



NOT FOR DISTRIBUTION TO US NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

News release

February 15, 2012

Parex Resources Announces 2011 Year-End Reserves and Provides Operational Update

Calgary, Canada

Parex Resources Inc. ("**Parex**" or the "**Company**") (TSX:PXT), a company focused on oil exploration and production in Colombia and Trinidad, announces the results of its 2011 year-end independent crude oil reserves evaluation and provides an operations update on the Company's current activities.

Highlights include:

- Proved reserve growth of 363 percent, increasing from 1.1 million barrels of light oil to 4.9 million barrels of light oil (net company working interest);
- Proved plus probable reserve growth of 83 percent, increasing from 5.9 million barrels of light oil to 10.7 million barrels of light oil (net company working interest);
- Proved plus probable reserve growth per share of 18 percent on a debt adjusted share basis;
- Proved plus probable net present value growth of 42 percent per debt adjusted share before tax, discounted at 10 percent;
- Plans to drill twelve high impact wells in Colombia and Trinidad starting in the first half of 2012; and
- Entered into an agreement to purchase an additional 25 percent working interest in the Llanos Basin El Eden block.

2011 Year-end Reserves

The following tables summarize information contained in the independent reserves report prepared by GLJ Petroleum Consultants Ltd. ("GLJ") dated February 10, 2012 with an effective date of December 31, 2011 ("GLJ Report") with comparatives to the year ended December 31, 2010. The GLJ Report was prepared in accordance with definitions, standards and procedures contained in the Canadian Oil and Gas Evaluation Handbook ("COGE Handbook") and National Instrument 51-101, Standards of Disclosure for Oil and Gas Activities ("NI 51-101"). Additional reserve information as required under NI 51-101 will be included in the Company's Annual Information Form which will be filed on SEDAR by March 30, 2012.

The recovery and reserve estimates of crude oil reserves provided in this news release are estimates only, and there is no guarantee that the estimated reserves will be recovered. Actual crude oil reserves may eventually prove to be greater than, or less than, the estimates provided herein. All reserves presented are based on GLJ's forecast pricing effective December 31, 2011. Consistent with the Company's reporting currency, all amounts are in United States dollars unless otherwise noted.

Discussion of Reserves

All of Parex' crude oil reserves are located in Colombia's Llanos basin. Reserve additions in 2011, as evaluated by GLJ were largely achieved from acquiring the 50 percent interest Parex did not already own in four Llanos Basin blocks, including Block LLA-16 and the Kona field. Reserve additions were also generated from successful oil exploration at the Sulawesi and Las Maracas discoveries.

On a debt adjusted per share basis, proved reserves increased by 198 percent and proved plus probable reserves increased by 18 percent at December 31, 2011.

The net present value before tax of proved plus probable reserves increased by 120 percent and on a debt adjusted per share basis increased by 42 percent at December 31, 2011 compared to the prior year.

The quality of the light oil reserves and a favourable Colombian fiscal regime generate a net present value before tax of \$50.67 per barrel for proved reserves and \$42.49 per barrel for proved plus probable reserves as at December 31, 2011. A 10 percent discount rate was used for the net present value calculations.

2011 Year-end Reserves Volumes

Reserves Category ⁽¹⁾	December 31, 2010 (MBbl) ⁽²⁾	December 31, 2011 (MBbl)	Increase year-over year	Debt Adjusted Per Share Growth ⁽³⁾
Proved	1,066	4,933	363%	198%
Proved plus Probable	5,854	10,684	83%	18%
Proved plus Probable plus Possible	10,439	17,594	69%	9%

(1) Reserves are 100% light crude oil, therefore disclosure of heavy crude oil, liquids and natural gas volumes has not been provided. Reserves are before royalties.

(2) MBbl is defined as a thousand barrels of oil.

(3) Calculated using: diluted shares outstanding of 112.1 million, convertible debenture face value of \$85 million, and unaudited estimated net working capital as at December 31, 2011.

2011 Year-End Reserves Net Present Value Before Tax Summary

	December 31, 2010 (\$000s) (1)(2)(3)	December 31, 2011 (\$000s) (1)(2)(3)	Increase year-over year	Debt Adjusted Per Share Growth ⁽⁴⁾
Proved	\$44,531	\$249,933	461%	262%
Proved plus Probable	\$206,361	\$453,990	120%	42%
Proved plus Probable plus Possible	\$341,029	\$758,856	123%	43%

(1) The forecast prices used in the calculation of the present value of future net revenue are based on the GLJ December 31, 2011 price forecast which will be included in the Company's Annual Information Form which will be filed on SEDAR on by March 30, 2012.

(2) Net present values are discounted at 10 percent.

- (3) Includes proved plus probable future development capital (FDC) of \$85.1 million; 2010 FDC was \$33.9 million.
- (4) Calculated using: diluted shares outstanding of 112.1 million, convertible debenture face value of \$85 million, and unaudited net working capital as at December 31, 2011.

Colombia Exploration Update

In 2011, the Company's focus was consolidating its Llanos Basin assets and developing the Kona field. During 2011, Parex drilled 18 wells, of which 11 were development/appraisal wells. In 2012, Parex' focus is on exploration with six wells scheduled to be drilled during the first half of the year.

The next exploration prospect to be drilled on Block LLA-16 is Java, which is located between the Kona field and the Sulawesi field along the Kona fault trend. The Java prospect was originally planned to be drilled during 2011, however, it was delayed due to surface access issues. Over the past year Parex has successfully undertaken a significant social program to work with the local community to enable land access during the lease construction and drilling phases with continued access in any ensuing production phase. Lease construction is nearly complete and the Company plans to spud Java-1 late February 2012. Java is targeting the C7, Mirador, Gacheta and Une formations with a drilling depth of up to 12,000 feet.

Immediately south of the Sulawesi field is the Malawi prospect which is scheduled to drill after the Java prospect during the second quarter of 2012.

In 2011 Supremo-2 was drilled to evaluate the oil potential up-dip of the Supremo-1 well, which produced light oil with a high water cut from the Mirador. Supremo-2 could not be properly tested but based on the Company's interpretation of wireline logs, the well is likely to have similar reservoir and production characteristics as Supremo-1. Both wells have been suspended until water handling capacity is available in the area.

North of the Supremo prospect and on the same fault trend, Merida-1 was drilled and cased. Merida-1 also shares similar reservoir characteristics as the Supremo wells and Parex plans to complete and test Merida-1 during February 2012.

On Block LLA-20 the next prospect to be drilled is Cumbre, which will test a fault trend located south of the Cano Garzo field and east of the Trinidad field. Lease construction is nearly complete and the Company plans to spud Cumbre-1 late February 2012. Prospective formations are the C7, Mirador, and Gacheta with a drilling depth of up to 9,000 feet.

On Block LLA-30, Parex will start its 2012 exploration program with the Adalia prospect. Prospective formations are the C3, C5 and C7 to a maximum drilling depth of approximately 5,000 feet. The Adalia-1 well is expected to spud in April 2012 and is planned to be followed by two additional LLA-30 exploration prospects.

As previously reported, the Las Maracas-2 side-track well on the Los Ocarros Block was drilled to the Mirador Formation and with formation damage tested rates of up to 938 bopd of 37 degree API oil under natural flow. Parex expects to place Las Maracas-2 sidetrack on production after receiving regulatory approval and then drill

the first follow up well to appraise the discovery.

Parex has entered an agreement with Talisman Energy to purchase its 25 percent interest in the El Eden Block, subject to regulatory approval. After fulfilling the terms of the previously announced farm-in agreement between Parex and Petroamerica Oil Corp. for the El Eden Block, Parex will have 60 percent working interest of the block and 50 percent of the non-producing Chiriguaro oil discovery. During the second quarter of 2012, the Company expects to drill the El Eden Block earning well, targeting the Mirador, Gacheta and Une formations. A second El Eden exploratory well is planned for later in 2012.

Colombia Operations Update

The next wells scheduled to be drilled on the Block LLA-16 Kona field are Kona-14, Kona-15 and Kona-16. Kona-14 is positioned to test the northern extension of the Gacheta and Une formations. Kona-15 and Kona-16 are delineation wells targeting a southern extension of the field.

Sulawesi-1 is currently producing from the Mirador Formation. Testing operations are currently underway in the C7 Formation in the Sulawesi-2 well. Parex is currently evaluating the Gacheta Formation in the Sulawesi-4 well and if unsuccessful, the well will be converted to a water disposal well. Following the commissioning of a water disposal well, Sulawesi-3 is expected to produce from the Mirador Formation. Production from the Sulawesi field has been constrained in 2012 due to a lack of water disposal facilities.

During the month of December 2011, crude oil production averaged approximately 13,170 bopd. Following the addition of Kona-9 and the Kona Norte-2 water disposal wells from December 15, 2011 to year end, the average production was approximately 14,067 bopd. Parex estimates that average production for the three months ending December 2011 ("fourth quarter") was approximately 11,340 bopd and sales volumes were 10,230 bopd. Fourth quarter sales volumes are lower than fourth quarter production volumes as a significant portion of Parex' production was contracted at a Brent crude reference price and was recorded as inventory until the volumes were exported from Colombia.

The monthly average production for January 2012 has been estimated at 12,900 bopd. Natural declines and equipment failures during completion operations are delaying the tie-in of three Kona wells and as noted the Sulawesi field production has been restricted. Parex expects first quarter 2012 production to average approximately 12,000-13,000 bopd, for quarter-over-quarter growth of approximately 10 percent with current drilling activities primarily being focused on exploration drilling.

Trinidad Exploration Update

We had previously reported that the Firecrown-1 well, located on the onshore Moruga Block, reached a qualifying depth of 10,300 feet and penetrated both the primary and secondary objectives in the Herrera Formation, but we were unable to properly evaluate these objectives due to non-repairable cement conditions in the well. The Company has imported a larger and more modern rig to re-enter

Firecrown-1 and sidetrack the well to evaluate both of the objectives. The rig is currently preparing to re-enter the well and is expected to start drilling within the next week with test results expected by the end of April 2012.

Additionally during the first half of 2012, on the Moruga Block the Company is evaluating follow-up appraisal locations to the Snowcap-1 light oil discovery and plans to spud the Green Hermit prospect during late February 2012. Parex' working interest for the Moruga Block is 50 percent and will increase to 83.8 percent subject to closing of the purchase of the additional working interest.

Cribo-1, an exploration well located on the Company's Trinidad onshore Central Range Block ("CRB") Shallow, was drilled and cased in the third quarter of 2011. Cribo-1 tested uneconomic volumes of oil and gas and the well is currently suspended.

The second CRB Shallow exploration well, Mapepire-1 was drilled as part of the earning requirement of the block. Based on the Company's interpretation of wireline logs and Cribo-1 test results, the well is expected to be suspended.

The Company plans to start drilling its first high impact CRB Deep well, Tigre-1 during the second quarter of 2012.

First Half of 2012 Drilling Schedule

A summary of the near-term exploration and appraisal drilling program is provided below:

#	Prospect	Block	Expected Timing
1	Kona-14	LLA-16	Spud late Q1 2012
2	Kona-15 & 16	LLA-16	Spud late Feb & early Q2 2012
3	Java	LLA-16	Spud late February 2012
4	Merida	LLA-16	Testing March 2012
5	Malawi	LLA-16	Spud Q2 2012
6	Cumbre	LLA-20	Spud late February 2012
7	Las Maracas	Los Occaros	Spud Q2 2012
8	Adalia	LLA-30	Spud Q2 2012
9	"Earning Well"	El Eden	Spud Q2 2012
10	Firecrown	Trinidad Moruga	Spud late February 2012
11	Green Hermit	Trinidad Moruga	Spud late February 2012
12	Tigre	Trinidad CRB Deep	Spud Q2 2012

2012 Guidance Update

For 2012 Parex maintains its previously provided guidance that capital expenditure plans in Colombia and Trinidad of \$230-\$275 million and exit rate production of approximately 17,000 bopd, net before royalty. The Company expects to fund 2012 capital expenditures with cash flow from operations thereby allowing Parex the option to use its significant working capital for business development.

Upcoming Presentations

RBC Capital Markets' South American Energy Conference

Parex is pleased to advise that Mr. Dave Taylor, VP Exploration and Business Development is scheduled to present at the RBC Capital South American Energy Conference in Toronto, Ontario on Wednesday, February 29, 2012.

Haywood Energy Conference

Mr. Wayne Foo, President and CEO, is scheduled to present at the Haywood Energy Conference in San Francisco on March 1, 2012.

FirstEnergy/Société Générale Canadian Energy Conference

Mr. Wayne Foo, President and CEO is scheduled to present at the FirstEnergy/Société Générale Canadian Energy Conference in New York, New York on Wednesday, March 7, 2012.

Corporate Overview

Parex, through its direct and indirect subsidiaries, is engaged in oil and natural gas exploration, development and production in South America and the Caribbean region. Parex is conducting exploration activities on its 814,000 acre holdings in the Llanos Basin of Colombia and 223,500 acre holdings onshore Trinidad. Parex is headquartered in Calgary, Canada.

This news release does not constitute an offer to sell securities, nor is it a solicitation of an offer to buy securities, in any jurisdiction.

For more information please contact:

Michael Kruchten

Manager, Investor Relations
Parex Resources Inc.
Phone: (403) 517-1733
Fax: (403) 265-8216
Investor.relations@parexresources.com

Kenneth G. Pinsky

Vice President, Finance and Chief
Financial Officer
Parex Resources Inc.
Phone: (403) 517-1729
Fax: (403) 265-8216

Reserve Advisory

"Proved" reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.

"Probable" reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.

"Possible" reserves are those additional reserves that are less certain to be recovered than probable reserves. There is a 10 percent probability that the quantities actually recovered will equal or exceed the sum of proved plus probable plus possible serves.

It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved plus probable plus possible reserves.

All evaluations and reviews of future net cash flow are stated prior to any provision for interest costs or general and administrative costs and after the deduction of estimated future capital expenditures for wells to which reserves have been assigned. It should not be assumed that the estimated future net cash flow shown below is representative of the fair market value of the Company's properties. There is no assurance that such price and cost assumptions will be attained, and variances could be material. The recovery and reserve estimates of crude oil reserves provided are estimates only, and there is no guarantee that the estimated reserves will be recovered. Actual crude oil reserves may be greater than or less than the estimates provided.

Readers are cautioned that test results disclosed herein are not necessarily indicative of long-term performance or of ultimate recovery.

Advisory on Forward Looking Statements

Certain information regarding Parex set forth in this document contains forward-looking statements that involve substantial known and unknown risks and uncertainties. The use of any of the words "plan", "expect", "prospective", "project", "intend", "believe", "should", "anticipate", "estimate" or other similar words, or statements that certain events or conditions "may" or "will" occur are intended to identify forward-looking statements. Such statements represent Parex's internal projections, estimates or beliefs concerning, among other things, future growth, results of operations, production, future capital and other expenditures, plans for and results of drilling activity, business prospects and opportunities. These statements are only predictions and actual events or results may differ materially. Although the Company's management believes that the expectations reflected in the forward-looking statements are reasonable, it cannot guarantee future results, levels of activity, performance or achievement since such expectations are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause Parex' actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, Parex.

In particular, forward-looking statements contained in this document include, but are not limited to, statements with respect to the performance characteristics of the Company's oil properties and wells; results of drilling and testing, results of operations; drilling plans; activities to be undertaken in various areas; capital plans in Colombia and exit rate production; expected production in the first quarter 2012; quarter over quarter growth; timing of drilling and completion; planned capital expenditures, the timing thereof and the source of funding for such capital expenditures; terms of agreement with Talisman Energy; and details of the Company's exploration drilling and testing program. In addition, statements relating to "reserves" or "resources" are by their nature forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions that the resources and reserves described can be profitably produced in the future. The recovery and reserve estimates of Parex' reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered.

These forward-looking statements are subject to numerous risks and uncertainties, including but not limited to, the impact of general economic conditions in Canada,

Colombia and Trinidad & Tobago; industry conditions including changes in laws and regulations including adoption of new environmental laws and regulations, and changes in how they are interpreted and enforced, in Canada, Colombia and Trinidad & Tobago; competition; lack of availability of qualified personnel; the results of exploration and development drilling and related activities; obtaining required approvals of regulatory authorities, in Canada, Colombia and Trinidad & Tobago; risks associated with negotiating with foreign governments as well as country risk associated with conducting international activities; volatility in market prices for oil; fluctuations in foreign exchange or interest rates; environmental risks; changes in income tax laws or changes in tax laws and incentive programs relating to the oil industry; ability to access sufficient capital from internal and external sources; the factors described under "Risk Factors" in the Company's annual information form for the year ended December 31, 2010; and other factors, many of which are beyond the control of the Company. Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could effect Parex's operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com).

Although the forward-looking statements contained in this document are based upon assumptions which Management believes to be reasonable, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. With respect to forward-looking statements contained in this document, Parex has made assumptions regarding: current commodity prices and royalty regimes; availability of skilled labour; timing and amount of capital expenditures; future exchange rates; the price of oil; the impact of increasing competition; conditions in general economic and financial markets; availability of drilling and related equipment; effects of regulation by governmental agencies; royalty rates, future operating costs, and other matters. Management has included the above summary of assumptions and risks related to forward-looking information provided in this document in order to provide shareholders with a more complete perspective on Parex's current and future operations and such information may not be appropriate for other purposes. Parex's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do, what benefits Parex will derive there from. These forward-looking statements are made as of the date of this document and Parex disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.