

PAREX RESOURCES INC.

WHISTLEBLOWER POLICY

PURPOSE AND SCOPE

Parex Resources Inc. (the "**Corporation**" or "**Parex**") requires the highest standards of professional and ethical conduct from its directors, officers, employees and consultants. No director, officer, employee or consultant 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 which must be followed by the Corporation's directors, officers, employees and consultants. 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 Política Integral HSEQ (Colombia) (together the "**Corporate OHS Policies**"), Anti-Bribery and Anti-Corruption Policy and Human Rights Policy.

The Corporation's Whistleblower program consists of this Policy statement as well as the attached Procedures and Guidelines to ensure that all reports, complaints and concerns are promptly and effectively addressed.

References in this Policy to the "Corporation" means Parex Resources Inc. and any of its subsidiaries.

POLICY STATEMENT

All directors, officers, employees and consultants 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 and Anti-Corruption Policy;
 - Human Rights 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 act of reprisal or retaliation against 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.

All other stakeholders of the Corporation are also encouraged to report concerns regarding the matters listed above. Stakeholders include shareholders, contractors, suppliers, partners, governments, community members and the public.

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.

PROHIBITION AGAINST RETALIATION

Parex will not charge, discipline, demote, suspend, threaten or in any manner discriminate or adversely treat any person who reports in good faith under this Policy, or provides any assistance (as a witness, involvement in any investigation, providing information, gathering

of records, or otherwise) in respect of any whistleblower complaint. Such whistleblower will be protected from reprisals and retaliation. An employee, director, officer or consultant 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.

If any director, officer, employee, consultant or other person believes that they have been unfairly or unlawfully retaliated against in respect of a report made under this Policy, they may file a complaint with their supervisor or a senior officer of the Corporation. If such a person is uncomfortable filing the complaint with a supervisor or any senior officer, they may file their complaint with the Chairman of Parex' Corporate Governance and Nominating Committee (the "**Corporate Governance Committee**"). In addition, any such director, officer, employee, consultant or other person may submit a complaint under this Whistleblower Policy, including through EthicsPoint.

Any employee, director or officer of Parex has a positive duty, 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, to promptly report such breach of this Policy to the Chairman of the Corporation Governance Committee.

SUBMISSION AND RECEIPT OF COMPLAINTS

Concerned parties 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 a senior officer of the Corporation. The Corporate Governance Committee has also put in place a confidential reporting system, operated by an independent service provider called EthicsPoint. Reports may be made to EthicsPoint by phone or on-line. Reports can be made on the EthicsPoint system seven days a week, 24 hours a day, in either English or Spanish. Complaints received by EthicsPoint shall be initially summarized by EthicsPoint who shall then direct them to the Corporate Governance Committee. Further details are included in the Contact Information section of this Policy.

All whistleblower reports will be promptly forwarded to the appropriate level of management and to the Corporate Governance Committee. 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 the course of any review or investigation will remain confidential, except as necessary to conduct the review or investigation and subject to applicable law.

All directors, officers, employees and consultants of the Corporation 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, 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.

CORPORATE GOVERNANCE COMMITTEE OVERSIGHT

This Policy will be reviewed by the Corporate Governance Committee on a biennial basis and updated as required. At each Corporate Governance Committee meeting, the Corporate Governance Committee will follow up on all new or outstanding reports since the previous meeting. They will consider whether appropriate action has been taken and whether the issue has been resolved satisfactorily.

AUDIT COMMITTEE OVERSIGHT

At each Audit Committee meeting, the Audit Committee will follow up on all new or outstanding reports regarding Accounting Matters since the previous meeting. They will consider whether appropriate action has been taken and whether the issue has been resolved satisfactorily.

CONTACT 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 management or to the Corporate Governance Committee Chairman
(a list of the Corporation's senior management team and the Board members can be
obtained 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 Dialing Instructions:

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

Country Access Code: Colombia 01-800-911-0010

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

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 the manner in which the Whistleblower Policy will be administered by the Corporation.

Capitalized terms used but not defined herein shall have the respective meanings given to them in the Policy.

AWARENESS

The Policy will be communicated to every director, officer, employee and consultant upon hire, and re-communicated on an annual basis.

All directors, officers, employees and consultants will be required to confirm in writing that they have read, understood and agree to abide by the terms of the Policy. Individuals will sign this confirmation when they are hired, and annually thereafter.

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.

DISTRIBUTION OF RECORDS OF COMPLAINTS

All reports will be logged in the EthicsPoint system. This will ensure that the Corporation maintains one comprehensive database regarding all reports, investigations and actions taken in accordance with the Policy. In addition, the EthicsPoint system will provide control over data integrity and retention of records.

Reports received directly (either orally or in writing) by any supervisor, manager or senior executive of the Corporation should be forwarded promptly to the Controller of the Corporation for entry into the EthicsPoint reporting system. However:

- if the Controller is implicated in the report, the report should be forwarded to the Chief Financial Officer of the Corporation;
- if the Controller and the Chief Financial Officer are both implicated in the report, the report should be forwarded to the Chairman of the Corporate Governance Committee.

Reports will be classified in the EthicsPoint system as follows, using the categories that are pre-defined by EthicsPoint:

- 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;
- Concern;
- Inquiry; or
- Other.

The President, Chief Financial Officer and Controller of the Corporation will receive email notifications of all reports filed, unless any or all of these persons are implicated in the report. If any or all of these persons are implicated in the report, the report notification will be sent to the Corporate Governance Committee and the person(s) implicated will not have access to that report.

INVESTIGATION OF REPORTS

The President and Chief Financial Officer of the Corporation are responsible for following up on each report in a timely manner. They may delegate duties for investigation and

remediation if appropriate in the circumstances. In the event that the President and Chief Financial Officer of the Corporation are implicated in a report, responsibility for investigation and remediation rests with the Corporate Governance Committee. If a report involves accounting matters, the Corporate Governance Committee will consult with the Audit Committee regarding the resolution of such matter.

The Corporate Governance Committee, President, Chief Financial Officer and Controller of the Corporation will have access to the EthicsPoint system. Temporary access to specific reports may be granted to other individuals as necessary, in order to facilitate investigation and resolution.

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

- Accounting and Auditing Matters;
- Embezzlement;
- Falsification of Contracts, Reports or Records;
- Bribery or Corruption;
- Securities Law or Policy Violations; and
- Theft.

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

The Corporate Governance Committee will respect the confidentiality of any complainant who so requests, but can only do so to the 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.

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 Corporate Governance Committee and 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 or concerns.

REPORT TO COMPLAINANT

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

- Acknowledging the complaint was received;
- Indicating how the matter will be handled;
- Giving an estimate of the time that it will take for a final response;
- Informing them whether initial inquiries have been made; and
- Informing them whether further investigations will follow, and if not, why not.

RECORDS

The Corporate Governance Committee shall retain for a period of three (3) 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.