Oryx Petroleum Q1 2018 Financial and Operational Results

11% increase in Revenues versus Q4 2017;* Lower *Operating Expenses; Positive Operating Cash Flow[2]; Agreement to sell interests in the Haute Mer B license area

Calgary, Alberta, May 8, 2018

Oryx Petroleum Corporation Limited ("Oryx Petroleum" or the "Corporation") today announces its financial and operational results for the three months ended March 31, 2018. All dollar amounts set forth in this news release are in United States dollars, except where otherwise indicated.

Financial Highlights:

- Total revenues of $13.9 million on working interest sales of 222,700 barrels of oil ("bbl") and an average realised sales price of $56.31/bbl for Q1 2018
  - 76% increase in revenues versus Q1 2017; 11% increase in revenues versus Q4 2017
  - The Corporation has received full payment in accordance with production sharing contract entitlements for all oil sale deliveries into the Kurdistan Export Pipeline through January 2018. Oryx Petroleum's entitlement share of amounts receivable from oil sale deliveries for the months of February, March and April 2018 is $5.4 million
- Operating expenses of $3.1 million ($14.04/bbl) and an Oryx Petroleum Netback[1] of $19.70/bbl for Q1 2018
  - 44% and 18% decrease in operating expenses per barrel versus Q1 2017 and Q4 2017, respectively
  - Oryx Petroleum Netback[1] increased by 52% to a quarterly record in Q1 2018 versus Q4 2017
- Net loss of $4.3 million ($0.01 per common share) in Q1 2018 versus net profit of $4.1 million in Q1 2017 ($0.02 per common share)
- Operating Cash Flow[2] for Q1 2018 was $2.0 million compared to negative $2.4 million for Q1 2017 and negative $0.3 million for Q4 2017. The Corporation's improved Operating Cash Flow[2] is primarily due to higher Oryx Petroleum Netbacks[1] which have contributed cash in excess of cash general and administrative expenditures
- Net cash used in operating activities was $2.6 million versus $2.2 million net cash generated in Q1 2017 comprised of positive Operating Cash Flow[2] of $2.0 million offset by a $4.6 million increase in non-cash working capital
- Net cash used in investing activities during Q1 2018 was $8.0 million including payments related to drilling and facilities work in the Hawler license area, seismic interpretation costs in the AGC Central license area, and cash calls to fund the Haute Mer B license area that will be reimbursed upon closing of the Corporation's transfer of its interests in the Haute Mer B license area
- $27.9 million of cash and cash equivalents as of March 31, 2018

[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.

Operations Update:

- Average gross (100%) oil production of 3,800 bbl/d (working interest 2,500 bbl/d) for Q1 2018 vs 2,900 bbl/d (working interest 1,900 bbl/d) for Q1 2017
  - 31% increase in Q1 2018 versus Q1 2017 and unchanged versus Q4 2017
  - Average gross (100%) oil production of 4,000 bbl/d in April 2018
- The Zey Gawra-2 appraisal well targeting the Cretaceous reservoir was spudded in January 2018, drilled to a measured depth of 2,120 metres, logged, completed, and is now producing on extended well test
- New wells targeting the Cretaceous reservoir at the Zey Gawra field and the Tertiary reservoir at the Banan field are expected to spud in Q2 2018. The well targeting the Zey Gawra Cretaceous will be drilled earlier than previously planned and will be the first well drilled in the Hawler license area utilising a horizontal well design
- Final interpretation of 3D seismic data covering the AGC Central license area and prospect selection is ongoing with preparation for drilling in 2019 to follow
- Farmout Agreement entered with a subsidiary of Total SA, operator of the Haute Mer B license offshore Congo (Brazzaville) ("Haute Mer B"), providing for the transfer of the Corporation's 30% participating interest in the Haute Mer B license area to the Total subsidiary or an affiliate.
  - Upon closing, Oryx Petroleum to receive cash consideration of $8.0 million plus $5.3 million reimbursement of costs incurred by Oryx Petroleum between January 1, 2018 and the date of the Farmout Agreement
  - Total has agreed to carry the Corporation's share of costs from the date of the Farmout Agreement to the closing of the transaction
  - The Farmout Agreement is subject to, among other conditions, (i) waiver of pre-emptive rights held by other partners in Haute Mer B, and (ii) the consent of such partners and the government of the Republic of Congo, to the transfer of the Oryx Petroleum interests
  - Closing of the transaction is expected before the end of June 2018

2018 Reforecasted Work Program and Capital Expenditures:

- 2018 capital expenditure have been reforecast to $52 million versus previous forecast of $48 million. Most expenditures will be dedicated to further appraisal and early development of the Hawler license area in the Kurdistan Region of Iraq and finalisation of 3D seismic data and drilling preparation in the AGC Central license area.

Liquidity Outlook:

- The Corporation expects cash on hand as of March 31, 2018, cash receipts from net revenues and export sales exclusively through the Kurdistan Region-Turkey Export Pipeline, and expected net proceeds from the transfer of its interests in the Haute Mer B license will allow it to fund its forecasted cash expenditures and operating and administrative costs and to meet its obligations through the end of 2018. Additional capital is likely required in the first half of 2019 to fund further development of the Hawler license area, the drilling in the AGC Central license area, and to meet its obligations.

CEO's Comment

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

"In Q1 2018, production from the Hawler license was steady, we resumed our drilling program in the Hawler license, we continued to mature our exciting AGC Central exploration license, and we progressed divestment of our remaining non-core assets.

Gross (100%) oil production from the Hawler licence area averaged 3,800 bbl/d in Q1 2018 and 4,000 bbl/d in April 2018 versus an average of 2,900 bbl/d in Q1 2017 and 3,800 bbl/d in Q4 2017. All production has been sold via the export pipeline and payments for export sales through the end of January 2018 have been received in full. Higher realised oil prices and lower operating expenses helped us achieve our highest quarterly netback and operating cash flow on record.

After a period of uncertainty following the Kurdistan Region independence referendum we resumed our drilling program by drilling the Zey Gawra-2 well targeting the Cretaceous reservoir. The well was successfully completed as a producer and is currently on extended well test. In recent weeks we have been working to optimise surface level processing facilities and production from existing wells.

The rig that drilled the Zey Gawra-2 well is now preparing to spud the Zey Gawra-3 well also targeting the Cretaceous reservoir. This will be the first well we drill in the Hawler license area with a horizontal well design. We expect such a design to result in higher oil production rates and better isolation from water and natural gas than we have achieved with vertical well designs to date. We are also mobilising a rig to drill a new well targeting the Banan Tertiary reservoir. Following those wells, the drilling or re-entry of four additional wells is planned in the Hawler license area in 2018.

During Q1 2018 we also continued to mature our interests in the AGC Central license area. Final interpretation and prospect selection are ongoing and drilling preparation will follow as we prepare for exploration drilling in 2019.

Recently we announced that we had entered into a definitive agreement to transfer our interest in the Haute Mer B license area in Congo (Brazzaville) to a subsidiary of Total SA for cash consideration and we expect the transaction to close during Q2 2018. We also expect to complete disposal of our interest in the Haute Mer A license area in Congo (Brazzaville), the last remaining non-core asset in our portfolio, in the coming months.

We expect that cash on hand, cash receipts from net revenues and the proceeds from the disposition of our interests in the Haute Mer B license will fund forecasted capital expenditures and operating and administrative costs through the end of 2018.

We look forward to continuing to implement our plans in 2018 and achieving both higher production in the Hawler license area and preparing for an exciting exploration drilling program in the AGC Central license area in 2019."

Selected Financial Results

Financial results are prepared in accordance with International Financial Reporting Standards ("IFRS") and the reporting currency is United States 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 month periods ended March 31, 2018 and March 31, 2017 as well as the year ended December 31, 2017.

	Three Months Ended March 31		Year Ended December 31
($ in millions unless otherwise indicated)	2018	2017	2017
Revenue	13.9	7.9	37.4
Working Interest Oil Production (bbl)	222,100	171,200	781,400
Average WI Oil Production per day (bbl/d)	2,500	1,900	2,100
Working Interest Oil Sales (bbl)	222,700	169,800	779,200
Average Sales Price ($/bbl)	56.31	41.92	43.17
Operating Expense	3.1	4.2	15.5
Field production costs ($/bbl)(1)	10.74	19.13	15.20
Field Netback ($/bbl)(2)	16.76	1.35	5.89
Operating expenses ($/bbl)	14.04	25.02	19.87
Oryx Petroleum Netback ($/bbl)(3)	19.70	0.10	5.99
Net Profit (Loss)	(4.3)	4.1	(39.1)
Earnings (Loss) per Share ($/sh)	(0.01)	0.02	(0.11)
Operating Cash Flow(4)	2.0	(2.4)	(5.4)
Net Cash generated by / (used in) operating activities	(2.6)	2.2	(9.7)
Net Cash used in investing activities	8.0	3.4	22.3
Capital Expenditure(5)	6.2	(5.9)	3.3
Cash and Cash Equivalents	27.9	39.6	38.6
Total Assets	743.4	756.0	744.8
Total Liabilities	193.5	217.9	190.4
Total Equity	549.9	538.1	554.4

(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) Capital Expenditure for the three months ended March 31, 2018 includes a $0.5 million non-cash addition relating to revisions to estimates associated with Hawler license area decommissioning liabilities. Capital Expenditure for the three months ended March 31, 2017 includes credits of $7.3 million reflecting revisions of previously estimated costs related to the Hawler and OML 141 license areas. Capital Expenditure for the year ended December 31, 2017 includes credits of $7.5 million reflecting revisions of previously estimated costs related to the Hawler and OML 141 license areas and $2.4 million in non-cash credits relating to revisions to estimates associated with Hawler license area decommissioning liabilities.

- Revenue increased to $13.9 million in Q1 2018 versus $7.9 million in Q1 2017 due to a 34% increase in average oil sales prices and a 31% increase in oil sales volumes. Gross (working interest) production and sales of oil in Q1 2018 were 222,100 barrels and 222,700 barrels, respectively, versus 171,200 and 169,800 barrels, respectively, for Q1 2017. The average oil sales price realised in Q1 2018 was $56.31 per barrel versus $41.92 for Q1 2017. In addition to oil sales, revenue includes the recovery of carried costs.
- Operating expenses in Q1 2018 decreased 26% to $3.1 million versus $4.2 million in Q1 2017 due primarily to lower security, technical support, HSE (health, safety and environment) and facilities operating costs. Operating expenses on a per barrel basis declined 44% in Q1 2018 to $14.04/bbl versus $25.02/bbl in Q1 2017 due to the lower costs and higher sales volumes. Per barrel operating expenses are expected to continue to decrease as production increases 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 Q1 2018 of $19.70 per barrel reflects the Field Netback plus adjustments for carried costs.
- General and administrative expenses increased modestly to $2.7 million in Q1 2018 versus $2.6 million in Q1 2017.
- Net loss for the period increased to $4.3 million in Q1 2018 as compared to net profit of $4.1 million in Q1 2017. The change in net loss/net profit is primarily attributable to i) a $7.6 million gain recorded on the settlement of the finance lease obligation during Q1 2017, ii) a $3.0 million gain related to the change in fair value of contingent consideration during the first quarter of 2017 versus a $0.7 million charge during the first quarter of 2018, iii) a $1.4 million impairment reversal recorded during the three months ended March 31, 2017 primarily related to revisions in costs previously estimated on the OML 141 license area, and iv) a $1.1 million increase in the depletion charge in Q1 2018 primarily related to a decrease in estimated reserves base. These negative factors were partially offset by an increase in net revenue of $3.4 million, a $1.1 million decrease in operating expense, and a $0.7 million decrease in finance expense.
- Operating Cash Flow was $2.0 million for Q1 2018 compared to negative Operating Cash Flow of $2.4 million in Q1 2017. The positive change in Operating Cash Flow is primarily due to a higher Oryx Petroleum Netback in Q1 2018.
- Net cash used in operating activities was $2.6 million in Q1 2018 as compared to $2.2 million net cash generated in Q1 2017. The change is primarily due to an increase in non-cash working

capital in Q1 2018 versus a decrease in Q1 2017 partially offset by higher Oryx Petroleum Netback.

- Net cash used in investing activities increased to $8.0 million in Q1 2018 as compared to $3.4 million in Q1 2017. The increase is due primarily to $5.2 million of funding cash calls related to the Haute Mer B license area in Q1 2018. The Haute Mer B funding is expected to be recovered as part of the closing of the Corporation's sale of its interests in the Haute Mer B license area.
- Capital expenditures in Q1 2018 totalled $6.2 million including $5.1 million for facilities and drilling activities in the Hawler license area, and $0.5 million to interpret and analyse 3D seismic data and to prepare for drilling activities in the AGC Central license area. Q1 2018 capital expenditures also included $0.5 million in non-cash additions primarily relating to the additional well costs included to calculate the Hawler license area decommissioning obligation.
- Cash and cash equivalents decreased to $27.9 million at March 31, 2018 from $38.6 million at December 31, 2017 reflecting cash investments and movements in non-cash working capital partially offset by Operating Cash Flow.
- In March 2015, Oryx Petroleum entered into a Loan Agreement with The Addax and Oryx Group ("AOG") whereby AOG committed to provide a $100 million unsecured credit facility to Oryx Petroleum. As at March 31, 2018 the balance owing under the facility totalled $79.1 million, including $3.1 million in accrued interest which will be settled through the issuance of common shares.
    - Maturity date: July 1, 2019
    - Interest accrued after May 11, 2017 will be paid out in common shares approximately every six months, rather than in cash upon maturity, at the then current five day volume-weighted average trading price for the common shares
- Contingent upon declaration of commerciality of a second discovery in the Hawler license area, the Corporation is obligated to make further payments to the vendor of the Hawler license area.
    - As at March 31, 2018, the total balance of principal and accrued interest owed under the contingent consideration obligation was $73.0 million. The remaining principal balance plus accrued interest is to be paid in four annual instalments beginning September 30, 2018
    - If the Corporation has not declared a second commercial discovery by September 30, 2018, the instalment payment schedule will no longer apply and the contingent consideration obligation, if subsequently triggered by a second commercial discovery, will revert to a lump-sum payment obligation
- As at May 8, 2018, 458,422,779 common shares are outstanding. As at May 8, 2018 there are unvested Long Term Incentive Plan awards which will result in the issuance of up to an additional 9,496,149 common shares upon vesting.

2018 Capital Expenditure Forecast

Oryx Petroleum reforecasted capital expenditures for 2018 are $52 million, increased from the previously announced forecast of $48 million. The increase reflects the decision to drill the second well targeting the Zey Gawra Cretaceous well earlier than planned and to employ a horizontal well design. The following table summarises the Corporation's 2018 reforecasted cash capital expenditure program:

Location	License/Field/Activity	2018 Forecast
		$ millions
Kurdistan Region	Hawler	
	Zey Gawra-Drilling	13
	Demir Dagh-Drilling	4
	Demir Dagh-Facilities	2
	Banan-Drilling	11
	Banan-Facilities	6
	Other(1)	3
	Total Hawler	**39**
West Africa	AGC Central--Drilling Prep	6
	AGC Central--Other	7
	Capex Total(2)	**52**

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 costs related to short radius sidetrack of the previously drilled Demir Dagh-5 well. Sidetrack operations are expected to be completed in the second half of 2018.

Zey Gawra drilling--consists of the drilling of two new wells targeting the Zey Gawra Cretaceous reservoir. One well was drilled and completed as a producer in early 2018 and another is planned to be spudded in Q2 2018.

Banan drilling--consists of i) the re-entry, completion and testing of the Banan-2 well targeting the Cretaceous reservoir, which was suspended in 2014 due to security developments, and ii) the drilling of three new wells targeting the Tertiary reservoir. The first new well targeting the Tertiary reservoir is planned to be spudded in Q2 2018 while the Banan-2 re-entry and a further two wells targeting the Tertiary reservoir are planned for the second half of the year subject to the success of the first well targeting the Tertiary reservoir.

Demir Dagh facilities--comprised of modifications to the Hawler truck loading station needed to accommodate increased production, and minor infrastructure works.

Banan facilities expenditures—comprised of site remediation, construction of a truck loading station at the Banan field, the construction of a new drilling pad, and flowlines.

AGC Central License Area

Consists of preparation for drilling planned in 2019, facilities studies, and a final payment for the acquisition of 3D seismic data contingent upon entering the first renewal of the exploration period under the applicable production sharing contract which is expected in September 2018.

Regulatory Filings

This announcement coincides with the filing with the Canadian securities regulatory authorities of Oryx Petroleum's unaudited condensed consolidated financial statements for the three months ended March 31, 2018 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 four license areas, two of which have yielded oil discoveries. The Corporation is the operator in two of the four license areas. One license area is located in the Kurdistan Region of Iraq and three license areas are located in West Africa in 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 forecast work program and capital expenditure for 2018, drilling and well workover plans, development plans and schedules and chance of success, future drilling of wells and the reservoirs to be targeted, ultimate recoverability of current and long-term assets, expected completion of interpretation of 3D seismic data from the AGC Central license area and plans to identify and map prospects in the AGC Central license area and prepare for drilling, expected entry into the first renewal of the exploration period under the AGC Central PSC in September 2018, possible commerciality of our projects, plateau production rates, future expenditures and sources of financing for such expenditures, expectations that cash on hand as of March 31, 2018, and cash receipts from net revenues will allow the Corporation to fund forecasted cash expenditures and operating and administrative costs and to meet its obligations through the end of 2018, expected closing of a transaction to transfer the Corporation's interests in the Haute Mer B license area in Q2 2018, expected transfer of interests in the Haute Mer A license area for no consideration in the coming months, the issuance of shares as a result of the vesting of Long Term Incentive Plan awards and in consideration of interest under the Loan Agreement with AOG, 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, 2018 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.