

About Parex Resources

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

Company Overview

- ✓ Track record of creating value in Colombia since 2009
- ✓ Largest independent land holder in Colombia with 5.5 million net acres
- ✓ Simple corporate structure with debt-free balance sheet
- ✓ Self-funded growth, offering transformational exploration opportunities, dividend yield & share buybacks
- ✓ Growing operated component of portfolio

Growth Strategy

There are three key pillars to our Colombian growth strategy:

1 Exploitation & Technology

Leveraging industry-proven technology to achieve a step change in capital efficiency

2 Onshore Gas

Targeting liquid-rich gas fields and pursuing longer-term, world-class underexplored gas plays

3 Outsized Exploration Potential

Focusing on transformational exploration prospects with asymmetrical risk and reward

Business At-a-Glance



Stock Symbol:
PXT



Share Price¹:
C\$27.33



Market Capitalization¹:
C\$2.9 billion



Quarterly Dividend:
C\$0.375 per share



Dividend Yield^{1,2}:
5.5%



Average Production³:
54,257 boe/d

¹As at May 31, 2023.

²Supplementary financial measure; annualized dividend per share divided by PXT share price; see advisory.

³For three months ended December 31, 2022 (light & medium crude oil: 10,511 bbl/d, heavy crude oil: 42,766 bbl/d, conventional natural gas: 6,000 mcf/d).



Diversified Portfolio with Running Room for Growth in Colombia



How We Produce Every Barrel

Our strategy & approach to PRODUCTION focuses on:

- Minimizing decline rates and maximizing net present value
- Enhanced oil recovery (EOR) focus, leveraging horizontal drilling, waterflood injection and gas reinjection
- Unlocking liquid-rich gas fields using industry-proven techniques such as gas cycling

Production Portfolio

- Full-Year 2022 average production: 52,049 boe/d¹
- 54% operated production²
- Full-Year 2023 average production guidance of 57-63 mboe/d³



Production Legend

OP	Operator
NON-OP	Non-operator
	Oil production
	Gas production

¹ For year-end December 31, 2022 (light & medium crude oil: 7,471 bbl/d, heavy crude oil: 43,008 bbl/d, conventional natural gas: 9,420 mcf/d).
² Based on Q4 2022.
³ See February 2, 2023 and May 10, 2023 news releases for additional information.
⁴ For three months ended December 31, 2022 (light & medium crude oil: 10,511 bbl/d, heavy crude oil: 42,746 bbl/d, conventional natural gas: 6,000 mcf/d).

Exploring for Small and Big Wins


Our strategy & approach to EXPLORATION focuses on:

1. Prospects that generate quick shareholder returns through:
 - Fast onstream time
 - High production rates
 - Lower risk opportunities
2. Transformational big 'E':
 - Large resource potential
 - Strong risk/reward characteristics
 - World-class opportunities

Exploration Portfolio



- 40 blocks
- >50 exploration prospects & leads
- ~15 transformational big 'E' prospects


**VIM-1 (50% WI)**
Magdalena

OP

Growing long-term liquids recovery through reinjecting gas

Onstream: 2021

Future Outlook: Gas cycling expected to be used as a template for future expansions in the VIM basin, Northern Llanos and Llanos Foothills


**Arauca (50% WI)**
Northern Llanos

OP

Growing our footprint in the Northern Llanos; leveraging Capachos success

Onstream: Production expected to commence in H2 2023

Future Outlook: Targeting proven, multi-zone reservoirs; Arauca expected to grow to ~20,000 boe/d gross by 2025

**LLA-34 (55% WI)**

NON-OP

Focused on pressure management and minimizing decline; replicating our Cabrestero success

Onstream: 2012

Future Outlook: Applying waterflood injection and horizontal wells for increased EUR and reduced decline rate


**Capachos (50% WI)**
Northern Llanos

OP

Leveraging multi-zone potential in an area that has superior reservoir quality and attractive royalty structure

Onstream: 2018

Future Outlook: Remove bottlenecks through facility expansion in 2023; area has high-potential, near-field exploration and recomplete opportunities


**Cabrestero (100% WI)**
Southern Llanos

OP

Focused on pressure management, minimizing decline and near-field exploration

Onstream: 2012

Future Outlook: Applying waterflood injection and horizontal wells for increased EUR and reduced decline rate

**Llanos Foothills**

OP

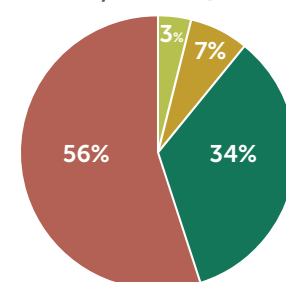
Partnered with Ecopetrol S.A. to explore and exploit the high-potential Foothills trend

Memorandum of understanding (MOU) focus: Combine blocks in 50:50 WI to maximize infrastructure use and synergies

Future Outlook: First well to be spud in late Q4 2023

Q4 2022 Production

54,257 boe/d⁴



Map Legend

	Northern Llanos		Southern Llanos
	Magdalena		Llanos-34
	Llanos Foothills		
	2023 Big 'E' Exploration Target		
	Working Interest		

Top Quartile ESG Performance

Our ESG strategy focuses on four areas that support our ability to meet our goals, while addressing stakeholder concerns and priorities:

GOAL	1 COMMUNITY	2 GHG EMISSIONS & CLIMATE	3 OUR PEOPLE	4 WATER STEWARDSHIP
	Deliver long-term impacts to communities through targeted social investment	Reduce GHG emissions intensity rate year-over-year while meeting global energy needs	Promote an inclusive and diverse workforce	Use water responsibly as a trusted neighbour
PROGRESS	<ul style="list-style-type: none"> Community investment: ~US\$6 million in 2022 Works for Taxes granted ~US\$23 million to execute five community projects by 2025 	<ul style="list-style-type: none"> Performance against GHG emissions target: 43% reduction in intensity since 2019 Solar power: Generated 1,431 MWH of energy in 2022 from the Cabrestero solar field 	<ul style="list-style-type: none"> Record 92% participation in 2022 Employee Engagement Survey Achieved 30% board diversity target ahead of May 2023 deadline 	<ul style="list-style-type: none"> 13% annual decrease in total water withdrawal from operations in 2022 Reused ~17 megalitres of water in drilling and workover activities

Parex 2022 Performance

Record net income of US\$611 million	US\$725 million Record funds flow provided by operations ¹
C\$0.89 per share² • US\$75 million paid through regular dividends	11.8 million shares • US\$221 million repurchased

¹ Capital management measure; see advisory.
² Supplementary financial measure; see advisory.

Advisory: This brochure is provided for informational purposes only as of June 2023, is not complete and may not contain certain material information about Parex Resources Inc. ("Parex" or the "Company"), including important disclosures and risk factors associated with an investment in Parex. This brochure does not take into account the particular investment objectives or financial circumstances of any specific person who may receive it and does not constitute an offer to sell or a solicitation of an offer to buy any security in Canada, the United States or any other jurisdiction. The contents of this brochure have not been approved or disapproved by any securities commission or regulatory authority in Canada, the United States or any other jurisdiction, and Parex expressly disclaims any duty on Parex to make disclosure or any filings with any securities commission or regulatory authority, beyond that imposed by applicable laws. This brochure includes Forward-Looking Statements, Non-GAAP and Other Financial measures, as well as Oil and Gas Information. Please refer to Parex Resources' news releases, Management Discussion & Analysis (MD&A) and investor presentations for a discussion of the material assumptions and risks.

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ESG RATINGS

