Oryx Petroleum 2015 Financial and Operational Results

Early Progress in 2016 with Commencement of Pipeline Exports

Calgary, Alberta, March 16, 2016

Oryx Petroleum Corporation Limited ("Oryx Petroleum" or the "Corporation") today announces its financial and operational results for the year ended December 31, 2015. All dollar amounts set forth in this news release are in United States dollars, except where otherwise indicated.

2015 Financial Highlights:

- Total revenues of $20.5 million on working interest sales of 588,200 barrels of oil ("bbl") and an average realised sales price of $29.20/bbl for 2015
- Net loss of $423.6 million ($3.43 per common share) in 2015 versus a net loss of $19.0 million ($0.17 per common share) in 2014, including an aggregate of $397.5 in impairment charges during 2015 related to the Hawler, Wasit, OML 141 and Haute Mer A license areas
- Capital expenditure of $108.7 million in 2015, including $105.5 million in the Hawler license area, versus capital expenditure of $325.9 million in 2014
- $54.2 million of cash and cash equivalents as of December 31, 2015
- $100.0 million credit facility provided by The Addax & Oryx Group P.L.C. ("AOG") in March 2015 fully drawn at December 31, 2015
- Restructuring of contingent consideration payable to the vendor of the Hawler license area upon declaration of a second commercial discovery such that any amounts payable will be paid in annual instalments over four years with first payment of $14 million expected in 2017

2015 Operations Highlights:

- Gross (100%) oil production of 922,000 bbl (working interest 599,000 bbl) for the year ended December 31, 2015 versus gross (100%) oil production of 553,000 bbl (working interest 346,000 bbl) for the year ended December 31, 2014
    - 2,500 bbl/d (working interest 1,600 bbl/d) average oil production for the year ended December 31, 2015
    - Production curtailed beginning in April 2015 in order to manage higher than expected water production
- Five wells capable of production from the Demir Dagh Cretaceous reservoir as of December 31, 2015 with gross (100%) productive capacity estimated to total 2,000 to 4,000 bbl/d
- Completion and commissioning of the Demir Dagh production facilities in September 2015 representing gross (100%) capacity of 40,000 bbl/d with two trains to process Cretaceous and Jurassic crude production streams
- Gross (working interest) proved plus probable oil reserves of 238 million barrels as at December 31, 2015 versus 271 million barrels as at December 31, 2014
- Identification of a new prospect and re-mapping of previously identified prospects in the Haute Mer B license area based on 3D seismic data acquired and processed in 2014 and 2015

2016 Operations Update:

- Successful re-completion of the Demir Dagh-3 well in the Jurassic reservoir in January 2016
  - Flowed at 1,000 bbl/d for 7 days before being shut-in due to full storage; production successfully processed through Train 2 of the Demir Dagh production facilities
  - Samples indicated 40° API oil with 2 - 4% water cut
  - Expected gross (100%) productive capacity of 2,000 to 3,000 bbl/d from the Jurassic
- Limited production and oil sales in January and February 2016 due to temporary Turkey-Iraq border closures and restrictions on export by trucking
- Completion of tie-in and commissioning of pipeline infrastructure to export oil via the Kurdistan Export Pipeline to Turkey in early March 2016
- Commencement of pipeline export sales on March 14, 2016
  - Current gross (100%) production of 1,700 bbl/d from three wells with expectation to increase to full productive capacity of 4,000 bbl/d to 7,000 bbl/d in the coming weeks
  - Expectation that most future production will be exported via pipeline
  - Revenues to be based on realisations of Brent crude less a $10-$15 per barrel discount for transportation and quality differentials versus comparable discount of $26 per barrel for previous trucking exports
- $30 million cash investment and proposed $20 million work commitment from Zeg Oil and Gas Ltd ("Zeg Oil") announced on March 1, 2016 (the "Zeg Oil Strategic Investment")(See the section titled "Strategic Investment " below)
- Implementation of re-organisation announced March, 1, 2016 to result in substantial cost savings
  - Vance Querio, previously Chief Operating Officer, appointed to assume Michael Ebsary's responsibilities as Chief Executive Officer effective March 16, 2016 and will retain the responsibilities of the Chief Operating Officer
  - Overall headcount to be reduced from 245 as of June 30, 2015 to 104 upon expiration of notice periods, and headcount in Geneva, Switzerland to be reduced from 72 to 15
  - General & administrative and technical support expenditures to be approximately 50% lower in 2016 versus 2015 with further reductions expected in 2017

2016 Forecasted Capital Expenditures, Liquidity and Outlook:

- 2016 cash capital expenditure forecast of $62 million (versus $90 million budget). Almost all of expenditures will be dedicated to the Hawler license area in the Kurdistan Region of Iraq with the development of the Zey Gawra field the key focus
- The Corporation expects cash on hand as of December 31, 2015, proceeds and funding from the Zeg Oil Strategic Investment, and cash receipts from net revenues in 2016 assuming a $35 per barrel average Brent crude price and export sales exclusively through the pipeline, to fund its forecasted cash expenditures into the second quarter of 2017
- Assuming the successful completion of all planned activities, the Corporation expects gross (100%) oil production from the Hawler license area to exceed 10,000 bbl/d by the end of 2016

CEO's Comment

Commenting today, Oryx Petroleum's outgoing Chief Executive Officer, Michael Ebsary, stated:

"2015 was a challenging year for Oryx Petroleum. The precipitous decline in oil prices, the ongoing security and economic crisis in Northern Iraq and Syria as well as higher than expected water production at our Demir Dagh field limited our ability to achieve our objectives. But amidst these challenges we nevertheless achieved meaningful progress: we secured market access for our crude production via an agreement with a regional marketer in March; we completed our production facilities at the Demir Dagh field in September; and, most importantly, we developed a revised plan for development of the Cretaceous reservoir at Demir Dagh that still contains over 100 million barrels of gross (100%) proved plus probable oil reserves.

We have also made significant progress in improving our financial position. We have reduced planned capital expenditures and staffing levels, restructured contingent consideration liabilities and, most recently, secured a cash investment and a proposed work commitment from Kurdistan-based Zeg Oil which means that our planned 2016 cash expenditures are fully funded."

Also commenting today, Oryx Petroleum's newly appointed Chief Executive Officer, Vance Querio, stated:

I appreciate the confidence that the Board of Oryx Petroleum has expressed by appointing me to lead our organisation and thank Mike and others departing for their valuable service to Oryx Petroleum. In terms of operations, in late 2015 we resumed drilling operations at Demir Dagh and in early 2016 successfully re-completed the Demir Dagh-3 well in the Jurassic reservoir. With the restoration of the Demir Dagh-2 well to production and the addition of light oil production from the Jurassic reservoir at the Demir Dagh-3 well, we currently estimate that the Demir Dagh field has the capacity to deliver some 4,000 to 7,000 bbl/d of production. Importantly, we also recently completed and commissioned the tie-in of the Demir Dagh production facilities to the Kurdistan Export Pipeline to Turkey and agreed crude oil pricing terms with the government. Two days ago we commenced pipeline exports and we now expect that most of our oil production will be exported via pipeline.

Our plans for the remainder of 2016 will focus on developing the Zey Gawra field with the proceeds of the Zeg Oil Strategic Investment. With the recompletion of existing wells and drilling of new wells at Zey Gawra we expect the productive capacity of our fields in the Hawler license area to exceed 10,000 bbl/d by the end of 2016.

Overall, we believe we are well positioned for 2016 and beyond and are confident in and very much look forward to continuing the implementation of our 2016 plan."

Selected Financial Results

Financial results are prepared in accordance with International Financial Reporting Standards ("IFRS") and the reporting currency is US dollars. References in this news release to the "Group" refer to Oryx Petroleum and its subsidiaries. The following table summarises selected financial highlights for Oryx Petroleum for the year and three month periods ended December 31, 2015 and December 31, 2014.

	Three Months Ended December 31		Year Ended December 31	
($ in millions unless otherwise indicated)	2015	2014	2015	2014
Revenue	1.5	7.8	20.5	19.6
Working Interest Production (bbl)	75,000	168,000	599,000	346,000
Average WI Production per day (bbl/d)(1)	800	1,800	1,600	1,800
Working Interest Sales (bbl)	68,000	122,000	588,200	295,000
Average Sales Price ($/bbl)	19.37	53.61	29.20	55.69
Operating Expense	4.4	1.9	19.9	6.7
Field production costs ($/bbl)(2)	49.00	11.84	25.83	17.24
Field Netback ($/bbl)(3)	(39.54)	14.36	(11.56)	9.96
Operating expenses ($/bbl)	64.06	15.48	33.77	22.55
Oryx Petroleum Netback ($/bbl)(4)	(51.43)	21.11	(13.92)	15.46
Net Loss	91.5	1.9	423.6	19.0
Loss per Share ($/sh)	0.75	0.02	3.43	0.17
Operating Cash Flow(5)	(5.6)	1.1	(18.3)	(3.2)
Net Cash used in operating activities	7.2	17.9	22.0	28.5
Net Cash used in investing activities	23.6	62.2	133.0	374.3
Capital Expenditure(6)	9.7	65.5	108.7	325.9
Cash and Cash Equivalents	54.2	109.9	54.2	109.9
Total Assets	779.7	1,138.2	779.7	1,138.2
Total Liabilities	240.5	177.6	240.5	177.6
Total Equity	539.1	960.6	539.1	960.6

(1) Commercial production at the Hawler license area began on June 19, 2014.
(2) Field production costs represent Oryx Petroleum's working interest share of gross production costs and exclude the partner share of production costs carried by Oryx Petroleum.
(3) Field Netback is a non-IFRS measure that represents the Group's working interest share of oil sales net of the Group's working interest share of royalties, the Group's working interest share of operating expenses and the Group's working interest share of taxes. Management believes that Field Netback is a useful supplemental measure to analyse operating performance and provides an indication of the results generated by the Group's principal business activities prior to the consideration of production sharing contract and joint operating agreement financing characteristics, and other income and expenses. Field Netback does not have a standard meaning under IFRS and may not be comparable to similar measures used by other companies.

(4) Oryx Petroleum Netback is a non-IFRS measure that represents Field Netbacks adjusted to reflect the impact of carried costs incurred and recovered through the sale of cost oil during the reporting period. Management believes that Oryx Petroleum Netback is a useful supplemental measure to analyse the net cash impact of the Group's principal business activities prior to the consideration of other income and expenses. Oryx Petroleum Netback does not have a standard meaning under IFRS and may not be comparable to similar measures used by other companies.

(5) Operating Cash Flow is a non-IFRS measure that represents cash generated from operating activities before changes in non-cash working capital and changes in the retirement benefit obligation balance. The term Operating Cash Flow should not be considered an alternative to or more meaningful than "cash flow from operating activities" as determined in accordance with IFRS. Management considers Operating Cash Flow to be a key measure as it demonstrates the Group's ability to generate the cash flow necessary to fund future growth through capital investment. Operating Cash Flow does not have any standardised meaning prescribed by IFRS and may not be comparable to similar measures used by other companies.

(6) Excludes license acquisition costs.

- Revenue for the year increased to $20.5 million in 2015 versus $19.6 million in 2014 due primarily to a 99% increase in oil sales volumes offset by a 48% drop in average oil sales prices. Gross (working interest) production and sales of oil in 2015 were 599,000 barrels and 588,200 barrels, respectively, versus 346,000 and 295,000 barrels, respectively, for 2014. The average oil sales price realised in 2015 was $29.20 per barrel versus $55.69 for 2014. In addition to oil sales, revenue includes the recovery of carried costs.

- Operating expenses in the year increased to $19.9 million in 2015 from $6.7 million in 2014 due to the cost associated with operating a higher number of wells and a larger processing facility in 2015 versus 2014. Operating expenses on a per barrel basis were higher in 2015 than in 2014 due to the largely fixed nature of operating costs and low production levels and remain significantly higher than expected over the longer term due to low production levels relative to expected field plateau production levels. Per barrel operating expenses are expected to improve in the near term but will continue to be at elevated levels prior to achieving production and sales levels closer to expected field plateau production levels. Oryx Petroleum currently carries the Kurdistan Regional Government's share of production costs. The Oryx Petroleum Netback achieved in 2015 of negative $13.92 per barrel reflects the Field Netback plus adjustments for carried costs.

- Net loss for the year increased to $423.6 million in 2015 as compared to net loss of $19.0 million in 2014 due primarily to an aggregate of $397.5 million in impairment charges in 2015, of which $242.5 million related to the Hawler license area and $154.9 million related to the Wasit, OML 141 and Haute Mer A license areas, negative netbacks on oil sales in 2015 versus positive netbacks in 2014, and higher depletion and finance expenses in 2015 versus 2014. The impairment charge was increased by $86.6 million in the fourth quarter of 2015 versus the impairment recorded as of September 30, 2015. The increase reflects an additional $35.7 million impairment of the Hawler license area and a write-off of the entire $55.6 million investment in the Haute Mer A license area partially offset by some minor adjustments to prior impairments of other license areas.

- Operating Cash Flow was negative $18.3 million for 2015 compared to Operating Cash Flow of negative $3.2 million in 2014. The decrease in Operating Cash Flow is primarily due to the negative netback realised on oil sales in 2015 versus a positive netback realised on oil sales in 2014, partially offset by a decrease in cash general and administrative expenses.

- Net cash used in operating activities decreased to $22.0 million in 2015 as compared to $28.5 million in 2014. The decrease reflects a smaller increase in working capital in 2015 versus 2014 partially offset by the negative netback on oil sales in 2015 versus a positive netback on oil sales in 2014.

- Net cash used in investing activities decreased to $133.0 million in 2015 as compared to $374.3 million in 2014 reflecting reduced cash outflows for capital investment during the period.
- Capital expenditures in 2015 totalled $108.7 million as compared to $325.9 million in 2014. $105.5 million of the 2015 capital expenditures were incurred in the Hawler license area including $65.6 million for production facilities and related infrastructure and $24.4 million for exploration, appraisal and development drilling activity. Net cash used in investing activities significantly exceeded capital expenditures in 2015 due primarily to a reduction in payables during the year.
- Cash and cash equivalents increased to $54.2 million at December 31, 2015 from $35.0 million at September 31, 2015 reflecting the drawdown of the second $50 million tranche of the unsecured credit facility provided by AOG offset by negative Operating Cash Flow, capital expenditures, and movements in working capital.
- In March 2015, Oryx Petroleum entered into a Loan Agreement with AOG whereby AOG committed to provide a $100 million unsecured credit facility to Oryx Petroleum. As of December 31, 2015 the facility was fully drawn. No cash payments are due on the credit facility until it matures in 2018.
- The first annual instalment of $14 million relating to the $71 million contingent consideration payable upon declaration of commerciality of a second discovery in the Hawler license area is expected to be payable in the first half of 2017.
- As at March 16, 2016, 205,812,477 common shares are outstanding. As at March 16, 2016, there are unvested Long Term Incentive Plan awards which will result in the issuance of up to an additional 1,875,554 common shares upon vesting and the Corporation has issued warrants to AOG to purchase twelve million common shares as part of the unsecured credit facility provided by AOG in March 2015.

2016 Cash Capital Expenditure Forecast

Oryx Petroleum re-forecasted cash capital expenditures for 2016 are $62 million, reduced from the previous budget of $90 million. The reduction reflects revised plans at the Zey Gawra field per the strategic transaction with Zeg Oil, the deferment of drilling activity at the Demir Dagh field and reduced staffing levels. The following table summarises the Corporation's 2016 forecasted cash capital expenditure program:

Location	License/Field/Activity	2016 Budget	2016 Forecast
		$ millions	$ millions
Kurdistan Region	Hawler		
	Demir Dagh	45	18
	Zey Gawra	38	40
	Total Hawler	**83**	**58**
West Africa	Various	7	5
	Capex Total	**90**	**62**

Note:
(1) The above table excludes license acquisition costs. Totals may not add-up due to rounding.

At the Demir Dagh field forecasted drilling activity expenditures consist primarily of costs related to the successful re-completion of the Demir Dagh-3 well in the Jurassic reservoir. Planned re-completions and new wells envisioned when the 2016 budget was announced have been deferred.

Demir Dagh forecasted facilities expenditures are comprised primarily of monthly capital lease payments for the Demir Dagh production facilities, and minor infrastructure works.

Zey Gawra forecasted drilling activities consist of sidetracking the ZEG-1 discovery well and a re-entry and re-completion of the ZAB-1 discovery well drilled in the 1990s. Both wells are expected to be completed as producers. Forecasted Zey Gawra facilities expenditures are for the construction of dedicated production facilities to the south of the Zey Gawra field with gross capacity of 20,000 bbl/d and related infrastructure.

Activities in West Africa in 2016 will be limited to license maintenance, data analysis, and preparation for future data acquisition and drilling activity.

Liquidity Outlook

Oryx Petroleum expects cash on hand at December 31, 2015, the cash proceeds and funding related to the Zeg Oil Strategic Investment, and cash receipts from net revenues in 2016 assuming a $35 per barrel average Brent crude price and export sales exclusively through the pipeline, to fund its forecasted cash expenditures into the second quarter of 2017. The Corporation retains the flexibility to adjust its expenditure plans in response to positive or negative changes in the operating environment.

Strategic Investment

As announced on March 1, 2016, Zeg Oil subscribed for and was issued approximately 75.7 million common shares of Oryx Petroleum for consideration of $30 million. The Corporation has also issued 8,000,000 common shares to an existing shareholder for consideration of $3.2 million.

In addition, Oryx Petroleum announced it intends to contract with an affiliate of Zeg Oil for the provision of $40 million of drilling and other services related to the appraisal and early production of the Zey Gawra field in the Hawler license area in the Kurdistan Region of Iraq (the “Zey Gawra Contracts”).

Zeg Oil is a privately held company based in the Kurdistan Region of Iraq that provides a broad range of engineering and construction services to the energy sector.

Regulatory Filings

This announcement coincides with the filing with the Canadian securities regulatory authorities of Oryx Petroleum’s audited condensed consolidated financial statements for the year ended December 31, 2015 and the related management’s discussion and analysis thereon. Copies of these documents filed by Oryx Petroleum may be obtained via www.sedar.com, and the Corporation’s website, www.oryxpetroleum.com.

ABOUT ORYX PETROLEUM CORPORATION LIMITED

Oryx Petroleum is an international oil exploration, development and production company focused in Africa and the Middle East. The Corporation's shares are listed on the Toronto Stock Exchange under the symbol "OXC". The Oryx Petroleum group of companies was founded in 2010 by The Addax and Oryx Group P.L.C. and key members of the former senior management team of Addax Petroleum Corporation. Oryx Petroleum has interests in seven license areas, two of which have yielded oil discoveries and five of which the Corporation believe are prospective for oil. The Corporation is the operator or technical partner in five of the seven license areas. Two license areas are located in the Kurdistan Region and the Wasit governorate (province) of Iraq and five license areas are located in West Africa in Nigeria, the AGC administrative area offshore Senegal and Guinea Bissau, and Congo (Brazzaville). Further information about Oryx Petroleum is available at www.oryxpetroleum.com or under Oryx Petroleum's profile at www.sedar.com.

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Reader Advisory Regarding Forward-Looking Information

Certain statements in this news release constitute "forward-looking information", including statements related to expected well capacity and production rates, forecast capital expenditure including details of the Corporation's capital expenditure budget for 2016, drilling plans, development plans and schedules and chance of success, future drilling of new wells, costs and drilling times for new wells, approach to the development of the Hawler license area, sales channels for future sales and expectations that all future production will be exported through the KRI-Turkey pipeline, expectations that future revenue from sales will be split in accordance with the production sharing contract applicable to the Hawler license area, ultimate recoverability of current and long-term assets, guidance regarding production rates and operating expenses on a per barrel basis, estimates of oil reserves, possible commerciality of our projects, future expenditures and sources of financing for such expenditures, expected savings from cost reduction efforts, expectations that cash on hand, proceeds and funding from the Zeg Oil Strategic Investment and net revenues in 2016 will be sufficient to fund forecasted 2016 cash capital expenditures, the issuance of shares as a result of the vesting of Long Term Incentive Plan awards, exercise of outstanding warrants, and the proposed Zey Gawra Contracts, estimates for the fair value of the contingent consideration arising from the acquisition of OP Hawler Kurdistan Limited in 2011 and the expected timing for settlement of such liability, and statements that contain words such as "may", "will", "could", "should", "anticipate", "believe", "intend", "expect", "plan", "estimate", "potentially", "project", or the negative of such expressions and statements relating to matters that are not historical fact, constitute forward-looking information within the meaning of applicable Canadian securities legislation.

Although Oryx Petroleum believes these statements to be reasonable, the assumptions upon which they are based may prove to be incorrect. For more information about these assumptions and risks facing the Corporation, refer to the Corporation's annual information form dated March 26, 2015 available at www.sedar.com and the Corporation's website at www.oryxpetroleum.com. Further, statements including forward-looking information in this news release are made as at the date they are given and, except as required by applicable law, Oryx Petroleum does not intend, and does not assume any obligation, to update any forward-looking information, whether as a result of new information, future events or otherwise. If the Corporation does update one or more statements containing forward-looking information, it is not obligated to, and no inference should be drawn that it will make additional updates with respect thereto or with respect to other forward-looking information. The forward-looking information contained in this news release is expressly qualified by this cautionary statement.

Reserves Advisory

Oryx Petroleum's reserves estimates have been prepared and evaluated by Netherland, Sewell & Associates, Inc., an independent oil and gas consulting firm, with effective dates as at December 31, 2015 and December 31, 2014, as indicated, in accordance with National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities* and the Canadian Oil and Gas Evaluation Handbook.

Proved oil reserves are those reserves which are most certain to be recovered. There is at least a 90% probability that the quantities actually recovered will equal or exceed the estimated proved oil reserves. Probable oil reserves are those additional reserves that are less certain to be recovered than proved oil reserves. There is at least a 50% probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable oil reserves. Volumes are based on commercially recoverable volumes within the life of the production sharing contract.

Reader Advisory Regarding Production Figures

Unless provided otherwise, all production and capacity figures and volumes cited in this news release are gross (100%) values, indicating that figures (i) have not been adjusted for deductions specified in the production sharing contract applicable to the Hawler license area, and (ii) are attributed to the license area as a whole and do not represent Oryx Petroleum's working interest in such production, capacity or volumes.