

PAREX RESOURCES INC.

WHISTLEBLOWER POLICY

1. PURPOSE AND SCOPE

Parex Resources Inc. (collectively with all of its direct and indirect subsidiaries and all entities controlled by it, the “**Corporation**” or “**Parex**”) requires the highest standards of 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. The Corporation's Code of Conduct sets out the principles of conduct and ethics that must be followed by Recipients.

This Whistleblower Policy (the “**Policy**”) should be read, interpreted and administered in conjunction with the Code of Conduct, as well as the Corporation's Disclosure, Confidentiality, Insider Trading & Blackout Period Policy & Procedures, Corporation's Occupational Health and Safety Policy and *Politica Integral HSEQ* (Colombia) (together the “**Corporate OHS Policies**”), Anti-Bribery, Anti-Corruption and Anti-Fraud Policy, Violence & Harassment Prevention Policy and Human Rights Policy (together with the “**Corporate OHS Policies**” the “**Policies**”).

The Corporation's Whistleblower program consists of this Policy statement as well as the attached Procedures and Guidelines to ensure that all Complaints and Inquiries are promptly and effectively addressed in a way that promotes an ethical and transparent corporate culture.

Any known or suspected breach or misconduct by Parex or by the Recipients of any applicable regulations or Policies must be reported as described below.

2. DEFINITIONS

- **Complaint:** report made orally or by means of the Ethics Hotline regarding a suspected misconduct, violation of the Code of Conduct, any of the Policies and/or any applicable laws.
- **Compliance Officer:** person in Colombia responsible for monitoring, assessing and mitigating the Corporation's exposure to money laundering and financing terrorism risks, corruption, fraud and bribery risks and the transparency and ethics program of the Corporation.
- **Corporate Ethics Committee:** committee in Canada responsible for carrying out investigations arising in Canada and reviewing recommendations from the Ethics and Compliance Committee in Colombia to implement final actions following final reports on investigations. The Chief Executive Officer (“**CEO**”), Chief Financial Officer (“**CFO**”), SVP Corporate Services, and Senior Legal Manager will be permanent members of this Committee and Colombia's Country Manager when addressing Complaints arising out of Colombia. The Senior Legal Manager's role on the Committee is to present the information and work, as appropriate. The remaining members will be the decision-makers.
- **Ethics Hotline:** is the software or platform accessed through the website or by telephone, hosted by an independent provider, in which Complaints or Inquiries may be filed anonymously, consolidated, or recorded and where all the information collected during the investigation process is stored.

- **Ethics and Compliance Committee:** an advisory committee in Colombia that oversees the Compliance Officer's role under the Whistleblower Policy and makes recommendations on the course of action to the Corporate Ethics Committee in Canada. Committee members are Colombia's Country Manager and the Compliance Officer in Colombia.
- **Inquiry:** query or ethical dilemma about the proper interpretation and/or application of a rule or procedure included in the Code of Conduct or Policies.
- **Retaliation:** when the complainant or any person participating in an investigation is mistreated by any Recipient (with acts such as discrimination, violence, threats, degradation, or revenge) for any of the following reasons:
 - Whistleblowing;
 - Registering a good faith concern as a Complaint; and/or
 - Participating in an investigation (e.g., serving as a witness or providing evidence).
- **Stages of Whistleblower Case:** Once a Complaint or Inquiry is received by the Compliance Officer in Colombia or by any member of the Corporate Ethics Committee or by means of the Ethics Hotline, the following stages will apply to the process:
 - Open Case - Initial Dissemination: the Complaint or Inquiry is received by the Governance Chair and Senior Legal Manager, and distributed in accordance with the Whistleblower process chart, as updated from time to time.
 - Open Case - Ongoing Investigation: the Compliance Officer and/or the Corporate Ethics Committee leads the investigation.
 - Open Case - Report Pending: the investigation is concluded, but the final report is pending.
 - Open Case - Action Plan Pending: the Ethics and Compliance Committee and/or the Corporate Ethics Committee discuss and approve an action plan once the final report has been issued.
 - Case Closed: the Corporate Ethics Committee or the Ethics and Compliance Committee will close a case once a course of action has been approved.

3. POLICY STATEMENT

The Corporation fosters a culture of prevention, detection and control of any events associated with ethical or compliance-related matters. All Recipients are required to promptly report:

- violations of the Corporation's policies including, but not limited to:
 - Code of Conduct;
 - Disclosure, Confidentiality, Insider Trading, Blackout Period & Anti-Hedging Policy & Procedures;

- Corporate OHS Policies;
 - Anti-Bribery, Anti-Corruption and Anti-Fraud Policy;
 - Human Rights Policy;
 - Violence & Harassment Prevention Policy;
- concerns regarding the Corporation's accounting, internal accounting controls or auditing matters (see further detail below);
 - violations of any laws or regulations of the jurisdictions in which the Corporation operates;
 - any other concerns regarding the manner in which the Corporation operates;
 - any Retaliation against any complainant, or any person who has in good faith reported a possible violation or who in any way assists in an investigation pursuant to this Policy; and
 - actions that have the effect of concealing any of the foregoing and/or obstructing the investigation of any Complaint.

All shareholders, suppliers, clients, partners, governments, community members, interested third parties and the public (“**Stakeholders**”) of the Corporation are also encouraged to report concerns regarding the matters listed above.

4. AWARENESS

All Recipients will be required to confirm in writing that they have read, understood and agree to abide by the terms of the Policy when they are hired. All Recipients will be required to complete training on this Policy and the Ethics Hotline when they are hired and annually thereafter, which will be coordinated by the Compliance Officer.

Ongoing awareness of the Policy and these Procedures and Guidelines will be promoted by posting the Policy on the Corporation's website and other communication tools (both oral and written), as considered necessary. Information will be made available in those languages in which the Corporation conducts business.

5. ACCOUNTING, INTERNAL CONTROL AND AUDITING MATTERS

This Policy is intended to be broad in scope and to address all concerns regarding the ethical and responsible conduct of the Corporation.

However, for greater clarification, this Policy also specifically enables the Finance and Audit Committee of Parex (the “**Audit Committee**”) to fulfill its statutory responsibilities to ensure that the Corporation has appropriate procedures for the confidential receipt, retention, and treatment of complaints about the Corporation's accounting, internal accounting controls or auditing matters (collectively, “**Accounting Matters**”) by the employees of the Corporation.

The types of matters to be reported include, but are not limited to:

- suspect, questionable, unethical, and unlawful accounting and auditing policy, practices or procedures;
- intentional breach of or failure to implement accounting and auditing policy, practices and procedures approved by the Board of Directors of Parex (the “**Board**”) or the Audit Committee;
- inadequate internal accounting controls;
- corrupt practices including, but not limited to, deviations from full and fair reporting of the Corporation's financial condition;
- the misleading or coercion of auditors;
- disclosure of fraudulent or misleading financial information; and
- instances of corporate fraud.

6. PROHIBITION AGAINST RETALIATION

Parex will not charge, discipline, demote, terminate, suspend, threaten or in any manner adversely treat any person who either reports in good faith under this Policy or provides any assistance (whether as a witness, complainant or who is involved in any Stage of Whistleblower Case by providing information, gathering records or otherwise) in respect of any whistleblower Complaint. Such complainant will be protected from reprisals and Retaliation. Any Recipient of this Policy who retaliates, adversely treats or discriminates against any person in breach of this prohibition shall be subject to discipline, up to and including termination of service.

The complainant’s safety, compensation, continued employment and career opportunities or fulfillment of their contractual conditions will not be affected by the act of reporting or cooperating as a witness. The Corporation’s protection and non-retaliation guidelines set forth in this Policy will extend to people who have assisted or supported the complainant or the investigation, such as witnesses, colleagues or family members.

If any Recipient or other person believes that they have been subjected to unfair or unlawful Retaliation, they may file a Complaint to the Compliance Officer, any member of the Ethics and Compliance Committee in Colombia or any member of the Corporate Ethics Committee, or by means of the Ethics Hotline.

Any Recipient of this Policy has a positive duty to promptly report any Retaliation in breach of this Policy to any member of the Corporate Ethics Committee and/or any member of the Ethics and Compliance Committee in Colombia or the Chairman of the Corporate Governance and Nominating Committee or by means of the Ethics Hotline, should they have reason to believe that a person (who has reported in good faith under this Policy or who provides any assistance) has been retaliated against or adversely treated.

7. SUBMISSION AND RECEIPT OF COMPLAINTS AND INQUIRIES

Recipients and Stakeholders are encouraged to make a report using any method with which they feel comfortable. Therefore, there is no standard procedure or format which must be followed. Reports may be made orally or in writing to a supervisor or manager, or senior executive, the Compliance Officer, any member of the Corporate Ethics Committee or any member of the Ethics and Compliance Committee, or by means of the Ethics Hotline. The Corporate Governance and Nominating Committee has put in place the Ethics Hotline, operated by an independent service provider called EthicsPoint, which provides a confidential platform to protect the complainant's identity to make an anonymous Complaint. Complaints or Inquiries may be reported through EthicsPoint by phone or online. Reports can be made on the EthicsPoint system seven days a week, 24 hours a day, in either English or Spanish. Further details are included in the Ethics Hotline Information section of this Policy.

Complaints and Inquiries received by EthicsPoint shall be initially summarized by EthicsPoint, which will then direct them to the Chairman of the Corporate Governance and Nominating Committee and the Senior Legal Manager for them to distribute each Complaint in accordance with the Whistleblower process chart approved by the Board, as updated from time to time (Appendix I).

All Complaints will be promptly forwarded to the Corporate Governance and Nominating Committee regardless of the subject of the report. Any reports regarding Accounting Matters will also be forwarded promptly to the Audit Committee.

All reports will be reviewed promptly, and appropriate action (including investigation) will be taken as necessary. All information disclosed during any review or investigation shall be used exclusively for these purposes and will remain confidential, except as necessary to conduct the review or investigation and subject to applicable law.

Recipients have a duty to cooperate in an investigation of reports filed in accordance with the Policy. Should any such person fail to cooperate or provide false information in an investigation, the Corporation will take effective remedial action commensurate with the severity of the offence. This action may include disciplinary measures up to and including termination of employment, with cause and without notice and possible legal prosecution. Therefore, as allegations of impropriety may result in serious personal repercussions for the target person or entity that is the subject of the investigation, the person making the allegation of impropriety should not act maliciously or make false allegations, have reasonable and probable grounds before reporting such impropriety and should undertake such reporting in good faith, for the best interests of the Corporation and not for personal or financial gain or motivation.

8. CORPORATE GOVERNANCE AND NOMINATING COMMITTEE OVERSIGHT

This Policy will be reviewed by the Corporate Governance and Nominating Committee on a biennial basis and updated as required. At each Corporate Governance and Nominating Committee meeting, the Corporate Governance and Nominating Committee will follow up on all Open Cases as per the Stages of Whistleblower Case since the previous meeting. They will consider whether appropriate action has been taken and whether the issue has been resolved satisfactorily. This committee will oversee the effective enforcement of and compliance with this Policy.

9. AUDIT COMMITTEE OVERSIGHT

When a Complaint involves Accounting Matters, the Corporate Governance and Nominating Committee will forward such Complaints to the Audit Committee to determine whether appropriate action has been taken.

The Audit Committee may conduct periodic audits for the purpose of verifying the effectiveness of this Policy.

10. CORPORATE ETHICS COMMITTEE OVERSIGHT

At each Corporate Ethics Committee meeting, the Corporate Ethics Committee will follow up on Open Cases in Canada as per the Stages of Whistleblower Case and will review recommendations from the Ethics and Compliance Committee in order to implement final action plans and determine a Case Closed.

11. COMPLIANCE OFFICER ROLE IN COLOMBIA.

The Compliance Officer in Colombia will have the following functions under this Policy:

- Manage, monitor and verify the Complaints received.
- Ensure all Complaints and Inquiries are addressed promptly.
- Establish and take all the required steps to thoroughly investigate and determine who should be involved in this process while at the same time guaranteeing the confidentiality of the complainant and the Complaint.
- Follow up periodically on the Stages of Whistleblower Cases and the closing of cases.
- Determine whether or not the facts of the Complaint are a breach of any applicable Policies and/or applicable law.
- Keep a record of general statistics related to the Complaints and Inquiries received.
- Take all necessary measures to ensure compliance with this Policy.

12. ETHICS HOTLINE INFORMATION

Reports made directly to the Corporation:

Mail: 2700 Eighth Avenue Place West
585-8th Avenue S.W.
Calgary, Alberta T2P 1G1

marked “**Private & Confidential**,” addressed to any member of the Corporate Ethics Committee or to the Corporate Governance and Nominating Committee Chairman

(The members of the Corporate Ethics Committee are listed herein, and the list of Board members can be consulted on the Corporation's website at www.parexresources.com)

Phone: 403-265-4800
Fax: 403-265-8216

For international calls, the country code is 001.

Reports made through EthicsPoint:

Website: www.ethicspoint.com

By Telephone (Toll-free): Within the United States or Canada, dial 888-279-5269

International Dialling Instructions:

From an outside line, dial the AT&T Access Code below:

Country Access Code: Colombia 01-800-5189589

At the prompt, dial 888-279-5269. This is a toll-free number. There is no need to dial a “1” before this number.

PAREX RESOURCES INC.

WHISTLEBLOWER PROCEDURES AND GUIDELINES

1. PURPOSE AND SCOPE

These Whistleblower Procedures and Guidelines (“**Procedures and Guidelines**”) are to be read in conjunction with the Whistleblower Policy. They are intended to provide more specific details regarding how the Corporation will administer the Whistleblower Policy.

2. COMPLAINTS AND INQUIRIES LOG

All Complaints will be logged in the Ethics Hotline. This will ensure the Corporation keeps one comprehensive database regarding all Complaints and Inquiries, investigations and actions taken in accordance with the Policy. In addition, the Ethics Hotline will provide control over data integrity and retention of records.

- Complaints and Inquiries received directly (either orally or in writing) by any supervisor, manager, or senior executive of the Corporation must be forwarded promptly to the Compliance Officer in Colombia or the Senior Legal Manager in Canada so they can log the Complaint in the Ethics Hotline. All Recipients in Colombia will have the option to file a Complaint directly with the Compliance Officer.
- However, if Senior Legal Manager and/or the Compliance Officer are implicated in the report, the report and the investigation should be managed by the Chairman of the Corporate Governance and Nominating Committee;

Complaints will be classified as follows, using the categories below that are pre-defined:

- Accounting and Auditing Matters;
- Conflict of Interest;
- Discrimination or Harassment;
- Embezzlement;
- Falsification of Contracts, Reports or Records;
- Misconduct or Inappropriate Behaviour;
- Sabotage or Vandalism;
- Securities Law or Policy Violations;
- Substance Abuse;
- Theft;
- Unsafe Working Conditions;

- Violation of any Corporate Policy;
- Violence or Threat;
- Safety, Health & Environment;
- Bribery or Corruption;
- Code of Conduct Breaches;
- Suggestions;
- Ethical Dilemma
- Inquiry; or
- Other.

3. DISTRIBUTION OF RECORDS OF COMPLAINTS AND INQUIRIES

- Complaints logged in the Ethics Hotline will be distributed by the Senior Legal Manager in accordance with the Whistleblower process chart, included as Appendix I of this Policy.
- Complaints arising out of Canada will be forwarded to the Corporate Ethics Committee, and Complaints arising out of Colombia will be forwarded to the Compliance Officer.

4. INVESTIGATION OF REPORTS

The Compliance Officer in Colombia and the Corporate Ethics Committee are responsible for following up on each Complaint or Inquiry in a timely manner. They may delegate investigative duties to a third party. If the Compliance Officer and members of the Corporate Ethics Committee are implicated in a report, responsibility for investigation and action plan will rest with the Corporate Governance and Nominating Committee. If a report involves Accounting Matters, the Corporate Governance and Nominating Committee will consult with the Audit Committee regarding the resolution of such matters.

The Chairman of the Corporate Governance and Nominating Committee, Chairman of the Board, and Senior Legal Manager of the Corporation will have access to the Ethics Hotline. The Corporate Secretary will also be granted access as a backup in the event that any of the other designated individuals are unavailable. Temporary access to specific reports may be granted to other individuals as necessary to facilitate investigation and resolution. For this purpose, the Compliance Office in Colombia will have access to all Complaints arising out of Colombia in the Ethics Hotline

In order to specifically address the Corporate Governance and Nominating Committee's statutory responsibilities regarding procedures for complaints about the Corporation's accounting, internal accounting controls or auditing matters, the Corporate Governance and Nominating Committee will receive immediate email notification of all reports related to the following matters:

- accounting and auditing matters;

- embezzlement;
- falsification of contracts, reports or records;
- bribery or corruption;
- securities laws or Policy violations; and
- theft.

The Corporate Governance and Nominating Committee will also have access to all other types of reports.

The Corporate Governance and Nominating Committee, the Compliance Officer and other individuals with access to the report will respect the confidentiality and anonymity of any complainant who so requests to the fullest extent permitted by the law. However, it must be appreciated that it will be easier to follow up and to verify Complaints if the complainant is prepared to give his or her name.

All the information related to a Complaint and Inquiry, and the ensuing investigation, shall be confidential. However, if the complainant disseminates the report with other members of the Corporation or Stakeholders, the Corporation will not be liable for such breach of confidentiality arising out of the complainant's own actions.

In determining what further actions to take, considerations include, but are not limited to:

- the identity of the alleged wrongdoer;
- seriousness of the allegation;
- credibility of the allegation; and
- urgency of an investigation and resolution.

Treatment of Complaints shall include taking reasonable and necessary steps to prevent further similar violations.

The Compliance Officer, the Corporate Ethics Committee, the Corporate Governance and Nominating Committee and/or the Audit Committee may enlist employees of the Corporation, outside legal, accounting or other advisors and/or the police, as appropriate, to conduct any investigation of Complaints.

5. GENERAL RULES FOR INVESTIGATIONS

Under an investigation process, the Compliance Officer in Colombia and the Corporate Ethics Committee are entitled to access information in corporate emails, shared drives and files that are not catalogued as personal, under the following standards:

- (i) access to corporate e-mail, corporate equipment and corporate information must be granted for the exclusive purpose of an investigation;
- (ii) investigation procedure standards are applicable to all Recipients equally, regardless of their role and position in the Corporation;

- (iii) all Recipients acknowledge that all equipment provided by the Corporation (e-mail, computers, cell phones, etc.) and the information stored therein are:
 - (a) assigned and used for business purposes and may not be used for other purposes; and
 - (b) property of the Corporation.

The Corporation is the owner of the information contained in the equipment, devices and applications assigned to its Recipients and may secure, access, capture, review, treat, transfer, use or monitor at any time the information that is created, administered, sent, received or stored therein for the above-described relevant purposes.

- (iv) investigations must be treated with the utmost discretion towards third parties and shall be as discreet as possible to ensure the confidential treatment of the information obtained.

6. RESPONSES TO COMPLAINTS

If, as a result of the investigation, the Compliance Officer, the Ethics and Compliance Committee or the Corporate Ethics Committee concludes that the facts of the Complaint:

- (i) are not true;
- (ii) do not constitute a breach of any of the Policies;
- (iii) refer exclusively to the private life of the alleged offender; and/or
- (iv) are false or made in bad faith.

The Ethics and Compliance Committee or the Corporate Ethics Committee shall proceed to close the investigation and the case, keeping the records confidential.

If, as a result of the investigation, the Compliance Officer or the Corporate Ethics Committee conclude that the facts of the Complaints are true and constitute misconduct that is a crime or a violation of any Policies or applicable regulations, the procedure described below will be followed:

- (i) the conclusions of the case will be presented to the Ethics and Compliance Committee in Colombia, the Corporate Ethics Committee and/or the Corporate Governance and Nominating Committee;
- (ii) with the prior authorization of the Corporate Governance and Nominating Committee, a notice will be sent to the legal authorities whenever it is mandatory under applicable regulations and law, or as otherwise decided by the Corporate Governance and Nominating Committee;
- (iii) the Corporation will evaluate the potential termination of any type of operation, business, contractual or legal relationship with the reported party, subject to the prior opinion of the Corporation's legal department, which shall ensure compliance with the necessary requirements.

7. RESPONSE TIME TO COMPLAINTS AND INQUIRIES

- Complaints: Thirty (30) business days, which may be extended if required, with the prior approval of the Ethics and Compliance Committee, or by the Corporate Ethics Committee.
- Inquiries: Five (5) business days, which may be extended if required, with the prior approval of the Ethics and Compliance Committee, or by the Corporate Ethics Committee.

8. REPORT TO COMPLAINANT

The complainant will be given the opportunity to receive a follow-up on their complaint within a reasonable amount of time to:

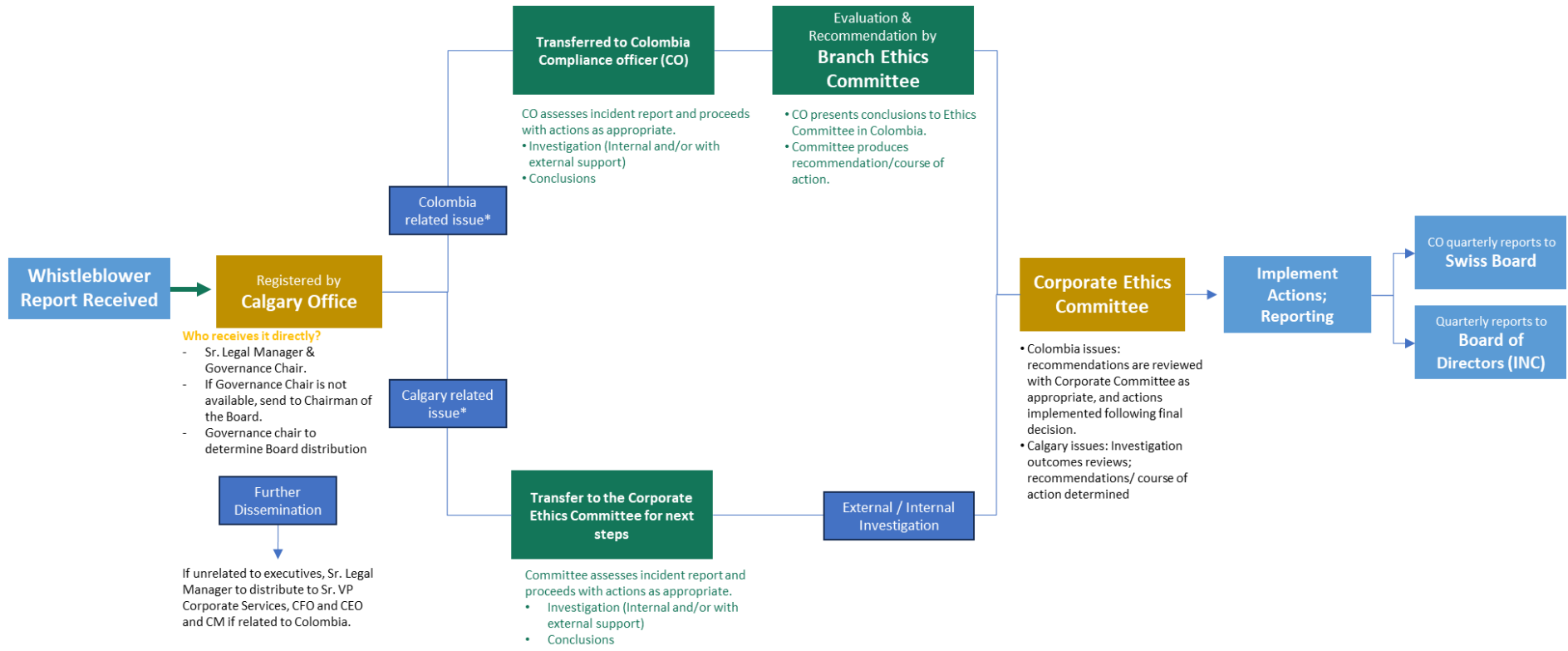
- Acknowledge that the Complaint was received;
- Be given an estimate of the time that it will take for a final response;
- Request additional information on the Complaint; and
- Be informed that the case was closed and necessary measures were taken.

9. RECORDS

The Corporation will keep a record of all Complaints and Inquiries and investigations, including meeting minutes of the Ethics and Compliance Committee and the Corporate Ethics Committee and will retain for a period of ten (10) years all records relating to reports submitted under the Policy. Such records are the property of the Corporation and shall be retained:

- in compliance with applicable laws and the Corporation's document retention policies;
- subject to safeguards that ensure their confidentiality and, when applicable, the anonymity of the complainant; and
- in such manner as to maximize their usefulness for overall compliance or governance programs.

APPENDIX I WHISTLEBLOWER INCIDENT FLOW CHART



* If the issue involves both jurisdictions (for example: Calgary employee for activity in Colombia, CO will investigate, jointly with Canada.