

PAREX RESOURCES INC.

CODE OF CONDUCT

VALUE STATEMENT

Parex Resources Inc. (collectively with all of its direct and indirect subsidiaries and all entities controlled by it, the “**Corporation**” or “**Parex**”) is a sustainable oil and gas producer, responsibly developing the resources needed to fuel social and economic development. In support of our growth strategy, we are leveraging industry-proven, but new-to-Colombia technology to deliver sustainable, reliable energy to the world. We do this while targeting best-in-class shareholder returns and partnering with community stakeholders to achieve long-term local benefits.

We hold ourselves accountable through leading governance and environmental standards, and we are committed to engaging local communities and building a reputation as an operator of choice for current and future projects.

PURPOSE AND SCOPE

The Corporation requires professional and ethical conduct from its directors, officers, employees, contractors, and consultants (the “**Recipients**”). No Recipient will be expected or permitted to achieve results through violations of laws or regulations or through unscrupulous dealings. This Code of Conduct (the “**Code**”) is intended to document the specific principles of conduct and ethics which will be followed by the Corporation's directors, officers, employees, contractors and consultants in their performance of their responsibilities with respect to the Corporation's business in order to maintain a culture of respect, honesty, legality, integrity and accountability within the Corporation.

All Recipients are expected to follow this Code in all aspects of business activity. In any situation where there is a question about compliance with this Code, both the letter and spirit of the Corporation's policies and/or applicable laws, guidance from the Corporate Ethics Committee, the Compliance Officer in Colombia, the Ethics and Compliance Committee in Colombia, and the Disclosure Committee (as defined in the Disclosure, Confidentiality, Insider Trading, Blackout Period & Anti-Hedging Policy & Procedures) should be sought or by means of the Ethics Hotline. This Code sets forth the minimum general principles and does not supersede the specific policies and procedures that are covered in specific policy statements or the governing laws and regulations of any jurisdiction in which the Corporation carries on business.

Compliance with the Code is necessary for the success of the Corporation and is necessary to uphold the trust of shareholders in the Corporation. Violation of the Code is grounds for disciplinary action up to and including termination of employment, with cause and without notice, and possible legal prosecution. The Corporate Governance and Nominating Committee of the Board, the Corporate Ethics Committee in Canada, the Compliance Officer in Colombia and Colombia's Country Manager will oversee compliance with this Code, the Corporation's Policies and the applicable laws and regulations.

Capitalized terms used but not defined herein shall have the respective meanings given to them in the Corporation's Policies.

VALUES OF THE CORPORATION

The Corporation strives to increase its value to Recipients and shareholders, suppliers, clients, partners, governments, community members, interested third parties and the public (“**Stakeholders**”) through its commitment to assembly of proven teams, partnering with local players, applying new technology, achieving rapid growth and low finding and development costs and profitable operations.

The Corporation endeavours to provide a positive working environment, free of discrimination and harassment, in which Recipients and Stakeholders alike are treated with dignity and respect.

The Corporation fulfills these commitments by upholding ethical conduct and by cultivating and maintaining the Corporation's reputation as a good corporate citizen. A strong foundation of solid corporate governance has guided the development of the Corporation.

The Corporation endorses the principles of transparency and responsiveness to shareholders and markets in all of our activities and at all levels of the organization. This means that all business activities and operations of the Corporation will be conducted in an ethical manner and will comply with Corporation policies, standards set forth in this Code, and applicable laws and government regulations in the jurisdictions in which they operate, as well as consider local customs or traditions.

Each Recipient must uphold the following Values (as defined below):

- **Integrity and Transparency:** provide, or cause to be provided, full, fair, accurate, timely and understandable disclosure in reports and documents that the Corporation files with, or submits to, the applicable securities commissions and in other public communications made by the Corporation. In addition, it implies carrying out business activities in compliance with applicable laws, contracting processes, and contracts. Pursuant to this principle, the Corporation does not tolerate acts of money laundering, financing of terrorism, fraud, bribery, corruption, conflicts of interest or any unethical conduct.
- **Legal Compliance and Accountability:** comply and take reasonable actions to encourage others within the Corporation to comply with applicable governmental laws, rules and regulations; as well as promote accountability for adherence to this Code.
- **Ethical Commitment:** Take on and promote an ethical behaviour. Recipients are expected to (i) show due diligence in their actions and (ii) promptly report violations of the Code by one of the means set out in the Reporting Violations section of this Code.
- **Respect:** Accept and acknowledge the differences with others and interact with an awareness of the best interests of the Corporation, individual diversity, sustainability of natural resources and institutional integrity. Recipients are expected to: (i) value and promote Respect as the foundation of all relationships; (ii) listen actively, recognize the diversity of thoughts, cultures, and experiences; and (iii) treat all individuals with dignity, fairness, and equity. Pursuant to this Value, the Corporation fosters a work environment where every opinion matters and where relationships are built on trust, integrity, and transparency.

CONFLICTS OF INTEREST

A conflict of interest arises when situations of a moral or economic nature, whether actual or potential, may cause the Recipient's private interests to interfere, or appear to interfere, in any way with acting in the best interests of the Corporation. Such conflicts may occur when a situation involves a personal interest or gain for the Recipient.

A conflict of interest may also arise when an employee is involved in an act in which, among others, the counterparty is:

- their spouse or partner;
- relatives of the employee or of their spouse or partner;
- companies controlled by the employee or by the abovementioned individuals;
- companies in which the employee is a director or legal representative; or
- trusts over which the employee exercises control.

Additionally, a conflict of interest may exist when there is a close friendship or an economic relationship (business associate) with Stakeholders.

Activities that could give rise to conflicts of interest are prohibited unless they have been reviewed and signed off in advance by the Compliance Officer, the Ethics and Compliance Committee in Colombia, or the Corporate Ethics Committee in Canada, in accordance with the Corporation's internal guidelines. A timely and complete declaration of any circumstances creating actual, potential or apparent conflict of interest enables Recipients to resolve unclear situations and gives an opportunity to evaluate conflicting interests before any difficulties arise.

Examples of situations involving a conflict of interest include, but are not limited to, the following:

- conducting business with a firm owned, partially owned or controlled by a Recipient or a relative (including spouse or partner), close friend and/or business associate of such person;
- owning a material financial interest in the Corporation's vendors, customers or competitors;
- performing work, with or without compensation, for a competitor, governmental or regulatory entity, customer or supplier of the Corporation, or doing any work for a third-party that may adversely affect the Recipient's performance or judgment on the job or diminish the Recipient's ability to devote the necessary time and attention to their duties;
- hiring relatives, close friends and/or business associates;
- participating in contract processes, including the pre-contractual stage (such as negotiation, review of terms, and technical or economic evaluation), with companies that are contractors of the Corporation in which a family member, close friend, or business associate of the Recipient is employed;

- approving work or purchase orders, receiving deliverables, authorizing payments, approving additional work or reimbursements, or engaging in any other activity related to the execution of a contract that involves direct or indirect interaction with companies that are contractors of the Corporation where a family member, close friend, or business associate of the Recipient is employed;
- using the Corporation's property, materials, supplies, funds or other resources for personal purposes; and
- using a contracting firm for personal business, which is also used by the Corporation.

The hiring of relatives can create or be perceived as creating conflicts of interest for the employee. In all cases and to ensure transparency and fairness the following steps should be followed: (i) any relatives of the employees that are being considered for employment must not be placed in positions of subordination with the employee, any other workplace arrangement that could affect the Corporation's normal course of business or otherwise breach this Code; and (ii) employees who have decision-making authority or influence over the selection processes are strictly prohibited from participating in, or influencing, directly or indirectly, in the hiring or engagement of a candidate who is their family member.

Situations where loyalties to the Corporation could be compromised must be avoided. If a Recipient believes that he or she is involved in a potential conflict of interest or has any question about an actual or apparent conflict of interest, he or she must seek interpretive guidance by submitting the question by any of the alternatives provided by the Corporation for this express purpose.

Without limiting the generality of the foregoing, but for greater clarity, it is recognized that certain of the directors and officers of the Corporation are or may be directors of other oil and gas companies whose operations may, from time to time, compete with the Corporation. Such circumstances will not, in and of themselves, necessarily present a conflict of interest but are to be assessed on a case-by-case basis. In accordance with the *Alberta Business Corporations Act*, directors who have a material interest in, or any person who is a party to, a material contract or a proposed material contract with the Corporation are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract.

The Corporation will keep a record of all existing and potential conflicts of interest that arise and will assess them according to the standard procedures and manuals established by the Corporation.

CORPORATE OPPORTUNITIES

No Recipients shall:

- take for himself or herself personally any opportunity of which he or she becomes aware through the use of the Corporation's property, information or position when such opportunity could be of benefit or interest to the Corporation;
- make it possible for a third party to take any opportunity of which he or she becomes aware through the use of the Corporation's property, information or position when such opportunity could be of benefit or interest to the Corporation, unless the Corporation has expressly decided not to attempt to take such opportunity;
- use the Corporation's property, information or position for personal gain; or

- compete with the Corporation in any way.

CONFIDENTIALITY

Recipients must always maintain the confidentiality of all information entrusted to them by the Corporation or that otherwise comes into their possession in the course of their service or relationship with the Corporation, except when disclosure is authorized or legally mandated. Confidential information includes all confidential and proprietary information about the Corporation, including intellectual property, acquisition and divestiture plans, business and marketing plans, financial information, databases, contracts, commercial relations, employee and consulting information, including, but not limited to, contact information, and information about suppliers, including pricing and contact information.

Recipients shall comply with all confidentiality policies adopted by the Corporation from time to time and with confidentiality provisions contained in agreements to which they or the Corporation are a party. More specifically, Recipients will encourage full compliance with the Disclosure, Confidentiality, Insider Trading, Blackout Period & Anti-Hedging Policy & Procedures.

The obligation not to use or disclose confidential information continues even after a person has terminated their association (whether voluntarily or involuntarily) with the Corporation.

PROTECTION OF PERSONAL DATA

The Corporation undertakes to protect the right to privacy of its Recipients and Stakeholders by ensuring that private information entrusted to the Corporation through the normal course of business is not disclosed, except where required by law. The Corporation shall heed all personal data rules and regulations established in international laws and conventions, and accordingly, it shall not collect, process, store, keep, disclose or use personal data in any manner that may infringe the aforesaid rules and regulations and shall respect the legitimate rights of data subjects.

PROTECTION AND PROPER USE OF CORPORATION ASSETS

All Recipients should endeavour to protect the Corporation's assets. Theft, carelessness and waste have a direct impact on the Corporation's profitability. Any suspected incidents of fraud or theft should be immediately reported for investigation in accordance with the Whistleblower Policy.

Corporate assets, such as funds, products or computers, may only be used for purposes directly related to the Recipients' work and/or business functions, or other purposes approved by management. The Corporation's assets also include any expenditures that are made with the Corporation's funds, and these expenditures should be made for the Corporation's legitimate business purposes and in the best interest of the shareholders. Corporate assets may never be used for illegal purposes.

The obligation to protect Corporation assets includes, but is not limited to, protecting proprietary and confidential information. The obligation to preserve proprietary information continues even after a person has terminated their association (whether voluntarily or involuntarily) with the Corporation.

USE OF E-MAIL, INTERNET SERVICES AND RELATED MATTERS

E-mail systems and Internet services are provided to facilitate work related to the Corporation. Incidental and occasional personal use is permitted; however, it should never be used for personal gain or any improper purpose. Recipients may not send any information that could be insulting or offensive to another person,

such as sexually explicit messages, cartoons, jokes, unwelcome propositions, ethnic or racial slurs, or any other message that could be viewed as harassment. Messages containing junk mail and trivia hamper the ability of the Corporation's systems to handle legitimate Corporation business and are prohibited.

Messages (including voice mail) and computer information are considered property of the Corporation, and Recipients should not have any expectation of privacy. Unless prohibited by law, the Corporation reserves the right to access and disclose this information as necessary. Do not access, send messages or store any information that would be inappropriate if seen or heard by other individuals.

Software which is copyrighted must not be copied for use elsewhere.

User identification and passwords are provided for authorized access to the Corporation's computing resources. Identification and password must be guarded closely and not divulged to anyone for any reason. Requests from anyone, including information technology staff, for any password should be denied. Passwords should be changed regularly. Recipients are responsible for the consequences of any and all system accesses that are a result of the use of their identification and password.

All data and information stored on the Corporation's servers, networks, devices, applications, e-mails, and cellphones are considered property of the Corporation and subject to the control, review, copying and monitoring of internal audit and the Corporate Ethics Committee and/or the Compliance Officer in Colombia.

Recipients are also expected to strictly and fully comply with the Corporation's Social Media Policy.

INSIDER TRADING

Insider trading is unethical and illegal. Recipients are not allowed to trade in securities of the Corporation while in possession of material non-public information regarding the Corporation. It is also illegal to "tip" or pass on inside information to any other person who might make an investment decision based on that information or pass the information on further. The Corporation's Disclosure, Confidentiality, Insider Trading, Blackout Period & Anti-Hedging Policy & Procedures further sets out a Recipient's obligations in respect of trading in the Corporation's securities.

GIFTS AND ENTERTAINMENT

Recipients or other representatives may not offer, solicit or accept gifts, cash or cash equivalent gifts, favours, courtesies, invitations or entertainment ("**Gifts and Entertainment**") to secure preferential treatment for themselves or for the Corporation. Situations where judgment might be influenced or appears to be influenced by improper considerations must be avoided. Limited and reasonable Gifts and Entertainment may only be accepted or offered by a Recipient or other representative without prior approval of the Compliance Officer or the Corporate Ethics Committee in Canada if all of the following requirements are satisfied:

- when its commercial value does not exceed CAD\$ 500 per year per person, delivered to or received from the same counterparty, as updated from time to time ("**Gifts and Entertainment Allowance**");
- the main purpose of the entertainment is the discussion of specific projects or opportunities or education regarding the Corporation's products, and it is attended by appropriate representatives of the Corporation;

- the Gifts and Entertainment is: (i) of nominal value (examples include logo cups, hats, shirts, USB drives, calendars and notebooks which bear a Corporation or other official logo); or (ii) generally distributed by the giver to its customers and vendors as a token of goodwill during festivals, holidays, or other special occasions;
- when incurring expenses related to Gifts and Entertainment for Government Officials, supporting documents such as lists of attendees and delivery acknowledgements must be kept for the purpose of tracking the frequency of Gifts and Entertainment involving specific Government Officials;
- the Gifts and Entertainment are permitted to the extent they are compliant with local laws, are consistent with the ethical principles of the respective cultures, and comply with internal policies;
- the Gifts and Entertainment do not contradict the values of ethical conduct and transparency adopted by the Corporation;
- the Gifts and Entertainment are not detrimental to the Corporation's image;
- the Gifts and Entertainment are delivered or received according to common commercial practice or a generally accepted social custom;
- the Gifts and Entertainment do not breach the terms of the Corporation's Anti-Bribery, Anti-Corruption and Anti-Fraud Policy (the “**Anti-Bribery, Anti-Corruption and Anti-Fraud Policy**”); and
- all expense reimbursements are supported by receipts.

Compliance Officer in Colombia or Corporate Ethics Committee’s prior approval will be required when the value of the Gift and Entertainment to be given or received exceeds the applicable Gifts and Entertainments Allowance.

An exchange of such Gifts and Entertainment shall create no sense of obligation. Cash must never be offered or accepted by a Recipient or other representative as a Gift or Entertainment.

The value of Gifts and Entertainment should be nominal and customary, both with respect to frequency and amount. Gifts and Entertainment that are repetitive (no matter how small) may be perceived as an attempt to create an obligation to the giver and are therefore inappropriate. Likewise, business entertainment should be moderately scaled and intended only to facilitate business goals. Use good judgment. “Everyone else does it” is not sufficient justification. If you are having difficulty determining whether a specific Gifts and Entertainment item lies within the bounds of acceptable business practice, ask yourself these guiding questions:

- Is it legal?
- Is it clearly business-related?
- Is it moderate, reasonable, and in good taste?
- Would public disclosure embarrass the company?

- Is there any pressure to reciprocate or grant special favours?
- Is it being offered to influence any type of decision or to gain an improper advantage?
- Is it in compliance with the Values of this Code and other Policies?

Strict rules apply when the Corporation and its subsidiaries conduct business with Government Officials, whether in Canada or in other countries where the Corporation operates, as discussed in more detail below and in the Anti-Bribery, Anti-Corruption and Anti-Fraud Policy. Because of the sensitive nature of these relationships, contact the Compliance Officer in Colombia or the Corporate Ethics Committee in Canada or use any of the available channels before offering or making any Gifts and Entertainment to Government Officials if you have questions as to whether the conduct is permissible under this Code, the Anti-Bribery, Anti-Corruption and Anti-Fraud Policy or if you have any questions concerning its application to a particular set of facts.

FRAUD, BRIBERY AND CORRUPTION

Recipients must comply with all applicable laws prohibiting Improper Payments to domestic and foreign Government Officials.

In Canada, the *Corruption of Foreign Public Officials Act* (the “**Act**”) provides that every person commits an offence who, in order to obtain or retain an advantage in the course of business, directly or indirectly gives, offers or agrees to give or offer a loan, reward, advantage or benefit of any kind to a foreign Government Official or to any person for the benefit of a foreign Government Official as consideration for an act or omission by the Government Official in connection with the performance of the Government Official's duties or functions, or to induce the Government Official to use his or her position to influence any acts or decisions of the foreign state or public international organization for which the Government Official performs duties or functions. The Corporation has adopted the Anti-Bribery, Anti-Corruption and Anti-Fraud Policy and all Recipients or other representatives of the Corporation are required to strictly and fully comply with such Anti-Bribery, Anti-Corruption and Anti-Fraud Policy and the applicable laws.

Violation of the Act and laws against fraud, bribery and corruption in the jurisdictions in which the Corporation operates is a criminal offence and every person who is found to have contravened these laws is guilty of an indictable offence and liable to imprisonment and other applicable sanctions. In addition to the disciplinary actions set out in the applicable laws, any Recipient or other representative who violates these laws or the Anti-Bribery, Anti-Corruption and Anti-Fraud Policy will also be subject to disciplinary actions by the Corporation as set out in this Code.

No Recipient of the Corporation may retain a consultant, contractor, banker, lawyer, joint venture partner or other business partner agent, or other third party until sufficient due diligence has been performed to conclude with reasonable assurance that the agent, contractor, banker, lawyer, joint venture partner or other business partner understands and will fully abide by the Act, all applicable laws against fraud, bribery and corruption in the jurisdictions in which the Corporation operates, the Anti-Bribery, Anti-Corruption and Anti-Fraud Policy and this Code.

FAIR DEALING

The Corporation believes in fair and open competition and adheres to the requirements of the *Competition Act* (Canada) (the “**Competition Act**”) and all applicable antitrust and competition laws in the jurisdictions in which the Corporation operates. The purpose of the Competition Act is to maintain a competitive marketplace by prohibiting certain activities that might reduce or prevent competition or harm consumers, and sets out certain prohibitions on how competitors may deal with each other, as well as how businesses treat their suppliers and customers.

Each Recipient should endeavour to deal fairly with the Corporation's Stakeholders. No Recipient should take unfair advantage of anyone through illegal conduct, manipulation, concealment, abuse or privileged information, misrepresentation of material facts or any other unfair-dealing practice.

Recipients involved in procurement have a special responsibility to adhere to principles of fair competition in the purchase of products and services by selecting suppliers based exclusively on normal commercial considerations, such as quality, cost, availability, service and reputation, and not on the receipt of special favours.

We note below some general rules for Recipients of the Corporation: Recipients **shall not**:

- collude with third parties in bidding or tendering or in the award of contracts, the distribution of crude oil or natural gas, or the setting of terms of bids;
- exchange or discuss prices, terms or conditions relating to the sale of crude oil or natural gas, allocation of production or supply quotas, marketing practices, product distribution channels, or any other competitive information;
- enter into any understanding, agreement, plan or scheme, express or implied, formal or informal, with any competitor in regard to prices, terms or conditions relating to the sale, production, distribution, or marketing of crude oil or natural gas, the sale of crude oil or natural gas to one buyer under conditions different from those offered to another buyer with the intent of reducing or eliminating competition in the market, or any other terms or conditions which could establish or impose restrictive conditions on the market;
- sell or provide services in any part of a country in which the Corporation operates at a price different from that offered in another part of the country, when the intent or the effect is to reduce or eliminate competition in that part of the country;
- comply with a request by a supplier, customer or competitor to take action that may be harmful to another supplier, customer or competitor;
- obtain non-public information about a competitor directly from that competitor;
- make false or misleading representations about the Corporation's production of crude oil;
- alter or destroy any documents which may be the subject of an investigation by the Commissioner of Competition or any other antitrust agency in the jurisdictions in which the Corporation operates; or

- knowingly engage in any conduct which violates or could violate the Competition Act or similar laws in the jurisdictions in which the Corporation operates.

Recipients **shall**:

- seek clarification from senior management, the Corporate Ethics Committee or the Compliance Officer in Colombia for clarification and interpretation regarding any situation that may present an issue under the Competition Act or similar laws in the jurisdictions in which the Corporation operates;
- tell someone who initiates a discussion regarding a forbidden topic that you cannot discuss it because the Corporation strictly complies with the Competition Act and similar laws in the jurisdictions in which the Corporation operates;
- stop any conversation with anyone who insists on discussing a forbidden subject;
- report any known or suspected violations of the principles of fair dealing and all applicable antitrust and competition laws in the jurisdictions in which the Corporation operates in accordance with the Whistleblower Policy; and
- obtain information about competitors from public sources, such as trade publications, government reports and documents published.

Recipients who disregard the Corporation's Competition Act compliance policy or engage in activities which violate the Competition Act or similar applicable laws in the jurisdictions in which the Corporation operates will be disciplined. Depending upon the circumstances, discipline may include a suspension or dismissal.

Recipients and Stakeholders must report any known or suspected violations of the above principles of fair dealing, including regarding the Competition Act, to the Compliance Officer, the Ethics and Compliance Committee in Colombia, or the Corporate Ethics Committee.

CUSTOMER RELATIONS

All Recipients of the Corporation must act with integrity and respect when dealing with customers of the Corporation in order to provide a quality product and excellent service. The Corporation aims for the development of long-term relationships with its customers based on mutual trust and respect.

When entering into any business relationship with a customer, an appropriate risk assessment and due diligence process will be performed.

PARTNER RELATIONS

The Corporation aims to establish relationships with its business partners based on trust, respect, ethical principles, transparency of information and the implementation of common knowledge, experiences and competencies to reach common objectives for mutual benefit. Recipients of the Corporation will be committed to applying these same principles when dealing with directors, officers, employees, contractors and consultants of partnering companies.

When entering into any business relationship with a partner, an appropriate risk assessment and due diligence process will be performed.

VENDOR AND CONTRACTOR RELATIONS

When selecting vendors and contractors for the Corporation, Recipients must be impartial and objective. Recipients must apply quality and cost criteria in these processes and avoid any personal interest that may be in conflict with the interests of the Corporation.

When entering into any business relationship with vendors and contractors, an appropriate risk assessment and due diligence process will be performed.

The Corporation will inform its vendors and contractors of this Code with the goal of securing the best possible application of the principles established herein.

NON-PROFIT, PROFESSIONAL ASSOCIATION AND POLITICAL PARTICIPATION

The Corporation supports its Recipients who contribute to their communities through involvement with charitable, community service and professional organizations. If Recipients use the Corporation for such activities, they should only do so with the prior approval of the Corporate Ethics Committee.

Recipients engaging in the political process must take care to separate their personal activities from their association with the Corporation. These activities must not be conducted on Corporation time or involve the use of Corporation resources. Employees will not be reimbursed for personal political contributions. No employee may make or commit to political contributions on behalf of the Corporation.

Recipients must speak as individuals and not as a spokesperson of the Corporation.

POLITICAL CONTRIBUTIONS

There are laws and regulations pertaining to political contributions made both in dollars and in “kind” that are applicable to the Corporation. However, where the Corporation deems appropriate, it may occasionally choose to make such contributions, but only when authorized by the Corporate Ethics Committee, and only when the contribution is legal and appropriate for corporations such as the Corporation.

LOBBYING

Lobbying is communication in any form with Government Officials for the purposes of developing or amending laws, regulations, policies or guidelines, or to obtain a financial benefit, such as a grant or contribution.

Occasionally, Parex may choose to participate in public policy discussions on issues relevant to its business, including through its participation in and support of industry organizations. In advancing such discussions with Government Officials, the Corporation may contract consultant lobbyists to engage in lobbying activities on its behalf; however, all lobbying activities with Government Officials are planned, coordinated, recorded and must be conducted exclusively by members of the executive team of the Corporation or the Vice President of Government Relations. Parex complies with applicable lobbying legislation following applicable registration and reporting requirements in the countries we operate.

If a Recipient is unsure whether their communications with a Government Official may be regulated by applicable laws, they should seek direction from the Compliance Officer in Colombia, or the Corporate Ethics Committee and, where appropriate, obtain legal advice in advance.

COMPLIANCE WITH LAWS, RULES AND REGULATIONS

Each Recipient must at all times comply with applicable law within any jurisdiction in which the Corporation carries on business and should avoid any situation which could be perceived as improper, unethical or indicate a casual attitude towards compliance with the law.

No Recipient shall collaborate with third parties in violating any law. Recipients must act honestly, with integrity and in accordance with the Values of the Corporation in all contact and in all transactions with legal authorities and Government Officials and must endeavour that information submitted by them is accurate, concise and complete. Recipients must not hamper requests for information received from civil servants or the fulfillment of any other duties that a civil servant may perform in the legitimate exercise of their authority, provided that they are established in and exercised in accordance with prevailing laws and other legal provisions.

Recipients are expected to be sufficiently familiar with any legislation that applies to their directorship, office, employment or service and shall recognize potential liabilities, seeking direction from the Compliance Officer in Colombia, the Corporate Ethics Committee and/or Disclosure Committee and, where appropriate, obtaining legal advice in advance. Ensuring compliance with the law remains each individual's personal responsibility. Ignorance of legislation or dependence upon this Code or its supporting policies and procedures does not constitute a defence.

SAFETY, HEALTH AND COMPLIANCE WITH ENVIRONMENTAL LAWS

The Corporation is sensitive to the environmental, health and safety consequences of its operations. Accordingly, the Corporation will operate in compliance with applicable environmental laws and regulations, within all jurisdictions in which the Corporation carries on business.

The Corporation's commitment to protecting its Recipients and the surrounding environment from any negative or harmful impact is outlined in the Corporation's Occupational Health and Safety Policy and *Política Integral HSEQ* (Colombia) (together the "**Corporate OHS Policies**").

All Recipients are responsible for maintaining a safe workplace by following safety and health rules and practices. The Corporation is committed to keeping its workplaces free from hazards. Any accidents, injuries, unsafe equipment, practices or conditions must be immediately reported to a supervisor or other designated person. Threats or acts of violence or physical intimidation are prohibited.

In order to protect the safety of all employees, the environment and third parties, Recipients must report to work free from the influence of any substance that could prevent them from conducting work activities safely and effectively.

If any Recipient has any doubt as to the applicability or meaning of a particular environmental, health or safety regulation, he or she should discuss the matter with a member of the HSE & Reserves Committee of the Board.

HUMAN RIGHTS, DISCRIMINATION AND HARASSMENT

The Corporation undertakes to respect and uphold the human rights and public liberties. Consequently, all Recipients of the Corporation must support this commitment by carrying out their professional activities fully respecting and protecting the human rights and public liberties of themselves and those around them.

The Corporation is also committed to providing equal opportunity in all aspects of employment. Abusive, harassing or offensive conduct is unacceptable, whether verbal, physical or visual. Recipients must comply with all laws prohibiting discrimination and harassment.

The Corporation has adopted a Human Rights Policy and a Violence and Harassment Prevention Policy, and all Recipients of the Corporation are required to strictly and fully comply with such Human Rights Policy and Violence and Harassment Prevention Policy and all applicable laws.

ACCURACY OF CORPORATION RECORDS AND REPORTING

Honest and accurate recording and reporting of information is critical to our ability to make responsible business decisions. The Corporation's accounting records are relied upon to produce reports for the Corporation's management, shareholders, creditors, governmental agencies and others.

The Corporation's records must at all times be prepared accurately and maintained properly, in accordance with the Corporation's records management policies, the generally accepted accounting principles and any other applicable laws, rules and regulations. No false, artificial or deceptive entries may be made in the Corporation's records for any reason. The Corporation's books must accurately reflect the transactions it records. The Corporation does not permit intentional misclassification of transactions as to accounts, departments or accounting periods. All transactions must be supported by accurate documentation in reasonable detail and be recorded in the proper account and in the proper accounting period. No Recipient may engage in, allow or conceal any financial or bookkeeping irregularity.

The Corporation's records are, in fact, property of the Corporation; therefore, the Corporation's records must not be removed from the Corporation's property except for a legitimate business reason in accordance with the Records Management and Retention Policy and any documents so removed should be returned to the Corporation's property as soon as practical.

Accounting procedures and controls are prescribed by the Corporation's policies and practices. Within these policies and practices, the senior officers of the Corporation have the primary responsibility for establishing and monitoring adequate systems of internal controls in accordance with sound accounting principles, and all Recipients must adhere to these controls. The Corporation's employees are required to cooperate completely and forthrightly with the Corporation's independent external auditors.

Any Recipient or Stakeholder who has a concern with respect to the improper disclosure of, or failure to disclose any of the Corporation's activities or transactions should bring the matter to the attention of the Finance and Audit Committee or by reporting the concern by the means set out in this Code and in the Corporation's Whistleblower Policy. No retaliatory actions shall be taken against any Recipient or Stakeholder who chooses to report such improper conduct.

REPORTING VIOLATIONS

The Code cannot, and is not intended to, address all of the situations a Recipient may encounter. There will be circumstances not covered by this policy and procedure where a person will be required to make a judgment as to the appropriate course of action. The Board has established options for any Recipient seeking compliance advice or reporting misconduct or violations of this Code.

Recipients and Stakeholders may contact any of the following for compliance advice:

- any member of the Corporate Ethics Committee;
- any member of the Ethics and Compliance Committee;
- the Compliance Officer in Colombia;
- their supervisor;
- any member of the Disclosure Committee;
- the Corporation's Whistleblower Hotline, EthicsPoint, at www.ethicspoint.com, 1-888-279-5269 in the United States or Canada; 01-800-5189589 in Colombia;
- the Province of Alberta's Human Rights Commission, Southern Regional Office, 200 J.J. Bowlen Building, 620 - 7 Avenue S.W., Calgary, Alberta T2P 0Y8, telephone (403) 297-6571 (Confidential Inquiry Line); or
- any other member of the Board.

This contact may be on an identified or anonymous basis. Anyone who seeks advice, raises an Inquiry or reports a Complaint, misconduct, or a violation of this Code is following the requirements of this Code and the desires of the Board. The Corporation encourages such action. Retaliation against anyone who makes a good-faith report of misconduct is in breach of this Code and will not be tolerated. The Corporation will take appropriate disciplinary action, including severance from the Corporation, against any individuals engaging in improper retaliatory conduct.

All complaints will be assessed accordingly with the Corporation's Whistleblower Policy. All Complaints and Inquiries may lead to an investigation process to determine whether the facts are true and to take any necessary measures the Corporation may deem appropriate.

WAIVERS OF THE CODE

Any waiver of this Code for executive officers or directors will be made only by the Board or a committee of the Board. Conduct by a director or executive officer which constitutes a material departure from this Code may be promptly disclosed if required by law or stock exchange regulation.

VIOLATION OF THIS CODE

Any determination of a breach of this Code by a Recipient may result in sanctions against the individual, including asking for his or her resignation. In the case where the violation by an officer or employee is a fundamental breach of their contract of employment, such breach shall constitute grounds for immediate termination of such employment for cause and without notice or severance. Each Recipient acknowledges that when the Corporation determines that an individual has violated the Code and requests the individual's resignation, the individual shall resign as requested.

AUTHORIZATION

I, the undersigned, hereby certify that:

1. I have read and understand the foregoing being Parex Resources Inc.'s Code of Conduct and agree to abide by the terms and conditions of such Code and of all the Corporation's Policies referred to herein.
2. I understand that all Recipients of the Corporation and its affiliates and subsidiaries, including me, are expected to abide by the Code of Conduct and that my adherence to the Code of Conduct is not a guarantee of my continued service with the Corporation.
3. I am aware that it is illegal under the *Corruption of Foreign Public Officials Act* and all applicable laws to give, offer, promise or authorize giving anything of value to any domestic or foreign Government Official or political party in an effort to win or retain business or secure any improper advantage. I will not violate, nor cause the Corporation to violate, the *Corruption of Foreign Public Officials Act* and all applicable laws, and I will strictly and fully comply with the Anti-Bribery, Anti-Corruption and Anti-Fraud Policy.
4. I understand my responsibility to seek advice, raise a concern or report misconduct or a violation of the Code of Conduct in accordance with the section entitled "Reporting Violations" of this Code.
5. I understand that any violation of the Code of Conduct, including my failure to report misconduct or a violation thereof or my failure to cooperate in a compliance investigation, may result in corrective action and/or disciplinary action, which may include or be grounds for termination.

Signature

Print Name

Date
