# Oryx Petroleum Third Quarter 2016 Financial and Operational Results and 2017 Capital Budget

***Average production and sales of 2,900 bbl/d during Q3 2016 with full payment received, higher netback and further cost reductions versus Q2 2016; Appraisal and initial development of Zey Gawra field in progress***

**Calgary, Alberta, November 09, 2016**

Oryx Petroleum Corporation Limited ("Oryx Petroleum" or the "Corporation") today announces its financial and operational results for the three and nine months ended September 30, 2016 as well as its 2017 capital expenditure budget. All dollar amounts set forth in this news release are in United States dollars, except where otherwise indicated.

**Operations Highlights:**

- Average gross (100%) oil production of 2,900 barrels per day ("bbl/d") for Q3 2016 from the Demir Dagh field
  - Production achieved on all days in the quarter with all production sold via export pipeline
  - Average realisation on sales of $35.19/bbl reflecting a discount of $10.66/bbl to average Brent crude oil price
- Average gross (100%) oil production of 2,900 bbl/d in October 2016 at the Demir Dagh field
  - Average realisation on sales of $39.17/bbl reflecting a discount of $10.49/bbl to average Brent crude oil price
- Appraisal and initial development of the Zey Gawra field in progress with initial intervention on one of three planned wells concluded
  - The ZAB-1 well in the Zey Gawra field was spudded in 1990, reached targeted total depth and was successfully re-entered in 2002 after a long suspension prompted by the Gulf War, with the well suspended again prior to completion due to the resumption of hostilities in Iraq
  - In late September 2016, Oryx Petroleum resumed test activities conducting a fluid identification test through a 17 metre perforated interval at a depth of approximately 1,000 metres in the Tertiary reservoir.
  - After a series of short clean-up flow periods, the well flowed steadily during an 8 hour test through a one inch choke, producing 9.6 million standard cubic feet per day of natural gas with 2.8 percent hydrogen sulphide, 1,120 bbl/d of water and approximately 20 bbl/d of 33 degree API oil.
  - The well was not completed as a producer and has been suspended. Data obtained during the work indicate a lack of zonal isolation behind the? casing. As such, the Corporation intends to further evaluate the Tertiary reservoir at the Zey Gawra field in the coming months. The Corporation has no estimated reserves or contingent resources attributed to the Tertiary reservoir as of December 31, 2015.
  - The sidetrack and re-completion of the Zey Gawra-1 discovery well in the Cretaceous reservoir, where the Corporation does have estimated reserves as of December 31, 2015, is now underway with results and first production expected in December 2016.
  - The drilling of a third well in the appraisal and initial development of the Zey Gawra field targeting the Cretaceous reservoir is planned in the first half of 2017.

- The installation of leased production facilities at the Zey Gawra field, from which oil will be trucked to the existing Hawler tanker terminal, and modifications to the Hawler tanker terminal and production facilities required to handle Zey Gawra crude oil are complete.

- The Corporation is in the final stages of contracting with a party to conduct a multi-client 3D seismic survey in the AGC Central license area. It is envisioned that approximately 2000 $km^2$ of 3D seismic data will be acquired in Q4 2016 and that the data will be processed and interpreted in the first half of 2017.

- Agreements relating to the Corporation's right to conduct oil exploration activities in the Wasit province of Iraq are no longer in effect. Permits necessary for exploration activities to proceed have never been issued, restricting the ability of the Corporation to advance exploration activity during the terms of the applicable agreements.

**Financial Highlights for the three months ended September 30, 2016:**

- Revenues of $6.7 million on working interest sales of 172,100 bbl of oil and an average realised sales price of $35.19/bbl
  - The Corporation has received full payment in accordance with production sharing contract entitlements for all oil sale deliveries into the Kurdistan Export Pipeline up to and including September 2016.
- Operating expenses of $2.8 million ($16.50/bbl) and Oryx Petroleum Netback[1] of $4.59/bbl
  - 51% decrease in operating expenses in both absolute and per barrel terms versus Q3 2015
  - 49% increase in Oryx Petroleum Netback[1] vs Q2 2016
- General and administrative expenses of $2.2 million
  - 32% reduction versus Q3 2015
- Net loss of $8.7 million ($0.04 per common share)
- Net cash used in operating activities was $2.1 million versus $2.5 million in Q3 2015 including negative Operating Cash Flow[2] of $0.6 million and a $1.5 million decrease in working capital
- Net cash used in investing activities was $7.6 million including payments related to initial work on the first phase development of the Zey Gawra field, the finance lease obligation related to the Demir Dagh production facilities, technical support costs and payments for capital investment in prior periods
- $46.6 million of cash and cash equivalents as of September 30, 2016

[1] Oryx Petroleum Netback is a non-IFRS measure. See the table below for a definition of and other information related to the term.
[2] Operating Cash Flow is a non-IFRS measure. See the table below for a definition of and other information related to the term.

**Q4 2016 Forecasted and 2017 Budgeted Capital Expenditures:**

- Q4 2016 forecasted capital expenditure and capital lease payments of $15 million, including previously unplanned capital expenditure of approximately $2 million for a 3D seismic data survey in the AGC Central license area
- 2017 Budgeted capital expenditures of $94 million
  - $33 million for drilling in the Hawler license area
  - $35 million for facilities in the Hawler license area
  - $21 million for drilling activities in the AGC Shallow license area
  - $5 million for seismic processing, studies and licence maintenance costs

**Liquidity and Outlook:**

- Oryx Petroleum expects cash on hand as of September 30, 2016 and cash receipts from net revenues to fund forecasted cash expenditures into the second quarter of 2017. The Corporation will require $20-$25 million of additional liquidity to achieve production and cash flow levels that will allow it to sustain its operations and fulfil its committed obligations in 2017. The Corporation will require a further $50-$60 million of liquidity to fund its full 2017 budgeted expenditures.
- Assuming full funding of expenditures included in the Corporation's 2017 budget, the successful completion of all planned activities, and drilling success, the Corporation expects gross (100%) oil production from the Hawler license area to be approximately 4,000 to 5,000 bbl/d by the end of 2016 and 12,000 to 15,000 bbl/d by the end of 2017.

**CEO's Comment**

Commenting today, Oryx Petroleum's Chief Executive Officer, Vance Querio, stated:

*"During Q3 2016 we maintained stable and uninterrupted production and sales. Gross (100%) oil production averaged approximately 2,900 bbl/d in Q3 2016 with all production sold via the export pipeline and payments for export sales through the end of September received. We achieved higher positive netbacks versus Q2 2016 and reduced our operating cash outflow and net loss.*

*The appraisal and initial development of the Zey Gawra field is well underway. The installation of leased production facilities at the Zey Gawra field and modifications to the Hawler tanker terminal are essentially complete and we have recently concluded the re-entry of the ZAB-1 well targeting the Tertiary reservoir. Although we have no reserves or contingent resources in the Zey Gawra Tertiary reservoir, we elected to conduct a relatively low cost re-entry and a fluid identification test based on data from the original ZAB-1 well.*

*The fluids produced during the ZAB-1 fluid identification test were primarily natural gas and water with only a small quantity of light oil and we did not complete the well as a producer as originally intended. Data obtained during the procedure suggests a lack of zonal isolation and we believe there is a need for further evaluation which we intend to undertake at minimum cost in the coming months.*

*We have now commenced work on the re-completion of the Zeg-1 discovery well with results and first production expected in December 2016. The drilling of a new well targeting the Zey Gawra Cretaceous reservoir is expected to be completed in the first half of 2017.*

*Outside of the Hawler license area we have sponsored a multi-client 3D seismic survey in the AGC Central license area in order to better delineate what we believe to be the significant potential of this license area.*

*Our 2017 Budget has been designed to allow us to significantly increase production, better define development potential of the key reservoirs where we currently have reserves, and meet activity commitments throughout our license areas. Our budgeted capital expenditures for the first half of 2017 include funds to cover the re-entry and re-completion of the Demir Dagh-8 well in the Cretaceous reservoir as well as a third well at the Zey Gawra field. In the second half of the year we expect to drill a fourth well targeting the Zey Gawra Cretaceous reservoir, to drill a horizontal well targeting the Demir Dagh Cretaceous reservoir, to complete the appraisal of the Banan-2 well, to construct a multiphase tie-back line from the Zey Gawra field to our production facilities at the Demir Dagh field, and to make further modifications to those processing facilities to accommodate additional Zey Gawra production. We also plan to fulfil our drilling commitment in the AGC Shallow license area with one or two shallow wells.*

*If both of the remaining wells included in our plan for the appraisal and initial development of Zey Gawra field are successful, we expect to achieve production and revenue levels by mid-2017 that will allow us to cover our ongoing operating and administrative expenditures and non-discretionary/maintenance capital expenditures. We estimate our current cash on hand and net revenues from sales will fund our planned expenditures into Q2 2017. We expect that a restructuring of obligations and/or a modest financing will be required to sustain our operations beyond Q2 2017 and that a more sizable financing will be required to fund our full 2017 budgeted expenditures. We are in discussions with relevant parties to address these needs and are confident we will be successful."*

### 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 three and nine month periods ended September 30, 2016 and September 30, 2015 as well as the year ended December 31, 2015.

| | Three Months Ended September 30 | | Nine Months Ended September 30 | | Year Ended December 31 |
|---|---|---|---|---|---|
| *($ in millions unless otherwise indicated)* | 2016 | 2015 | 2016 | 2015 | 2015 |
| Revenue | 6.7 | 4.2 | 15.0 | 18.9 | 20.5 |
| Working Interest Oil Production (bbl) | 172,000 | 168,200 | 402,000 | 524,800 | 599,000 |
| Average WI Oil Production per day (bbl/d) | 2,900 | 2,800 | 2,300 | 3,000 | 1,600 |
| Working Interest Oil Sales (bbl) | 172,100 | 170,000 | 411,300 | 520,200 | 588,200 |
| Average Sales Price ($/bbl) | 35.19 | 20.83 | 32.78 | 30.49 | 29.20 |
| Operating Expense | 2.8 | 5.7 | 9.6 | 15.5 | 19.9 |
| Field production costs ($/bbl)(1) | 12.61 | 25.81 | 17.78 | 22.80 | 25.83 |
| Field Netback ($/bbl)(2) | 4.58 | (15.64) | (1.76) | (7.91) | (11.56) |
| Operating expenses ($/bbl) | 16.50 | 33.75 | 23.25 | 29.81 | 33.77 |
| Oryx Petroleum Netback ($/bbl)(3) | 4.59 | (19.55) | (3.60) | (9.01) | (13.92) |
| Net Loss | 8.7 | 317.8 | 39.5 | 332.1 | 423.6 |
| Loss per Share ($/sh) | 0.04 | 2.56 | 0.19 | 2.68 | 3.43 |
| Operating Cash Flow(4) | (0.6) | (6.3) | (7.6) | (12.7) | (18.3) |
| Net Cash used in operating activities | 2.1 | 2.5 | 10.9 | 14.8 | 22.0 |
| Net Cash used in investing activities | 7.6 | 19.2 | 29.4 | 109.4 | 133.0 |
| Capital Expenditure(5) | 4.2 | 31.8 | 25.8 | 99.0 | 108.7 |
| Cash and Cash Equivalents | 46.6 | 35.0 | 46.6 | 35.0 | 54.2 |
| Total Assets | 780.8 | 838.6 | 780.8 | 838.6 | 779.7 |
| Total Liabilities | 236.7 | 205.5 | 236.7 | 205.5 | 240.5 |
| Total Equity | 544.1 | 633.1 | 544.1 | 633.1 | 539.1 |

*(1) 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.*

*(2) 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.*

*(3) 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.*

(4) *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.*

(5) *Excludes license acquisition costs. Nine month period ended September 30, 2016 includes non-cash items totalling $13.8 million reflecting changes in assumptions used in calculating the asset retirement obligations and the finance lease asset related to the Hawler license area and a non-cash revision to previous costs incurred in the OML 141 license area.*

- Revenue increased to $6.7 million in Q3 2016 versus $4.2 million in Q3 2015 due both to slightly higher oil sales volumes and higher average realised oil sales prices. Gross (working interest) production and sales of oil in Q3 2016 were 172,000 bbl and 172,100 bbl, respectively, versus 168,200 and 170,000 bbl, respectively, for Q3 2015. The average oil sales price realised in Q3 2016 was $35.19/bbl versus $20.83/bbl for Q3 2015. In addition to oil sales, revenue includes the recovery of carried costs.

  Lower international oil prices in Q3 2016 versus Q3 2015 were more than offset by the lower discount incurred on pipeline export sales versus that incurred on trucking export sales. Realised sales prices through the export pipeline are referenced to monthly average Brent crude oil prices, discounted for crude oil quality and transport, and adjusted for actual API gravity and sulphur content outside of agreed quality specification ranges. Sales realisations achieved in Q3 2016 reflect a discount of $10.66/bbl to the average Brent crude oil price during the period.

  Payment for pipeline export sales in May and June 2016 was received from the KRG during the third quarter of 2016 in accordance with the Corporation's entitlement under the Hawler license production sharing contract. Subsequent to September 30, 2016 the Corporation received payments for July, August, and September 2016 export oil sales and has now received full payment in accordance with production sharing contract entitlements for all oil deliveries into the Kurdistan Export Pipeline through the end of September 2016.

- Operating expenses decreased to $2.8 million in Q3 2016 from $5.7 million in Q3 2015. The decrease is primarily attributable to lower personnel, security, and facilities lease and operating costs. Q3 2015 operating expenses included rental costs for temporary production facilities which are no longer incurred. Additionally the Corporation has implemented cost saving initiatives that have resulted in lower personnel and other operating costs. The decrease was partially offset by a higher allocation of support costs to operating expenses given the reduced capital investment program in Q3 2016 versus Q3 2015.

  Operating expenses on a per barrel basis decreased from $33.75/bbl in Q3 2015 to $16.50/bbl in Q3 2016 due to cost reductions. Per barrel operating costs remain higher than expected over the longer term due to the largely fixed nature of operating costs and current production volumes relative to expected field plateau production levels. Per barrel operating expenses are expected to improve when production from the Zey Gawra field commences in Q4 2016.

  Oryx Petroleum currently carries the Kurdistan Regional Government's share of production costs. The Oryx Petroleum Netback achieved in Q3 2016 of $4.59/bbl reflects the Field Netback plus adjustments for carried costs.

- Net loss decreased to $8.7 million in Q3 2016 as compared to a net loss of $317.8 million in Q3 2015. The reduced loss in Q3 2016 is due primarily to an impairment loss of $310.8 million recorded in Q3 2015 relating to impairment of the Hawler, OML 141 and Wasit license areas versus a $0.1 million impairment recovery in Q3 2016, a $1.3 million increase in net revenue, a $2.9 million decrease in operating expenses and a $1.0 million decrease in general and administrative expenses. These positive factors were partially offset by a $6.8 million increase in other expense which includes a $2.4 million increase in the fair value of the contingent consideration liability related to the acquisition of the Hawler license, and a $2.1 million increase in finance costs. The increase in finance expenses resulted from the drawdown of the credit facility provided by AOG in March 2015, higher interest expense related to the contingent consideration liability restructured in late 2015, and interest expense related to the Hawler production facilities financing lease put in place in 2015.

- Operating Cash Flow was negative $0.6 million for Q3 2016 compared to negative $6.3 million in Q3 2015. The decrease in negative Operating Cash Flow is primarily due to higher net revenues and lower cash operating and general and administrative expenses in Q3 2016 versus Q3 2015.
- Net cash used in operating activities decreased to $2.1 million in Q3 2016 as compared to $2.5 million in Q3 2015. The decrease reflects higher net revenues and lower cash operating and general and administrative expenses in Q3 2016 versus Q3 2015 partially offset by an increase in non-cash working capital balances related to operating activities in Q3 2016 versus a decrease in non-cash working capital balances in Q3 2015.
- Net cash used in investing activities decreased to $7.6 million in Q3 2016 as compared to $19.2 million in Q3 2015 reflecting reduced cash outflows for current capital investment and a smaller reduction in payables related to capital investment in prior periods in Q3 2016 versus Q3 2015.
- Capital expenditures in Q3 2016 totalled $4.2 million as compared to $31.8 million in Q3 2015 reflecting lower capital investment. The Q3 2016 capital expenditures were comprised primarily of facilities and pre drilling costs related to the first phase development of the Zey Gawra field in the Hawler license area, and technical support costs. In Q3 2016 net cash used in investing activities significantly exceeded capital expenditures (excluding non-cash additions) due primarily to a reduction in payables related to capital investment in prior periods and payments related to the finance lease obligation during the quarter. The finance lease obligation was capitalised in 2015.
- Cash and cash equivalents decreased to $46.6 million at September 30, 2016 from $56.4 million at June 30, 2016 reflecting negative operating cash flow, cash 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. The outstanding balance of principal and accrued interest owed at September 30, 2016 is $103.2 million. On October, 14 2016 the Corporation issued 23,032,871 shares of Oryx Petroleum to AOG as consideration to extinguish $9.1 million of principal and accrued interest under the credit facility. No cash payments are due on the credit facility until its scheduled maturity in March 2018.
- The first principal instalment of $14.2 million plus accrued interest relating to the $71 million contingent consideration payable upon declaration of a second commercial discovery in the Hawler license area is scheduled to be payable in the first half of 2017. The total balance of principal plus accrued interest of the contingent consideration liability outstanding as of September 30, 2016 is $75.1 million.
- As at September 30, 2016, 230,328,710 common shares were outstanding. On October 14, 2016 the Corporation issued 23,032,871 shares of Oryx Petroleum to AOG as consideration to extinguish $9.1 million of principal and accrued interest under the unsecured credit facility provided by AOG in March 2015. As at November 8, 2016, there are unvested Long Term Incentive Plan awards which will result in the issuance of up to an additional 5,430,778 common shares upon vesting in 2017 and 2018 and the Corporation has issued warrants to AOG to purchase twelve million common shares as part of the unsecured credit facility provided by AOG.

### Q4 2016 Forecasted Cash Capital Expenditures

Planned cash capital expenditures and capital lease payments for the fourth quarter of 2016 are approximately $15 million and consist of i) drilling activities and facilities work related to the first phase development of the Zey Gawra field ($8 million), ii) capital lease payments related to the Hawler production facilities in the Hawler license area ($1.5 million), iii) acquisition of 3D seismic data in the AGC Central license area ($2 million), iv) production sharing contract compliance costs in the Hawler license area ($2 million), and v) expenditures for technical support, local office, and production sharing contract compliance costs throughout the Corporation's West African license areas ($1.5 million).

### 2017 Budgeted Capital Expenditures

Oryx Petroleum budgeted capital expenditures for 2017 are $94 million. The following table summarises the Corporation's budgeted 2017 capital expenditure program:

| Location | License/Field | Drilling | Facilities | Seismic& Studies and Other(2) | Total 2017 Budget |
|---|---|---|---|---|---|
| | | $ millions | $ millions | $ millions | $ millions |
| **Kurdistan Region** | Hawler | | | | |
| | Demir Dagh | 9.3 | 13.1 | - | 22.4 |
| | Zey Gawra | 15.6 | 22.4 | - | 38.0 |
| | Banan | 8.2 | - | - | 8.2 |
| | Other(2) | - | - | 3.4 | 3.4 |
| | **Total Hawler** | **33.1** | **35.5** | **3.4** | **72.0** |
| **W. Africa & Corp** | AGC Shallow | 20.7 | - | 0.6 | 21.3 |
| | Other | - | - | 1.1 | 1.1 |
| | **Capex Total** | **53.8** | **35.5** | **5.1** | **94.4** |

*Note:*

*(1) The above table excludes license acquisition costs. Totals in rows and columns may not add-up due to rounding*

*(2) Other is comprised primarily of license maintenance costs*

*Kurdistan Region of Iraq -- Hawler License Area*

Demir Dagh drilling--consists of costs related to the re-entry and re-completion in the Cretaceous reservoir of the previously drilled Demir Dagh-8 well and the drilling of a horizontal well as a sidetrack from an existing Demir Dagh well.

Zey Gawra drilling--consists of the drilling of two new wells targeting the Zey Gawra Cretaceous reservoir.

Banan drilling--consists of the completion of drilling and testing of the Banan-2 well suspended in 2014 due to security developments. The well will test both Cretaceous and Jurassic reservoirs and is expected to be completed in the Cretaceous reservoir as a producer.

Demir Dagh facilities--comprised primarily of monthly capital lease payments for the Demir Dagh production facilities, modifications to Train 1 of the Hawler production facilities needed to increase capacity to process crude oil with hydrogen sulphide, and minor infrastructure works.

Zey Gawra facilities expenditures-- include the installation of flowlines, and the construction of a multi-phase tie-back line to the Hawler Production facilities.

*W. Africa License Areas and Corporate*

AGC Shallow--Consists of costs to drill two prospects and related technical support as well as production sharing contract compliance costs.

Other--Consists primarily of costs to process and interpret 3D seismic data that the Corporation expects to acquire in late 2016 and related technical support and production sharing contract costs in the AGC Central license area, and minor studies and technical support in the Haute Mer B license area.

Expenditures related to the OML 141 and Haute Mer A license areas are now being expensed rather than capitalised.

**Liquidity Outlook**

The Corporation expects cash on hand as of September 30, 2016 and cash receipts from net revenues to fund 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. However, in order to achieve levels of production and cash inflows needed to sustain operations and fulfil its committed obligations in 2017 the Corporation will require $20-$25 million of additional liquidity. To fully fund all 2017 budgeted cash expenditures, including discretionary capital projects, the Corporation expects to require a further $50-60 million of liquidity. The Corporation is evaluating various options to achieve its liquidity requirements including: i) implementation of further cost containment measures, ii) rescheduling or reduction of cash outflow associated with current and anticipated obligations, iii) agreements to issue common shares in exchange for the provision of services, and iv) securing additional capital.

Specifically, management of Oryx Petroleum is engaged in discussions with existing shareholders, creditors, and other stakeholders regarding potential transactions and agreements which would help the Corporation achieve its liquidity requirements in 2017 and beyond.

Among the potential funding arrangements under consideration and pursuant to the subscription agreement entered into by the Corporation and Zeg Oil and Gas Ltd. ("Zeg Oil") on March 1, 2016, Oryx Petroleum proposes to contract with an affiliate of Zeg Oil for the provision of services related to appraisal and development of the Zey Gawra field in the Hawler license area (the "Zey Gawra Contracts"). It is intended that $20 million of consideration for work performed under the Zey Gawra Contracts will be paid through the issuance of an additional 50,455,966 common shares of Oryx Petroleum. The precise scope of work to be performed by the Zeg Oil affiliate under the Zey Gawra Contracts is under discussion.

**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 three and nine months ended September 30, 2016 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. Oryx Petroleum has interests in six license areas, two of which have yielded oil discoveries. The Corporation is the operator or technical partner in four of the six license areas. One license area is located in the Kurdistan Region 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 planned cash capital expenditures and capital lease payments for the fourth quarter of 2016 and the Corporation’s capital expenditure budget for 2017, drilling plans, development plans and schedules and chance of success, future drilling of wells and the reservoirs to be targeted, costs and drilling times for wells, approach to the development of the Hawler license area including plans to truck oil from the Zey Gawra field to the existing Hawler tanker terminal, 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, plans to negotiate and enter into the Zey Gawra Contracts and a contract to conduct a multi-client 3D seismic survey in the AGC Central license area, plans to process and interpret 3D seismic data from the AGC Central license area in the first half of 2017, 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 and cash receipts from net revenues will be sufficient to fund forecasted cash expenditures needed to sustain the Corporation’s operations and meet license commitments through the second quarter of 2017, the additional liquidity required to fund future 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, the expected timing for settlement of liabilities including the credit facility with AOG and the contingent consideration arising from the acquisition of OP Hawler Kurdistan Limited in 2011, 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 24, 2016 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.

***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.