Oryx Petroleum 2019 Financial and Operational Results

80% increase in Production and 54% increase in Revenues; Lower per barrel Operating Expense; Restructuring of certain borrowings and new short term credit facility

Calgary, Alberta, March 12, 2020

Oryx Petroleum Corporation Limited ("Oryx Petroleum" or the "Corporation") today announces its financial and operational results for the year ended December 31, 2019. The Corporation also announces agreements with AOG International Holdings Limited ("AOG") to amend the Loan Agreement dated March 13, 2015 and to establish a new short term credit facility. All dollar amounts set forth in this news release are in United States dollars, except where otherwise indicated.

2019 Financial Highlights:

- Total revenues of $150.5 million on working interest sales of 2,780,800 barrels of oil ("bbl") and an average realised sales price of $48.72/bbl for 2019
  - 54% annual increase in revenues versus 2018
  - Q4 2019 revenues increased 14% versus Q3 2019
  - The Corporation has received full payment in accordance with Production Sharing Contract entitlements for all oil sale deliveries into the Kurdistan Oil Export Pipeline through September 2019
- Operating expenses of $28.9 million ($10.41/bbl) and an Oryx Petroleum Netback[1] of $18.90/bbl for 2019
  - 17% decrease in operating expenses per barrel versus 2018
- Loss of $59.2 million ($0.11 per common share) in 2019 versus Profit of $43.8 million in 2018 ($0.09 per common share)
  - Loss in 2019 primarily attributable to an impairment expense related to the Hawler license area and an impairment expense and a provision related to the Corporation's former interest in the Haute Mer B license area
  - Profit in 2018 primarily attributable to an impairment reversal related to the Hawler license area
- Net cash generated by operating activities was $28.1 million in 2019 versus net cash generated by operating activities of $8.1 million in 2018 comprised of Operating Funds Flow[2] of $26.9 million and an $1.2 million decrease in non-cash working capital
- Net cash used in investing activities during 2019 was $35.1 million including payments related to drilling and facilities work in the Hawler license area, preparation for drilling in the AGC Central license area, and an increase in non-cash working capital
- $8.9 million of cash and cash equivalents as of December 31, 2019

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[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 Funds Flow is a non-IFRS measure. See the table below for a definition of and other information related to the term.

2019 Operations Highlights:

- Average gross (100%) oil production of 11,700 bbl/d (working interest 7,600 bbl/d) for the year ended December 31, 2019 versus 6,500 bbl/d (working interest 4,200 bbl/d) for the year ended December 31, 2018
  - 80% increase in gross (100%) oil production in 2019 versus 2018; 12% increase in gross (100%) oil production in Q4 2019 versus Q3 2019
  - Successful completion of four producing wells during 2019
  - First successful completion of a well targeting the Cretaceous reservoir at the Demir Dagh field utilising a horizontal well design
- Gross (working interest) proved plus probable oil reserves of 103 million barrels as at December 31, 2019
- Environmental and Geohazard Assessments related to planned drilling in the AGC Central license area initiated and largely completed

2020 Operations Update:

- Average gross (100%) oil production of 14,500 bbl/d (working interest 9,400 bbl/d) and 14,400 bbl/d (working interest 9,400 bbl/d) in January and February 2020, respectively
- The drilling of a horizontal sidetrack of the previously drilled Banan-1 well in the portion of the Banan field east of the Great Zab river was completed in early 2020
  - Data obtained during drilling indicate that the Tertiary reservoir in the eastern portion of the Banan field contains oil of similar density to oil produced from the Tertiary reservoir in the portion of the Banan field west of the Great Zab river
  - Attempts to complete the well as a producer in the Cretaceous reservoir were unsuccessful
  - Further drilling targeting both the Tertiary and Cretaceous reservoirs is planned in 2020
- Operations in recent weeks were successful in shutting off water production from the Banan-5 well which is producing oil from the Cretaceous reservoir in the portion of the Banan field west of the Great Zab river
- The worldwide outbreak of the COVID-19 virus, including within Iraq, has not impacted operations. The Corporation is taking precautions to protect its employees and contractors but does not at this time expect that the virus outbreak will restrict operations
- The planned drilling of an exploration well in 2020 in the AGC Central license area has been deferred. In 2019, the Corporation requested that the First Renewal Period of its Production Sharing Contract (due to end on October 1, 2020) be extended as a result of ongoing negotiations between Senegal and Guinea Bissau in relation to the accord governing the jointly-administered area offshore Senegal and Guinea Bissau. The Corporation is currently in discussions with the AGC regarding an amendment to its Production Sharing Contract that would implement the requested extension and expects the amendment to be finalised in the coming months.

2020 Forecasted Work Program and Capital Expenditures:

- 2020 capital expenditure forecast of $53 million (versus $106 million budget). Forecast activities consist of:
  - $50 million dedicated to the Hawler license area: six wells including two wells targeting the Banan Cretaceous reservoir, one well targeting the Zey Gawra Tertiary reservoir, one well targeting the Demir Dagh Cretaceous reservoir, one well targeting the Banan Tertiary reservoir, and a completion of the previously suspended Ain Al Safra-2 well; a pipeline connecting the Banan field to the Hawler production facilities at the Demir Dagh field; storage tanks at the Hawler production facilities and pads, flowlines and infrastructure modifications needed to accommodate incremental drilling and production and to reduce operating costs
  - $3 million dedicated to the AGC Central license area including studies, technical support and license maintenance costs
- The forecast reflects the deferment of planned drilling in the AGC license area and the deferment of two wells and certain facilities expenditures in the Hawler license area that were included in the budget.

Extension of AOG Loan and New Short Term Credit Facility:

- AOG has agreed to extend the maturity date of the credit facility provided to Oryx Petroleum in 2015 from July 1, 2020 to July 1, 2021 in consideration for the issuance of 33,149,000 warrants to purchase common shares of Oryx Petroleum. The Toronto Stock Exchange ("TSX") has reviewed the applicable transaction materials. It is anticipated that the TSX will conditionally approve the extension five business days after the issuance of this news release.
- AOG has further agreed to provide the Corporation with a $5 million short term credit facility to provide access to working capital in the event of any further delays in receiving payments for oil sales. The TSX has reviewed the applicable transaction materials. It is anticipated that the TSX will conditionally approve the short term credit facility five business days after the issuance of this news release.

Liquidity Outlook:

- The Corporation expects cash on hand as of December 31, 2019 and cash receipts from net revenues and export sales will allow it to fund its forecasted capital expenditures and operating and administrative costs into early 2021. Additional capital is expected to be required to be able to both meet any contingent consideration obligations that become payable and to fund drilling in the AGC Central license area now planned in 2021.

CEO's Comment

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

"2019 was a good year for Oryx Petroleum. During the year we substantially increased production from the Hawler license area thanks to the successful completion of four new producing wells, increasing production from the Banan and Demir Dagh Cretaceous reservoirs. One of the four new wells was a sidetrack of the previously drilled Demir Dagh-3 well utilizing a horizontal well design that is integral to our development plans for the Cretaceous reservoirs in the Hawler area fields.

In the AGC Central license area, that has best estimate unrisked gross (working interest) prospective oil resources of 2.2 billion barrels, we continue to prepare for exploration drilling. In 2019 we initiated and now have largely completed environmental impact and geohazard assessments with regards to our drilling plans. However, the timing of exploration drilling remains uncertain as we wait for Senegal and Guinea Bissau to agree on a renewal or extension of the accord governing the jointly-administered offshore area. We fully expect that an agreement will be reached but the timing is uncertain.

Importantly, we completed our work in 2019 without incurring any Lost Time Injuries or having any significant releases or other adverse environmental incidents.

Our 2020 capital program is focused primarily on the Hawler license area in the Kurdistan Region of Iraq where our program includes the drilling or re-entry of six wells and has been designed to allow us to increase production and to better define the remaining development potential of the four fields in the license. We have completed the sidetrack of the Banan-1 well in recent weeks and expect to spud a second well in the late Spring. In the AGC Central license area, our forecasted capital expenditures include costs related to studies and preparations for exploration drilling in 2021 assuming the AGC accord is renewed or extended in 2020.

The combination of higher production and regular payments for oil sales in most of 2019 resulted in higher funds flow which together with cash on hand allowed us to fund our business in 2019 without seeking additional capital. We expect that cash on hand and cash receipts from net revenues will fund forecasted capital expenditures and operating and administrative costs into early 2021. AOG, our largest shareholder, has recently agreed to provide us with a short term credit facility to strengthen our liquidity position due to the recent delays in receiving cash payments for oil sales. Most of our capital expenditures are planned in the second half of 2020 and we are prepared to adjust our plans and consider other measures to strengthen our liquidity should recent market developments persist and should there be additional delays in cash receipts for oil sales.

We look forward to implementing our plans safely in 2020 and to higher production in the Hawler license area while continuing to prepare for an exploration drilling program in the AGC Central license area."

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, 2019 and December 31, 2018.

	Three Months Ended December 31		Year Ended December 31	
($ in millions unless otherwise indicated)	2019	2018	2019	2018
Revenue	40.9	36.5	150.5	97.6
Working Interest Production (bbl)	780,700	627,900	2,780,800	1,541,900
Average WI Production per day (bbl/d)	8,500	6,800	7,600	4,200
Working Interest Oil Sales (bbl)	777,800	626,700	2,781,000	1,542,300
Average Realised Sales Price ($/bbl)	47.32	52.37	48.72	57.00
Operating Expense	7.6	6.9	28.9	19.2
Field Production Costs ($/bbl)(1)	7.44	8.43	7.96	9.54
Field Netback ($/bbl)(2)	16.05	17.15	15.95	18.30
Operating expenses ($/bbl)	9.72	11.03	10.41	12.48
Oryx Petroleum Netback ($/bbl)(3)	19.00	20.36	18.90	21.68
Profit (Loss)	(81.3)	56.8	(59.2)	43.8
Basic and Diluted Earnings (Loss) per Share ($/sh)	(0.15)	0.11	(0.11)	0.09
Operating Funds Flow(4)	(3.9)	9.1	26.9	23.2
Net Cash generated by (used in) Operating Activities	(1.6)	7.4	28.1	8.1
Net Cash used in Investing Activities	(10.0)	(11.3)	(35.1)	(32.8)
Capital Expenditure	13.4	9.0	38.2	36.4
Cash and Cash Equivalents	8.9	14.4	8.9	14.4
Total Assets	768.3	813.0	768.3	813.0
Total Liabilities	209.2	203.4	209.2	203.4
Total Equity	559.1	609.5	559.1	609.5

(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 Netback 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 Funds Flow is a non-IFRS measure that represents cash generated from operating activities before changes in non-cash assets and liabilities. The term Operating Funds 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 Funds 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 Funds Flow does not have any standardised meaning prescribed by IFRS and may not be comparable to similar measures used by other companies.

- Revenue increased to $150.5 million in 2019 versus $97.6 million in 2018 due to a 80% increase in oil sales volumes partially offset by a 15% decrease in average oil sales prices. Gross (working interest) production and sales of oil in 2019 were 2,780,800 barrels and 2,781,000 barrels, respectively, versus 1,541,900 barrels and 1,542,300 barrels, respectively, for 2018. The average oil sales price realised in 2019 was $48.72 per barrel versus $57.00 for 2018. In addition to oil sales, revenue includes the recovery of carried costs.

- Operating expenses increased 50% to $28.9 million in 2019 versus $19.2 million in 2018 due primarily to the costs associated with a greater number of wells and a full year of operations at the Banan field versus a partial year of operations at the Banan field during 2018. Operating expenses on a per barrel basis declined 17% in 2019 versus 2018 as increased volumes more than offset the increase in expenses. Oryx Petroleum currently carries the Kurdistan Regional Government's share of production costs. The Oryx Petroleum Netback achieved in 2019 of $18.90 per barrel reflects the Field Netback plus adjustments for carried costs.

- General and administrative expenses increased modestly to $12.0 million in 2019 versus $11.9 million in 2018 due primarily to an increase in personnel costs and professional costs.

- Loss for the year ended December 31, 2019 was $59.2 million compared to a $43.8 million Profit in 2018. The lower result is primarily attributable to i) a $54.4 million impairment expense in 2019 compared to a $54.1 million impairment reversal in 2018, both on the Hawler license area, ii) an impairment of assets held for disposal and a provision for an adverse arbitration judgment and award related to the Corporation's former interest in Haute Mer B license area, iii) a $9.7 million increase in operating costs, and iv) an $8.0 million increase in the depletion charge during 2019 resulting from higher production during 2019. These negative variances were partially offset by i) an increase in net revenue of $29.6 million during 2019 in comparison with 2018, and ii) $15.2 million in income related to the change in fair value of contingent consideration during 2019 versus a $2.7 million expense during 2018.

- Operating Funds Flow was $26.9 million for 2019 compared to $23.2 million in 2018. The increase in Operating Funds Flow is primarily due to higher revenues and netback in 2019 versus 2018. Operating Funds Flow in 2019 was negatively impacted by a $15.7 million provision resulting from the arbitration and judgment related to the Corporation's former interest in the Haute Mer B license area.

- Net cash generated by operating activities was $28.1 million in 2019 as compared to net cash generated by operating activities of $8.1 million in 2018. The increase reflects higher revenues and netback and a $1.2 million decrease in non-cash working capital in 2019 versus a $15.1 million increase in non-cash working capital in 2018.

- Net cash used in investing activities increased to $35.1 million in 2019 as compared to $32.8 million in 2018 reflecting increased cash outflows for capital investment during 2019.

- Capital expenditures in 2019 totalled $38.2 million as compared to $36.4 million in 2018. In 2019, $36.4 million of capital expenditures were incurred in the Hawler license area primarily on drilling activities at the Banan and Demir Dagh fields. 2019 capital expenditures also included $1.8 million related to studies, drilling preparations and license maintenance costs in the AGC Central license area.
- Cash and cash equivalents decreased to $8.9 million at December 31, 2019 from $14.4 million at December 31, 2018 reflecting capital expenditures and movements in non-cash working capital partially offset by positive Operating Funds Flow.
- 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 “AOG Credit Facility”). As at December 31, 2019, the balance owing under the AOG Credit Facility totalled $80.1 million, including $4.0 million in accrued interest which was paid to AOG in cash in January 2019.
- The Corporation is obligated to make further payments to the vendor of the Hawler license area contingent upon declaration of a second commercial discovery in the Hawler license area.
    - Contingent upon declaration of a second commercial discovery in the Hawler license area, a lump-sum payment of $66.0 million plus accrued interest is payable. The estimated fair value of the contingent consideration as at December 31, 2019 was $56.0 million. The estimated fair value of the contingent consideration was revised downwards by $1.9 million versus Q3 2019 utilising the methodology adopted in Q3 2019 that incorporates weighted probabilities of potential outcomes including an outcome where there is no second commercial declaration of discovery. As at December 31, 2019, the total balance of principal and accrued interest potentially owed under the contingent consideration obligation was $75.7 million.
    - An amendment to the terms of the original share purchase agreement negotiated with the vendor in the fourth quarter of 2018 to schedule the obligation as a series of annual payments in the event the contingent obligation was triggered expired on September 30, 2019.
    - In the event the contingent obligation is triggered, the Corporation expects to seek to secure a payment schedule from the vendor which, consistent with prior amendments, allows the Corporation to repay the obligation over several years.
- As at March 11, 2020, 552,481,662 common shares are outstanding. As at March 11, 2020 there are: i) unvested Long Term Incentive Plan awards which are expected to result in the issuance of up to an additional 28,862,475 common shares upon vesting, and ii) 6,132,804 warrants outstanding issued in connection with an amendment to the AOG Loan Agreement executed in December 2018. The Corporation expects to issue 33,149,000 warrants in connection with the amendment to the AOG Loan Agreement dated March 11, 2020.

2020 Capital Expenditure Forecast

Oryx Petroleum re-forecasted capital expenditures for 2020 are $53 million, reduced from the previously announced budget of $106 million. The reduction reflects the deferment of planned drilling in the AGC license area and the deferment of two wells and certain facilities expenditures in the Hawler license area. For 2020, the Corporation no longer plans to drill a sidetrack of the Zey Gawra-2 well, will only drill one rather than two wells targeting the Demir Dagh Cretaceous reservoir, and will not build a permanent processing facility at the Banan field. The following table summarises the Corporation’s 2020 forecasted capital expenditure program against budget:

Location	License/Field/Activity	2020 Budget	2020 Forecast
		$ millions	$ millions
Kurdistan Region	Hawler		
	Zey Gawra-Drilling	5	4
	Demir Dagh-Drilling	14	8
	Ain Al Safra-Drilling	2	2
	Banan-Drilling	14	14
	Facilities	26	19
	Other[1]	3	3
	Total Hawler	**63**	**50**
West Africa	AGC Central—Drilling & Prep	40	-
	AGC Central—Other	3	3
	Capex Total[2]	**106**	**53**

Note:
(1) Other is comprised primarily of license maintenance costs.
(2) Totals may not add-up due to rounding.

Kurdistan Region of Iraq -- Hawler License Area

Demir Dagh drilling -- consists of one new horizontal well targeting the Cretaceous reservoir expected to be drilled in the second half of 2020. One previously planned well targeting the Cretaceous reservoir has been deferred.

Zey Gawra drilling -- consists of a new well targeting the Tertiary reservoir. This new well has replaced the planned sidetrack of the previously drilled Zab-1 well. The drilling of the well is planned in the first half of 2020. The sidetrack of the previously drilled Zey Gawra-2 well targeting the Cretaceous reservoir has been deferred.

Banan drilling -- consists of two wells in the eastern portion of the Banan field : the workover of the Banan-1 well targeting the Cretaceous reservoir and one new well targeting the Tertiary reservoir; and one well in the western portion of the Banan field targeting the Cretaceous reservoir. The workover of the Banan-1 well was completed in early 2020 and the other two wells are planned for the second half of 2020.

Ain Al Safra drilling -- consists of the completion of the Ain Al Safra-2 well targeting the Triassic reservoir. The Ain Al Safra-2 well was suspended in 2014 prior to testing due to security developments. The completion of the Ain Al Safra-2 well is expected to be completed in the second half of the year.

Facilities -- Demir Dagh facilities expenditures comprised of infrastructure works including the construction of additional storage tanks, replacement of generators and construction of a solar power station. Zey Gawra facilities expenditures comprised of studies and minor infrastructure works including flowlines for new wells. Banan facilities expenditures comprised of studies and infrastructure needed to accommodate drilling plans and additional production, as well as a pipeline between the Banan field and the Hawler processing facilities located at the Demir Dagh field. The construction of the pipeline is expected in the second half of 2020 and is expected to be in service in early 2021. The planned construction of processing facilities at the Banan field has been deferred. The construction of the pipeline is contingent on production performance from the Banan wells. Ain Al Safra facilities expenditures comprised of infrastructure works including flowlines, camp set up, and a tie-in line to the Kurdistan Oil Export Pipeline.

AGC Central License Area

Consists of studies, technical support and license maintenance costs. The drilling of one exploration well in 2020 has been deferred.

Related Party Transactions

Loan Amendment

The agreement dated March 11, 2020 to amend the AOG Credit Facility (the “Loan Amendment”) provides for an extension of the maturity date from July 1, 2020 to July 1, 2021. Interest under the AOG Credit Facility will continue to accrue at a fixed annual rate of 10.5% during the extension period and shall compound every six months and be payable in cash, if permissible under other corporate agreements. If not permissible, accrued interest (including interest accrued from January 1, 2020 to June 30, 2020) will be added to the principal balance outstanding and will itself accrue interest between compounding and maturity. Incremental interest of up to $8,608,376 will be payable to AOG as a result of the one-year extension to the AOG Credit Facility, assuming no further cash interest is paid prior to maturity of the AOG Credit Facility.

As consideration for entering the Loan Amendment, Oryx Petroleum has agreed to issue 33,149,000 warrants to AOG, each warrant entitling AOG or a nominee to purchase a common share of the Corporation at a price of $0.1633 per share, representing a 20% premium to the volume-weighted average price of common shares for the five trading days ended March 10, 2020 (i.e., CAD 0.1839), converted to U.S. dollars based on the Bank of Canada U.S.:Canada average exchange rate for such five trading-day period. The warrants are exercisable up to March 10, 2023 and, if exercised in full, the resulting shares issued will represent 6.0% of all shares outstanding on the date of this news release. The transaction will not have any material effect on the control of Oryx Petroleum. Using the Black-Scholes model, the warrants are calculated to have a value of $2,404,112. If the warrants are exercised in full by AOG Upstream BV, its aggregate ownership would increase to 389,320,773 common shares. Together with 3,765,784 common shares owned by Clanta Trust (formerly Samsufi Trust), an affiliate of AOG Upstream BV, such shares would represent 67.1% of all shares of the Corporation outstanding (post-exercise). The maximum value of the incremental interest payable and the warrants issuable pursuant to the Loan Amendment, $11,012,488, represents 14.8% of the market capitalization of the Corporation on March 10, 2020.

Pursuant to section 501(c) of the TSX Company Manual, shareholder approval is required for the Loan Amendment as (i) the Corporation is a non-exempt issuer, (ii) the AOG Credit Facility was not approved by shareholders in 2015, and (iii) the value of the forecast consideration to AOG under the original AOG Credit Facility (i.e., $38,157,751) together with the incremental consideration to AOG under the Loan Amendment (i.e., maximum $11,012,488) exceeds 10% of the market capitalization of the Corporation on March 10, 2020 (i.e., $7,443,889).

Oryx Petroleum has relied on the exemption available in section 604(d) of the TSX Company Manual to provide TSX with written evidence that holders of more than 50% of the voting securities of Oryx Petroleum are familiar with the terms of the Loan Amendment and are in favour of it, in lieu of a formal meeting of shareholders. As AOG is a related party to the Corporation, the proposed transaction is not an arm’s length transaction and the TSX requires that securities held by AOG and its affiliates be excluded from approving the transaction. Accordingly, 356,171,773 common shares of the Corporation held by AOG Upstream BV and 3,765,784 common shares held by Clanta Trust (formerly Samsufi Trust), together representing 65.1% of all shares outstanding on the date of this news release, are not eligible to vote in favour of the transaction. Zeg Oil and Gas Limited ("Zeg Oil") has formally provided its approval of the proposed transaction. Zeg Oil holds 119,625,033 common shares of the Corporation, representing 21.7% of all issued and outstanding shares on the date of this news release and 62.1% of all issued and outstanding shares not owned by AOG Upstream BV and its affiliates.

The Loan Amendment is subject to TSX approval. It is anticipated that the TSX will conditionally approve the Loan Amendment five business days after the issuance of this news release. A copy of the Loan Amendment has been filed by Oryx Petroleum with the Canadian securities regulatory authorities and may be obtained via www.sedar.com.

Short Term Credit Facility

On March 11, 2020, Oryx Petroleum also entered an agreement with AOG whereby AOG agreed to make available to Oryx Petroleum a short term credit facility of $5 million (the "Short Term Credit Facility"). The availability period to draw funds under the facility runs until August 31, 2020. The Short Term Credit Facility will accrue interest at a fixed annual rate of 10.5%. A commitment fee of 1% per annum calculated daily on the undrawn portion of the facility will also accrue.

Any balance drawn under the Short Term Credit Facility and accrued interest and commitment fees will be repayable to the lender in cash on the maturity date, September 30, 2020. Interest and commitment fees of up to $292,623 may be payable.

Pursuant to section 501(c) of the TSX Company Manual, the Short Term Credit Facility requires acceptance by the TSX. Further, shareholder approval is required for the Short Term Credit Facility as (i) the Corporation is a non-exempt issuer, and (ii) the value of the forecast consideration to AOG under the Short Term Credit Facility (i.e., $292,623) together with the forecast consideration to AOG under the Loan Amendment (i.e., maximum $11,305,111) represents 15.19% of the market capitalization of the Company on March 10, 2020.

Oryx Petroleum has relied on the exemption available in section 604(d) of the TSX Company Manual to provide TSX with written evidence that holders of more than 50% of the voting securities of Oryx Petroleum are familiar with the terms of the Short Term Credit Facility and are in favour of it, in lieu of a formal meeting of shareholders. As AOG is a related party to the Corporation, the proposed transaction is not an arm's length transaction and the TSX requires that securities held by AOG and its affiliates be excluded from approving the transaction. Accordingly, 356,171,773 common shares of the Corporation held by AOG Upstream BV and 3,765,784 common shares held by Clanta Trust (formerly Samsufi Trust), together representing 65.1% of all shares outstanding on the date of this news release, are not eligible to vote in favour of the transaction. Zeg Oil has formally provided its approval of the Short Term Credit Facility. Zeg Oil holds 119,625,033 common shares of the Corporation, representing 21.7% of all issued and outstanding shares on the date of this news release and 62.1% of all issued and outstanding shares not owned by AOG Upstream BV and its affiliates.

The Short Term Credit Facility is subject to TSX approval. It is anticipated that the TSX will conditionally approve the Short Term Credit Facility five business days after the issuance of this news release. A copy of the Short Term Credit Facility has been filed by Oryx Petroleum with the Canadian securities regulatory authorities and may be obtained via www.sedar.com.

Arbitration Regarding the Haute Mer B License Area

On April 23, 2018, a subsidiary of Oryx Petroleum (the "Seller") entered into an agreement providing for the transfer of Oryx Petroleum's 30% participating interest in the Haute Mer B license offshore Congo (Brazzaville) to a subsidiary of Total S.A. (the "Buyer"). The agreement provided for the Seller to receive cash of $13.3 million in relation to the interest. Notwithstanding Oryx Petroleum's position that all conditions to closing were satisfied or waived, the Buyer did not agree to close the transaction and purported to terminate the agreement. Oryx Petroleum initiated arbitration to settle the dispute and the arbitration panel announced on January 31, 2020 that the panel decided against Oryx Petroleum and awarded $15.7 million to the Buyer, which includes $15.1 million in respect of the Seller's share of HMB license area expenditures incurred by the Buyer following the date of the sale agreement. Given that the Seller has no assets, Oryx Petroleum does not expect outflows of cash or transfer of other assets to satisfy the arbitration award. The Haute Mer B license area has been relinquished.

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, 2019 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 two license areas, one of which has yielded an oil discovery. The Corporation is the operator of the two license areas. One license area is located in the Kurdistan Region of Iraq and one license area is located in West Africa in the AGC administrative area offshore Senegal and Guinea Bissau. 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 forecast work program and capital expenditure for 2020, drilling and well workover plans, development plans and schedules and chance of success, future drilling of wells and the reservoirs to be targeted, future facilities work, ultimate recoverability of current and long-term assets, plans to prepare for drilling in the AGC Central license area, possible commerciality of our projects, future expenditures and sources of financing for such expenditures, expectations that cash on hand as of December 31, 2019 and cash receipts from export sales exclusively through the Kurdistan Oil Export Pipeline will allow the Corporation to fund its forecasted operating and administrative costs and Hawler license area capital expenditures through early 2021, the issuance of shares as a result of the vesting of Long Term Incentive Plan awards and exercise of warrants, expected issuance of warrants to AOG in connection with the Loan Amendment, anticipated conditional approval of the TSX for the Loan Amendment and Short Term Credit Facility, forecast consideration payable under the Loan Amendment and Short Term Credit Facility, future requirements for additional funding, 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 23, 2019 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 Certain 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.

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 date as at December 31, 2019, 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.

Contingent oil resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be commercially recoverable due to one or more contingencies. Contingencies may include factors such as economic, legal, environmental, political, and regulatory matters, or a lack of markets. Contingent oil resources entail additional commercial risk than reserves. There is no certainty that it will be commercially viable to produce any portion of the contingent oil resources. Moreover, the volumes of contingent oil resources reported herein are sensitive to economic assumptions, including capital and operating costs and commodity pricing.

Prospective oil resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective oil resources have both a chance of discovery and a chance of development. Prospective oil resources entail more commercial and exploration risks than those relating to oil reserves and contingent resources. There is no certainty that any portion of the prospective resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources.

See the Material Change Report filed by the Corporation on February 19, 2020 for more information regarding Oryx Petroleum's reserves and resources estimates.