess where value has been created and improve decisions;
- reviewing and monitoring the adequacy of the Company's health, safety and environmental emergency response policies, plans, reporting and resources;
- reviewing and monitoring the Company's ESG related disclosures as they relate to the Company's production, reserves and exploration and development activities; and
- reviewing and assessing the identification and management of enterprise risk management matters pertaining to the HSE and Reserves Committee.

See "*Corporate Governance - Succession - Orientation of Directors*" and "*Corporate Governance - Governance - Board Assessments*" for a description of the responsibilities of the CGNC.

The Board has developed a written position description for the Chair of the Board and the Chair of each Board committee. See "*Corporate Governance - Governance - Board Composition - Director Independence*" above for a summary of the written position description for the Chair of the Board. Each of the Company's written committee mandates provide that the committee shall appoint one member as committee Chair who will lead the committee meetings including determining agendas and schedules of the meetings, meeting with independent external consultants, and reporting committee activity and recommendations to the Board as a whole.

The Board has also developed a mandate for the CEO, which details the duties and responsibilities of the CEO as the following:

- leading and managing the Company within the parameters established by the Board;
- directing and monitoring the activities of the Company in a manner that safeguards and optimizes the assets of the Company in the best interest of the Shareholders;
- developing and recommending to the Board the overall corporate organizational structure;
- establishing and maintaining an annual Board approved plan for the appointment, development and succession of management;
- meeting all reporting requirements to the relevant authorities and to the Company's Shareholders; and
- fostering a corporate culture that promotes ethical practices and encourages individual integrity and social responsibility.

Nomination of Directors

The CGNC is comprised entirely of independent directors and is responsible for oversight of the Company's corporate governance, board development, executive appointments, disclosures and performance assessment functions.

While the CGNC is ultimately responsible for recommending nominations for directors, all members of the Board are encouraged to identify skill sets that they deem most important in filling any director vacancies, and become actively involved in identifying suitable candidates to fill such vacancies.

When deemed appropriate to ensure that a reasonable number of suitably qualified candidates are identified and considered for any director vacancies, the Board will retain an experienced third party search firm for this purpose.

Education of Directors

Parex updated its directors education policy in 2024 to a Directors Orientation and Continuing Education Policy to support directors through orientation and add a robust strategic education program, in addition to the continuing education support already provided for. In 2024, individual directors of the Board in addition to the full Board participated in presentations and received educational information on a variety of topics presented by management and external experts, including those set out in the table below:

Event / Topic	Attended By
Annual Anti-Bribery & Anti-Corruption Policy Certification	Board
Annual Code of Conduct Certification	Board
Annual Whistleblower Policy Certification	Board
Annual Cyber Security Update	Board
Charting the Future of Canadian Governance	Glenn McNamara
Colombia Risk Analysis	Board
Cybersecurity Awareness	Board
ESG Greenwashing Awareness (Bill C-59)	Board
Energy and Capital Market Update	Board
ICD Annual Conference: Thinking Beyond the Boardroom	Carmen Sylvain
IFC Nominee Director Conference: Interaction of Financial and Human Capital; Future of Work; Remuneration and Nomination Committee Trends and Insights	Carmen Sylvain
IFC Nominee Director Training: Navigating Social Media and Reputation	Carmen Sylvain
Implications of an Evolving Economy in Alberta	Glenn McNamara
Organizational Resilience: Why it Matters	Glenn McNamara
PwC Year-End Audit Committee Webcast	Sigmund Cornelius
Reserves 101	Board
The Complexities of CEO Performance and Succession	Carmen Sylvain
The Future of Sustainability Reporting with ISSB Standards	Glenn McNamara

Diversity

Parex recognizes the benefits of diversity within its Board, at the executive level and all levels of the organization. The Board has a Diversity Policy which embraces the benefits of having an inclusive culture and a diverse Board. For the purposes of Board composition, diversity includes but is not limited to, business and industry skills and experience, gender, ethnicity, nationality, age, geographic background, and other personal characteristics. Consideration for nominations to the Board will be made based on skills and capability, diversity and the needs of the Board at the applicable time. As a result, the Board is, and will be, comprised of highly qualified directors from diverse backgrounds. The goal of increasing diversity at the Board is to maximize its effectiveness, while providing for better corporate governance and decision making for the Company.

The Company also recognizes that gender diversity is an important aspect of diversity on the Board, and is committed to act diligently. As a result, the Board established an objective to achieve and maintain a Board in which each gender represents at least 30% of such individuals. Of the director nominees to be considered this year by Shareholders, three of the nine candidates are women (33%).

In 2024, the Company continued to enhance its diversity disclosure, with directors voluntarily self-disclosing whether they identify as racially or ethnically diverse. Of the director nominees to be considered this year by Shareholders, two of the nine self-identify as racially or ethnically diverse (22%).

In recommending director nominations, the CGNC applies the established Board skills matrix, aligned with the requirements of the Company, while aiming to achieve a Board composition that is in the best interests of the Company and its stakeholders. The CGNC maintains a list of qualified potential candidates which includes candidates across genders, with the eventual goal of having a gender balanced list of potential candidates.

The CGNC is authorized under its mandate and terms of reference to retain persons having special expertise and may obtain independent professional advice to assist in fulfilling its responsibilities to identify qualified candidates for the Board. When engaging external advisors, they are advised of the Diversity Policy, the Company's goal of promoting diversity, and such external advisors are required to identify both female and male candidates for the Board positions.

The Board supports the Company's efforts to promote, attract and retain highly skilled individuals that can add value to the Company's business while always having due regard to the benefits of diversity in our workplace. The Board encourages the consideration of women who have the necessary skills, knowledge, experience and character for promotion or hiring into a management position within the Company. The Board and the CGNC are further committed to ensuring a diverse and inclusive culture across our organization by promoting equality of opportunity, in terms of employment, development, promotion and reward opportunities. As of March 24, 2025, 1 of 7 members of Parex's executive management team are women (14.3%). Across the leadership population, including the executive team, of 105 employees, 27 (26%) are women and 80 (76%) are employees from South America.

Skills Matrix

The following table lists the experience and skills of the directors standing for election at the Meeting. The levels of experience were updated by the Board in 2024, and a description of those experience levels has been added below. The skills and/or experience (denoted by "●") of director nominees are reflected within the table. In addition, Ms. Azar and Mr. Cornelius, who are both members of the Finance and Audit Committee, are each considered an "audit financial expert", as defined by Glass Lewis. Ms. Azar is a CMA and CFA with deep financial experience including several roles overseeing the overall finance function of large business units, and Mr. Cornelius is a former CFO.

Board Demographics	Lynn Azar	Sigmund Cornelius	Wayne Foo	Mona Jasinski	Jeff Lawson	Bob MacDougall	Glenn McNamara	Imad Mohsen	Carmen Sylvain
Independent	Y	Y	Y	Y	Y	Y	Y	N	Y
Director Since	2022	2020	2009	—	—	2016	2016	2021	2017
Age	45	70	68	61	55	61	72	51	64
Location	NL	US	AB	AB	AB	AB	AB	AB	QC
Education and/or Expertise									
Capital Markets: ability to assess capital market opportunities and regulations in connection with same	•	●	●	○	●	•	●	●	○
Corporate Governance: experience with or understanding of the requirements of good corporate governance	•	•	●	•	●	•	●	•	●
ESG/Sustainability: experience with or knowledge of evaluating and managing impacts, risks and opportunities related to a broad range of evolving environmental, climate related, and social criteria, including but not limited to emissions, water, land and energy use, and overall stakeholder engagement	•	•	●	•	●	●	●	●	•
Financial Experience: financial management experience or financial accounting, reporting, internal controls, corporate finance and/or investment management	●	●	•	•	•	•	•	•	•
Financial Literacy: ability to critically read and analyze financial statements	●	●	●	•	•	●	●	●	•
General Oil and Gas Industry: experience with various aspects of oil and gas business and operations, including exploration, development, production, marketing, technology and innovation	•	•	●	●	●	●	●	●	•
Geopolitical: experience with analysis of how a country's or region's geography, history, culture and economy influences its politics and regional dynamics and the resulting impact on business.	•	•	●	•	•	•	•	●	●
Government Relations: experience in government relations, broad regulatory, political and public policy processes in Canada and international jurisdictions at local, national and international levels	•	•	●	•	●	•	●	●	●
Health, Safety and Environment: direct experience with industry regulations and best practices related to workplace health, safety, and environmental issues in Canada and internationally	•	•	●	•	•	●	●	●	●
Human Resources: experience with responsibility for human resources, including knowledge of creating effective compensation, benefits and long and short-term incentives plans and succession planning	•	•	●	●	○	●	●	•	•
International Operations: international oil and gas, or comparable extractive industry, experience and perspective	•	•	●	•	•	●	●	●	•
Legal: experience with laws governing extractive industries, capital markets, M&A, disclosure, and reporting requirements	•	•	•	•	●	•	•	•	•
Mergers and Acquisitions: experience in identifying, evaluating, and executing strategic, value-add assets/opportunities and leading an organization through mergers, acquisitions, and developmental opportunities	●	•	●	●	●	●	●	●	○
Reserves Evaluation: experience with oil and gas reserves evaluation and reporting	○	•	●	○	•	●	●	●	•
Risk Management: experience in evaluating and managing a large range of business risks facing a business, including ESG issues and IT cyber security.	•	•	●	•	•	●	●	●	●
Strategy: experience in development and implementation of strategic planning	•	•	●	●	●	●	●	●	●

● Expertise: Advanced degree of experience or expertise in the specific area due to specific training and extensive experience.
• General Experience: General experience in the specific area through training and/or direct work experience or supervision function.
○ Limited Experience: Some experience or expertise in the specific area, with a basic understanding through previous training/exposure.

Succession

Succession Planning

The Board is responsible for the stewardship of the Company with oversight in several key areas, including succession planning. Board succession planning is a regular topic of discussion at CGNC meetings. The CGNC also leads these discussions during in-camera sessions at certain Board meetings throughout the year where potential Board candidates are considered and discussed.

The Board also has a governance responsibility for senior officer succession planning and includes specific accountability for the succession planning for the President and CEO. Succession planning for senior officers was regularly discussed at HR&C Committee meetings and Board meetings, in camera, with the President and CEO. These discussions summarized details regarding executive development, leadership and performance alignment with the strategic needs of the Company, while providing insights on the internal succession pipeline for future executive roles. The Board participates in the annual year-end performance assessment for the President and CEO, while providing input on the remainder of the executive team's leadership and delivery against their agreed goals.

The Company is committed to promoting a learning mindset and building the capability of its talent from early career to senior executive. This is achieved through a continuous, multi-faceted approach which includes: annual leadership development programs, individual development plans, and professional and 360 assessments. Our cultural behaviours, which inform 'how' we work together, is deeply woven into the fabric of our talent programs and measured annually through employee engagement and pulse surveys. Where appropriate, we harness the power of external expertise to ensure market alignment and continuous process improvement.

Parex executives are regularly invited to participate in Board meetings, and to the annual strategic planning session, which provides additional opportunities for the Board to interact with management. Additionally, senior managers are invited to certain meetings throughout the year to provide visibility to Board members of internal succession candidates.

Director Term Limits and Board Renewal

As disclosed above, to ensure adequate Board renewal, the CGNC is responsible for conducting annual assessments of the Board as a whole, the committees of the Board and the individual directors. These assessments evaluate the tenure and performance of individual directors and review the composition and effectiveness of the Board and its committees. See "*Corporate Governance – Governance – Board Assessments*". Parex does not currently have a policy regarding term limits for its directors. Board composition is assessed by the CGNC as required to ensure that the Board has the right mix of skills and experience that will enable the Board to provide strong stewardship for the Company. Board renewal is facilitated by the Director Retirement Policy. See "Director Retirement Policy".

Director Retirement Policy

The Company's director retirement policy applies to individuals who are directors of Parex and are not also officers or employees of Parex or any subsidiary, and requires that if a director has reached the age of 75 years old on January 31st of any calendar year (such date, the "**Director Notice Date**"), that director will offer his or her resignation as a director of the Company to the Chair of the Board on/or prior to such Director Notice Date, with such resignation to be effective immediately prior to the annual general meeting to be held in such calendar year. If the Board has approved the date of an annual general meeting (such date of approval, the "**AGM Determination Date**") and a director will reach the age of 75 years old after January 31st of the calendar year in which such annual general meeting will be held but prior to the date of such annual general meeting, the director will offer his or her resignation as a director of the Company to the Chair of the Board no later than five days following the AGM Determination Date. In all cases, the Board will consider such resignation and will determine whether to accept such resignation or whether to waive such resignation until the Director Notice Date in the next ensuing calendar year, having regard to all matters it deems relevant.

If such resignation is to be accepted, the Chair of the Board will advise such director that he or she will not be nominated for re-election at the annual general meeting held in the applicable calendar year and that his or her resignation will be effective immediately prior to such annual general meeting. If such resignation is waived as aforesaid, and if the director is elected by the Shareholders of the Company at such annual general meeting, such director will continue to be required on an annual basis to tender his or her resignation for consideration by the Board in accordance with the foregoing provisions of this Policy.

For the purposes of the Company's Cash/Share Settled RSU Plan a director's eligibility for retirement will be determined based on: (i) if a participant: (A) has continually been a director of the Company for a minimum of 8 years, (B) has at all times carried out his or her duties as a director of the Company, in compliance with his or her fiduciary duties at law, (C) has provided the Company with 6 months prior written notice with the intention to retire as a director and, (D) is offered to enter into a Retirement Agreement, and subsequently enters into a Retirement Agreement, or (ii) as otherwise determined by the Board subject to the Company's director retirement policy. The Company's director retirement policy is reviewed periodically and was last updated in 2023.

Orientation of Directors

The Chair of the Board, in conjunction with the CGNC, is mandated to facilitate the recruitment of new directors and ensure adequate orientation in order for new directors to fully understand the role the Board and its committees play in the organization. All new directors are provided with comprehensive background information about the Company and its operations to allow for informed decision making. The Company has an online secure site that provides the directors with regular information about Parex. The Company coordinates an annual offsite strategic planning session for all directors and management to review the strategic planning, operations, and organizational development of the Company.

Compensation Letter to Shareholders

The Human Resources & Compensation (HR&C) Committee provides oversight for executive compensation and compensation practices, executive succession and development, and employee relations. The Committee is pleased to share our executive compensation approach, which continues to demonstrate strong alignment between the Company's overall annual performance pay and Shareholder interests.

Corporate Performance in 2024

As outlined in the Board Chair letter to Shareholders, 2024 presented operational headwinds for Parex, most notably at Arauca, where poor results negatively impacted annual production volumes and reserves. This under performance impacted Parex Shareholders and has been accounted for by the HR&C Committee in compensation recommendations to the Board.

Despite these challenges, Management led the team to deliver significant milestones in 2024 in support of the Company's short- and long-term strategy. Highlights include:

- The continued application of modern technology, such as the successful polymer pilot in Cabrestero, to enhance operational efficiency, improve recovery factors and add reserves.
- Growing the Company's portfolio by expanding its strategic partnership with Ecopetrol SA, executing definitive agreements in the Llanos Foothills, acquiring a 50% working interest and operatorship of the Farallones Block, and signing the Putumayo business collaboration agreements.
- Continuing to build on the Company's track record of strong Shareholder returns, including the return of US$112 million in regular dividends and US$74 million of share buybacks.

Following a thorough review of the Company's performance and ensuring alignment with our pay-for-performance philosophy, the Committee recommended, and the Board approved, the following 2024 compensation outcomes and 2025 adjustments to the compensation plan.

2024 Incentive Compensation Outcomes

Early in 2024, the Board approved changes to the Company's corporate scorecard, increasing quantitative metric weightings to prioritize focus on execution, and continuously improve alignment with the shareholder.

Considering 2024 performance outcomes, the Board approved an overall corporate score of 72.6% for the Company's annual short-term incentive ("**STI**") program. This score, which is lower than in recent years, balances challenged in-year results, while recognizing milestones achieved in support of the Company's annual short-term goals and long-term strategy. Considering this performance, the Board determined that the executive would be paid their entire STI at the corporate performance factor (72.6%).

CosPSUs granted in 2022 also recently vested and the performance factor of the CosPSUs was 115%. However, accounting for the change in share price from grant to vest, the ultimate value vested was 59% of the granted value, demonstrating strong alignment with the shareholder experience over the long-term. This result is determined by the CosPSU performance scorecard inclusive of five categories for the period of 2022 to 2024. For more discussion of 2022 CosPSU results, refer to "*Statement of Executive Compensation - Executive Compensation Components*." The value of CosRSUs granted in 2022 vested at 51% of the granted value while stock options granted in the last three years are all underwater, demonstrating further alignment with investors.

Compensation Approach & Governance

Our pay-for-performance philosophy is focused on aligning compensation with the shareholder experience while encouraging a performance-driven mindset, resulting in above target pay when KPIs are outperformed. While the Committee's approach to executive compensation remains unchanged, in 2024, the Committee approved several adjustments to further align with this philosophy and enhance transparency:

- Enhanced disclosure of CEO realized and realizable pay, indicating how executive compensation is aligned with corporate performance and the shareholder experience (see "*CEO Target Total Direct v. Realized & Realizable Compensation*");
- Changed the Corporate Scorecard weightings, as summarized under the "Short Term Incentive and Changes to 2025 Performance Scorecard" sections, to further enhance weighting to execution and delivery; and
- Adjusted the Company's Employee Share Purchase Program ("**ESPP**") and introduced the Restricted Share Unit Plan (Longer Duration) to improve opportunities for executives to hold vested share units beyond the original vesting date, to further enhance alignment with the shareholder experience.

Looking Ahead to 2025

Moving forward, the HR&C Committee is committed to ensuring a competitive compensation program focused on attracting, retaining and engaging key talent and rewarding a performance driven mindset that delivers on the Company's short- and long-term strategy.

Following consideration of 2024 corporate performance, current company conditions and market-based compensation analysis, the HR&C Committee recommended, and the Board approved, that target total direct compensation for the executive team remain unchanged in 2025.

For 2025, the Board approved the following adjustments to the compensation program:

1) adjusting STI performance weightings for the President & CEO, President & Country Manager and COO
    - President & CEO STI will be awarded based on 100% corporate performance (with the individual performance component, formerly weighted at 25%, eliminated),

- President & Country Manager & COO STI will be awarded based on 85% corporate performance / 15% individual performance;

2) shifting all 2025 corporate scorecard metrics to be quantitative; and
3) removing strategic milestones from the 2025 LDPSU grant scorecard.

Additionally, CEO total compensation will be reduced in 2025 to reflect expiration of the educational benefits agreed to at date of hire, an allowance equivalent to ~18% of base salary.(1)

As in past years, we welcome shareholder feedback through our 'Say on Pay' voting process at the meeting. Our Say on Pay results have averaged 95% over the last three years, demonstrating strong support for the HR&C Committee's oversight of the executive compensation program and continued alignment of pay and performance.

Sincerely,
Human Resources & Compensation Committee

Notes:
(1) See NEO Compensation Summary Table for overview of Mr. Mohsen's compensation details.

Compensation Discussion and Analysis

The Company was incorporated in August 2009 and since inception the HR&C Committee has reviewed all aspects of compensation to be provided to the Company's executive officers, including the President and CEO, the CFO and with specific review of the three most highly compensated executive officers of the Company (including the Company's subsidiaries), other than the CEO and CFO, earning over $150,000 (collectively, the "**NEOs**" or "**Executives**").

At the recommendation of the HR&C Committee, the Board approved an executive compensation program (the "**Executive Compensation Program**"), based on the following guiding principles and key objectives:

Guiding Principles

- executive compensation must be directly linked to the Company's business model, strategy, goals, and performance;
- executive compensation promotes long-term thinking and strategy;
- executive compensation aligns the CEO and Executive incentives with the interests of Shareholders; and
- the Executive Compensation Program is founded on sound governance practices for the development and administration of executive compensation.

Key Objectives

- rewarding performance according to the achievement of business and personal objectives and overall job performance;
- competitiveness with an external comparator group representative of the market, against which the Company is measured and with which the Company competes for talent; and
- attraction, engagement and retention of leadership focused on managing the Company's operations, finances and assets.

The Executive Compensation Program is designed to focus Executives' efforts and to reward the attainment of individual and Company performance goals and sustained performance, as measured by overall job performance and long-term growth and profitability.

New In 2024

In 2024, the Board approved, and Shareholders approved, a Restricted Share Unit Plan (Longer Duration) ("**LDRSU Plan**") which replaces the Cash/Share Settled RSU Plan for Executives go-forward and provides Executives with optionality to hold LDRSUs for a period up to 10 years. This LDRSU Plan was implemented to strengthen the alignment of Executives and Shareholders of Parex over the longer term. LDRSUs represent a combination of vested and unvested LDRSUs and LDPSUs as at December 31, 2024, granted pursuant to the LDRSU Plan. All LDRSUs and LDPSUs grants for 2024 and beyond as referenced herein are pursuant to the LDRSU Plan and not the Cash/Share Settled RSU Plan which only refers to grants made prior to 2024, with the exception of 2024 grants to Mr. Grainger prior to appointment of Interim Chief Financial Officer and special grant upon appointment. The LDRSU Plan only applies to executive compensation and does not change the CosRSU Plan governing Director compensation.

Comparator Group

The Company's comparator group is comprised of oil and natural gas exploration, development and production companies based principally in Calgary, Canada. Additionally, several of the companies have an international operational focus, similar to Parex. The companies in the comparator group are approved by the HR&C Committee, upon management's recommendation. The composition of the group will continue to be reviewed annually by the HR&C Committee for its ongoing business relevance to Parex. The goal is for Parex to be at approximately the 50th percentile of key financial metrics compared to its peers, including in assets and total enterprise value.

In 2024, the HR&C Committee reviewed the comparator group and removed Enerplus Corp. due to its business combination and replaced the company with Tamarack Valley Energy Ltd.. This change will be reflected in the 2025 comparator group disclosure.

The composition of the group for setting 2024 compensation is comprised as follows:

Company	Enterprise Value [(1)] ($ Millions)	Market Capitalization [(1)] ($Millions)	2024 Revenue [(1)] ($Millions)
Africa Oil Corp.	591	775	488
Athabasca Oil Corporation	2,576	2,558	1,356
Baytex Energy Corp.	5,463	3,181	3,329
Birchcliff Energy Ltd.	2,139	1,537	601
Canacol Energy Ltd.	1,008	118	507
Frontera Energy Corporation	1,092	662	1,526
GeoPark Limited	1,087	544	907
Gran Tierra Energy Inc.	888	260	852
International Petroleum Corp.	2,132	2,015	1,060
Kosmos Energy Ltd.	6,135	2,568	2,295
MEG Energy Corp.	7,654	6,760	5,091
Murphy Oil Corporation	9,399	6,646	4,135
NuVista Energy Ltd.	2,606	2,284	1,084
Paramount Resources Ltd.	3,932	3,860	1,855
Peyto Exploration & Development Corp.	4,375	3,028	1,172
Talos Energy Inc.	4,912	2,516	2,704
Veren Inc.	8,021	5,134	3,972
Vermilion Energy Inc	2,885	2,051	1,896
Whitecap Resources Inc	7,153	5,939	3,338
Peer Comparator Group Average	3,843	2,726	2,009
Parex Resources Inc. [(2)(3)]	1,374	1,434	1,477

Notes:
(1) Information was obtained from Bloomberg on March 21, 2025 and the information is as at December 31, 2024.
(2) Parex 2024 revenue reflects oil and natural gas sales less royalties as reported on Parex's income statement for the year ended December 31, 2024.
(3) Converted to CAD from USD using the Bank of Canada closing average rate for the period (December 31, 2024: $1.3698).

While this peer group provides a proxy for the broader marketplace in which the Company competes for executive talent; the HR&C Committee has identified a sub-group of five companies with more directly comparable operations to provide information on the compensation practices of Parex's closest peers within the broader energy market. The five companies in this sub-group are: Canacol Energy Ltd., Frontera Energy Corporation, Gran Tierra Energy Inc., GeoPark Limited, and Vermilion Energy Inc.

Compensation data from the comparator group was used as a key factor in the review and consideration of competitive levels and composition of compensation for the Company's Executives. Additional factors taken into consideration are corporate and individual performance, experience, time in role, and scope of responsibility. Peer benchmarking data is supplemented by data from the 2024 Mercer Total Compensation Survey for the Canadian energy industry for companies that met parameters typical of a mid-size exploration and production company with international operations similar to Parex.

Compensation Risk

The HR&C Committee reviews the Executive Compensation Program to be satisfied that it is structured to encourage decision making and outcomes that are in the best interests of Parex and its Shareholders while accepting an appropriate level of risk consistent with the Company's business plan as determined by the Board. The compensation structure rewards actions that result in a balance of the achievement of short-term goals and long-term strategies and does not encourage sub-optimization or reward actions that could produce short-term success at the cost of long-term Shareholder results. As well, annual budgets and quarterly and annual financial results are reviewed and approved by the Board. The compensation framework is structured to align with Parex's short and long-term strategic plans, such that corporate objectives are a key factor in assessing Executive and employee performance. The HR&C Committee's risk oversight of the Company's Executive Compensation Program is accomplished in the following ways:

- a significant portion of executive compensation is at risk (it is not guaranteed) and is variable year-over-year. For example, annual bonuses and annual long-term incentive grants are at the discretion of the Board from year to year and the Board has the discretion to amend total direct compensation in the event of extraordinary circumstances. As well, PSUs have become a more significant component of Executive compensation, these do not vest until after three years from grant date and will have a nil payout if certain minimum corporate performance metrics are not reached (see "Statement of Executive Compensation – Executive Compensation Components");
- short-term incentive payouts are capped based on a percentage of salary and subject to overall maximum thresholds;
- the Company's stock option plan (the "**Option Plan**"), former Cash/Share Settled RSU Plan and LDRSU Plan are designed to motivate long term performance, as Options have a term of five-years and vest over a three-year period, the Cash/Share Settled RSUs (grants last made in 2023) have a term of three years and vest over a three-year period, the Cash/Share Settled PSUs have a three-year cliff vesting period, the LDRSUs have a term of ten years and vest over a three-year period and the LDPSUs have a three-year cliff vesting period. These factors encourage long term sustainable Common Share price appreciation;

- recommendations for annual long-term incentive grants are reviewed by the HR&C Committee for recommendation to the Board for approval, with such recommendations being developed and reviewed relative to, amongst other things, executive retention needs, and appropriate total compensation positioning compared to similar positions in the market.
- a balanced set of corporate performance goals is used to assess overall corporate results and to determine the corporate portion of the annual bonus program. These are also a major driver in determining the individual portions of the annual bonuses for Executives and employees;
- third party verifications, such as independent engineering evaluations, of appropriate elements of the corporate performance goals are incorporated before the results are finalized;
- threshold corporate performance goals must be met for each element of the analysis. If a minimum threshold for performance is not met, there will be a zero bonus payout for that element;
- recommendations for annual bonus payments are reviewed by the HR&C Committee for recommendation to the Board for approval, with such recommendations being developed and reviewed relative to, amongst other things, corporate performance goal results and performance assessments completed with Executives;
- special awards may be paid to employees with outstanding performance and high potential and where significant contributions are made to the organization. Projects, key contributors and awards are recommended and ranked by the HR&C Committee and approved by the Board;
- compensation policies and practices in Parex's subsidiaries are substantially similar to those in Parex;
- compensation policies and practices are substantially similar for all Executives and employees; and
- the compensation expense for NEOs is not a significant percentage of Parex's revenue as outlined below:

		2022		2023		2024
NEO Compensation (CAD thousands)(1)	$	10,844	$	13,314	$	11,262
Oil & Natural Gas Sales (CAD thousands)(2)	$	2,138,802	$	1,901,326	$	1,753,384
NEO compensation/revenue (%)		**0.51**		**0.70**		**0.64**

Notes:

(1) See "Statement of Executive Compensation – NEO Summary Compensation Table". NEO compensation is comprised of salary, short-term incentive (bonus) and long term incentives.

(2) Represents oil and natural gas sales before royalties converted to CAD from USD using the Bank of Canada closing average rate for the period (December 31, 2024: $1.3698; December 31, 2023: $1.3497; and December 31, 2022: $1.3013).

The HR&C Committee did not identify any risks associated with Parex's compensation policies and practices for the year ended December 31, 2024 that were reasonably likely to have a material adverse effect on Parex. The HR&C Committee intends to monitor compensation governance and risk assessment practices, as these continue to evolve.

Executive Compensation Components

Compensation Philosophy

Parex's executive compensation philosophy outlines how the Company remunerates its leadership team (and why), emphasizing the alignment of corporate culture and business strategy with the total rewards package offered. The Company’s compensation philosophy is also the driver behind:

- the peer group(s) and markets against which the Company benchmarks its compensation arrangements;
- the desired competitive positioning against the markets for each element of pay; and,
- the desired performance emphasis of pay, focusing on either fixed or at risk compensation.

The Company continues to subscribe to a pay-for-performance compensation philosophy whereby total compensation is competitive with the external market, with short-term and long-term incentives providing the opportunity to earn above-market total compensation for high levels of corporate and individual performance. The value of executive compensation is assessed as a total compensation package, based on the competitiveness of each key component, individually and in the aggregate.

Executive Compensation Program Components

	Element	Award	Timeframe	Program Determinants
Fixed	Base Salary	Cash	Annual	• Performance • Experience • Roles and Responsiblities • Market benchmarking
At Risk	Short-Term Incentive Bonus	Cash	Annual	Corporate and individual performance-based (75%/25%) • Performance based on company scorecard measured and approved by the Board • Payout range is between 0 and 200% of target incentive based on assessment, with 0% awarded below 50% threshold of performance
	Long-Term Incentives	Options	• Vests in 1/3 each year over three years • Expires 5 years after grant	Ensures market competitiveness and aligns with strategy to attract and retain talent • Realized value based on stock price performance
	Long-Term Incentives	Restricted Share Unit Plan *(Longer Duration)*	• Vests in 1/3 each year over three years • Expires 10 years after grant with election of share or cash settlement	Ensures market competitiveness and aligns with strategy to attract and retain talent. • Realized value based on stock price performance • Settled in cash payment or through Shares at the election of the participant
		Restricted Share Unit Plan *(Longer Duration) (PSUs)*	• Cliff vesting after a three-year period with election of share or cash settlement, with participant to determine share or cash settlement	Realized value is determined by the Board in its assessment of the performance of the Corporation for the applicable vesting period based on the predefined Performance Measures. • Upon the assessment of all Performance Measures, the Board shall approve the applicable Payout Multiplier, which shall not be less than zero (0) and not more than two (2)

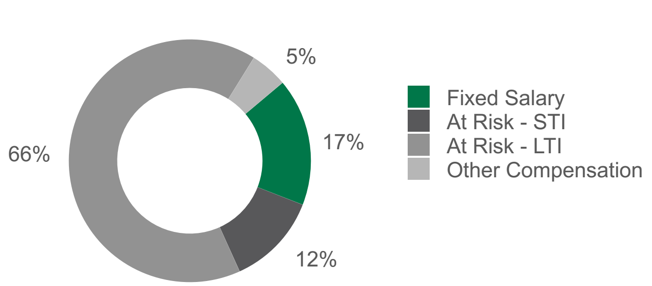
*Outstanding RSUs and PSUs granted prior to 2024 reflect cash/share settled RSU Plan (See Appendix E).

As of 2024, with the introduction of the LDRSU Plan, the 2024 components of the Executive compensation plan include base salary, short-term incentives (bonus) and long-term incentives (made up of LDRSUs, LDPSUs and Options). Fixed annual base salary compensates Executives for the roles they perform and provides a competitive foundation for each Executive's total compensation. Annual at risk compensation in the form of a cash incentive bonus is intended to motivate and reward the accomplishment of specific business and operating objectives within a one-year time period. Long-term at-risk compensation, which is provided in the form of LDRSUs and LDPSUs and Options, focuses Executives' performance on long-term strategic priorities, the creation of Shareholder value and acts to link Executive and Shareholder interests. In addition to these key components, the Company provides group benefits on a competitive level with peer comparator companies. Perquisites are also offered to Executives in the form of taxable paid monthly parking.

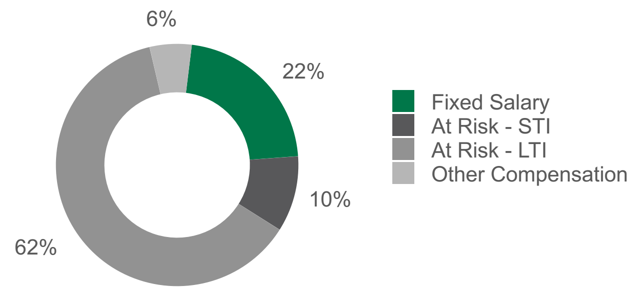
Target Compensation Mix

The target mix of key compensation elements is designed to place a significant portion of the Executive's annual compensation at-risk, where the value received is contingent on meeting defined performance requirements. At-risk compensation consists of the annual incentive bonus and long-term incentives (Options, LDRSUs and LDPSUs).

CEO Compensation Mix



NEO Compensation Mix



Base Salary

The base salary amounts for each Executive are targeted within a competitive range of the market median of the Company's peer comparator group and are reviewed annually. The positioning of an Executive’s salary within the range is based on the Executive's current and sustained performance, skills or potential, and the scope of the Executive's responsibilities as compared to market. Based on results from a benchmarking study conducted by Meridian in 2024, the HR&C Committee recommended and the Board approved that no salary adjustments be made for 2025 (see “*Statement of Executive Compensation - Looking Ahead to 2025*”).

The base salary for the President and CEO is approved by the Board, upon the recommendation of the HR&C Committee. The base salary level for all other Executives is recommended by the President and CEO for consideration and Board approval by the HR&C Committee. Decisions for all positions are based upon comprehensive analyses of market data for similar positions, including the peer comparator group and the noted industry compensation survey.

Short-Term Incentive

The target annual incentive bonus varies by executive position level and remained as 100% of base salary for the President and CEO and 75% of base salary for the Company's other Executives.

As in the past, 100% target payouts are set to generally align with budget and guidance. For 2024, the Board approved a change to the corporate scorecard to introduce a maximum payout of 200% of target for significant outperformance (i.e. 90th percentile achievement). This change was made to align the competitiveness of our short-term incentive program with that of industry peers and to enhance the pay-for-performance focus in the scorecard. Aligned with this change, the Board recalibrated the rigor of maximum performance requirements accordingly. The minimum payout under the plan remains 0% for failing to meet minimally acceptable threshold performance goals.

Position	Performance Weighting Corporate/Individual(1)	Target Incentive Bonus (% Base Salary)(2)	Incentive Bonus Range (Payment as % of Target Incentive Bonus)	
			Below Threshold	Exceptional
President & CEO	75% / 25%	100%	NIL	200%
Chief Financial Officer	75% / 25%	75%	NIL	200%
Chief Operating Officer	75% / 25%	75%	NIL	200%
SVP Capital Markets & Corp Planning	75% / 25%	75%	NIL	200%
President Parex Resources (Colombia) Ltd.	75% / 25%	75%	NIL	200%

Notes:
(1) As at December 31, 2024.
(2) For 2025, the Board approved changes to the performance weighting factors for the CEO, COO and Country Manager. CEO STI will be awarded based on 100% corporate performance; COO and Country Manager STI will be awarded based on 85% corporate performance / 15% individual performance.

The Board approves corporate performance goals, based on business and performance measures commonly used in the oil and natural gas industry. Corporate goals for 2024 were approved in early 2024 for each of the performance areas. These goals are determined by the Board to be key annual performance requirements for the Company, and included: production, growth of reserves, ESG and safety initiatives, and other milestones for 2024. The Board approved a final payout for 2024 of 72.6% of target.

Objectives	Weight	Target	Year-End Result	Performance Results	Payout
HSE & Social					
• Leading Indicators	2.5%	Deliver 19 leading indicators, identified as key safety drivers	Outperform	• Delivered above target results for all 19 indicators within five categories (community, risk awareness, operations, process safety, and transportation)	**4.4%**
• Lagging Indicators	5%	TRIF[1]: 1.4 LTIF[2]: 0.4 MVA[3]: 0.32 PSM[4]: 0.6	TRIF: 1.0 LTIF: 0.25 MVA: 0.07 PSM: 0.22	• All lagging indicators outperformed during the year	**9.3%**
• Delivery of methane upgrades	2.5%	Complete 3 facility upgrades	Completed by Q4, 2024	• Installed recovery units at three facilities, progressing the corporate leak, detection, and repair program	**2.5%**
• Delivery of "Work for Taxes" Program and Social Investment ($MM)	5%	$15	$36	• Contributed approximately $36MM in social investment and the Work for Taxes program, building on the Company's reputation as a community partner of choice	**10.0%**
Operational					
• Corporate Production (boe/d)	30%	57,000	49,924[5]	• Production was below target, impacted primarily by underperformance at the Arauca Block	**0.0%**
• Capital Expenditures ($MM)	15%	$400	$348	• Demonstrated capital discipline, aligning capital program with reduced production	**30.0%**
• 2P Reserve Adds (mmboe)	7.5%	21	19.3	• Did not meet 2P reserve target of 21 mmboe adds	**6.4%**
• PDP Reserve Adds (mmboe)	7.5%	21	7.6	• Failed to replace adequate PDP reserves necessary to achieve target	**0.0%**
Financial					
• Recycle Ratio (operating Netback PDP FD&A)[6]	5.0%	2x	0.9x	• Recycle ratio result was below threshold	**0.0%**
Operational Milestones	20%	Advance key strategic milestones in support of long-term strategy	Underperformed	• Delivered polymer expansion decision by Q4, 2024 • Fully executed ECP memorandum of understanding by Q3, 2024 • Identified procurement improvement efficiencies not fully realized • Non-social downtime exceeded 3%	**10.0%**
Total	100%				**72.6%**
Payout					**72.6%**

Notes:
(1) Total Recordable Injury Frequency (TRIF) rate calculated per million person hours
(2) Lost Time Injury Frequency (LTIF) rate calculated per million person hours
(3) Motor Vehicle Accident (MVA) rate calculated per million kilometers
(4) Process Safety Management (PSM) rate calculated on number of Tier 1 & Tier 2 incidents
(5) 2024 annual average production consists of light & medium crude oil: 8,850 bbl/d; heavy crude oil: 40,366 bbl/d; and conventional natural gas: 4,428 mcf/d.
(6) Recycle Ratio is a "supplementary financial measure," which is not a standardized financial measure under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "*Advisories -Non-GAAP and Other Financial Measures Advisory*'.

The President & CEO evaluates the leadership and overall performance of each Executive. Based on the Executive's achievement of performance goals, the President & CEO recommends the incentive bonus for each Executive to the HR&C Committee. The HR&C Committee evaluates the performance of the President & CEO and recommends the incentive bonus level for all Executives to the Board for approval.

While the President and CEO & NEO STI weighting is comprised of 75% corporate performance and 25% personal performance, for the 2024 year the Board approved that 100% of the executive STI payout would be allocated to the corporate performance scorecard outcome (72.6%). This decision reflects the lower than expected 2024 corporate performance and is focused on ensuring alignment with the shareholder experience during the same period.

The incentive bonus is paid during the first quarter of the year following the performance year, so that performance goal achievements relating to full year performance results can be verified.

Changes to 2025 Performance Scorecard

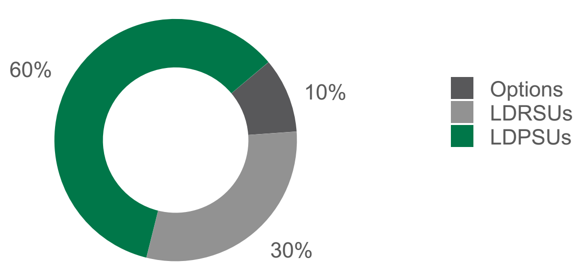
In 2025, Management recommended and the Board approved, changes to the categories and weighting of the 2025 Performance Scorecard. As indicated below, adjustments reflect Management and the Board's objective to have increased focus on operational deliverables/priorities. As a result, all 2025 in-year metrics are directly aligned to operational and related business targets.

Objective	Metric	Weight
Health, Safety, Social & Environment	Leading & Lagging HSE Metrics	10.0 %
	Solar Farm & Electrification Expansion	2.0 %
	Community Investment	3.0 %
Operational	Production	30.0 %
	Capital Expenditures	5 %
	1P Reserve Replacement Ratio	17.5 %
	Operating Expense per boe	5.0 %
Financial	PDP Recycle Ration	12.5 %
	Gross G&A Expense	2.5 %
	Free Funds Flow (pre-dividend)	12.5 %
Total		100 %

Long-Term Incentives

Long-term incentives recommended by the HR&C Committee are granted by the Board in order to attract and retain high performing Executives in a competitive market environment, using criteria of retention requirements, past performance, individual potential, annual strategic planning by the Company and total Executive compensation. In 2024, these incentives were provided in the form of Options, LDRSUs and LDPSUs. The value of each individual's long term incentive is determined by taking into account individual and Company performance, position with the Company as well as the value of total direct compensation versus compensation comparators. In 2024, the unit allocation of the long term incentives were awarded with a mix of 10% Options, 30% LDRSUs and 60% LDPSUs. The Board views a 60% weighting to performance-based equity to be market leading and strongly aligned with investor interests over the longer term.

Long Term Incentive Mix



The number of Options, LDRSUs and LDPSUs are determined based on grant date fair value (see "*Statement of Executive Compensation – NEO Summary Compensation Table*") as well as on the dilutive impact on Shareholders and the number of Common Shares available for issuance. The Option Plan provides for the issuance of Options to a maximum of 5.0% of the issued and outstanding Common Shares of the Company, provided that the maximum number of Common Shares issuable pursuant to outstanding Options and all other security based compensation arrangements (as defined in the TSX Company Manual), shall not exceed 5.0% of the Common Shares outstanding from time to time.

In 2024, Shareholders approved the LDRSU Plan which allows the Board to grant LDRSUs and LDPSUs to service providers (Parex officers and employees), each of which has a right to receive a Cash Payment, Payment Shares or Treasury Shares (each as defined herein). For a description of the LDRSU Plan see the summary in Appendix “E".

Options

The Option Plan is administered by the Board or a committee thereof. For a summary of the Option Plan, as amended by the Board on March 31, 2023 and November 7, 2023, see Appendix "B" attached to this Information Circular. Under the Option Plan, grants to Executives other than the President & CEO are recommended by the President & CEO, reviewed by the HR&C Committee and approved by the Board. The Board approves Option grants for the President & CEO, upon the recommendation of the HR&C Committee. As of March 24, 2025, Options to purchase an aggregate of 758,235 Common Shares are issued and outstanding, representing 0.8% of total shares outstanding.

Under the Option Plan, the exercise price of each Option is to be determined at the discretion of the Board at the time of the granting of the Option, as are the term and vesting provisions, provided that the exercise price shall not be less than the closing trading price per Common Share on the TSX (or if the Common Shares are not listed on the TSX, on such stock exchange as the Common Shares are then traded) on the last trading day preceding: (i) the issuance of a news release in respect of the Option grant; or (ii) if a news release is not issued announcing the Option grant, the date of grant, or, if the Common Shares are not listed on any stock exchange, a price determined by the Board, and provided that no Option shall have a term exceeding five years.

Options are normally granted to each Executive at the time of hire and are also granted annually. Replacement grants are not awarded. Any grant of Options is subject to the restrictions of the Option Plan.

LDRSUs

The LDRSU Plan is administered by the Board or a committee thereof. For a summary of the LDRSU Plan, as approved by the Board on May 9, 2024, see Appendix "E" to this Information Circular. Under the LDRSU Plan, grants of LDRSUs representing the right to either receive a Cash Payment, Payment Shares or Treasury Shares and LDRSUs representing the right to either receive, subject to meeting certain conditions, a Cash Payment, Payment Shares or Treasury Shares to Executives other than the President & CEO are recommended by the President & CEO, reviewed by the HR&C Committee and approved by the Board. The Board approves LDRSU and LDPSU grants for the President & CEO, upon recommendation of the HR&C Committee. As of March 24, 2025, 279,984 LDRSUs and 563,555 LDPSUs are issued and outstanding. Any grant of LDRSUs and LDPSUs is subject to the restrictions of the LDRSU Plan.

Calculation of Performance of the Long Term Incentive Plan

In February 2022, the HR&C Committee established the performance measures detailed in the table below in order to calculate the 2025 performance payout multiplier, which is used to determine the number of Common Shares to be issued pursuant to Cash/Share Settled PSUs granted in 2022. The HR&C Committee, along with the Board, assessed performance against these measures.

CosPSUs provide a performance multiplier on the base grant of 0 to 2 times grant, depending upon Company performance over a three-year cliff vesting period. The five corporate performance measures for the 2022 for 2025 CosPSU vestings each with a one-fifth weighting, are as follows:

- Relative Total Shareholder Return ("**TSR**"): The payout multiplier will be based on Parex's relative TSR within a selected group of oil weighted Canadian and international exploration and production companies with similar size and operations to Parex. Relative TSR will be calculated using the volume weighted daily average relative performance over the three-year period.
- Absolute TSR: The payout multiplier will be based on Parex's absolute TSR over the three-year period compared against pre-defined total return benchmarks and corresponding payout multipliers. Absolute TSR will be calculated using the volume weighted daily average performance over the three-year period.
- ESG: The payout multiplier will be based on Parex's relative Sustainalytics ranking within a selected group of oil weighted Canadian and international exploration and production companies with similar size and operations to Parex. ESG will be calculated using the weighted annual relative Sustainalytics ranking over the three-year period.
- Strategy: The payout multiplier will be based on successful execution of predefined operational, technological and corporate targets as approved by the Parex Board. The outcome will be determined by the achievement of these deliverables over the three years that meaningfully progress the Company's strategy.
- Cash flow per fully diluted share ("**CFPS**"): The payout multiplier will be based on Parex's relative cash flow per fully diluted share growth within a selected group of oil weighted Canadian and international exploration and production companies with similar size and operations to Parex. CPFS will be calculated as the weighted relative annual CPFS growth over the three-year period.

CosPSU Grants Issued in 2022 and Paid Out in March of 2025 [3][4]:

Performance Measures	Results/Quartile Ranking	Multiplier	Weighting	Weighted Multiplier Score
TSR vs. the oil weighted peer group calculated on the basis of a rolling 3 year weighted average[1]	Parex's TSR for the 2022-2025 period was 21% which ranked 12/14 within the pre-defined peer group resulting in a 0.0x multiplier.	—	0.20	—
TSR on an absolute basis over a 3 year period. [2]	Parex's TSR for the 2022-2024 period was 21%, resulting in a 104% payout. The Company's target for a 100% payout was achieving a 20% TSR.	1.04	0.20	0.21
Progression of the Company's strategic pillars: 1) Deploying new technology; 2) Advancing Gas Strategy; 3) Exploration; and 4) People, Capabilities & Culture	Over the 2022-2024 period Parex successfully executed on the majority of its strategy targets resulting in a combined weighted multiplier of 1.75x.	1.75	0.20	0.35
ESG performance compared to annual peer group relative ranking on Sustainalytics Survey	On a three year period, Parex outranked its peer group in each year and was in the top quartile for all three years compared to all listed E&P companies (2022: 1/14; 2023: 1/14 and 2024: 1/14).	2	0.2	0.4
Cash flow per share growth relative to peers.	Parex's relative cash flow per fully diluted share growth over the 2022-2024 period was 27%, -6%, and -2% respectively which resulted in a weighted average multiplier of 0.97x.	0.97	0.2	0.19
Total Score				1.15
Payout Multiplier				**1.15x**

Notes:
(1) Calculated using the volume weighted average share price over the 2022-2024 period compared against a December 2021 volume weighted average price starting point. TSR includes dividends paid within the period.
(2) Calculated by taking production growth expressed as a percentage each year in the 3 year performance period and dividing by the weighted average shares outstanding adjusted by the amount change in net working capital (including bank debt if any) to on a notational basis buy back shares and so reduce the weighted average share count used in the calculation, or in the case of a reduction in net working capital or an increase in net bank debt sell shares on a notional basis to fund the reduced working capital or increase in bank debt.
(3) Parex's CosPSU peer group is evaluated on an annual basis and considers the following criteria: market capitalization, oil weighting, Latam E&P exposure and investors' portfolio capital allocation. The 2022 & 2023 CosPSU peer group included: Geopark Ltd., Gran Tierra Energy Inc., Frontera Energy Corp., Vermilion Energy Inc., Whitecap Resources Inc. Veren Inc. (formerly Crescent Point Energy Corp.), Baytex Energy Corp., Enerplus Corp., International Petroleum Corp., Tamarack Valley Energy Ltd., Kosmos Energy Ltd., Tullow Oil PLC., and Capricorn Energy PLS.
(4) Peer group changes for all 2024 PSU Plans include adding Obsidian Energy Inc., and Cardinal Energy Ltd., and removing Enerplus Corp. and Capricorn Energy PLC.

The payout multiplier for CosPSU grants issued in 2022 and paid out in March, 2025 was 1.15x, which is representative of 59% of the 2022 grant value of $27.36/share (or a 41% reduction in total value).

LDPSU 2025 Grant Changes[1]

In February 2025, the Board approved changes to the LDPSU scorecard governing 2025 grants. The changes, which apply to LDPSU grants made for 2025 and beyond, simplify the plan with specific focus on relative and absolute results, thus adjusting the remaining metrics weightings. This change reinforced the HR&C Committee's pay-for-performance philosophy and further aligns management compensation to the shareholder experience over the calculated period.

Metric	Weight	Calculation Period	Measurement
Relative TSR	32.5%	End of 3 Years	Parex Total Shareholder Return over a volume weighted 3-year period again an oil weighted peer group
Absolute TSR	32.5%	End of 3 Years	Total shareholder return (equity change + dividends) to align with shareholder outcome (December v. 3-year total volume weighted volume weighted average share price)
ESG	10.0%	Averaged Annual Results	Annual relative Sustainalytics risk rating to peer group
Financial Metric	25.0%	Averaged Annual Results	Annual relative debt adjusted cash flow per fully diluted share growth relative to peers (measured as debt adjusted FFO per fully diluted share)

Note:
(1) LDPSU peer group changes for 2025 LDPSU grant include adding Headwater Exploration Inc., Saturn Oil and Gas Inc., Africa Oil Corp., Surge Energy Inc., and PetroTal Corp., and removing Vermilion Energy Inc., Veren Inc. (formerly Crescent Point Energy Corp.), and Whitecap Resources Inc.

Compensation Governance

Human Resources and Compensation Committee

The HR&C Committee is responsible for reviewing all aspects of compensation to be provided to the Company's executive officers and make recommendations to the Board consistent with this mandate. The current members of the HR&C Committee are all independent and include Lisa Colnett (Chair), Glenn McNamara and Carmen Sylvain. The HR&C Committee members have experience in leadership roles involving human resources, environment, health and safety and corporate governance, strong knowledge of the energy industry, a mix of functional experience and competency, and tenure as directors of various public companies. This background provides the H*R&C Committee with the collective experience, skills and qualities to effectively support the Board in carrying out its mandate. Further information on HR&C Committee member experience and skills is provided in their biographies and the skills matrix - see "Corporate Governance - Board Composition - Skills Matrix*" in this Information Circular.

Mandate of the HR&C Committee

The HR&C Committee of the Board is responsible for oversight of the Company's executive appointments; succession planning; compensation; human resources; long-term incentive plans disclosures and performance assessment functions.

In particular, the HR&C Committee's responsibilities include, but are not limited to:

1. establishing a process for identifying, recruiting and appointing officers of the Company;
2. monitoring, assessing and making recommendations regarding compensation, benefits, short and long-term incentive programs and employee retention programs, to ensure that the Company's compensation programs are competitive and that the Company is in a position to attract, motivate and retain the quality of personnel required to meet its business objectives;
3. encouraging alignment between the tactical performance of the officers and the Company and the strategic objectives and goals of the Company;
4. reviewing and, after having received input from the appropriate members of management, recommending to the Board:
   (a) appointments of the officers of the Company, including through internal promotions and new hires;
   (b) the approval of termination of the employment of, and severance arrangements for officers;
   (c) approval of officers' (other than the CEO) annual compensation and benefits package and related terms of employment based on the officers' annual performance evaluations and any changes thereto, as well as competitive market data from third party sources for compensation of officers;
   (d) approval of annual compensation and benefits packages for the employees of the Company, employment contracts and other related terms of employment, including the forms of incentive compensation payable; and
   (e) overall budget salary changes for the Company's employees (including officers, other than the CEO) including cash compensation consisting of salary and bonuses, and the number of new Options, LDRSUs and the corporate performance goals and objectives relevant to such compensation;
5. reviewing and recommending to the Board:
   (a) the approval of the CEO's annual compensation and benefits package and related terms of employment based on the CEO's annual performance evaluations and any changes thereto, as well as competitive compensation market data from third party sources;
   (b) corporate performance goals and objectives relevant to the CEO's compensation, evaluate the CEO's performance in light of such goals and objectives, and recommend to the Board the CEO's compensation level based on this evaluation; and
   (c) overall budget salary increases for the CEO, including cash compensation consisting of salary and bonuses, and any long-term incentive grants and the corporate performance goals and objectives relevant to such compensation;
6. reviewing annually in conjunction with the CGNC the adequacy of directors' compensation to ensure it reflects the responsibilities and risks of membership on the Board and its committees and make recommendations relating to the directors' compensation;
7. reviewing overall human resource policies and procedures including recruitment, performance management, compensation, benefit programs, resignations/terminations, training and development, succession planning and organizational planning and design;
8. recommending to the Board, approval of the terms of the Option Plan, LDRSU Plan and any other security based compensation plans and any amendments thereto and approval of corporate performance measures and targets used to calculate Option Plan and LDRSU Plan annual grants and other compensation plans; and
9. reviewing and recommending to the Board the payout multiplier to be applied at the time of vesting of LDRSUs and LDPSUs within the LDRSU Plan.

The HR&C Committee's responsibilities include the Company having in place a process to provide for the orderly succession of management. The Board reviews the succession plan for the President and CEO as well as for other management positions at least once per year, including at the annual Board strategic planning meeting.

Compensation Consultants

The HR&C Committee selected Meridian Compensation Partners in 2022 as its independent compensation advisors through a rigorous evaluation process. Since then, Meridian has been retained to review the Company's peer group and benchmark and make recommendations for Executive and directors' compensation against the Company's revised peer group of companies. A summary of 2023 and 2024 expenses related to compensation advisory is listed below.

Consultant	Date Retained	Mandate	2023	2024
Meridian	January 2024 - December 2024 and January 2023 - December 2023	Retirement treatment and clawback policy benchmarking, share ownership analysis, option valuations, ESPP design assistance, proxy advisor modeling, leadership transition assistance, peer group review, trends analysis long duration plan implementation and support, Executive and Board pay benchmarking and realizable pay and performance analysis, annual disclosure preparation and attendance at all HR&C Committee meetings in 2024.	$146,746.00	$170,586.00
Willis Towers Watson	January 2024 - December 2024 and January 2023 - December 2023	Pay Fairness Analysis & Education	$4,540.00	$43,192.00

Other Information Concerning Executive Compensation

Clawback Policy

The Board has made it a priority to oversee that appropriate checks and balances are in place to govern responsible and ethical behaviours amongst the Company's executive officers. All executive officers are required to annually confirm compliance with the Company's Code of Business Conduct.

The Company has an Executive Compensation Clawback Policy (the "**Clawback Policy**") applicable to executive officers of the Company (the "**Clawback Executives**"), which Clawback Policy has been agreed to by each of the current Clawback Executives. If, in the opinion of the independent directors of the Board, a Clawback Executive engaged in willful misconduct, fraud, theft or embezzlement which had a detrimental effect on the Company and/or its subsidiaries, regardless of whether there was a restatement of all or part of the Company's financial statements or Parex's financial results are materially restated because of material non-compliance with any financial reporting requirements under laws, rules and regulations applicable to the Company and the Clawback Executives engaged in fraud or willful misconduct that caused or substantially caused the need for the restatement, the independent directors have the discretion to use such efforts as they deem necessary to remedy the willful misconduct, fraud, theft or embezzlement, as applicable, and prevent its recurrence. In the absence of admission by a Clawback Executive, the determination of whether a Clawback Executive engaged in willful misconduct, fraud, theft or embezzlement, as applicable, shall be made by the independent directors, acting reasonably and in good faith upon completion of an internal investigation.

When a Clawback Executive admits or the independent directors determine that a Clawback Executive engaged in willful misconduct, fraud, theft or embezzlement, as applicable, Parex's independent directors may direct that Parex recover all or a portion of any bonus or incentive compensation paid, or cancel all, or part of, the equity-based awards granted, to a Clawback Executive (such bonus, incentive, compensation and/or equity based awards being "**Incentive Compensation**"). In addition, the independent directors may also seek to recover any gains realized with respect to equity-based awards comprising the Incentive Compensation, including Options, LDRSUs, LDPSUs, Cash/Share Settled RSUs, Cash/Share Settled PSUs or other incentive payments made or required to be made by Parex under any discretionary, non-discretionary, targeted or other compensation plan of Parex, regardless of when issued or required to be issued at a future date.

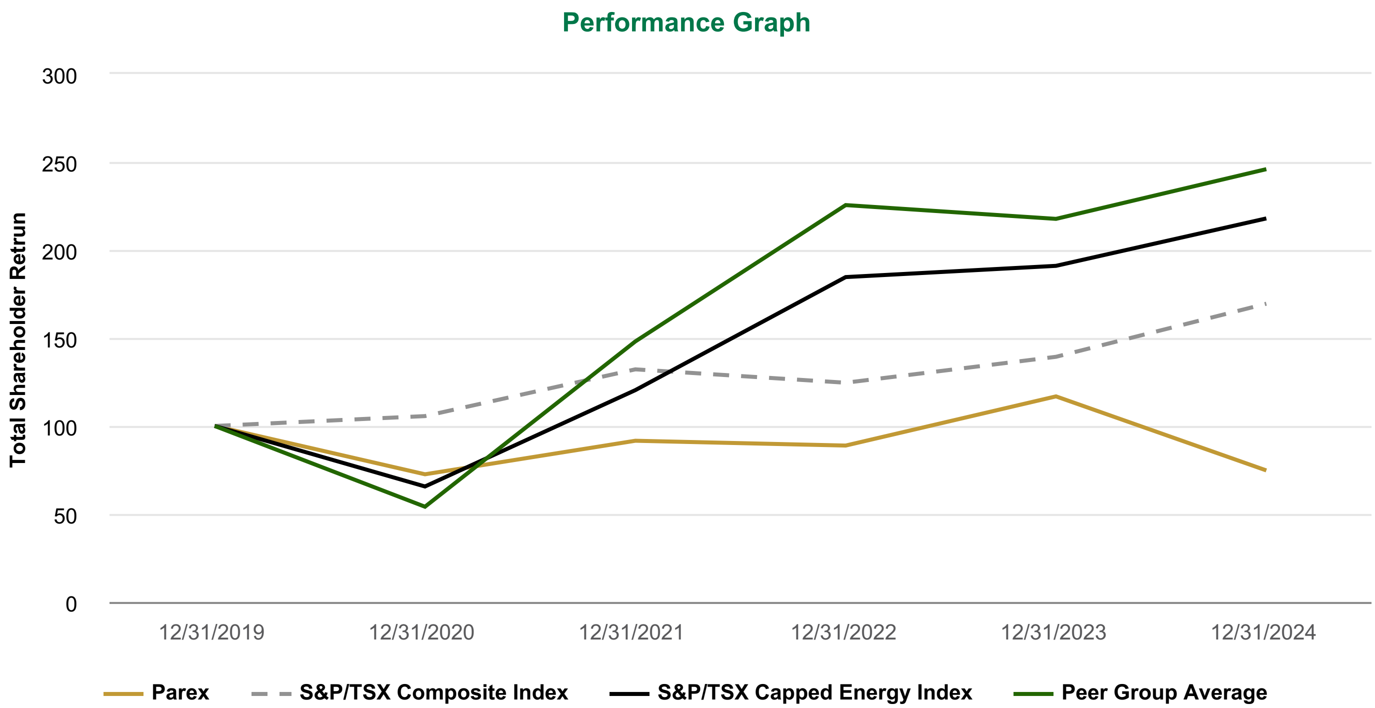
The remedies that may be sought by the independent directors are subject to a number of conditions, including, that: (a) the Incentive Compensation to be recovered was based on the achievement of objective financial or other similar criteria or factors and was calculated based upon the financial results that were restated; (b) the Incentive Compensation calculated or to be calculated under the restated financial results is less than the amount actually paid or awarded or to be paid or awarded; and (c) no remedy, action or proceeding for the recovery of any Incentive Compensation from a Clawback Executive that is provided for in the policy may be commenced after a period of three years from the date such Clawback Executive ceases to be employed by the Company, for any reason.

Hedging Policies

Pursuant to the Company's Disclosure, Confidentiality, Insider Trading, Blackout Period and Anti-Hedging Policy and Procedures, directors, officers and employees of the Company shall not, knowingly sell, directly or indirectly, a security of the Company if such person selling such security does not own or have a right to own such security (i.e. a "short sale"). Additionally, under such policy, directors, officers and employees of the Company shall not, directly or indirectly, sell a "call option" or buy a "put option" in respect of a security of the Company or purchase or write any financial instruments, such as prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, or enter into any other derivative instruments or arrangements, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by such director or officer, or employee that would have the effect of altering, directly or indirectly, the person's economic interest in the Company's equity securities.

Performance Graph

The following graph shows the total cumulative shareholder return for $100 invested in the Common Shares of the Company, from the closing price on December 31, 2019 to December 31, 2024. The Company's total shareholder return is compared with the cumulative total return of the S&P/TSX Capped Energy Index and of the S&P/TSX Composite Index.



	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024
Parex Resources Inc.	100	73	92	89	117	75
S&P/TSX Composite Index	100	106	132	125	139	169
S&P/TSX Capped Energy Index	100	66	120	185	191	218
Peer Group Average	100	54	148	226	218	246

If $100 was invested in the Common Shares on December 31, 2019, it would have resulted in a cumulative shareholder return of negative 25% on December 31, 2024. In comparison, the same amount invested in the S&P/TSX Composite Index for the same period would have resulted in a cumulative shareholder return of 69%, and the same amount invested in the S&P/TSX Capped Energy Index would have resulted in a cumulative shareholder return of 118%.

From December 31, 2019 to December 31, 2024, the total compensation awarded to the three Parex NEOs who were NEOs for this full time period, as reported in the "*Statement of Executive Compensation - NEO Summary Compensation Table*" in this Information Circular, decreased by 25%.

NEO total compensation is generally consistent with the benchmark set by the Board for compensation to target the 50th percentile of compensation for similar positions in the Company's peer comparator group of companies for satisfactory performance and results.

2024 CEO & NEO Compensation

CEO Compensation Rationale

The Board evaluates delivery of the 2024 Corporate Scorecard and progression of the CEO's annual objectives in determining compensation outcomes. Throughout the year, the Company delivered several key milestones, including signing key partnership agreements with Ecopetrol SA that support its strategic growth plans. Despite milestones achieved, the Company faced in-year operational challenges, which significantly impacted production, reserves and shareholder returns. After assessing overall performance, the Board awarded Mr. Mohsen a short-term incentive payment of 72.6% of target, aligning directly with the 2024 corporate performance factor.

Key outcomes from 2024 are listed below:

HSE & Social

- Delivered exceptional safety performance across all metrics (LTIF, TRIF, MVA and leading indicators), marking Parex's best annual safety performance in its corporate history.
- Achieved external recognition in ESG leadership, including inclusion in the Morningstar Sustainalytics' 2024 ESG Industry Top Rated list and maintaining its Morgan Stanley Capital International (MSCI) rating of "AA".(1)
- Progressed the Company's methane leak detection and repair program by installing venting recovery systems at three facilities, which aligned with the Agencia Nacional de Hidrocarburos approved Leak Detection and Repair Program, focused on reducing methane leaks from operations.
- Made meaningful social investments of approximately US$36 million through direct community investment (US$6 million) as well as Colombia's Work For Taxes Program (US$30 million), where Parex is a leader in the number of projects and total dollars granted of any company during 2024.

Operational

- Delivered production volumes of 49,924 boe/d, which was 12% lower than the original guidance at midpoint. Underperformance at the Arauca Block was the key contributor to lower annual production volumes.(2)
- In light of operational challenges experienced in the first half of 2024, Management demonstrated a disciplined approach to capital expenditures and delivered their activity plan for $348 million, representing a 15% reduction from initial guidance at midpoint.
- Despite lower than expected performance, through a successful Putumayo acquisition, the Company achieved a 1P and 2P reserves replacement ratio of 98% and 106%, respectively.(3)
- More than doubled 1P and 2P reserves on Block LLA-32 through extensions to 2 mmboe and 4 mmboe, respectively, compared to 2023.(3)
- Continued to advance modern technology applications to enhance operational efficiency and improve recovery factors. Key advancements made in 2024 include the application and positive outcome of a polymer pilot at the Cabrestero Block, as well as expanding waterflood injection at Block LLA-34.

Financial

- Delivered strong financial results, including funds flow provided by operations of US$622 million and free funds flow of US$275 million.(4)
- Continued to build on the Company's track record of strong Shareholder returns, including the return of US$112 million in regular dividends as well as US$74 million of share buybacks through repurchasing 5.5 million Common Shares under the Company's NCIB.

Strategic Milestones

- Signed definitive agreements in the Llanos Foothills with Ecopetrol SA, advancing Parex's position to progress its gas and exploration strategies by harmonizing its respective land positions across eight blocks and creating a mutual area of interest to capitalize on the approximately 500-kilometer geological trend.
- Extended Llanos Foothills position further by acquiring 50% working interest and operatorship of the Farallones Block, which the key exploration target on the block represents one of the highest-ranking prospects in Parex's portfolio.
- Executed Putumayo business collaboration agreements with Ecopetrol SA, adding a new core area for the business, that provides upside potential, with the ability to increase recovery through technology and add production and reserves in the short- and medium-term.
- Completed a polymer injection pilot at the Cabrestero Block, generating positive results, including reserve additions. Based on this success, a full expansion at the Cabrestero Block is underway and a pilot at Block LLA-34 is expected in 2025.

While Mr. Mohsen's STI has historically been comprised of corporate performance (representing 75%) and individual performance (representing 25%), for 2024, the Board approved that Mr. Mohsen's STI would be fully paid at 72.6%, representing a 100% corporate performance weighting allocation.

Notes:

(1) As of March 19, 2025, Parex received an ESG Risk Rating of 21.7 from Morningstar Sustainalytics and was assessed to be at Medium Risk of experiencing material financial impacts from ESG factors (6th Percentile). In no event will Morningstar Sustainalytics be construed as investment advice or expert opinion as defined by the applicable legislation. Such information and data are proprietary of Sustainalytics and/or its third-party suppliers and are provided for informational purposes only. As of March 18, 2025, Parex received an MSCI ESG Rating of AA (on a scale of AAA-CCC). The use by Parex of MSCI ESG Research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks service marks or Index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Parex by MSCI. MSCI services and data are the property of MSCI or its information providers and are provided "as-is" and without warranty. MSCI names and logos are trademarks or services marks of MSCI.

(2) 2024 annual average production consists of light & medium crude oil: 8,850 bbl/d; heavy crude oil: 40,366 bbl/d; and conventional natural gas: 4,428 mcf/d.

(3) See "*Advisories – Reserve Advisory*" and "*Advisories – Oil & Gas Matters Advisory*".

(4) Funds flow provided by operations is capital management measure and free funds flow is a non-GAAP financial measure. See "*Advisories - Non-GAAP and Other Financial Measures Advisory*".

NEO Profiles

Set forth below are the biographies of each Named Executive Officer (NEO), which provide an overview of each NEO's role, responsibilities, 2024 total compensation, comparison to 2023 compensation and 2024 target compensation mix.

Mr. Mohsen is the President and Chief Executive Officer of Parex. In this role, he is accountable for the Company's overall leadership, strategic vision, and delivery of Shareholder value.

Imad Mohsen

President & CEO

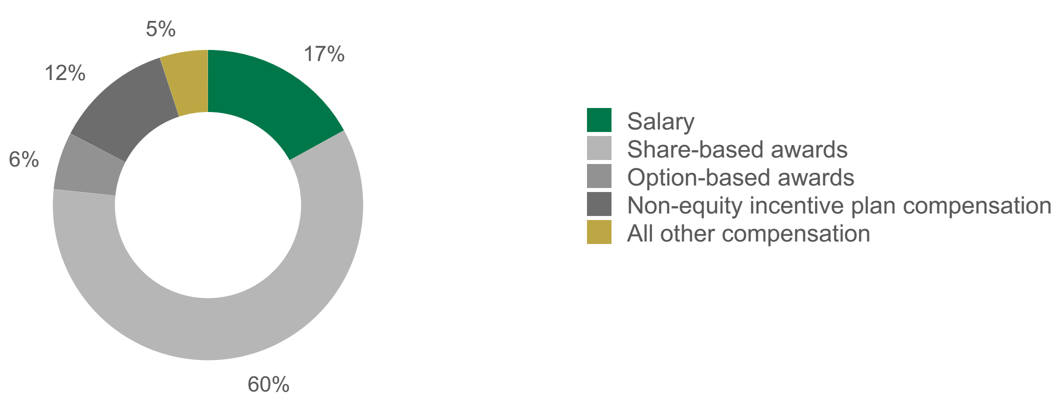
Mr. Mohsen joined Parex Resources as President and Chief Executive Officer in 2021, and is accountable for the Company's overall leadership, strategic vision and delivery of Shareholder value. With 25 years of experience in senior leadership positions, he has a proven track record leading teams to execute growth through exploration, project management excellence and stakeholder relations and financial discipline.

Prior to joining Parex, Mr. Mohsen held numerous senior leadership roles at private and public companies. Most recently, Mr. Mohsen was the Chief Executive Officer at Tulip, a private equity backed upstream company. Under his leadership, Tulip had success with near field, short-cycle time exploration and development of gas in the challenging environment of the Dutch North Sea. Prior to Tulip, Mr. Mohsen spent 15 years at Shell where he held notable roles including Development Manager for Shell's Subsea Gulf of Mexico assets, and the General Manager, Operations for Shell's Egypt JV (Bapetco). Mr. Mohsen holds an engineering degree from the Paris School of Mines. He is a former Board member of NOGEPA (Dutch E&P Producers Association) and Nextstep (Dutch Decommissioning E&P Producers Associations).

Compensation		2024		2023
Salary		675,000	$	675,000
Share-based awards		2,364,692		2,198,386
Option-based awards		237,667		208,997
Non-equity incentive plan compensation		490,050		675,000
All other compensation		198,951		223,012
Total[(1)]	**$**	**3,966,360**	**$**	**3,980,395**

Note:
(1) Due to a clerical error in the calculation of share-based awards for NEOs in 2023, the total reported compensation for Mr. Mohsen was over-stated in the 2024 Management Information Circular ($4,423,548 Total Compensation and $2,641,539 Share-based awards). The 2023 compensation has been revised to correct the error.

2024 Compensation Mix (%)



CEO Target Total Direct v. Realized & Realizable Compensation

Aligned with the Company's pay-for-performance philosophy the majority of CEO target total direct compensation is directly aligned with Company performance through share-based awards. In 2024, fully at-risk short- and long-term incentives represented the dominant components of CEO compensation, at 82% (this allocation is consistent with previous years). Of this, 64% of CEO target compensation is denominated in long-term incentives (60% LDPSUs, 30% LDRSUs, and 10% Options), which are designed to focus the CEO on Parex's long-term success and align fully with the Shareholder experience. The majority of long term incentives is directly affected by the performance of Parex's Common Share price:

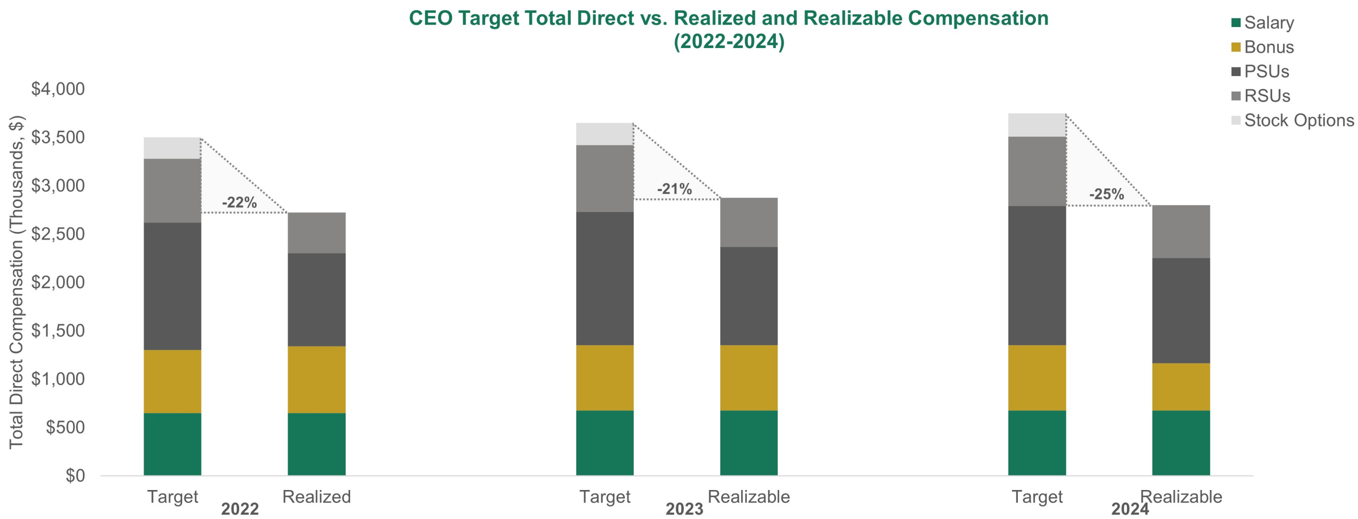
- Options only have value when the share price increases, and
- LDRSUs and LDPSUs are impacted by share price, and LDPSUs are further subject to performance measures (both absolute and relative).

The table below provides an overview of the last three years of Mr. Mohsen's target versus realized/realizable pay, comparing grant date total target direct pay to the realized and realizable value of this compensation. It also provides a comparison between CEO compensation and a Shareholder's return on investment. The analysis is based on the return of a $100 investment by a Shareholder at the start of a period, and the reinvestment of dividends over the period, compared to $100 of total direct compensation for the CEO for each year.

					Value of $100	
	Target Direct Pay (1)	Realized/ Realizable Pay (2)	From	To	CEO	Shareholder
2022	$3,500,000	$2,724,018	December 31, 2021		$78	$82
2023	$3,650,000	$2,876,775	December 31, 2022	December 31, 2024	$79	$84
2024	$3,750,000	$2,797,684	December 31, 2023		$75	$64
				Average	$77	$77

(1) Total target direct pay includes salary, target bonus, targeted value of long-term incentive grant of CosPSUs, CosRSUs, LDRSUs, LDPSUs,as applicable and Options as reported in the NEO Summary Compensation Table. Excludes all other compensation value.

(2) Realized and realizable pay includes salary, actual bonus paid, value of Options that are in-the-money, and the market value of unvested CosPSUs, CosRSUs, LDPSUs and LDRSUs, as applicable, including dividend equivalents (assuming CosPSUs and LDPSUs, as applicable, vest at target for 2023 and 2024 grants, actual of 115% for 2022 cycle). Equity valued as at December 31, 2024 closing share price. Excludes all other compensation value.



Mr. Grainger is Parex's Chief Financial Officer, where he is responsible for managing the Company's financial and risk activities, and ensuring Parex has the financial strength to deliver on its corporate strategy.

Cameron Grainger

Chief Financial Officer

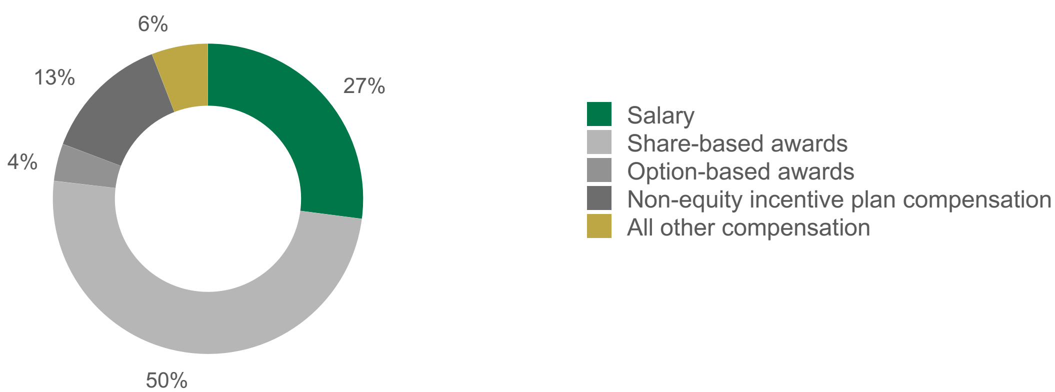
Mr. Grainger was appointed Interim Chief Financial Officer effective September 21, 2024 and Chief Financial Officer effective March 5, 2025. With over 19 years of experience in finance, strategy, and corporate tax, Mr. Grainger is responsible for managing Parex's financial and risk activities and ensuring Parex has the financial strength to deliver on its corporate strategy.

Mr. Grainger has been an integral member of the Parex team since 2011, holding senior leadership roles with increasing levels of responsibility including Vice President, Finance & Controller, and prior to that being the Company's Controller. Before joining Parex, Mr. Grainger worked in the Audit and Assurance practice for PwC. He is a Chartered Professional Accountant and holds a Bachelor of Science degree from the University of Calgary.

Compensation		2024
Salary(2)	$	250,185
Share-based awards		460,121
Option-based awards		35,925
Non-equity incentive plan compensation		123,591
All other compensation		54,358
Total	**$**	**924,180**

(1) Mr. Grainger was appointed as Parex's Chief Financial Officer on March 5, 2025.
(2) Mr.Grainger was appointed Interim CFO on September 21, 2024. At this time, there was no change to his base salary, he was awarded a one-time CosRSU grant in the amount of $100,000 in recognition of the expanded scope of his role.

2024 Compensation Mix (%)



Mr. Furlan is the Chief Operating Officer of Parex and has responsibility for the oversight of drilling, operations, production, reserves and development activities within the Company.

Eric Furlan

Chief Operating Officer

Mr. Furlan was appointed Chief Operating Officer in 2018 and is accountable for overseeing the drilling, operations, production, reserves and development activities of the Company. He has over 30 years of experience in field operations, reservoir development planning and execution and executive leadership. Prior to his current role, Mr. Furlan was the Senior Vice President of Engineering from 2017 to 2018 and the Vice President of Engineering from 2012 to 2017, where he focused on appraisal and development strategies to support production and reserves growth.

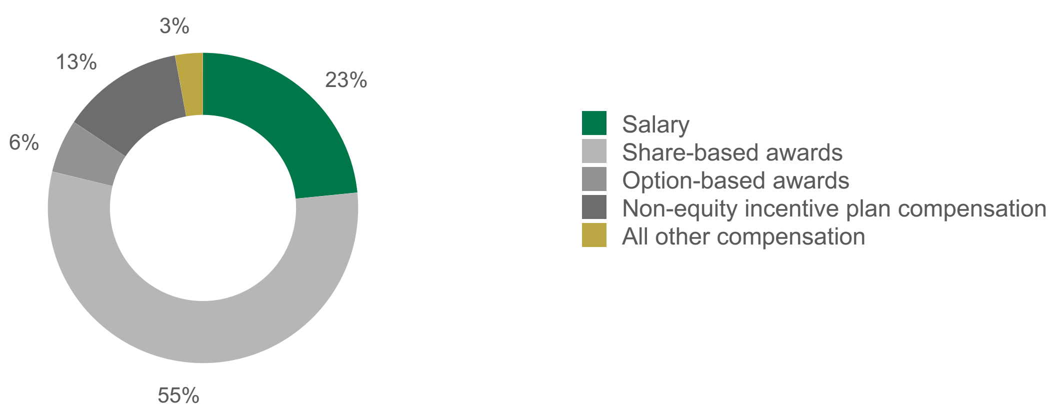
Prior to joining Parex, Mr. Furlan was the General Manager of Development in Petro Andina, Parex's predecessor, where he managed the development of the Company's fields in the Neuquén Basin of Argentina increasing operating production from zero to over 30,000 barrels of oil per day. He has also held leadership and senior technical positions with Chevron Corporation both in Canada and internationally.

Mr. Furlan graduated from the University of British Columbia with a Bachelor of Applied Science in Chemical Engineering. He is a member of APEGA - Association of Professional Engineers and Geoscientists of Alberta, and the Society of Petroleum Engineers.

Compensation		2024		2023
Salary	$	429,682	$	409,221
Share-based awards		1,015,284		984,920
Option-based awards		102,039		93,633
Non-equity incentive plan compensation		233,962		287,120
All other compensation		71,609		59,541
Total(1)	**$**	**1,852,576**	**$**	**1,834,435**

(1) Due to a clerical error in the calculation of share-based awards for NEOs in 2023, the total reported compensation for Mr. Furlan was over-stated in the 2024 Management Information Circular ($2,032,976 Total Compensation and $1,183,461 Share-based awards). The 2023 compensation has been revised to correct the error.

2024 Compensation Mix (%)



Mr. Kruchten is the Senior Vice President of Capital Markets and Corporate Planning for Parex. In this role he is responsible for Investor Relations, financial forecasting, strategic planning and sustainability.

Mike Kruchten

Senior Vice President, Capital Markets & Corporate Planning

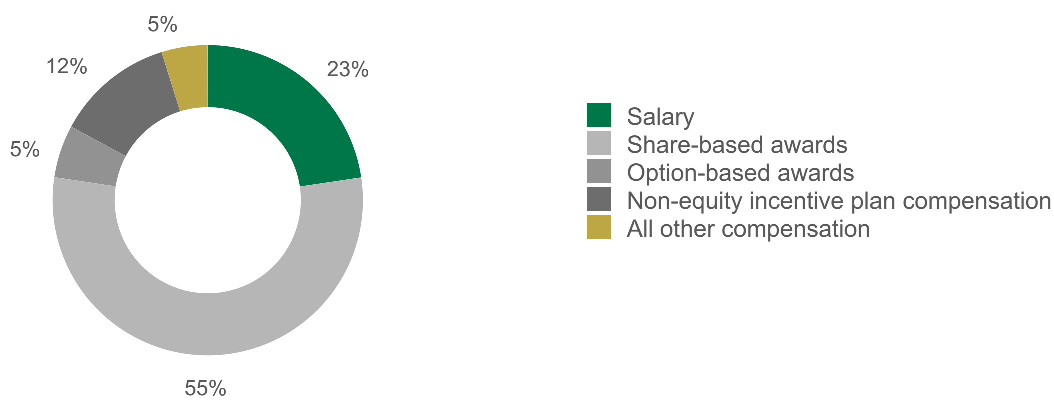
As the Senior Vice President, Capital Markets and Corporate Planning, Mr. Kruchten is responsible for Investor Relations, financial forecasting and strategic planning functions. Prior to this role, Mr. Kruchten was Manager, Corporate Planning and Investor Relations at Petro Andina, Parex's predecessor, from 2008 to 2009. Before joining Petro Andina, he held several financial leadership roles with BP p.l.c in Calgary, Aberdeen and Dubai, and began his career as a gas economist with Union Gas (Enbridge) in 1994.

Mr. Kruchten holds a MBA from Queen's University, a Masters in Economics from the University of Waterloo and a Bachelor of Economics degree (with honours) from Saint Francis Xavier University. He also holds the Certified Professional in Investor Relations (CPIR) designation from the Ivey Business School (University of Western Ontario).

Compensation		2024		2023
Salary	$	347,412	$	340,600
Share-based awards		839,138		814,048
Option-based awards		84,336		77,389
Non-equity incentive plan compensation		189,166		251,746
All other compensation		73,470		67,323
Total(1)	**$**	**1,533,522**	**$**	**1,551,106**

(1) Due to a clerical error in the calculation of share-based awards for NEOs in 2023, the total reported compensation for Mr. Kruchten was over-stated in the 2024 Management Information Circular ($1,715,202 Total Compensation and $978,144 Share-based awards). The 2023 compensation has been revised to correct the error.

2024 Compensation Mix (%)



Mr. Ferreiro is the President and Country Manager in Colombia for Parex. In this role, he is responsible for all in-country operations, with a focus on the safe execution of the Company's business plan.

Daniel Ferreiro

President & Country Manager Parex Resources Colombia

Mr. Ferreiro was appointed as the President & Country Manager of Parex Resources (Colombia) Ltd. in 2020 and is accountable for all in-country operations, with a focus on the successful execution of the Company's plan and budget. Mr. Ferreiro has been with Parex and its predecessor, Petro Andina, for over 15 years and has over 25 years of operations and leadership experience. At Parex, Mr. Ferreiro has held numerous roles of increasing responsibility including Manager of Operations, Vice President of Operations and Senior Vice President of Operations.

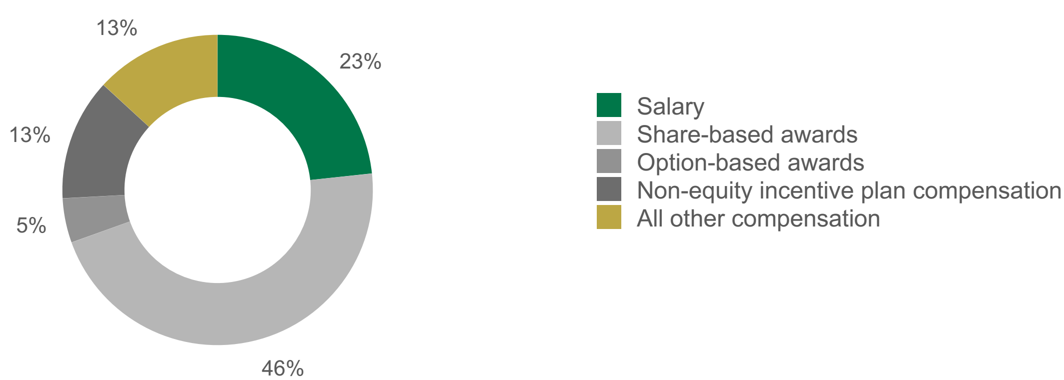
Prior to joining Parex, Mr. Ferreiro worked at Chauvco Resources Ltd. and Pioneer Natural Resources in Argentina moving from field positions in the Neuquén Province, to development and planning roles in the central office in Buenos Aires.

Mr. Ferreiro graduated from the Instituto Tecnologico de Buenos Aires as a Petroleum Engineer.

Compensation		2024		2023
Salary	$	378,000	$	360,000
Share-based awards		748,805		690,041
Option-based awards		75,261		65,598
Non-equity incentive plan compensation		205,821		259,335
All other compensation		229,571		445,979
Total[(1)]	**$**	**1,637,458**	**$**	**1,820,953**

(1) Due to a clerical error in the calculation of share-based awards for NEOs in 2023, the total reported compensation for Mr. Ferrerio was over-stated in the 2024 Management Information Circular ($1,960,052 Total Compensation and $829,140 Share-based awards). The 2023 compensation has been revised to correct the error.

2024 Compensation Mix (%)



NEO Summary Compensation Table

The following table sets forth information concerning the compensation paid and awarded to the NEOs for the years ended December 31, 2022, 2023 and 2024.

Name and Position	Year	Salary ($)	Share- based awards($)[(2)(3)]	Option- based awards ($)[(4)]	Non-equity incentive plan compensation ($)[(1)] Annual incentive plans[(5)]	All other compensation[(6)] ($)	Total compensation[(7)] ($)
Imad Mohsen	2022	650,000	2,060,307	270,690	690,625	181,785	3,853,407
President and CEO	2023	675,000	2,198,386	208,997	675,000	223,012	3,980,395
	2024	675,000	2,364,692	237,667	490,050	198,951	3,966,360
Cameron Grainger (10)	2024	250,185	460,121	35,925	123,591	54,358	924,180
Interim Chief Financial Officer							
Eric Furlan	2022	384,000	997,371	131,040	244,800	76,316	1,833,527
Chief Operating Officer	2023	409,221	984,920	93,633	287,120	59,541	1,834,435
	2024	429,682	1,015,284	102,039	233,962	71,609	1,852,576
Michael Kruchten	2022	337,000	825,985	108,528	202,200	66,920	1,540,633
SVP Capital Markets	2023	340,600	814,048	77,389	251,746	67,323	1,551,106
& Corporate Planning	2024	347,412	839,138	84,336	189,166	73,470	1,533,522
Daniel Ferreiro	2022	323,000	703,310	92,411	213,180	377,311	1,709,212
President Parex Resources	2023	360,000	690,041	65,598	259,335	445,979	1,820,953
(Colombia) Ltd.	2024	378,000	748,805	75,261	205,821	229,571	1,637,458
Sanjay Bishnoi[(8)(9)]	2023	100,000	731,232	—	70,163	13,808	915,203
Former Chief Financial Officer	2024	297,500	1,025,000	—	—	25,556	1,348,056
& Corporate Secretary							

Notes:

(1) The Company did not provide long-term non-equity incentive plan or pension plan compensation in 2022, 2023 and 2024.

(2) As per the prescribed requirements for the NEO Summary Compensation Table, Cash/Share Settled PSUs (CosPSUs) have been combined with Cash/Share Settled RSUs (CosRSUs) as share-based awards for 2022 and 2023. In 2024 CosPSUs, CosRSUs, LDPSUs and LDRSUs have been combined as share-based awards. Although the grant date fair values are the same for Cash/Share Settled PSUs, Cash/Share Settled RSUs, LDRSUs and LDPSUs, the grant date fair value calculations are shown separately in Note (4) below for Cash/Share Settled RSUs, Cash/Share Settled PSUs, LDRSUs and LDPSUs. Cash/Share Settled RSUs and Cash/Share Settled PSUs are shown separately in tables that follow the NEO Summary Compensation Table in this Information Circular.

(3) The fair value of each Cash/Share Settled RSU and Cash/Share Settled PSU granted in 2022, 2023 and 2024 and the fair value of LDRSus and LDPSUs granted in 2024 is based on the market price of the Common Shares on the date of issuance. It is the same methodology used by the Company to determine the accounting fair value of the Cash/Share Settled RSUs, Cash/Share Settled PSUs, LDRSUs and LDPSUs, in accordance with International Financial Reporting Standard 2 – Share Based Payments. Due to a clerical error in the calculation of share-based awards for NEOs in 2023, the total reported compensation was over-stated in the 2024 Management Information Circular. The 2023 compensation has been revised to correct the error. 2023 values have been restated to the correct amounts.

Grant Date	Grant date fair value per CosRSU/LDRSU	Grant date fair value per CosPSU/LDPSU
February 7, 2022	27.36	27.36
February 6, 2023	22.77	22.77
March 4, 2024	21.06	21.06
September 20, 2024	12.01	12.01

(4) The grant date fair value of option-based awards (Options) has been calculated using the Black-Scholes methodology, a commonly accepted methodology for valuing compensation among the Company's peer comparator group. It is the same methodology used by the Company to determine the accounting fair value of the Options, in accordance with International Financial Reporting Standard 2 – Share Based Payments. The following assumptions were used for calculating the grant date fair value of Option-based awards granted to the NEOs:

	Option Grant Date		
Assumptions	February 7, 2022	February 6, 2023	March 4, 2024
Expected life of Options	4.0 years	4.0 years	4.0 years
Risk-free interest rate	1.58%	3.38%	3.67%
Expected volatility	47.94%	47.53%	46.83%
Expected dividend yield	4.96%	6.01%	10.56%
Grant date fair value per Option	$10.50	$5.97	$5.09

(5) Incentive plan bonuses for 2022 were paid in February 2023, for 2023 were paid in February 2024, and for 2024 were paid in March, 2025.

(6) All other compensation for Messrs. Mohsen, Grainger, Furlan, Kruchten and Bishnoi includes the value of paid parking and benefits payments equal to 15% of the officer's base salary, capped at $50,000 per year and the ESPP equal to 10% of the officer's base salary. All other cash compensation and perquisites for Mr. Ferreiro include benefits payments equal to 20% of his base salary, foreign service premium, location allowance, tax protection payments, dependent education costs, security cost, and housing costs related to his expatriate assignment in Colombia, which were reduced in 2024 pursuant to policy terms.

(7) Total compensation equals salary plus all other cash compensation and perquisites and the grant date fair value of option-based awards and share-based awards.

(8) Mr. Bishnoi was appointed CFO and Corporate Secretary of Parex effective October 2, 2023.Mr. Bishnoi's salary in the table above is for the period from October 2, 2023 to December 31, 2023. Mr. Bishnoi's 2023 full year salary was $400,000.

(9) Mr. Bishnoi resigned from his position as CFO and Corporate Secretary effective September 20, 2024. Mr. Bishnoi's full year 2024 salary was $420,000.

(10) Mr.Grainger was appointed Interim CFO effective September 21, 2024, there was no change to Mr. Grainger's base salary, but a a one-time CosRSU payment in the amount of $100,000 was awarded in recognition of the expanded scope of his role. Mr. Grainger was appointed CFO on March 5, 2025.

NEO Incentive Plan Awards

Outstanding Option-based and Share-based Awards (as at December 31, 2024)

Name and Principal position	Option-Based Awards				
	Grant Date	Number of securities underlying unexercised Options	Options exercise price ($/Common Share)	Option expiration date	Value of unexercised in-the-money Options ($)(1)
Imad Mohsen	8-Feb-2021	33,584	21.65	8-Feb-2026	Nil
President and CEO	7-Feb-2022	25,780	27.02	7-Feb-2027	Nil
	6-Feb-2023	35,008	22.77	6-Feb-2028	Nil
	4-Mar-2024	46,693	21.06	4-Mar-2029	Nil
Cam Grainger(2)	10-Feb-2020	5,000	22.18	10-Feb-2025	Nil
Interim Chief Financial Officer	8-Feb-2021	3,648	21.65	8-Feb-2026	Nil
	7-Feb-2022	3,812	27.02	7-Feb-2027	Nil
	6-Feb-2023	4,806	22.77	6-Feb-2028	Nil
	4-Mar-2024	7,058	21.06	4-Mar-2029	Nil
Eric Furlan	10-Feb-2020	16,200	22.18	10-Feb-2025	Nil
Chief Operating Officer	8-Feb-2021	14,705	21.65	8-Feb-2026	Nil
	7-Feb-2022	12,480	27.02	7-Feb-2027	Nil
	6-Feb-2023	15,684	22.77	6-Feb-2028	Nil
	4-Mar-2024	20,047	21.06	4-Mar-2029	Nil
Michael Kruchten	10-Feb-2020	4,500	22.18	10-Feb-2025	Nil
SVP Capital Markets	8-Feb-2021	8,120	21.65	8-Feb-2026	Nil
& Corp. Planning	7-Feb-2022	10,336	27.02	7-Feb-2027	Nil
	6-Feb-2023	12,963	22.77	6-Feb-2028	Nil
	4-Mar-2024	16,569	21.06	4-Mar-2029	Nil
Daniel Ferreiro	10-Feb-2020	9,900	22.18	10-Feb-2025	Nil
President Parex Resources (Colombia)	8-Feb-2021	10,363	21.65	8-Feb-2026	Nil
Ltd.	7-Feb-2022	8,801	27.02	7-Feb-2027	Nil
	6-Feb-2023	10,988	22.77	6-Feb-2028	Nil
	4-Mar-2024	14,786	21.06	4-Mar-2029	Nil
Sanjay Bishnoi(3)	6-Feb-2023	N/A	N/A	N/A	N/A
Former Chief Financial Officer & Corporate Secretary	4-Mar-2024	N/A	N/A	N/A	N/A

Notes:
(1) Based on the difference between the closing price of the Common Shares on the TSX on December 31, 2024 of $14.58 and the exercise price of the Options. As of December 31, 2024, there were no outstanding in-the-money Options.
(2) Mr. Grainger was appointed Interim CFO on September 21, 2024 and appointed CFO on March 5, 2025
(3) Mr. Bishnoi resigned from his position as CFO and Corporate Secretary effective September 20, 2024. Mr. Bishnoi was never granted Options.

Name	Share-Based Awards							
	Number of Common Shares or units of Common Shares that have not vested				Market or payout value of share-based awards that have not vested ($)(1)			
	LDRSU	LDPSU	CosRSUs	CosPSUs	LDRSU	LDPSU	CosRSUs	CosPSUs
Imad Mohsen	37,428	74,856	33,216	128,833	545,700	1,091,400	484,289	1,878,385
Cam Grainger(2)	—	—	29,672	13,371	—	—	432,614	194,955
Eric Furlan	16,070	32,139	15,234	59,825	234,302	468,587	222,116	872,250
Michael Kruchten	13,282	26,563	12,600	49,493	193,647	387,294	183,702	721,605
Daniel Ferreiro	11,852	23,704	10,695	42,042	172,801	345,602	155,927	612,970
Sanjay Bishnoi(3)	—	—	—	—	—	—	—	—

Notes:
(1) Based on multiplying the closing price of the Common Shares on the TSX on December 31, 2024 of $14.58 by the number of Cash/Share Settled RSUs, Cash/Share Settled PSUs, LDRSUs and LDPSUs that were not vested as at December 31, 2024.
(2) Mr. Grainger was appointed Interim CFO on September 21, 2024 and CFO on March 5, 2025.
(3) Mr. Bishnoi resigned from his position as CFO and Corporate Secretary effective September 20, 2024.

The following table sets forth for each NEO, the value of option-based awards and share-based awards which vested during the year ended December 31, 2024 and the value of non-equity incentive plan compensation earned during the year ended December 31, 2024.

Name	Option-based awards – Value vested during the year[(1)] ($)	Share-based awards Value vested during the year ($)		Non-equity incentive plan compensation – Value earned during the year[(3)] ($)
		CosRSUs[(2)]	CosPSUs[(2)]	
Imad Mohsen	—	793,748	1,551,930	490,050
Cameron Grainger[(4)]	—	215,349	35,738	123,591
Eric Furlan	—	325,832	967,684	233,962
Michael Kruchten	—	269,685	801,546	189,166
Daniel Ferreiro	—	229,243	681,935	205,821
Sanjay Bishnoi[(5)]	—	—	—	—

Notes:
(1) Based on multiplying the difference between the closing price of the Common Shares on the TSX on the vesting date and the exercise price of the Options on the vesting date by the number of Options that vest on such date. As of December 31, 2024, there were no outstanding in-the-money Options.
(2) Based on multiplying the closing price of the Common Shares on the TSX on the vesting date by the number of Cash/Share Settled RSUs and Cash/Share Settled PSUs that vest on such date.
(3) Incentive plan bonuses for 2024 were paid in February 2025.
(4) Mr. Grainger was appointed Interim CFO on September 21, 2024 and appointed CFO on March 5, 2025
(5) Mr. Bishnoi was appointed CFO and Corporate Secretary of Parex effective October 2, 2023 and resigned effective September 20, 2024.
(6) No LDRSUs or LDPSUs vested during 2024. All CosRSUs and CosPSUs vested during the year have been paid out.

Securities Authorized for Issuance Under Equity Compensation Plans

The Option Plan is the Company's only compensation plan under which equity securities have been authorized for issuance going forward. The following sets forth information in respect of securities authorized for issuance under the Company's Option Plan as at December 31, 2024.

Plan Category	Number of securities to be issued upon exercise of outstanding Options, warrants and rights[(4)] (a)	Weighted average exercise price of outstanding Options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))[(1)(3)]
Equity compensation plans approved by security holders			
Option Plan[(2)]	899,429	22.78	See Note 4
Total	**899,429**	**—**	**4,017,523**

Notes:
(1) As at December 31, 2024, the Option Plan provided for the issuance of Options to a maximum of 5% of the issued and outstanding Common Shares of the Company, provided that the maximum number of Common Shares issuable pursuant to outstanding Options and all other security based compensation arrangements (as defined in the TSX Company Manual) shall not exceed 5% of the Common Shares outstanding from time to time.
(2) Of the 899,429 outstanding Options as of December 31, 2024, nil were in-the-money as of that date, based on the closing price of the Common Shares on the TSX on December 31, 2024 of $14.58.
(3) The total number of securities remaining available for future issuance under equity compensation plans as at December 31, 2024 was equal to 5% of the number of Common Shares outstanding as at December 31, 2024 less the number of Options outstanding under the Option Plan as at December 31, 2024.. As at December 31, 2024, there were 899,429 Options outstanding, leaving 4,017,523 Common Shares available for issuance under the Option Plan. The total number of securities remaining available for future issuance under equity compensation plans as at March 24, 2025, the Record Date, was equal to 5% of the number of Common Shares outstanding as at March 24, 2025 less the number of Options outstanding under the Option Plan as at March 24, 2025. As at March 24, 2025, there were 758,235 Options outstanding, leaving 4,134,472 Common Shares available for issuance under the Option Plan.
(4) During the year ended December 31, 2024, 22,168 Common Shares were issued on exercise of Options.

Burn Rate

The following table sets forth the annual burn rate for each of the three most recently completed fiscal years for each of the Company's incentive plans requiring settlement by treasury issuances of Common Shares. The burn rate has been calculated by dividing the number of awards granted under the arrangement during the applicable fiscal year, by the weighted average number of Common Shares outstanding for the applicable fiscal year:

Plans	2022(1)		2023(2)		2024(3)	
	Number Granted	*Burn Rate*	*Number Granted*	*Burn Rate*	*Number Granted*	*Burn Rate*
Options	172,103	0.15%	196,583	0.19%	248,842	0.25%

Notes:
(1) The weighted average number of Common Shares outstanding for December 31, 2022 is 113,571,626 Common Shares.
(2) The weighted average number of Common Shares outstanding for December 31, 2023 is 106,247,093 Common Shares.
(3) The weighted average number of Common Shares outstanding for December 31, 2024 is 101,413,728 Common Shares.

Value Realized From Equity Exercises During the Year

	Imad Mohsen(1)	Cam Grainger(2)	Eric Furlan	Michael Kruchten	Daniel Ferreiro	Sanjay Bishnoi(3)
Options(1)						
Securities acquired on exercise	—	—	—	—	—	N/A
Aggregated value realized ($)	—	—	—	—	—	N/A
Number of resulting shares held	—	—	—	—	—	N/A
Number of resulting shares sold	—	—	—	—	—	N/A
Cash/Share Settled PSUs(4)						
Securities acquired on exercise	68,171	1,570	42,506	35,209	29,955	N/A
Aggregated value realized ($)	1,551,930	35,738	967,684	801,546	681,935	N/A
Number of resulting shares held	—	—	—	—	—	N/A
Number of resulting shares sold	68,171	1,570	42,506	35,209	29,955	N/A
Cash/Share Settled RSUs(4)						
Securities acquired on exercise	36,319	9,856	14,909	12,341	10,490	N/A
Aggregated value realized ($)	793,748	215,349	325,832	269,685	229,243	N/A
Number of resulting shares held	—	—	—	—	—	N/A
Number of resulting shares sold	36,319	9,856	14,909	12,341	10,490	N/A

Notes:
(1) Value based on multiplying the difference between the sales price price of the Common Shares on the TSX on the date of exercise and the exercise price of the Options by the number of Options exercised on such date.
(2) Mr. Grainger was appointed as Interim CFO effective September 21, 2024, and CFO effective March 5, 2025.
(3) Mr. Bishnoi resigned from his position as CFO and Corporate Secretary effective September 20, 2024.
(4) Value based on multiplying the closing price of the Common Shares on the TSX on the vesting date by the number of Cash/Share Settled RSUs and Cash/Share Settled PSUs that vest on such date. No LDRSUs or LDPSUs vested during 2024.

Three Year NEO Compensation Versus Financial Measures

	2022	2023	2024
Total NEO Compensation ($ millions)(1)	10.84	13.31	11.26
Funds Flow Provided by Operations ($ millions)(2)(3)	981.79	883.21	895.33
NEO Compensation as % of Funds Flow Provided by Operations	1%	2%	1%
Enterprise Value ($ millions)(2)(4)	1,631	2,519	1,374
NEO Compensation as % of Enterprise Value	0.7%	0.5%	0.8%
Annual Shareholder Return	(7)%	24%	(35)%
FX Rate USD-CAD at December 31	1.3544	1.3226	1.4389

Notes:.
(1) See "Statement of Executive Compensation – NEO Summary Compensation Table". NEO compensation is comprised of salary, short-term incentive (bonus) and long-term incentives.
(2) Components in the calculation of funds flow provided by operations and enterprise value were converted from USD to CAD using the closing foreign exchange rate of 1.3544 for December 31, 2022, 1.3226 for December 31, 2023 and 1.4389 for December 31, 2024.
(3) "Capital management measure". Please see "Advisories – Non-GAAP and Other Financial Measures Advisory".
(4) Enterprise value is a “Supplementary financial measure,” which is not a standardized financial measure under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See “Advisories -Non-GAAP and Other Financial Measures Advisory.”

Termination and Change of Control Benefits and Payments

The Company recognizes that its Executives are critical to Parex's ongoing business. It is therefore vital for the Company to retain the services of each Executive, support them in the event of employment interruption caused by a change in control of the Company, and to treat them in a fair and equitable manner. The Company has an employment agreement (the "**Employment Agreements**") with each of Mr. Mohsen, Mr. Grainger, Mr. Furlan, Mr. Kruchten and Mr. Ferreiro.

The Employment Agreements provide for payment of compensation in the event of termination of the Executive's employment by the Company without cause, upon resignation of employment by the Executive for reason of constructive dismissal, upon resignation of employment by the Executive for good reason in the event of a change of control of the Company, or for Messrs. Furlan and Kruchten upon resignation of employment by the Executive in the event of a triggering change of control of the Company, as shown in the chart below.

Termination without cause refers to termination of the Executive's employment by the Company for reasons other than for just cause, mutual agreement or the death of the Executive.

For Messrs. Mohsen, Grainger, Furlan, Kruchten and Ferreiro, a change of control includes, but is not limited to, any acquisition of Common Shares or other securities of the Company that carry the right to cast more than 50% of the votes attaching to all Common Shares in the capital of the Company, the sale, lease or other disposition of all or substantially all of the assets of the Company to a third party, the liquidation or dissolution of the Company and the Company ceasing to be publicly traded on a recognized exchange. For Messrs. Furlan and Kruchten, a triggering change of control is a change of control that results from an unsolicited offer in response to which the Board publishes a circular recommending rejection of the offer and continues to recommend rejection of the offer up to the closing date of such transaction.

Resignation for reason of constructive dismissal refers to the resignation of employment by the Executive due to circumstances constituting constructive dismissal at common law, including any material reduction in benefits or remuneration paid by the Company to the Executive, or an adverse change in the Executive's position, duties, responsibilities, title or office.

Termination Event	Name	Incremental Compensation
Termination Without Cause	Imad Mohsen Cameron Grainger Eric Furlan Michael Kruchten Daniel Ferreiro	Retiring allowance equal to the sum of: (i) the Executive's annual base salary; plus (ii) the average of any cash bonuses paid in the two years preceding the termination date; plus (iii) an amount equal to the lesser of fifteen percent of the Executive's annual base salary or $50,000 to compensate for loss of benefits, and for Messrs. Mohsen, Grainger, Furlan, Kruchten, and Ferreiro multiplied by two (2). Pursuant to the Option Plan, if the Executive's employment is terminated by the Company with or without cause, or the Executive elects to terminate his employment, the Executive may exercise any Options that were vested by the date of termination of employment for up to ninety (90) days following that date or the expiration date of the Options, whichever occurs first. All other Options would be terminated. Pursuant to the Cash/Share Settled RSU Plan and the LDRSU Plan, if the Executive's employment is terminated by the Company without cause, then a pro rata portion of the unvested CosRSUs and CosPSUs and LDRSUs and LDPSUs, respectively, shall be deemed to have vested immediately prior to the forfeiture date. All other CosRSUs, CosPSUs, LDRSUs and LDPSUs pursuant to the applicable plan, would be terminated.
Change of Control and Good Reason	Imad Mohsen Cameron Grainger Eric Furlan Michael Kruchten Daniel Ferreiro	All applicable incremental payments for Messrs. Mohsen, Grainger, Furlan, Kruchten and Ferreiro are calculated as specified above for termination without cause. Pursuant to the Option Plan, in the event of a change in control of the Company, all unvested Options for each Executive shall vest and all issued and outstanding Options will immediately be exercisable for up to the earlier of the expiry time of the Options 30 days after the occurrence of such change of control. Pursuant to the Cash/Share Settle RSU Plan and the LDRSU Plan, the Cash/Share Settle RSU Plan and the LDRSU Plan provides for accelerated vesting of CosRUSs and CosPSUs and LDRSUs and LDPSUs, respectively, in the event of a termination of employment, other than for cause, on a change of control or in the 12 months following a change of control (or upon the Executive voluntarily resigning his employment with Good Reason in the 12 months following a change of control).
Triggering Change of Control	Eric Furlan Michael Kruchten	All applicable incremental payments for Messrs. Furlan, and Kruchten are calculated as specified above for termination without cause. Pursuant to the Option Plan, in the event of a change in control of the Company, all unvested Options for each Executive shall vest and all issued and outstanding Options will immediately be exercisable for up to the earlier of the expiry time of the Options and 30 days after the occurrence of such change of control. Pursuant to the Cash/Share Settled RSU Plan and the LDRSU Plan, the Cash/Share Settled RSU Plan and the LDRSU Plan provides for accelerated vesting of CosRUSs, CosPSUs, LDRSUs and LDPSUs, respectively in the event of a termination of employment, other than for cause, on a change of control or in the 12 months following a change of control (or upon the Executive voluntarily resigning his employment with Good Reason in the 12 months following a change of control).

Resignation For Reason of Constructive Dismissal	Imad Mohsen Cameron Grainger Eric Furlan Michael Kruchten Daniel Ferreiro	All applicable incremental payments for Messrs. Furlan, and Kruchten are calculated as specified above for termination without cause. Pursuant to the Option Plan, in the event of a change in control of the Company, all unvested Options for each Executive shall vest and all issued and outstanding Options will immediately be exercisable for up to 30 days after the occurrence of such change of control. Pursuant to the CosRSU Plan and the LDRSU Plan, the CosRSU Plan and the LDRSU Plan provides for accelerated vesting of CosRUSs and CosPSUs and LDRSUs and LDPSUs in the event of a termination of employment, other than for cause, on a change of control or in the 12 months following a change of control (or upon the Executive voluntarily resigning his employment with Good Reason in the 12 months following a change of control).
Retirement	Imad Mohsen Cameron Grainger Eric Furlan Michael Kruchten Daniel Ferreiro	Provided none of the above events have been triggered, and the following retirement criteria have been met (or such other meaning of "retirement" as determined by the Board from time to time has been satisfied by the applicable participant who is an officer of the Company or a subsidiary ("**Participant**") under the Option Plan or CosRSU Plan, as applicable, or the LDRSU Plan, all outstanding unvested awards granted under the Option and CosRSU Plan and LDRSU Plan shall continue to vest as per their original vesting schedule. The retirement criteria are that a Participant reaches the age of sixty (60) and voluntarily ceases to be an officer or employee, provided that the Participant: (A) has, at such time, provided continuous services to the Company or a subsidiary for a minimum of ten (10) years; (B) has provided the Company with six (6) months prior written notice of the Participant's intention to retire; and (C) is offered by the Company the opportunity to and enters into an agreement (which shall include non-competition and non-solicitation covenants and the consequences of breaching such covenants including the immediate termination of all outstanding CosRSUs and Options, as applicable) with the Company (a “Retirement Agreement”) (the foregoing being “Retirement (70)”). Pursuant to the Option Plan as a result of the Participant's Retirement (70) as aforesaid, the terms, of all Options held by such Participant shall not change as a result of such retirement and the provisions of the Option Plan outlining that all Options held by the Participant shall terminate 90 days after a Participant ceases to be an officer or employee of the Company or a subsidiary shall not apply to the Participant or the Options held by the Participant, the CosRSU Plan, as a result of the Participant's Retirement (70) , the terms of all CosRSUs or CosPSUs held by such Participant, including, with restriction, the term during which such CosRSUs, CosPSUs, LDRSUs or LDPSUs may be outstanding, shall not change as a result of such retirement. Without restriction to the operation of foregoing paragraph, and provided none of the above events have been triggered and the following retirement criteria have been met (or such other meaning of "retirement" as determined by the Board from time to time has been satisfied by the applicable Participant under the Option Plan or LDRSU Plan, as applicable), all outstanding unvested awards granted under the Option and CosRSU Plan on or after January 1, 2024 shall continue to vest as per their original vesting schedule. The retirement criteria are that a Participant who is an officer reaches the age of fifty-five (55) and voluntarily ceases to be an officer or employee, provided that: (A) the Participant has, at such time, provided continuous services to the Company or a subsidiary for a minimum of five (5) years; (B) the combination of the Participant's age and years of continuous service to the Company or a subsidiary aggregate at least sixty-five (65); (C) the Participant has provided the Company with six (6) months prior written notice of the Participant's intention to retire; and (D) is offered by the Company the opportunity to and enters into an agreement (which shall include non-competition and non-solicitation covenants and the consequences of breaching such covenants including the immediate termination of all outstanding CosRSUs, LDRSUs and/or Options) with the Company (the foregoing being **"Retirement (65)"**). Pursuant to the Option Plan as a result of the Participant's retirement pursuant to Retirement (65), the terms, of all Options held by such Participant granted on or after January 1, 2024 shall not change as a result of such Retirement (65) and the provisions of the Option Plan outlining that such Options held by the Participant shall terminate 90 days after a Participant ceases to be an officer or employee of the Company or a subsidiary shall not apply to the Participant or the Options held by the Participant. Pursuant to the CosRSU Plan and LDRSU Plan, as a result of the Participant's retirement pursuant to Retirement (65), the terms of all CosRSUs, CosPSUs, LDRSUs or LDPSUs held by such Participant granted on or after January 1, 2024 including, with restriction, the term during which such CosRSUs or CosPSUs may be outstanding, shall not change as a result of such Retirement (65).

Under the Employment Agreements for Messrs. Furlan and Kruchten, in the event of a change of control or a triggering change of control, the Executive, at the Company's request, agrees to remain employed by the Company for up to one (1) month following the change of control to assist with the orderly transition of management. Under the Employment Agreements for Messrs. Mohsen, Grainger, and Ferreiro, in the event of a change of control, the Executive, at the Company's request, agrees to remain employed by the Company for up to two (2) months following the change of control to assist with the orderly transition of management.

The Company has attempted to remain abreast of trends in employment law, such that changes in the Employment Agreements and employment contracts, which are made from time to time, reflect what the Company believes to be competitive terms, as at the time of each Executive's hiring.

In exchange for payments received upon termination of employment, the Executive agrees to sign and provide to the Company a full and final release (releasing the Company and its affiliates) in a form that is satisfactory to the Company.

The table below discloses the estimated incremental payments, payables and benefits to our Executives that are triggered by or result from termination without cause, resignation for good reason, change of control or triggering change of control effective December 31, 2024.

Estimated Incremental Compensation on Termination Without Cause, Resignation by Reason of Constructive Dismissal (based on hypothetical termination as at December 31, 2024)

	Compensation Components									
Name	Severance Period (months)	2X Annual Base Salary ($)	2X Average of Last 2 Incentive Bonus Payments[(1)] ($)	2X Annual Benefits ($)	Options [(2)] ($)	LDRSUs ($)[(3)]	LDPSUs ($)[(3)]	CosRSUs[(3)] ($)	CosPSUs[(3)] ($)	Total ($)
Imad Mohsen	24	1,350,000	1,165,050	100,000	Nil	151,583	303,166	313,065	1,535,931	4,918,795
Cameron Grainger[(4)]	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Eric Furlan	24	859,364	521,082	100,000	Nil	65,084	130,163	145,401	718,820	2,539,914
Michael Kruchten	24	694,824	440,912	100,000	Nil	53,791	107,582	120,294	594,795	2,112,198
Daniel Ferreiro	24	756,000	465,156	151,200	Nil	48,000	96,001	102,173	505,479	2,124,009

Notes:

(1) The annual incentive plan bonuses for 2024 were not paid until February 2025, as previously disclosed in Note (5) to the NEO Summary Compensation Table.

(2) Pursuant to the Option Plan, if the Executive's employment is terminated by the Company with or without cause, or the Executive elects to terminate his employment, the Executive may exercise any Options that were vested by the date of termination of employment for up to ninety (90) days following that date or the expiration date of the Options, whichever occurs first. All other Options would be terminated. As of December 31, 2024, there were no outstanding in-the-money Options.

(3) Pursuant to the Cash/Share Settled RSU Plan and the Longer Duration RSU Plan, if the Executive's employment is terminated by the Company with or without cause, or the Executive elects to terminate his employment, any Common Shares corresponding to any remaining vested grant of Cash/Share Settled RSUs or Cash/Share Settled PSUs or LDRSUs or LDPSUs shall be delivered to the Executive as soon as practicable. In addition, if the Executive's employment is terminated by the Company without cause, then a pro rata portion of the unvested long term incentives shall be deemed to have vested immediately prior to the Forfeiture Date, which pro rata portion of unvested long term incentives will be calculated as set forth under "*Statement of Executive Compensation – Executive Compensation Components - Long-Term Incentives - Cash/Share Settled RSU and Cash/Share Settled PSUs*" and *"Longer Duration RSU Plan"*. All other Cash/Share Settled RSUs and Cash/Share Settled PSUs would be terminated.

(4) Mr. Grainger was appointed Interim CFO on September 21, 2024 and appointed CFO on March 5, 2025.

Estimated Incremental Compensation Upon a Triggering Change of Control, Upon a Change of Control with Good Reason (based on hypothetical change of control as at December 31, 2024)

Name	Compensation Components									
	Severance Period (months)	2X Annual Base Salary ($)	2X Average of Last 2 Incentive Bonus Payments(2) ($)	2X Annual Benefits ($)	Options (3) ($)	LDRSUs ($)	LDPSUs ($)	CosRSUs (4) ($)	CosPSUs (4) ($)	Total ($)
Imad Mohsen	24	1,350,000	1,165,050	100,000	Nil	545,698	1,091,396	484,294	1,878,389	6,614,827
Cameron Grainger(5)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Eric Furlan	24	859,364	521,082	100,000	Nil	234,302	468,587	222,116	872,250	3,277,701
Michael Kruchten	24	694,824	440,912	100,000	Nil	193,647	387,294	183,702	721,605	2,721,984
Daniel Ferreiro	24	756,000	465,156	151,200	Nil	172,801	345,602	155,927	612,970	2,659,656

Notes:

(1) The above table denotes the incremental compensation each Executive would be entitled to in the event of a Change of Control With Good Reason, and for Messrs. Furlan, and Kruchten the entitlement for a Triggering Change of Control.

(2) The annual incentive plan bonuses for 2024 were not paid until February 2025, as previously disclosed in Note (5) to the NEO Summary Compensation Table. However, the 2024 bonus amounts are included in the incentive bonus calculations for the above table based on the assumption that they would have been included in the NEOs incremental compensation should there have been a termination on December 31, 2024 due to termination without cause, resignation for good reason or upon a change of control.

(3) In accordance with the Option Plan, in the event of a change in control of the Company, all unvested Options for each Executive shall vest and all issued and outstanding Options will immediately be exercisable for up to 30 days after the occurrence of such change of control, or at such earlier time as may be established by the Board. Based on a hypothetical change of control as at December 31, 2024 and based on the closing price of the Common Shares on the TSX on December 31, 2024 of $14.58. As of December 31, 2024, there were no outstanding in-the-money Options.

(4) Pursuant to the Cash/Share Settled RSU Plan and the Longer Duration RSU Plan, the Cash/Share Settled RSU Plan and Longer Duration RSU Plan also provides for accelerated vesting of CosRSUs and CosPSUs and LDRSUs and LDPSUs upon a Change of Control (as defined in the Cash/Share Settled RSU Plan and Longer Duration RSU Plan) as described under "*Statement of Executive Compensation – Executive Compensation Components - Long-Term Incentives - Cash/Share Settled RSU and Cash/Share Settled PSUs*" and *"Longer Duration RSU Plan"*. Based on a hypothetical change of control as at December 31, 2024 and based on the closing price of the Common Shares on the TSX on December 31, 2024 of $14.58 and PSU payout multiplier approved by the Board of 1.0.

(5) Mr.Grainger was appointed Interim CFO on September 21, 2024 and CFO effective March 5, 2025.

Other Disclosure

Indebtedness of Directors and Senior Officers

As at the date hereof there is no indebtedness outstanding by directors, Executives or former directors and Executives of the Company to the Company or its subsidiaries and there has been no such indebtedness at any time since incorporation.

Interest of Certain Persons and Companies in Matters to be Acted Upon

Management of the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership or otherwise, of any director or executive officer or anyone who has held office as such since the beginning of the Company's last financial year, any proposed nominee for election as a director of the Company or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting, other than the election of directors or the appointment of auditors or as disclosed herein.

Interest of Informed Persons in Material Transactions

There are no material interests, direct or indirect, of any informed person of the Company (as such term is defined in National Instrument 51-102 – *Continuous Disclosure Obligations*), any proposed director of the Company or any associate or affiliate of any informed person or proposed director of the Company in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries, other than as disclosed herein.

Additional information

Additional information respecting the Company is available on SEDAR+ at **www.sedarplus.ca**. Financial information respecting the Company is provided in the Company's comparative annual financial statements and MD&A for its most recently completed financial year. Shareholders can access this information on the Company's profile on SEDAR+ at **www.sedarplus.ca** or by request to the Chief Financial Officer of the Company at 2700 Eighth Avenue Place, West Tower, 585 – 8th Avenue S.W., Calgary, Alberta T2P 1G1 or Fax (403) 265-8216. The Board of Directors can be contacted at BoardofDirectors@parexresources.com.

Appendix "A"
Mandate of the Board of Directors

1. Purpose of the Mandate of the Board of Directors

a) The purpose of this Mandate is to assist the Board of Directors (the "**Board**") of Parex Resources Inc. (the "**Corporation**") in the exercise of its duties. By virtue of approving this Mandate, the Board affirms its ongoing responsibility for the stewardship of the Corporation.

b) The Board wishes to emphasize that the substance of good corporate governance is more important than its form; adoption of a set of guidelines and principles or any particular practice or policy is not a substitute for, and does not itself assure, good corporate governance.

2. Purpose of the Board of Directors

a) The primary responsibility of the Board is to foster the long-term success of the Corporation.

b) In overseeing the conduct of the business of the Corporation, the Board, through the Chief Executive Officer ("**CEO**") of the Corporation, shall set the standards of conduct for the Corporation.

3. General Legal Obligations of the Board

a) The *Business Corporations Act* (Alberta) identifies the following as legal requirements for the Board:

1) To manage or supervise the management of the business and affairs of the Corporation.

2) To act honestly and in good faith with a view to the best interests of the Corporation.

3) To exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

b) The Board has the responsibility to oversee the conduct of the business of the Corporation and to oversee management of the Corporation ("**Management**") which is responsible for the day-to-day conduct of business. In performing its functions, the Board also considers the legitimate interests which other stakeholders such as shareholders, employees, regulators, surface rights owners, indigenous persons, industry associations, suppliers, customers and communities may have in the Corporation.

c) The Board is responsible for directing Management to ensure that legal requirements have been met, and that documents and records have been properly prepared, approved and maintained.

4. Procedures and Organization

The Board operates by delegating certain of its authorities, including spending authorizations, to Management and by reserving certain powers to itself. The current spending authorizations have been put in place by the Board through the passage of a resolution delegating authority to the CEO and Management (referred to as the "**Authority Grid**").

a) The Board retains the responsibility for managing its own affairs including:

1) Appointing a Chair of the Board who is not a member of Management and is otherwise "independent" pursuant to securities policies or, failing that, ensuring that an independent "lead director" is appointed.

2) Selecting the Chair for each meeting of the Board, or an acting Chair, if the Chair is absent from the meeting.

3) Recruiting strong independent directors.

4) Nominating candidates for election to the Board.

5) Reviewing annually director compensation.

b) Subject to the Articles of the Corporation and the *Business Corporations Act* (Alberta), the Board may constitute, seek the advice or recommendations of and delegate powers, duties and responsibilities to Board committees.

5. Expectations of Management

a) The Board expects Management to work diligently towards enhancing the Corporation's performance by ensuring that existing operations are managed prudently and that new business development opportunities are sought.

b) The Board expects Management to provide the Board with all pertinent information regarding the operations and corporate development activities of the Corporation in order for the Board to properly assess whether the Corporation's goals are being met. Management is expected to provide as much information as is required or requested so that the Board can participate actively in important discussions on the Corporation's future, strategic planning and performance assessments. The Board expects Management to be completely forthcoming with respect to its assessment of opportunities and performance to allow the Board to make reasoned decisions.

6. Board Size

a) The Board shall consist of such number of directors within the range set forth in the Corporation's articles of incorporation as the Board deems appropriate in order to facilitate effective decision-making. The Board delegates to the CGNC the responsibility of considering and making recommendations to the Board with respect to the appropriate Board size.

b) Members of the Board should offer their resignation from the Board to the Chair of the Board following:

1) Change in personal circumstances which would reasonably interfere with the ability to serve as a director.

2) Change in personal circumstances which would reasonably reflect poorly on the Corporation (for example, conviction under the *Criminal Code* or securities legislation).

3) If applicable, in accordance with the Corporation's majority voting policy, should a board member receive a greater number of votes "withheld" from his or her election than votes "for" his or her election.

7. Independence

a) The Board must develop and voice objective judgment on corporate affairs, independently of Management. Practices promoting Board independence will be pursued. This includes constituting the Board with a majority of independent directors (as defined in Section 1.4 of National Instrument 52-110 – *Audit Committees* (as amended or replaced from time to time) of the Canadian Securities Administrators). Certain tasks suited to independent judgments will be delegated to specialized Board committees that are comprised of a majority or entirely of independent directors. The Board will develop broad standards to determine whether directors are independent and will conduct, on at least an annual basis, a determination of the independence of each of its members. The Board will disclose both the standards and the annual determinations as required by law.

b) Any director who is not independent or whose circumstances change such that he or she might be considered to be no longer independent shall promptly advise the Board of the change in circumstances.

8. Performance

The Board will evaluate its own performance in a continuing effort to improve. For this purpose, the Board will establish criteria for Board and Board member performance, and pursue a self-evaluation process for evaluating overall Board performance.

9. Nomination

The Board shall, prior to nominating any directors on behalf of the Corporation:

1) Consider what competencies and skills the Board, as a whole, should possess; and

2) Assess what competencies and skills each existing director possesses.

In carrying out these functions, the Board shall consider the advice and input of the CGNC.

10. Duties and Responsibilities

In keeping with generally accepted corporate governance practices and, as part of the overall stewardship responsibility, the Board explicitly assumes responsibility for the following:

a) Selection of Management & Succession Planning

The Board has the responsibility to:

1) Appoint and replace the CEO, to monitor CEO performance, to approve CEO compensation and to provide advice and counsel to the CEO in the execution of the CEO's duties.

2) Be responsible for plans being made for Management succession and development, including in respect of the CEO.

3) Assess and approve the entering into of agreements (which shall include non-competition and non-solicitation covenants and the consequences of breaching such covenants) with the Corporation respecting the retirement from any employment with the Corporation or a subsidiary by a director or officer of the Corporation or a subsidiary.

b) Oversight of Management

The Board has the responsibility to:

1) Assess each officer's contribution to the implementation and achievement of the Corporation's strategic plan measured by performance against objectives established by the Board.

2) Establish a formal process for determining officers' compensation, in part, by using established criteria and objectives for measuring performance.

3) Acting upon the advice of the CEO, and the recommendation of the CGNC, the Board has the responsibility to approve the appointment and remuneration of all officers.

c) Strategic Operating and Capital Plans

While the leadership for the strategic planning process comes from the Management of the Corporation, the Board shall bring objectivity and a breadth of judgment to the strategic planning process and will ultimately approve the strategy developed by Management as it evolves.

The Board has the responsibility to:

1) Oversee the development and approval of the mission of the Corporation.

2) Review, with Management, and approve the strategic plan for the Corporation and update such strategic plan at least annually.

3) Approve the annual operating and capital plans and budgets and review status of these plans and budgets at least quarterly including:

   - Capital spending;
   - Funds flow and working capital;
   - Operating and transportation cost; and
   - Production.

4) Approve the establishment of credit facilities and borrowings.

5) Approve issuances of additional shares or other securities.

6) Approve the repurchase of common shares in accordance with applicable securities laws.

7) Consider ESG (as defined below)-related issues, including as identified by Board committees, Environmental, Social and Governance Management Steering Committee (the ""**ESG Management Steering Committee**") and Management when reviewing and approving the Corporation's strategic plan, annual operating and capital plans and budgets, acquisition and divestiture activities, investor relations activities and general corporate strategy.

8) Be responsible for Management ensuring it has identified the principal risks of the Corporation's business and has taken reasonable steps to ensure that Management has implemented appropriate systems to effectively monitor and manage these risks with a view to the long-term viability of the Corporation and its assets, and that it conduct an annual review of the associated risks.

9) Be responsible for congruence between the strategic plan, stakeholder expectations and Management's performance.

10) Delegate to the appropriate Board committee the responsibility to review and assess the identification and management of Enterprise Risk Management matters pertaining to the applicable committee.

d) Environmental, Social and Governance

The Board has the responsibility to:

1) In collaboration with the Board committees, the ESG Management Steering Committee and Management, establish procedures and processes to identify, manage, measure and assess risks and opportunities related to climate change, environmental and social factors relevant to the Corporation and the conduct of its business in a safe, socially responsible, ethical and transparent manner for the benefit of all stakeholders and the communities in which it operates, including physical and transition climate related risks, plausible future climate related macro scenarios, land and water use, human capital management, employee engagement, diversity and inclusion and health and safety ("**E&S**").

2) In collaboration with the Board committees, the ESG Management Steering Committee and Management, establish E&S governance policies, procedures and practices for the Corporation (such governance factors, together with E&S, being referred to as "**ESG**").

3) Review with Management on a regular basis ESG-related issues, risks and opportunities relevant to the Corporation's business, strategy and risk management processes and be responsible for assigning ESG-related responsibilities to Management, Board committees and the ESG Steering Committee, as applicable.

4) In collaboration with the Board committees, the ESG Management Steering Committee and Management, determine the reporting structure within the Corporation for ESG matters, and review and monitor the effectiveness of the reporting structure on a regular basis.

5) Together with the Board committees, the ESG Management Steering Committee and Management, review and assess the Corporation's performance against ESG metrics, targets, benchmarks and goals established by the Corporation from time to time.

6) Regularly review the Corporation's public disclosure and reporting and external communication practices pertaining to ESG issues, including the use of reporting frameworks and standards and assessments of materiality.

7) Review and approve the Corporation's annual ESG report and other ESG related public disclosure documents.

e) New Business Development and Exploration

The Board has the responsibility to:

1) Review proposed material acquisitions and divestments, including a review of the technical due diligence conducted, and be satisfied that the Corporation has in place an adequate process to review all material acquisitions and divestments.

2) Review at least annually, the Corporation's property portfolio management strategy and complete a quarterly review of any major projects, as applicable.

3) Review the Corporation’s exploration plans, results versus expectations and material exploration efforts.

f) Policies and Procedures

The Board has the responsibility to:

1) Approve and monitor compliance with all significant policies and procedures which govern the Corporation’s operations.

2) Direct Management to implement systems which are designed to ensure that the Corporation operates at all times within applicable laws and regulations.

g) Monitoring and Acting

The Board has the responsibility to:

1) Monitor the Corporation's progress towards its goals and objectives, and to revise and alter its direction through Management in light of changing circumstances.

2) Approve the Corporation's payment of dividends.

3) Direct Management to ensure systems are in place for the implementation and integrity of the Corporation’s internal control and management information systems.

4) Be responsible for having an audit process in place for the Corporation, which can inform the Board of the integrity of the financial data and compliance of the financial information with generally accepted accounting principles.

5) Implement adequate measures for receiving feedback from the Corporation's stakeholders.

h) **Compliance Reporting and Corporate Communications**

The Board has the responsibility to:

1) Oversee that the financial performance of the Corporation is adequately reported to shareholders, other security holders and regulators on a timely and regular basis.

2) Oversee that the Corporation's financial results are reported fairly and in accordance with generally accepted accounting principles.

3) Oversee that procedures are in place to effect the timely reporting of any other developments that have a significant and material impact on the value of the Corporation.

4) Review, consider and where required, approve, the reports required under National Instrument 51-101 – *Standards for Disclosure of Oil and Gas Activities* (as amended or replaced from time to time) of the Canadian Securities Administrators.

5) Report annually to shareholders on the Board’s stewardship for the preceding year (the Annual Report).

6) Oversee that the Corporation has in place a policy to enable the Corporation to communicate effectively with its shareholders and the public generally.

7) Recommend to shareholders of the Corporation a firm of chartered professional accountants to be appointed as the Corporation's auditors.

11. Meetings

a) The Board shall meet at least once in each fiscal quarter, either in person or by teleconference. Additional meetings can be scheduled as required, at the discretion of the Board. Each director has a responsibility to attend and participate in Board meetings. Telephone or videoconference attendance is permissible with approval from the Chair.

b) Minutes of each meeting of the Board will be prepared by the Corporate Secretary. Following each meeting, the Corporate Secretary will provide draft copies of the minutes of the meeting to the Board.

c) The CEO and such other staff as appropriate to provide information to the Board shall attend meetings at the invitation of the Board.

d) At each Board meeting, there shall be a private session of the independent directors from which the non-independent directors will be excused, under the leadership of the Chair of the Board, and if the Chair is not independent, the independent directors will also meet in camera under the leadership of the Lead Director without the Chair present.

12. Mandate Review

Parex's Corporate Governance and Nominating Committee shall review this Mandate every other year, or more frequently as may be determined necessary by the Corporate Governance and Nominating Committee, to ensure the Board is achieving its purpose.

13. Authorization

This Mandate of the Board of Directors is hereby approved on behalf of the Board . this 30th day of October, 2009 as amended on November 9, 2011, November 13, 2013, October 4, 2017, February 7, 2019, February 4, 2021, and August 3, 2022.

Wayne Foo
Chair of the Board of Directors
Parex Resources Inc.

Appendix "B"

Option Plan

The Company has a "rolling" Option Plan reserving a maximum of 5.0% of the issued and outstanding Common Shares for issuance pursuant to Options, provided that the maximum number of Common Shares issuable pursuant to outstanding Options and all other security based compensation arrangements (as defined in the TSX Company Manual), shall not exceed 5.0% of the Common Shares outstanding from time to time.

The purpose of the Option Plan is to provide directors, officers and employees of Parex an incentive to achieve the longer term objectives of Parex; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of Parex; and to attract and retain in the employ of Parex or any of its subsidiaries, persons of experience and ability by providing them with the opportunity to acquire an increased proprietary interest in Parex.

Description of the Option Plan

Eligibility

The Option Plan provides for the granting of Options to purchase Common Shares of Parex to directors, officers and key employees of Parex and its subsidiaries.

Administration

The Option Plan is administered by the Board and the Board may, subject to applicable law, delegate its powers to administer the Option Plan to a committee of the Board. Options may be granted at the discretion of the Board, in such number that may be determined at the time of grant, subject to the limits set out in the Option Plan.

Exercise Price

The exercise price of Options granted under the Option Plan will be fixed by the Board at the time of grant, provided that the exercise price shall be not less than the closing trading price per Common Share on the TSX (or if the Common Shares are not listed on the TSX, on such stock exchange as the Common Shares are then traded) on the last trading day preceding: (i) the issuance of news release in respect of the Option grant, or (ii) if a news release is not issued announcing the Option grant, the date of grant, or in all cases, if the Common Shares are not listed at the applicable time on any stock exchange, a price determined by the Board.

Maximum Percentage of Common Shares Reserved

The aggregate maximum number of Common Shares that may be issued pursuant to the exercise of Options awarded under the Option Plan and all other share compensation arrangements of Parex is 5.0% of the Common Shares outstanding from time to time, subject to the following limitations:

1. the aggregate number of Common Shares reserved for issuance to any one person under the Option Plan, together with all other share compensation arrangements of Parex, within a 12-month period, must not exceed 5.0% of the outstanding issue of Common Shares (on a non-diluted basis);
2. the aggregate number of Common Shares reserved for issuance to any one Insider (as defined in the Option Plan) pursuant to the Option Plan, together with all other share compensation arrangements of Parex, must not exceed 5.0% of the outstanding issue of Common Shares;
3. the aggregate number of Common Shares issued to insiders pursuant to the Option Plan, together with all other share compensation arrangements of Parex, within a 12 month period, must not exceed 5.0% of the outstanding issue of Common Shares;
4. the aggregate number of Common Shares reserved for issuance to Insiders pursuant to the Option Plan, together with all other share compensation arrangements, at any time, must not exceed 5.0% of the issue of Common Shares;
5. the aggregate number of Common Shares reserved for issuance pursuant to the Option Plan to any one participant employed to provide investor relations activities (as defined in the Option Plan) within a 12 month period, must not exceed 2.0% of the outstanding issue of Common Shares;
6. the aggregate number of Common Shares reserved for issuance to all non-management directors pursuant to the Option Plan cannot exceed 1.0% of the outstanding issue of Common Shares; and
7. the aggregate value of all Options (calculated as of the date of grant) granted pursuant to the Option Plan to any non-management director cannot exceed $100,000 in any 12-month period.

Transferability

The Options are not assignable or transferable by an optionee, except for a limited right of assignment in the event of the death of the optionee.

Term and Vesting

The term of Options granted shall be determined by the Board in its discretion, to a maximum of five years from the date of the grant of the Option. The vesting period or periods within this period during which an Option or a portion thereof may be exercised shall be determined by the Board. In the absence of any determination by the Board as to vesting, vesting shall be as to one third on each of the first, second and third anniversaries of the date of grant. Further, the Board may, in exceptional circumstances and in its sole discretion at any time or in the Option agreement in respect of any Options granted, accelerate or provide for the acceleration of vesting of Options previously granted.

Early Expiration

Unless otherwise provided in an agreement evidencing the grant of Options, Options shall terminate at the earlier of: (a) the close of business 90 days after the optionee ceasing (other than by reason of death or Retirement (as defined below) but including termination with or without cause) to be at least one of an officer, director or employee (in active employment carrying out regular and normal duties) of Parex or a subsidiary of Parex, as the case may be; (b) the close of business 90 days after the optionee has been provided with written notice of dismissal related to (a) above; and (c) the original expiry date of the Option. If before the expiry of an Option in accordance with the terms thereof a participant ceases to be an employee, officer or director of Parex or a subsidiary of Parex by reason of the death of the participant, any unvested portion of such Option shall immediately vest. In addition, such Option may, subject to the terms thereof and any other terms of the Option Plan, be exercised by the legal personal representative(s) of the participant's estate or at any time before 5:00 p.m. (Calgary time) up to one year after the date of death of the participant, or until the original expiry date of the Option, if earlier.

If before the expiry of an Option in accordance with the terms thereof an optionee ceases to be an employee or officer of the Company or a subsidiary of the Company, as the case may be, as a result of:

a. the Participant's Retirement (70) (as defined below), then the terms, including, of all Options held by such optionee shall not change as a result of such retirement and the provisions of the Option Plan outlining that all Options held by the Participant shall terminate 90 days after a Participant ceases to be an officer or employee of the Company or a subsidiary shall not apply to the Participant or the Options held by the Participant, subject to the terms of the Retirement Agreement (as defined below) entered into by the optionee and the Company;

b. the participant's Retirement (65) (as defined below), then: (i) the terms of all Options held by such optionee that were granted on or after January 1, 2024 shall not change as a result of such retirement and the provisions of the Option Plan outlining that all Options held by the Participant shall terminate 90 days after a Participant ceases to be an officer or employee of the Company or a subsidiary shall not apply to the Participant or the Options held by the Participant; and (ii) the terms of all Options held by such optionee that were granted prior to January 1, 2024 shall terminate 90 days after the optionee ceases to be an officer or employee of the Company or a subsidiary of the Company, as a result of such retirement, in either case subject to the terms of the Retirement Agreement entered into by the optionee and the Company.

For the purposes of the Option Plan,

a. **"Retirement"** has the meaning set out in the Company's Retirement Policy - Officers and Employees, however, shall also mean: (a) the date that an optionee who is an officer or bona fide employee of the Company or a subsidiary reaches the age of sixty (60) and voluntarily ceases to be an officer or bona fide employee of the Company or a subsidiary, provided that the optionee: (i) has, at such time, provided continuous services to Company or a subsidiary for a minimum of ten (10) years ; (ii) has provided the Company with six (6) months prior written notice of the optionee's intention to retire; and (iii) is offered by the Company the opportunity to and enters into an agreement (which shall include non-competition and non-solicitation covenants and the consequences of breaching such covenants including the immediate termination of all outstanding Options notwithstanding the provisions noted above in respect of such Retirement) (a "**Retirement Agreement**") with the Company respecting such optionee's retirement from any employment with the Company or a subsidiary in a form that is acceptable to the Company; or (b) such other meaning as the CEO of the Company in the case of an optionee who is not an officer of the Company or a subsidiary, and the Board in all other cases, may determine from time to time (either (a) or (b) above being "**Retirement (70)**")

b. "**Retirement (65)**" has the meaning ascribed thereto in the Company's Retirement Policy – Officers and Employees, which, at the date hereof, is: (a) the date that an optionee who is an officer or bona fide employee of the Company or a subsidiary voluntarily ceases to be an officer or bona fide employee of the Company provided that at such time: (i) the optionee has reached the age of fifty-five (55); (ii) the optionee has provided continuous services to the Company or a subsidiary for a minimum of five (5) years; (iii) the combination of the optionee's age and years of continuous service to the Company or a subsidiary aggregate at least sixty five (65); (iv) the optionee has provided the Company with six (6) months prior written notice of the optionee's intention to retire; and (v) is offered by the Company the opportunity to enter into a Retirement Agreement, and subsequently enters into a Retirement Agreement, with the Company; or (b) such other meaning as the CEO of the Company in the case of a optionee who is not an officer or director of the Company or a subsidiary, and the Board in all other cases, may determine from time to time; provided that if at the relevant time the Participant satisfies the criteria of Retirement (65) and also satisfies the criteria of Retirement (70), such designation of Retirement (65) shall be deemed to mean, for all purposes, Retirement (70).

Change of Control and Take-Over Acceleration Right

In the event of a Change of Control (as defined in the Option Plan) occurring, all Options which have not otherwise vested in accordance with their terms shall immediately vest and be exercisable, notwithstanding the other terms of the Options for a period of time ending on the earlier of the expiry time of the Option and the thirtieth (30th) day following the Change of Control.

If approved by the Board, Options may provide that, whenever the Company's Shareholders receive a Take-over Proposal (as defined in the Option Plan), such Option may be exercised as to all or any of the Common Shares in respect of which such Option has not previously been exercised (including in respect of Options not otherwise vested at such time) by the holder of such Option (the **"Take-over Acceleration Right"**), but any such Option not otherwise vested and deemed only to have vested in accordance with the foregoing may only be exercised for the purposes of tendering to such Take-Over Proposal. If for any reason any such Common Shares are not so tendered or, if tendered, are not, for any reason taken up and paid for by the offeree pursuant to the Take-Over Proposal, any such Common Shares so purchased by the participant shall be and shall be deemed to be cancelled and returned to the treasury of the Company, and shall be added back to the number of Common Shares, if any, remaining unexercised under the Option (and shall thus be available for exercise of the Option in accordance with the terms thereof) and upon presentation to the Company of share certificates representing such Common Shares properly endorsed for transfer back to the Company, the Company shall refund to the participant all consideration paid by him or her in the initial purchase thereof. The Take-over Acceleration Right shall commence at such time as is determined by the Board, provided that, if the Board approves the Take-over Acceleration Right but does not determine commencement and termination dates regarding same, the Take-over Acceleration Right shall commence on the date of the Take-over Proposal and end on the earlier of the expiry time of the Option and the tenth (10th) day following the expiry date of the Take-over Proposal. Notwithstanding the foregoing, the Take-over Acceleration Right may be extended for such longer period as the Board may resolve.

Voluntary Black Out Periods

Pursuant to the Option Plan, the expiration of the term of any Options that would fall during a voluntary black out period or within 10 business days following the termination of a voluntary black out period will be extended for a period of 10 business days following the expiry of such black out period such that all optionees will always have a maximum of 10 business days following a voluntary black out period to exercise Options. This provision applies to all options whatever the date of grant.

Adjustments in Common Shares

Appropriate adjustments in the number of Common Shares subject to the Option Plan and, as regards Options granted or to be granted, in the number of Common Shares optioned and in the exercise price, shall be made by the Board to give effect to adjustments in the number of Common Shares resulting from subdivisions, consolidations or reclassifications of the Common Shares, the payment of stock dividends by the Company (other than dividends in the ordinary course) or other relevant changes in the authorized or issued capital of the Company, which changes occur subsequent to the approval of the Option Plan by the Board.

Amendments to Options

The Option Plan provides that the Option Plan and any Options granted pursuant to the Option Plan may be amended, modified or terminated by the Board without approval of the Shareholders subject to any required approval of the TSX. Notwithstanding the foregoing, the Option Plan or any Options may not be amended without Shareholder approval to: (a) increase the number of Common Shares reserved for issuance under the Option Plan or the Option Plan maximum; (b) reduce the exercise price of any Option granted pursuant to the Option Plan; (c) extend the term of any outstanding Options beyond the original expiry date of the Option, other than as permitted pursuant to the Option Plan; (d) amend the Option Plan to increase the entitlements of non-management directors under the Option Plan; (e) permit an optionee to transfer or assign Options to a new beneficial holder, other than for estate settlement purposes; (f) any amendment to increase the number of Common Shares that may be issued to insiders above the restrictions contained in the Option Plan; or (g) amend the amendment provisions in the Option Plan.

In addition, no amendment to the Option Plan or Options granted pursuant to the Option Plan may be made without the consent of the optionee, if it adversely alters or impairs the rights of any optionee in respect of any Option previously granted to such optionee under the Option Plan.

Further, neither the Option Plan nor any Options may be amended without Shareholder approval to cancel any Options and issue the holder of such Options a new Option or other entitlement in replacement thereof or to amend such provision in the Option Plan.

Appendix "C"
DSU Plan

The DSU Plan allows the Board or the HR&C Committee to grant DSUs, each of which is a unit that is equivalent in value to a Common Share. DSUs will be fully vested upon grant and a DSU Participant (as defined below) will have the right to receive a Cash Payment (as defined below) on the Separation Date (as defined below) or such later date as the DSU Participant may elect by written notice delivered to the CFO (as defined herein) of the Company prior to the Separation Date. The purpose of the DSU Plan is to provide non-employee directors of the Company with the opportunity to acquire DSUs in order to allow them to participate in the long-term success of the Company and to promote a greater alignment of their interests with the interests of Shareholders. Any individual who is a member of the Board (an "**Eligible Director**") but who is not also an employee of the Company or any entity that is a subsidiary of the Company from time to time, any entity that is related to the Company for purposes of the *Income Tax Act* (Canada), and any other entity designated by the Board from time to time as a member of the "Parex Group" for the purposes of the DSU Plan (and, for greater certainty, including any successor entity of any of the aforementioned entities) (the "**Parex Group**") is eligible to participate in the DSU Plan.

The DSU Plan is administered by the HR&C Committee, which, from time to time in its sole discretion, will grant DSUs to Eligible Directors ("**DSU Participants**"). In respect of each grant of DSUs, the HR&C Committee will determine, among other things, the number of DSUs allocated to the DSU Participant and such other terms and conditions of the DSUs applicable to each grant.

DSUs will be fully vested upon being granted and credited to an account maintained by the Company for each DSU Participant by means of a book-keeping entry ("**Account**"). The term during which a DSU may be outstanding will, subject to the provisions of the DSU Plan which require or permit the acceleration or the extension of the term, be such period as may be determined from time to time by the Board or the HR&C Committee.

Except as required by law, the rights of a DSU Participant under the DSU Plan are not capable of being assigned, transferred, alienated, sold, encumbered, pledged, mortgaged or charged and are not capable of being subject to attachment or legal process for the payment of any debts or obligations of the DSU Participant.

Notwithstanding any other provision of the DSU Plan, the aggregate value of all DSUs (calculated as of the date of grant) granted pursuant to the DSU Plan in any calendar year (from January 1 to December 31 of such year) to any non-management director cannot exceed $150,000 (excluding any DSU's granted in a one-time initial grant to a non-management director upon appointment to the Board provided the value of the DSU's granted in any such initial grant is not in excess of $150,000).

A DSU Participant will receive a Cash Payment (as defined below) in respect of DSUs recorded in the DSU Participant's Account, on one or more of the following dates (the "**Distribution Date**"): (a) in one payment after the date on which the DSU Participant ceases to be a director of any member of, and is not at that time an employee or officer of any member of, the Parex Group (the "**Separation Date**") in respect of all of the DSUs recorded in the Participant's Account; or (b) provided the DSU Participant provides written notice to the CFO of the Company ("**Written Notice**") prior to the Separation Date that the Participant wishes to receive Cash Payments (and, for clarity, does not wish to receive a single Cash Payment for all of the DSUs recorded in the Participant's Account on the Separation Date), on up to four (4) different dates, each such date occurring on or after the Separation Date and on or prior to December 1 of the calendar year following the calendar year in which the Separation Date applicable to such DSU Participant occurs (December 1, the "**Final Payout Date**"), and in such event the following provisions shall apply: (i) the DSU Participant shall be required to select, by one or more additional written notices to the CFO of the Company (a "**Distribution Date Selection Notice**"), each Distribution Date, on which a Cash Payment in respect of Deferred Share Units recorded in the DSU Participant's Account is to occur and shall be required to deliver each Distribution Date Selection Notice no later than five (5) clear trading days (being days that the TSX is open for trading) prior to each corresponding Distribution Date (ii) the DSU Participant shall be required to include in each Distribution Date Selection Notice the number of DSUs recorded in the DSU Participant's Account in respect of which a Cash Payment is to be made on the applicable Distribution Date, provided that the number of DSUs that are the subject of a Distribution Date Selection Notice shall not be less than 10% of the aggregate number of DSUs recorded in the DSU Participant's Account at the Separation Date; and (iii) to the extent the aggregate number of DSUs that are the subject of all Distribution Date Selection Notices provided by the DSU Participant no later than five (5) clear trading days before the Final Payout Date is less than all of the DSUs recorded in such DSU Participant's Account at the Separation Date (the difference being the "**Remaining Deferred Share Units**"), such DSU Participant shall receive a Cash Payment in respect of the Remaining Deferred Share Units on the Final Payout Date.

Unless otherwise determined by the Board:

A. if a Blackout Period (as defined in the DSU Plan) is in effect, a DSU Participant may not deliver the Written Notice or a Distribution Date Selection Notice until the seventh (7th) business day after the end of the Blackout Period, and any Distribution Date set out in a Distribution Date Selection Notice delivered prior to the Blackout Period that occurs during the Blackout Period shall be extended to be the date that is seven (7) business days after the end of the Blackout Period; and

B. unless a Participant has previously delivered a Written Notice and, as applicable, a Distribution Date Selection Notice, if the Separation Date occurs during a Blackout Period, such DSU Participant's entitlement to receive one or more Cash Payments in respect of DSUs recorded in the DSUs Participant's Account (as defined in the DSU Plan) shall be determined in accordance with the following: (i) the references to "the Separation Date" in sections 4.6 and 4.7 of the DSU Plan (other than the second reference in section 4.6(b)(ii) of the DSU Plan) shall be deemed to be references to "the date that is fifteen (15) business days after the end of such Blackout Period ("**Single Payment Entitlement Date**"); and (ii) the Written Notice may only be provided by a DSU Participant following the 7th business day after the end of the Blackout Period and prior to the Single Payment Entitlement Date.

C. if a DSU Participant's entitled to a Cash Payment would by operation of either of the above two paragraphs, extend beyond the Final Payout Date, such entitlement will be paid such DSU Participant on the Final Payout Date.

A DSU Participant (or in the event of the DSU Participant's death, his beneficiary or legal representative) will receive a payment (the "**Cash Payment**") equal in value to the number of DSUs recorded in the DSU Participant's Account on the Separation Date (or, as applicable, equal in value to the number of DSUs specified in the applicable Distribution Date Selection Notice) multiplied by the Fair Market Value (as defined below) per Common Share (the "**Distribution Value**") on the Distribution Date, as applicable, less any applicable withholding taxes, within ten (10) business days after the Separation Date, as applicable. Upon payment in full of the Cash Payment less any withholding taxes, the DSUs will be cancelled and no further payments will be made to the DSU Participant under the DSU Plan.

For the purposes of the DSU Plan, "Fair Market Value" with respect to a Common Share, as at any date, means the weighted average of the prices at which the Common Shares traded on the TSX (or, if the Common Shares are not then listed and posted for trading on the TSX or are then listed and posted for trading on more than one stock exchange, on such stock exchange on which the majority of the trading volume and value of the Common Shares occurs) for the five (5) trading days on which the Common Shares traded on the said exchange immediately preceding such date. In the event that the Common Shares are not listed and posted for trading on any stock exchange, the Fair Market Value shall be the fair market value of the Common Shares as determined by the Board in its sole discretion, acting reasonably and in good faith.

Upon the death of a DSU Participant prior to the distribution of the DSUs credited to the Account of such DSU Participant under the DSU Plan, a Cash Payment shall be made to the estate of such DSU Participant on or about the thirtieth (30th) day after the Company is notified of the death of the DSU Participant or on a later date elected by the DSU Participant's estate in the form prescribed for such purposes by the Company and delivered to the CFO of the Company not later than twenty (20) days after the Company is notified of the death of the DSU Participant, provided that such elected date is no later than the last business day of the calendar year following the calendar year in which the DSU Participant dies so that payment can be made on or before such last business day. Such Cash Payment shall be equivalent to the amount which would have been paid to the DSU Participant pursuant to and subject to applicable withholding taxes, calculated on the basis that the day on which the DSU Participant dies, or the date elected by the estate, as applicable, is the Distribution Date.

Each DSU in a Participant's Account shall be credited with the equivalent amount of a dividend paid on a common share (“**Dividend Equivalents**”) in the form of additional DSUs as of each dividend payment date in respect of which normal cash dividends are paid on the Common Shares. Such Dividend Equivalents shall be computed by dividing: (a) the amount obtained by multiplying the amount of the dividend declared and paid per Common Share by the number of DSUs recorded in the DSU Participant's Account on the record date for the payment of such dividend, by (b) the “**Dividend Market Value**” (being the Fair Market Value per Common Share on the dividend record date), with fractions computed to three decimal places.

The Board may amend, suspend or terminate the DSU Plan or any portion thereof and any DSU granted under it (together with any related agreement in respect of a DSU) at any time without prior notice. However, no such amendment, suspension or termination may materially adversely affect any DSU, or any rights pursuant thereto, granted previously to any DSU Participant without the consent of that DSU Participant.

Appendix "D"
Cash/Share Settled RSU Plan

The Cash/Share Settled RSU Plan allows the Board to grant Cash/Share Settled RSUs (also referred to as "**CosRSUs**" which includes performance Cash/Share Settled PSUs ("**CosPSUs**"), each of which is a right to receive a Cash Payment (as defined below) or Common Shares purchased on the open market by the plan agent (the "**Plan Agent**"). The purpose of the Cash/Share Settled RSU Plan is to: (a) aid in attracting, retaining and motivating directors, officers and employees (collectively, the "**Service Providers**") of the Parex Group by providing them Cash/Share Settled RSUs; (b) more closely align Service Providers interests with those of Parex's Shareholders; (c) focus such Service Providers on operational and financial performance and long-term Shareholder value; and (d) motivate and reward Service Providers for their performance and contributions to the Company's long-term success.

The Board administers the Cash/Share Settled RSU Plan and has the authority to: (a) determine the Service Providers to whom Cash/Share Settled RSUs may be granted (each a "**Participant**"); and (b) grant Cash/Share Settled RSUs on such terms and conditions as it determines. The Board may delegate to a committee (the "Committee") of the Board or any director or officer of the Company all or any of the powers conferred on the Board under the Cash/Share Settled RSU Plan.

The Board or the Committee may, in its sole discretion, determine: (a) the time during which Cash/Share Settled RSUs shall vest and whether there shall be any other conditions or performance criteria to vesting; (b) the method of vesting; or (c) that no vesting restriction shall exist. In the absence of any determination by the Board or the Committee to the contrary, Cash/Share Settled RSUs will vest and be exercisable as to one-third of the total number of Cash/Share Settled RSUs granted on each of the first, second and third anniversaries of the grant date, and all Cash/Share Settled PSUs will vest on the third anniversary of the grant date thereof. Notwithstanding the foregoing, the Board or the Committee may, at its sole discretion at any time or in the agreement in respect of any Cash/Share Settled RSUs granted, accelerate or provide for the acceleration of vesting of Cash/Share Settled RSUs previously granted.

Prior to a vesting date in respect of any Cash/Share Settled PSU, the Board will assess the performance of Parex for the applicable period based upon the performance measures, as determined by the Board. The corporate performance measures considered by the Board may include, but are not limited to: (a) total shareholder return, absolute or relative; (b) the market price of the Common Shares from time to time; (c) the financial performance or results of Parex; (d) other operational or performance criteria relating to Parex; (e) activities related to the growth of Parex; (f) health and safety performance of Parex; (g) the execution of Parex's strategic plan as determined by the Board; and (h) such additional or other measures as the Board will consider appropriate in the circumstances. The weighting of individual measures comprising the performance measures will be determined by the Board in its sole discretion having regard to the principal purposes of the Cash/Share Settled RSU Plan and upon such assessment, the Board will determine the applicable payout multiplier, which will not be less than 0 and not more than 2 (the "**Payout Multiplier**"). Any determination of a Payout Multiplier shall occur at a time when a Black Out Period (as defined in the Cash/Share Settled RSU Plan) is not in effect. The actual performance measures that determined the payout multiplier for the 2020 Cash/Share Settled PSU awards that vested in March 2023 are detailed in this Information Circular under "*Statement of Executive Compensation - Executive Compensation Components*".

In the event the Participant elects (or is deemed to elect) to receive a cash payment for all of the vested CosRSUs held by such Participant: (a) as of each vesting date a Participant shall be automatically entitled to receive a payment (a "**Cash Payment**") equal in value to: (i) the number of vested CosRSU's for which the Participant elected to receive a Cash Payment, less the number of vested CosPSU's recorded in the Participant's Account multiplied by the Fair Market Value (as defined below) of a Common Share on the vesting date; plus (ii) the number of vested CosPSU's recorded in the Participant's Account for which the Participant elected to receive a Cash Payment multiplied by the Payout Multiplier (calculated as discussed below), with such product multiplied by the Fair Market Value of a Common Share on the vesting date, less any applicable withholding taxes. For the purposes of the Cash/Share Settled RSU Plan, "Fair Market Value" with respect to a Common Share, as at any date, means the weighted average of the prices at which the Common Shares traded on the TSX (or, if the Common Shares are not then listed and posted for trading on the TSX or are then listed and posted for trading on more than one stock exchange, on such stock exchange on which the majority of the trading volume and value of the Common Shares occurs) for the three (3) trading days on which the Common Shares traded on the said exchange immediately prior to and inclusive of such date, provided that for the purposes of Section 4.4 (Distribution of Cash Payment) and Section 4.5 (Distribution of Payment Shares) of the Cash/Share Settled RSU Plan if any of such three (3) trading days during a Black Out Period, for only those trading days (not to be less than one (1) trading day, which day may be the vesting date) that are not during a Black Out Period.In the event that the Common Shares are not listed and posted for trading on any stock exchange, the Fair Market Value shall be the fair market value of the Common Shares as determined by the Board in its sole discretion, acting reasonably and in good faith.

Except as required by law and the terms of the Cash/Share Settled RSU Plan, the rights of a Participant under the Cash/Share Settled RSU Plan are not capable of being assigned, transferred, alienated, sold, encumbered, pledged, mortgaged or charged and are not capable of being subject to attachment or legal process for the payment of any debts or obligations of the Participant.

The term during which a CosRSU may be outstanding is, such period, not in excess of three years plus the time period required to settle the vested CosRSUs.

If a Participant ceases to be a director or officer, or in the employ of, any of the entities comprising the Parex Group for any reason whatsoever, including, without limitation, resignation, involuntary termination (with or without cause) or death, as determined by the Board in its sole discretion, before all of the grants respecting Cash/Share Settled RSUs credited to the Participant's account have vested or are forfeited pursuant to any other provision of the Cash/Share Settled RSU Plan, the former Participant shall forfeit all unvested grants respecting CosRSUs in the Participant's account effective as at the Forfeiture Date (as defined below). Notwithstanding the foregoing, if a Participant ceases to be in the employ of any of the entities of the Parex Group as a result of the termination of employment by the applicable Parex Group entity, other than termination for cause, then a pro rata portion of the unvested CosRSUs credited to the Participant's account will be deemed to have vested immediately prior to the Forfeiture Date. The pro rata portion of unvested Cash/Share Settled RSUs shall be calculated for each applicable separate grant of Cash/Share Settled RSUs, by multiplying the total number of Cash/Share Settled RSUs in such grant (vested and unvested) by the quotient obtained from dividing the number of days from the date of grant of such Cash/Share Settled RSUs to the Forfeiture Date by 1,095 and then subtracting the number of Cash/Share Settled RSUs in such grant that have vested prior to the Forfeiture Date. The pro rata portion of unvested Cash/Share Settled PSUs shall be calculated for each applicable separate grant of Cash/Share Settled PSUs, by multiplying the total number of Cash/Share Settled PSUs in such grant by the quotient obtained from dividing the number of days from the Grant date of such Cash/Share Settled RSUs to the Forfeiture Date by 1,095. Any unvested CosRSUs in the Participant's account that are not vested as aforesaid shall not vest and shall be forfeited by the Participant effective as of the Forfeiture Date. In respect of CosPSUs that vest as aforesaid, the Payout Multiplier in respect of such CosPSUs shall be determined, in good faith, as of the Forfeiture Date, utilizing, for this purpose, the data and information, including any peer group information, as at the end of the most recently ended fiscal quarter (or as at the end of the most recently completed fiscal year to the extent such quarterly information is not available) provided that if no such determination is made by the Board, the Payout Multiplier in respect of such CosPSUs shall be deemed to be one (1).

Pursuant to the terms of the Cash/Share Settled RSU Plan, "**Forfeiture Date**" means the date, as determined by the Board, on which a Participant ceases to be a Participant pursuant to the Cash/Share Settled RSU Plan.

Notwithstanding the preceding paragraph, if a Participant ceases to be a director or officer of or be in the employ of, or other Service Provider to, any of the entities comprising the Parex Group due to the death of the Participant, any unvested grants respecting CosRSUs in the deceased Participant's account effective as at the time of the Participant's death are deemed to have vested immediately prior to the Forfeiture Date with the result that the deceased Participant shall not forfeit any unvested grants respecting CosRSUs. If the Participant's death occurs within 90 days of the next vesting date applicable to such unvested CosPSUs, the vesting date for such unvested CosPSUs shall be deemed to be that vesting date and the Payout Multiplier for such unvested CosPSUs shall be determined as of such vesting date.

If a Participant ceases to be an officer of or be in the employ of, or other Service Provider to, any entities comprising the Parex Group as a result of the Participant's retirement:

a. by reason of Retirement (70) (as defined below), then the terms of all CosRSUs held by such Participant, including the time during which such CosRSUs may be outstanding shall not change as a result of such retirement; or

b. the Participant's retirement by reason of Retirement (65) (as defined below), then (i) the terms of all CosRSUs held by such Participant that were granted on or after January 1, 2024 shall not change as a result of such retirement; and (ii) the terms of all CosRSUs held by such Participant that were granted prior to January 1, 2024 shall terminate pursuant to the forfeiture provisions of the Cash/Share Settled RSU Plan) as a result of such Retirement (65),

in either case, subject to the terms of the Retirement Agreement (as defined below) entered into by the Participant and the Company.

For the purposes of the Cash/Share Settled RSU Plan Retirement (70) and Retirement (65) have the meanings set out in the applicable retirement policies maintained by the Company. Pursuant to the Retirement Policy - Officers and Employees, the following terms have the noted meanings:

a. "**Retirement (70)**" means: (a) the date that a Participant who is an officer or bona fide employee of the Company or a subsidiary voluntarily ceases to be an officer or bona fide employee of the Company reaches the age of sixty (60) and voluntarily ceases to be an officer or bona fide employee of the Company provided that at such time the Participant: (i) has reached the age of sixty (60); (ii) has provided continuous services to Company or a subsidiary for a minimum of ten (10) years; (iii) has provided the Company with six (6) months prior written notice of the Participant's intention to retire; and (iv) is offered by the Company the opportunity to and enters into an agreement (which shall include non-competition and non-solicitation covenants and the consequences of breaching such covenants including the immediate termination of all outstanding CosRSUs notwithstanding the provisions noted above in respect of such retirement) (a "**Retirement Agreement**") with the Company respecting such Participant's retirement from any employment with the Company or a subsidiary in a form that is acceptable to the Company; or (b) such other meaning as the CEO of the Company in the case of a Participant who is not an officer or director of the Company or a subsidiary or, any other entity designated by the Board from time to time, and the Board in all other cases, may determine from time to time.

b. "**Retirement (65)**" means: (a) the date that a Participant who is an officer or bona fide employee of the Company or a subsidiary voluntarily ceases to be an officer or bona fide employee of the Company provided that at such time: (i) the Participant has reached the age of fifty-five (55); (ii) the Participant has provided continuous services to the Company or a subsidiary for a minimum of five (5) years; (iii) the combination of the Participant's age and years of continuous service to the Company or a subsidiary aggregate at least sixty five (65); (iv) the Participant has provided the Company with six (6) months prior written notice of the Participant's intention to retire; and (E) is offered by the Company the opportunity to enter into a Retirement Agreement, and subsequently enters into a Retirement Agreement, with the Company; or (b) such other meaning as the CEO of the Company in the case of a Participant who is not an officer or director of the Company or a subsidiary or, any other entity designated by the Board from time to time, and the Board in all other cases, may determine from time to time; provided that at the relevant time the Participant satisfies the criteria of Retirement (65) and also satisfies the criteria of Retirement (70), such designation of Retirement (65) shall be deemed to mean, for all purposes, Retirement (70).

Pursuant to the Retirement Policy – Directors, for the purpose of the Cash/Share Settled RSU Plan, for a director of the Company (who is not also an employee or officer of any member of the Parex Group), "Retirement (70)" shall mean either: (i) the date the director voluntarily ceases to be a director of the Company provided that at such time the director: (A) has continually been a director of the Company for a minimum of 8 years, (B) has at all times carried out his or her duties as a director of the Company, in compliance with his or her fiduciary duties at law (C) has provided the Company with 6 months prior written notice with the intention to retire as a director and (D) is offered to enter into a Retirement Agreement, and subsequently enters into a Retirement Agreement; or (ii) such other meaning as the Board may determine, subject to the Company's Retirement Policy - Directors.

Notwithstanding any other provision in the Cash/Share Settled RSU Plan or the terms of any CosRSU agreement: (a) if on or immediately following the effective date of a Change of Control (as defined below), a Participant shall no longer be in the employ of a member of the Parex Group or the continuing successor corporation or other entity as a result of termination of employment by the member of the Parex Group or the continuing successor corporation or other entity, other than termination of employment for cause, all CosRSUs held by such Participant which have not otherwise vested in accordance with their terms shall immediately vest, such Participant shall not be entitled to make an election (as described below) for such vested CosRSUs and the cash payment for such CosRSUs shall be made or delivered, and no later than immediately following the effective date of the Change of Control. With respect to any unvested CosPSUs which vest, the Payout Multiplier in respect of such CosPSUs shall be determined immediately prior to the effective date of the Change of Control, provided that if no such determination is made by the Board, the Payout Multiplier in respect of such CosPSUs shall be deemed to be one (1); or (b) if following the Change of Control a Participant continues to be in the employ of a member of the Parex Group or the continuing successor corporation or other entity and in the period ending twelve (12) months from the effective date of the Change of Control, such Participant either: (i) shall no longer be in the employ of a member of the Parex Group or the continuing successor corporation or other entity as a result of termination of employment by the member of the Parex Group or the continuing successor corporation or other entity, other than termination for cause; or (ii) voluntarily ceases to be in the employ of a member of the Parex Group or the continuing successor corporation or other entity, with good reason, all CosRSUs (and/or similar securities of the continuing successor corporation or entity issued in replacement of CosRSUs) held by such Participant which have not otherwise vested in accordance with their terms shall immediately vest, such Participant shall not be entitled to make an election (as described below) for such vested CosRSUs and the cash payment, for such CosRSU shall be made as soon as practical thereafter, less applicable withholdings. With respect to any unvested CosPSUs which vest, the Payout Multiplier in respect of such CosPSUs shall be determined, in good faith, as of the date the Participant ceases to be in the employ of a member of the Parex Group or the continuing successor corporation or other entity as aforesaid, provided that if no such determination is made by the Board, the Payout Multiplier in respect of such CosPSUs shall be deemed to be one (1).

A "Change of Control" is defined in the Cash/Share Settled RSU Plan as: (i) the purchase or acquisition of any Common Shares or convertible securities by a holder (as defined in the Cash/Share Settled RSU Plan) which results in the Holder beneficially owning, or exercising control or direction over, Common Shares or Convertible Securities such that, assuming only the conversion of Convertible Securities beneficially owned or over which control or direction is exercised by the Holder, the Holder would beneficially own, or exercise control or direction over, Common Shares carrying the right to cast more than 50% of the votes attaching to all Common Shares, but excluding any issue or sale of Common Shares of the Company to an investment dealer or group of investment dealers as underwriters or agents for distribution to the public either by way of prospectus or private placement; or (ii) the Company completes an amalgamation, arrangement, merger or other consolidation or combination of the Company with another corporation which requires approval of the Shareholders of the Company pursuant to its statute of incorporation and pursuant to which the Shareholders of the Company immediately thereafter do not own shares of the successor or continuing corporation, which would entitle them to cast more than 50% of the votes attaching to all shares in the capital of the successor or continuing corporation, which may be cast to elect directors of that corporation; or (iii) the election at a meeting of the Company's Shareholders of that number of persons which would represent a majority of the Board, as directors of the Company who are not included in the slate for election as directors proposed to the Company's Shareholders by the Company; or (iv) the liquidation, dissolution or winding-up of the Company; or (v) the sale, lease or other disposition of all or substantially all of the assets of the Company; or (vi) the completion of any transaction or the first of a series of transactions which would have the same or similar effect as any transaction or series of transactions referred to in subsections (i), (ii), (iii), (iv) and (v) referred to above; or (vii) a determination by the Board that there has been a change, whether by way of a change in the holding of the Common Shares of the Company, in the ownership of the Company's assets or by any other means, as a result of which any person or group of persons acting jointly or in concert is in a position to exercise effective control of the Company.

Prior to each vesting date, Participants will be required to make an election for all vested CosRSUs recorded in the Participant's account to receive one (but not a combination) of a cash payment or Common Shares purchased on the open market by the Plan Agent. If a Participant would be making an election during a Black Out Period, the making of such election will be delayed to a date which is two business days following the end of the Black Out Period (or such longer period as approved by the Board or the Committee). In the event a Participant fails to submit an election notice in accordance with the Cash/Share Settled RSU Plan, such Participant will be entitled to receive a cash payment for all vested CosRSUs recorded in the Participant's account on such vesting date and shall not be entitled to receive Common Shares purchased on the open market.

If vesting date of a Cash/Share Settled RSUs occurs during a Black Out Period, such vesting date will be extended to a date which is three (3) business days following the end of the Black Out Period (or such longer period as approved by the Board or the Committee). If Common Shares would otherwise be purchased by the Plan Agent, on behalf of a Participant, pursuant to any vested Cash/Share Settled RSUs during a Black Out Period, such Common Share purchases will be delayed to a date which is three (3) business days following the end of the Black Out Period (or such longer period as approved by the Board or the Committee) and the Company will advise the Plan Agent in a timely fashion of any such delay.

Each CosRSU in a Participant's account shall be credited with the equivalent amount of a dividend paid on a common share ("**Dividend Equivalents**") in the form of additional CosRSUs as of each dividend payment date in respect of which normal cash dividends are paid on the Common Shares. Such Dividend Equivalents shall be computed by dividing: (a) the amount obtained by multiplying the amount of the dividend declared and paid per Common Share by the number of CosRSU recorded in the Participant's account on the record date for the payment of such dividend, by (b) the Fair Market Value, per Common Share on the record date for the payment of such dividend, with fractions computed to three decimal places. For certainty, upon a Cash/Share Settled RSU vesting pursuant to the terms of the Cash/Share Settled RSU Plan, all Dividend Equivalents (in the form of additional Cash/Share Settled RSUs) credited to a Participant in respect of such vested Cash/Share Settled RSU shall similarly and contemporaneously vest, regardless of the date on which the Dividend Equivalent was so credited to a Participant and notwithstanding anything else in the Cash/Share Settled RSU Plan to the contrary.

The Board may amend, suspend or terminate the Cash/Share Settled RSU Plan or amend any CosRSU or CosRSU agreement at any time without the consent of a Participant, provided that such amendment shall not adversely alter or impair any CosRSU previously granted under the Cash/Share Settled RSU Plan or any related CosRSU agreement, except as otherwise permitted by the Cash/Share Settled RSU Plan.

Appendix "E"

Restricted Share Unit Plan (Longer Duration)

The LDRSU Plan allows the Board to grant LDRSUs, each of which is a right to receive a Cash Payment (as defined below), Common Shares purchased on the open market ("**Payment Shares**") by the plan agent (the "**Plan Agent**"), or Common Shares issued from treasury ("**Treasury Shares**"). The purpose of the LDRSU Plan is to: (a) aid in attracting, retaining and motivating officers and employees (collectively, the "**Service Providers**") of the Parex Group by providing them LDRSUs; (b) more closely align Service Providers interests with those of Parex's Shareholders; (c) focus such Service Providers on operational and financial performance and long-term Shareholder value; and (d) motivate and reward Service Providers for their performance and contributions to the Company's long-term success.

The Board administers the LDRSU Plan and has the authority to: (a) determine the Service Providers to whom LDRSUs may be granted (each a "**Participant**"); and (b) grant LDRSUs on such terms and conditions, and in such numbers, as it determines. The Board may delegate to a committee (the "**Committee**") of the Board or any director or officer of the Company all or any of the powers conferred on the Board under the LDRSU Plan.

The maximum number of Treasury Shares reserved for issuance under the LDRSU Plan pursuant to outstanding LDRSUs at any time shall be 4,000,000 Common Shares. The number of Treasury Shares (a) issuable pursuant to outstanding LDRSUs and all other security based compensation arrangements will not exceed 5.0% of the Common Shares outstanding from time to time; (b) reserved for issuance to any one Participant under all security based compensation arrangements, will not exceed 5.0% of the issued and outstanding Common Shares; (c) issuable to Insiders (as defined in the LDRSU Plan), at any time, under all security based compensation arrangements will not exceed 5.0% of the issued and outstanding Common Shares; and (d) issued to Insiders, within any one year period, under all security based compensation arrangements, will not exceed 5.0% of the issued and outstanding Common Shares. Any LDRSUs which are granted that otherwise would result in any of the foregoing limitations being exceeded shall be null and void and deemed to not have been granted. Any increase in the issued and outstanding Common Shares (whether as a result of the issue of Treasury Shares pursuant to vested and exercised LDRSUs or otherwise) will result in an increase in the number of Treasury Shares that may be issued under each of (a), (b), (c) and (d) in this paragraph, including pursuant to LDRSUs outstanding at any time.

The term of an LDRSU shall, subject to the provisions of the LDRSU Plan requiring or permitting the acceleration or the extension of the term, be such period, not in excess of ten (10) years from the grant date, as may be determined from time to time by the Board and in the absence of any determination to the contrary will be the time period that is ten (10) years from the grant date (such time period being the "**Term**"), and the time that an LDRSU shall be outstanding shall be the Term plus the time period required to settle the Cash Payment, Payment Shares or Treasury Shares in respect of vested LDRSUs which have been, or have been deemed to be, exercised under the LDRSU Plan (including the period required for the Performance Multiplier (as defined below) to be determined by the Board in the normal course).

LDRSUs that are cancelled, terminated or expire shall result in the Treasury Shares that were reserved for issuance thereunder being available for a subsequent grant of LDRSUs pursuant to the LDRSU Plan to the extent of any Treasury Shares issuable thereunder that are not issued under such cancelled, terminated or expired LDRSUs.

The Board may, in its sole discretion, determine: (a) the time during which LDRSUs shall vest and whether there shall be any other conditions or performance criteria to LDRSU vesting; (b) the method of vesting; or (c) that no LDRSU vesting restriction shall exist. In the absence of any determination by the Board to the contrary, LDRSUs (other than PSUs) will vest and be exercisable as to one-third of the total number of LDRSUs granted on each of the first, second and third anniversaries of the date of grant, and all PSUs will vest on the third anniversary of the date of grant thereof. Notwithstanding the foregoing, the Board may, at its sole discretion at any time or in the agreement in respect of any LDRSUs granted, accelerate or provide for the acceleration of vesting of LDRSUs previously granted.

In connection with each grant of LDPSUs, the Board shall, in its sole discretion and without restriction (having regard to the principal purposes of the LDRSU Plan), determine: (i) the minimum and maximum amounts of the "**Performance Multiplier**" to be used in respect of each such grant, which minimum shall not be less than zero (0) and which maximum shall not be greater than two (2), unless, in each case, otherwise determined by the Board, and (ii) the individual measures comprising the performance measures and the weighting of each such measure. In respect of each vesting date in respect of any PSU, the Board will assess the performance of Parex for the applicable period based upon the performance measures applicable to such LDPSUs, in its sole discretion, and, upon the assessment of all Performance Measures and any other factors deemed relevant by the Board, the Board shall determine the applicable Performance Multiplier for such vested LDPSUs, in its sole discretion.

The Participant may exercise any vested LDRSUs by delivering to the Company on a trading day an exercise and election notice (the "**Exercise and Election Notice**") stating the Participant's intention to exercise some or all vested LDRSUs recorded in the Participant's account at the date of such Exercise and Election Notice and specifying the number of vested LDRSUs to the exercised and making an election for all of the vested LDRSUs that are to be exercised to receive one (but not more than one) of a Cash Payment, Payment Shares or Treasury Shares. At any time after (but not later than five (5) trading days after) a Participant delivers, or is deemed to deliver, an Exercise and Election Notice in respect of any vested LDRSUs electing a Cash Payment or electing Payment Shares, each in accordance with the LDRSU Plan, the Board may, in its sole discretion, determine that such election shall instead be, in the case of an election for a Cash Payment, an election for Payment Shares or for Treasury Shares, or, in the case of an election for Payment Shares, an election for Treasury Shares. In the event the Board exercises its discretion as aforesaid, the Participant will be deemed to have made, in the Exercise and Election Notice delivered or deemed to be delivered by the Participant, the election as so determined by the Board, effective as at the exercise date.

Upon a Participant submitting (or being deemed to submit) a notice of exercise in writing (an "**Exercise and Election Notice**") electing to exercise vested LDRSUs and receive a cash payment for some or all of the vested LDRSUs recorded in such Participant's account as of the exercise date: (a) a Participant shall be entitled to receive a payment ("**Cash Payment**") equal in value to: (i) the number of vested LDRSU's that are being exercised pursuant to the Exercise and Election Notice received as aforesaid, as recorded in such Participant's account as of the exercise date and other than the LDPSUs, multiplied by the Fair Market Value (as defined below) of a Common Share on the exercise date; plus (ii) the number of vested LDPSU's that are being exercised pursuant to the Exercise and Election Notice received as aforesaid, as recorded in such Participant's account as at the Exercise Date multiplied by the Performance Multiplier (calculated as discussed herein), with such product multiplied by the Fair Market Value of a Common Share on the exercise date; less any applicable withholding taxes.

For the purposes of the LDRSU Plan, "Fair Market Value" with respect to a Common Share, as at any date, means closing trading price per Common Share on the TSX (or, if the Common Shares are not then listed and posted for trading on the TSX or are then listed and posted for trading on more than one stock exchange, on such stock exchange on which the majority of the trading volume and value of the Common Shares occurs) on the last trading day preceding such date. In the event that the Common Shares are not listed and posted for trading on any stock exchange, the Fair Market Value shall be the fair market value of the Common Shares as determined by the Board in its sole discretion, acting reasonably and in good faith.

Upon a Participant submitting (or being deemed to submit) an Exercise and Election Notice electing to exercise vested LDRSUs and receive Payment Shares for some or all of the vested LDRSUs recorded in such Participant's account as of the exercise date a Participant shall be entitled to receive: (i) for each vested LDRSU that is being exercised pursuant to the Exercise and Election Notice received as aforesaid, as recorded in such Participant's account as of the exercise date and other than vested LDPSUs, cash that will be used by the Plan Agent to purchase one (1) Common Share on behalf of the Participant; and (ii) for all vested LDPSUs that are being exercised pursuant to the Exercise and Election Notice received as aforesaid, as recorded in such Participant's account as of the exercise date, cash that will be used by the Plan Agent to purchase, on behalf of the Participant, the number of Common Shares that is equal to the number of vested LDPSUs that are being exercised as aforesaid multiplied by the Performance Multiplier. Following the exercise date the Company will pay to the Plan Agent the amount of cash required for the Plan Agent to purchase the Payment Shares on behalf of the Participant and the Plan Agent will use all of the cash paid to it as aforesaid and will purchase the Payment Shares on a securities exchange on which the Common Shares are listed and traded at the then prevailing market rates. The Plan Agent will deliver to the Participant the Payment Shares purchased on behalf of each Participant. Participants shall be responsible for all taxes, and fees owing to the Plan Agent, with respect to the payment of cash to the Plan Agent by the Company on their behalf, the purchase on their behalf of Payment Shares by the Plan Agent, or the receipt by them of Payment Shares.

Upon a Participant submitting (or being deemed to submit) an Exercise and Election Notice electing to exercise vested LDRSUs and receive Treasury Shares for some or all of the vested LDRSUs recorded in such Participant's account as of the exercise date a Participant shall be entitled to receive: (i) for each vested LDRSU that is being exercised pursuant to the Exercise and Election Notice received as aforesaid, as recorded in such Participant's account as of the exercise date and other than vested LDPSUs, one (1) Common Shares; and (ii) for all vested LDPSUs that are being exercised pursuant to the Exercise and Election Notice received as aforesaid, as recorded in such Participant's account as of the exercise date, the number of Common Shares that is equal to the number of vested LDPSUs that are being exercised as aforesaid multiplied by the Performance Multiplier. Following the exercise date the Company will cause the Treasury Shares in respect of which the vested LDRSUs have been exercised to be issued to the Participant. Participants shall be responsible for all taxes with respect to the issuance of Treasury Shares to the Participant or the receipt by them of Treasury Shares.

Except as required by law and the terms of the LDRSU Plan, the rights of a Participant under the LDRSU Plan are not capable of being assigned, transferred, alienated, sold, encumbered, pledged, mortgaged or charged and are not capable of being subject to attachment or legal process for the payment of any debts or obligations of the Participant.

Unless otherwise determined by the Board or unless the Company and a Participant otherwise agree in writing, if a Participant ceases to be an officer of or be in the employ of any of the entities comprising the Parex Group for any reason whatsoever, including, without limitation, resignation, involuntary termination (with or without cause) or death, as determined by the Board in its sole discretion, before all of the grants respecting LDRSUs credited to the Participant's account have vested or are forfeited pursuant to any other provision of the LDRSU Plan, the former Participant shall forfeit all unvested grants respecting LDRSUs in the Participant's account effective as at the Forfeiture Date (as defined below) and shall be deemed to exercise all vested LDRSUs as at such date and elect to receive the Cash Payment for such vested LDRSUs. Notwithstanding the foregoing, if a Participant ceases to be in the employ of any of the entities of the Parex Group as a result of the termination of employment by the applicable Parex Group entity, other than termination for cause, and subject to the Participant signing a full and final reason of the Parex Group, then a pro rata portion of the unvested LDRSUs (including unvested LDPSUs) credited to the Participant's account will be deemed to have vested immediately prior to the Forfeiture

Date. The pro rata portion of unvested LDRSUs shall be calculated for each applicable separate grant of LDPSUs, by multiplying the total number of LDPSUs in such grant by the quotient obtained from dividing the number of days from the date of grant of such LDPSUs to the Forfeiture Date by 1,095 and for each applicable separate grant of LDRSUs other than LDPSUs, by multiplying the total number of LDRSUs in such grant (vested and unvested) by the quotient obtained from dividing the number of days from the date of grant of such LD to the Forfeiture Date by 1,095 and then subtracting the number of LDRSUs in such grant that have vested prior to the Forfeiture Date. Any unvested LDRSUs (including LDPSUs) in the Participant's account that are not vested as aforesaid shall not vest and shall be forfeited by the Participant effective as of the Forfeiture Date. In respect of LDPSUs that vest as aforesaid, the Performance Multiplier in respect of such LDPSUs shall be determined by the Board as of the Forfeiture Date, provided that if no such determination is made by the Board, the Performance Multiplier in respect of such LDPSUs shall be deemed to be one (1).

Pursuant to the terms of the LDRSU Plan, "**Forfeiture Date**" means the date, as determined by the Board, on which a Participant ceases to be a Participant pursuant to the LDRSU Plan.

Notwithstanding the preceding paragraph, if a Participant ceases to be an officer of or be in the employ of, or other Service Provider to, any of the entities comprising the Parex Group due to the death of the Participant, any unvested grants respecting LDRSUs in the deceased Participant's account effective as at the time of the Participant's death are deemed to have vested immediately prior to the Forfeiture Date with the result that the deceased Participant shall not forfeit any unvested grants respecting LDRSUs. In respect of LDPSUs, if a Participant's death occurs within 90 days of the next vesting date applicable to unvested LDPSUs (with such vesting date having been determined at the time of grant of the LDPSUs), the vesting date for such unvested LDPSUs shall be deemed to be that vesting date, and the Performance Multiplier for such unvested LDPSUs shall be determined as of such vesting date. Otherwise, the unvested Performance LDRSUs shall be deemed to have vested immediately prior to the Forfeiture Date and the Performance Multiplier will deemed to be one. The deceased former Participant shall be deemed to have submitted an Exercise and Election Notice for all vested LDRSUs in the Participant's account and electing to receive the Cash Payment (less applicable withholdings) corresponding to all such vested LDRSUs.

Notwithstanding the foregoing or anything else contained in the LDRSU Plan to the contrary, if a Participant shall cease to be an officer of or be in the employ of, or other Service Provider to, any of the entities comprising the Parex Group as a result of the Participant's retirement by reason of Retirement (65) (as defined in the Information Circular), then the Participant shall remain a Participant under the LDRSU Plan, and terms of all LDRSUs held by such Participant, including, with restriction, the Term and time during which such LDRSUs may be outstanding, will not change as a result of such Retirement (65), subject to the terms of the retirement agreement entered into by the Participant and the Company.

Notwithstanding any other provision in the LDRSU Plan or the terms of any LDRSU agreement: (a) if on or immediately following the effective date of a Change of Control (as defined below), a Participant shall no longer be in the employ of a member of the Parex Group or the continuing successor corporation or other entity as a result of termination of employment by the member of the Parex Group or the continuing successor corporation or other entity, other than termination of employment for cause and subject to the Participant signing and delivering to Parex a full and final release of the Parex Group, all LDRSUs held by such Participant which have not otherwise vested in accordance with their terms shall immediately vest, such Participant shall be deemed to have submitted an Exercise and Election Notice for all vested LDRSUs immediately prior to the termination of such Participant's employment exercising all such vested LDRSUs and electing to receive the Cash Payment corresponding to all such vested LDRSUs, with the Cash Payment for such vested LDRSUs being delivered to the former Participant by no later than immediately following the effective date of the Change of Control. With respect to any unvested LDPSUs which vest, the Performance Multiplier in respect of such LDPSUs shall be determined immediately prior to the effective date of the Change of Control, provided that if no such determination is made by the Board, the Performance Multiplier in respect of such LDPSUs shall be deemed to be one (1); or (b) if following the Change of Control a Participant continues to be in the employ of a member of the Parex Group or the continuing successor corporation or other entity and in the period ending twelve (12) months from the effective date of the Change of Control, such Participant either: (i) shall no longer be in the employ of a member of the Parex Group or the continuing successor corporation or other entity as a result of termination of employment by the member of the Parex Group or the continuing successor corporation or other entity, other than termination for cause; or (ii) voluntarily ceases to be in the employ of a member of the Parex Group or the continuing successor corporation or other entity, with good reason and subject to the Participant signing and delivering to Parex a full and final release of the Parex Group, all LDRSUs (and/or similar securities of the continuing successor corporation or entity issued in replacement of LDRSUs) held by such Participant which have not otherwise vested in accordance with their terms shall immediately vest, such Participant shall be deemed to have submitted an Exercise and Election Notice for all vested LDRSUs immediately prior to the termination of such Participant's employment as aforesaid exercising all such vested LDRSUs and electing to receive the Cash Payment corresponding to all such vested LDRSUs. With respect to any unvested LDPSUs which vest as aforesaid, the Performance Multiplier in respect of such LDPSUs shall be determined, in good faith, as of the date the Participant ceases to be in the employ of a member of the Parex Group or the continuing successor corporation or other entity as aforesaid, provided that if no such determination is made by the Board, the Performance Multiplier in respect of such LDPSUs shall be deemed to be one (1).

A "**Change of Control**" is defined in the LDRSU Plan as: (i) the purchase or acquisition of any Common Shares or convertible securities by a holder which results in the Holder beneficially owning, or exercising control or direction over, Common Shares or Convertible Securities such that, assuming only the conversion of Convertible Securities beneficially owned or over which control or direction is exercised by the Holder, the Holder would beneficially own, or exercise control or direction over, Common Shares carrying the right to cast more than 50% of the votes attaching to all Common Shares, but excluding any issue or sale of Common Shares of the Company to an investment dealer or group of investment dealers as underwriters or agents for distribution to the public either by way of prospectus or private placement; or (ii) the Company completes an amalgamation, arrangement, merger or other consolidation or combination of the Company with another corporation which requires approval of the Shareholders of the Company pursuant to its statute of incorporation and pursuant to which the Shareholders of the Company immediately thereafter do not own shares of the successor or continuing corporation, which would entitle them to cast more than 50% of the votes attaching to all shares in the capital of the successor or continuing corporation, which may be cast to elect directors of that corporation; or (iii) the election at a meeting of the Company's Shareholders of that number of persons which would represent a majority of the Board, as directors of the Company who are not included in the slate for election as directors proposed to the Company's Shareholders by the Company; or (iv) the liquidation, dissolution or winding-up of the Company; or (v) the sale, lease or other disposition of all or substantially all of the assets of the Company; or (vi) the completion of any transaction or the first of a series of transactions which would have the same or similar effect as any transaction or series of transactions referred to in subsections (i), (ii), (iii), (iv) and (v) referred to above; or (vii) a determination by the Board that there has been a change, whether by way of a change in the holding of the Common Shares of the Company, in the ownership of the Company's assets or by any other means, as a result of which any person or group of persons acting jointly or in concert is in a position to exercise effective control of the Company.

If a Participant would be submitting an Exercise and Notice and thereby exercising any LDRSU and making an election during a Black Out Period or during the first trading day following the end of such Black Out Period, any such exercise and the making of such election (or any deemed exercise or election) and the delivery (or deemed delivery) to the Company of the Exercise and Election Notice will be delayed to a date which is no earlier than the third trading day following the end of the Black Out Period (and in the case of a deemed exercise and election, will be such third trading day following the end of the Black Out Period). In the event a Participant fails to submit an Exercise and Election Notice in accordance with the LDRSU Plan, such Participant will be entitled to receive a Cash Payment for all vested LDRSUs recorded in the Participant's account immediately prior to the expiry of the term.

If the expiration of the Term of an LDRSU is to occur during a Black Out Period, such Term and time during which such LDRSU is outstanding will be extended to that date which is ten (10) trading days following the end of the Black Out Period.

Each LDRSU in a Participant's account shall be credited with the equivalent amount of a dividend paid on a common share ("**Dividend Equivalents**") in the form of additional LDRSUs as of each dividend payment date in respect of which normal cash dividends are paid on the Common Shares. Such Dividend Equivalents shall be computed by dividing: (a) the amount obtained by multiplying the amount of the dividend declared and paid per Common Share by the number of LDRSUs recorded in the Participant's account on the record date for the payment of such dividend, by (b) the Fair Market Value, per Common Share on the record date for the payment of such dividend, with fractions computed to three decimal places. Any Dividend Equivalents credited pursuant to the LDRSU Plan shall have the same terms and conditions as the underlying LDRSUs to which they relate. For certainty, upon a LDRSU vesting pursuant to the terms of the LDRSU Plan, all Dividend Equivalents credited to a Participant in respect of such vested LDRSU shall similarly and contemporaneously vest, and the length of time Dividend Equivalents shall be outstanding under the LDRSU Plan shall be, and be deemed to be, equivalent to the length of time such LDRSUs (in respect of which such Dividend Equivalents were credited) are to the outstanding, regardless of the date on which the Dividend Equivalent was so credited to a Participant and notwithstanding anything else in the LDRSU Plan to the contrary. For the purposes of the LDRSU Plan, "Fair Market Value" with respect to a Common Share, as at any date, means the closing trading price per Common Share on the TSX (or, if the Common Shares are not then listed and posted for trading on the TSX or are then listed and posted for trading on more than one stock exchange, on such stock exchange on which the majority of the trading volume and value of the Common Shares occurs) on the last trading day preceding such date. In the event that the Common Shares are not listed and posted for trading on any stock exchange, the Fair Market Value shall be the fair market value of the Common Shares as determined by the Board in its sole discretion, acting reasonably and in good faith.

If the Common Shares are listed for trading on the TSX at the applicable time then subject to any required approval of the TSX, the Board may amend or discontinue the LDRSU Plan or amend any LDRSU agreement at any time without the consent of a Participant, provided that such amendment shall not adversely alter or impair any LDRSU previously granted under the LDRSU Plan or any related LDRSU agreement, except as otherwise permitted by the LDRSU Plan. In addition, the Board may by resolution, amend the LDRSU Plan and any LDRSU granted under it without Shareholder approval, provided however, that at any time while the Common Shares are listed for trading on the TSX, the Board will not be entitled to amend the LDRSU Plan or any LDRSU granted under it without Shareholder and, if applicable, TSX approval: (i) to increase the maximum number of Treasury Shares issuable pursuant to the LDRSU Plan; (ii) to cancel a LDRSU and subsequently issue the holder of such LDRSU a new LDRSU in replacement thereof within 3 months of such cancellation; (iii) to extend the Term of an LDRSU or time an LDRSU is outstanding other than as provided for in the LDRSU Plan; (iv) to permit the assignment or transfer of a LDRSU other than provided for in the LDRSU Plan; (v) to add to the categories of persons eligible to participate in the LDRSU Plan; (vi) to remove any of section 4.10(a), section 4.10(b), section 4.10(d) or section 4.10(e) of the LDRSU Plan or amend any such section to increase the limits set forth therein; or (vii) to remove or amend the amendment section of the LDRSU Plan.

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