MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FOR THE THREE MONTHS ENDED

MARCH 31, 2020 and 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following Management's Discussion and Analysis ("**MD&A**") should be read in conjunction with the consolidated financial statements of Oryx Petroleum Corporation Limited ("**OPCL**" or, the "**Company**") and its subsidiaries for the three months ended March 31, 2020 and 2019 (the "**Financial Statements**"), which have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**").*

The date of this MD&A is June 22, 2020.

Unless otherwise noted, all amounts are in thousands of U.S. dollars.

Selected terms and abbreviations used in this MD&A are listed and described in the "Glossary and Abbreviations" section.

This MD&A contains non-IFRS measures. Please refer to the "Non-IFRS Measures" section for further information.

Readers should refer to the "Forward-Looking Information" advisory on page 23. Additional information relating to OPCL, including OPCL's Annual Information Form dated March 23, 2020, is on SEDAR at www.sedar.com.

Table of Contents

Company Overview	1	Outstanding Share Data	16
Operational Highlights	2	Commitments and Contractual Obligations	17
Financial Highlights and Outlook	2	Summary of Quarterly Results	17
Business Environment	5	Financial and Other Instruments and Off-Balance Sheet Arrangements	18
Operations Review	6	Transactions with Related Parties	18
Capital Additions	8	New Accounting Pronouncements, Policies, and Critical Estimates	19
Financial Results	9	Financial Controls	22
Liquidity and Capital Resources	12	Forward-Looking Information	23
Economic Sensitivities	15	Glossary and Abbreviations	24
Non-IFRS Measures	15		

Company Overview

The Company is a public company incorporated in Canada under the Canada Business Corporations Act and is the holding company for the Oryx Petroleum group of companies (together, the "**Group**" or "**Oryx Petroleum**").

Oryx Petroleum is an upstream oil and gas entity with operating activities focused on the Middle East and West Africa. The Group holds interests in the following License Areas:

License Area	Location	Participating Interest	Working Interest	Role
Hawler	Iraq – Kurdistan Region	65%	65%	Operator
AGC Central(2)	Senegal and Guinea Bissau	85%	80%(1)	Operator

Notes:

(1) Assuming the AGC exercises back-in rights.

(2) Conditional upon closing of the transactions outlined in the "Liquidity and Capital Resources" section of this MD&A, the Group's interest in the AGC Central License Area will be transferred to AOG as consideration for full settlement of the Loan Facility (see the "Liquidity and Capital Resources" section of this MD&A), including accrued interest outstanding at closing.

Operational Highlights

- Average gross (100%) oil production of 14,200 bbl/d (working interest 9,300 bbl/d) for the three months ended March 31, 2020.
- Average gross (100%) oil production of 4,300 bbl/d (working interest 2,800 bbl/d) for April 2020 and 3,800 bbl/d (working interest 2,500 bbl/d) for May 2020.
- Production from the Banan field was shut-in on April 2, 2020 due to poor economics.
  - Lower realized prices for production from the Banan field is due to higher oil quality discounts and higher per barrel facilities operating costs than other fields.
  - Plan to install a pump in the Banan-4 well in the coming weeks which will significantly reduce operating expenses and justify a resumption of production in Q3 2020
- The worldwide outbreak of the COVID-19 virus, including within Iraq, has not caused any significant disruption of production operations. The Group is taking precautions to protect its employees and contractors but does not at this time expect that the virus outbreak will restrict operations.

Financial Highlights and Outlook

Liquidity outlook

The Group expects cash on hand as of June 22, 2020 and cash receipts from net revenues from export sales will allow it to fund its 2020 forecasted capital expenditures and operating and administrative costs into the second half 2021. Collection of overdue net revenues for the November 2019 to February 2020 period and/or working capital support from shareholders is required to be able to fund capital expenditures in the Hawler License Area in 2021, to settle obligations currently due to suppliers, and to meet any contingent consideration obligations that become payable in 2021.

Financial performance

The following table contains financial performance highlights for the three months ended March 31, 2020 and March 31, 2019.

	Three months ended	
($ thousands unless otherwise stated)	March 31, 2020	March 31, 2019
Revenue	31,859	34,009
Cash generated by operating activities	6,805	8,631
Operating Funds Flow[(1)]	6,551	9,180
Operating Funds Flow[(1)] per basic and diluted share ($/share)	0.01	0.02
(Loss) / Profit for the period	(249,590)	1,544
(Loss) / Earnings per basic and diluted share ($/share)	(0.45)	0.00
Average sales price ($/bbl)	34.03	48.35
Field production costs[(2)] ($/bbl)	6.97	8.78
Operating expense ($/bbl)	9.11	11.48
Field Netback[(1)] ($/bbl)	9.65	14.84
Oryx Petroleum Netback[(1)] ($/bbl)	11.28	17.49
Capital additions	4,708	2,313

Note:
(1) Operating Funds Flow, Field Netback, and Oryx Petroleum Netback are non-IFRS measures. See the "Non-IFRS Measures" section of this MD&A.
(2) Field production costs represent Oryx Petroleum's Working Interest share of gross production costs and exclude partner share of production costs which are being carried by Oryx Petroleum. See the "Operating expense" section of this MD&A.

Revenue and cash receipts

Revenue of $31.9 million was recorded for the three months ended March 31, 2020. Included in revenue is $28.7 million ($34.03/bbl) realised on the sale of 842,800 bbl (WI) of crude oil and $3.2 million related to the recovery of costs carried on behalf of partners. Revenue for the first quarter of 2020 decreased by $2.2 million compared to the same period in 2019. The decrease is attributable to a 30% decrease in realised sales price partly offset by a 33% increase in sales volumes.

All sales during the three months ended March 31, 2020 were made via the Kurdistan Oil Export Pipeline.

The Group has received payment in accordance with Production Sharing Contract entitlement for all oil sale deliveries into the Kurdistan Oil Export Pipeline through October 2019, and for the months of March, April and May 2020.

Net payment for all oil sale deliveries into the Kurdistan Oil Export Pipeline during November 2019 through February 2020 remain outstanding with the Contractor share amounting to $37.0 million. Payment is not expected in 2020 and longer term timing of settlement is as yet undefined. The Group expects future monthly sales invoices to be settled in the following month.

Field production costs and netbacks

Field production costs during the first quarter of 2020 amounted to $5.9 million ($6.97/bbl) in comparison to $5.6 million ($8.78/bbl) during the first quarter of 2019, representing a 26% decrease on a per barrel basis. The per barrel decrease was primarily due to increases in sales volumes.

Field Netback of $9.65/bbl for the three months ended March 31, 2020 has decreased from $14.84/bbl for the first quarter of 2019. Field Netback per barrel decreased by 35% in comparison to the first quarter of 2019. The primary driver for reduced Field Netbacks from the first quarter of 2019 has been lower average sales prices, partially offset by a decrease in per barrel field production costs.

Operating Funds Flow

Operating Funds Flow for the first quarter of 2020 was $6.6 million compared to $9.2 million for the three months ended March 31, 2019. The decrease is primarily due to the decrease in oil prices. The Oryx Petroleum Netback has contributed cash in excess of cash general and administrative expenditures.

Cash generated by operating activities during the quarter ended March 31, 2020 amounted to $6.8 million reflecting Operating Funds Flow of $6.6 million and a $0.3 million decrease in non-cash working capital which was primarily related to an increase in trade and other payables, partially offset by an increase in oil sales receivables.

Profit / Loss

Loss for the three months ended March 31, 2020 was $249.6 million compared to a $1.5 million profit during the first quarter of 2019. The variance in profit/loss for three months ended March 31, 2020 in comparison to the same period in 2019 is attributable to i) a $238.2 million impairment expense relating to the Hawler License Area recorded in the three months ended March 31, 2020, ii) a $4.6 million charge relating to an increase in the materials inventory provision in the first quarter of 2020 compared to a $1.2 million decrease in the provision during the comparable period, iii) a $4.4 million change relating to an increase in the provision relating to oil sales receivable, compared to a nominal gain recorded during the three months ended March 31, 2019, iv) a $2.9 million increase in the depletion charge from the first quarter of 2019 resulting from higher production and an increased depletion charge per barrel, and v) a $1.2 million decrease in net revenue. These negative variances were partially offset by $1.9 million in income related to the change in fair value of contingent consideration during the quarter ended March 31, 2020 versus a $0.7 million charge during the quarter ended March 31, 2019.

Capital additions

During the first quarter of 2020, the Group recorded net capital additions of $4.7 million. The Group invested $4.5 million primarily on drilling activities in the Banan field in the Hawler License Area, and $0.2 million to prepare for drilling activities in the AGC Central License Area and to conduct an environmental and social impact assessment in the AGC Central License Area.

Financial position

The following table contains highlights of the Group's financial position as at the dates indicated below.

($ thousands)	March 31, 2020	December 31, 2019
Total cash and cash equivalents	3,158	8,912
Working Capital (1)	(4,550)	(73,543)
Total assets	522,212	768,254
Borrowings (1)	75,631	79,883
Total long-term liabilities (1)	155,156	80,985

Note:

(1) Borrowings are classified as a non-current liability as at March 31, 2020, whilst at December 31, 2019 they were classified as a current liability. Subsequent to December 31, 2019, the Borrowings' maturity date was extended to July 1, 2021. See Liquidity and Capital Resources section of the MD&A for details.

The cash and cash equivalents balance of $8.9 million as at December 31, 2019 decreased to $3.2 million at March 31, 2020. This decrease is due to $8.5 million in cash used in investing activities and $4.0 million in cash used in financing activities, partially offset by $6.8 million in cash generated by operating activities.

Working capital increased to negative $4.6 million at March 31, 2020 from negative $73.5 million at December 31, 2019, mainly due to the reclassification of $79.9 million of borrowings from current to non-current, subsequent to December 31, 2019. The change in the working capital balance during Q1 2020 also included an increase in trade and other receivables of $6.4 million, partially offset by a $5.8 million decrease in cash and cash equivalents, a $5.2 million decrease in inventories and a $6.0 million increase in trade and other payables.

The total assets balance decreased to $522.2 million at March 31, 2020 from $768.3 million at December 31, 2019. This change is primarily due to i) a $238.2 million of impairment recorded during the period, ii) $7.6 million in depletion, iii) a $5.8 million decrease in cash, and iv) a $5.2 million decrease in inventories. These decreases are partially offset by a $6.4 million increase in trade and other receivables.

The increase in total long-term liabilities is due to i) the reclassification of borrowings from current to non-current during the first quarter of 2020. This increase is partially offset by a $1.5 million decrease in contingent consideration.

The undiscounted balance owed under the Loan Facility (discussed in the Liquidity and Capital Resources section of this MD&A) as at March 31, 2020 was $78.0 million, including $2.0 million in accrued interest.

The undiscounted balance of principal and accrued interest potentially owed under the contingent consideration obligation to the vendor of the Hawler License Area as at March 31, 2020 was $76.0 million.

2020 capital expenditure re-forecast

The Group's re-forecasted capital expenditures for 2020 are $11 million, reduced from the previously announced forecast of $53 million. The reduction reflects the deferment of all planned drilling of new wells and facilities expenditures except the installation of a pump at the Banan field and minor infrastructure works in the Hawler License Area, and ceasing further investment in the AGC Central License Area as a result of the proposed transfer of the asset to AOG (see the "Liquidity and Capital Resources" section of this MD&A). The following table summarises the Group's 2020 forecasted capital expenditure program versus the previously announced forecast.

Location	License/Field/Activity	2020 Prior Forecast	2020 Re-Forecast
		$ millions	$ million
Kurdistan Region	Hawler		
	Zey Gawra Drilling	4	-
	Demir Dagh Drilling	8	-
	Ain Al Safra Drilling	2	-
	Banan Drilling	14	6
	Facilities	19	1
	Other(2)	3	3
	Total Hawler	**50**	**10**
West Africa & Corporate	AGC Central – Drilling preparation	-	-
	AGC Central – Other	3	1
	Capex Total	**53**	**11**

Notes:

(1) Totals 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 – one previously planned well targeting the Cretaceous reservoir has been deferred.

Zey Gawra drilling – one previously planned well targeting the Tertiary reservoir has been deferred.

Banan drilling – consists of the workover of the Banan-1 well targeting the Cretaceous reservoir completed in early 2020 and the planned installation of a pump at the Banan-4 well. One planned new well targeting the Tertiary reservoir, and one planned well in the western portion of the Banan field targeting the Cretaceous reservoir have been deferred.

Ain Al Safra drilling – the planned completion of the Ain Al Safra-2 well targeting the Triassic reservoir has been deferred. The Ain Al Safra-2 well was suspended in 2014 prior to testing due to security developments.

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 have been deferred. Zey Gawra facilities expenditures comprised of studies and minor infrastructure works including flowlines for new wells have been deferred. 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 have been deferred.

AGC Central License Area

Activity consists of preparation costs for drilling including an environmental and social impact assessment, studies and license maintenance costs incurred prior to the expected transfer of the AGC Central License Area to AOG (see the "Liquidity and Capital Resources" section of this MD&A).

Business Environment

Following various destabilising geopolitical events impacting the Kurdistan Region of Iraq over several years, relative political stability has supported conditions where the Group has been able to continue its activities in the Kurdistan Region of Iraq. However, the recent impact of the COVID-19 pandemic and oil price volatility compounds uncertainty associated with unresolved political disputes, and their eventual impact on the Group's operations may be significant and remains unclear. Political and other risk factors which are disclosed in OPCL's Annual Information Form could have an adverse effect on Oryx Petroleum's performance.

The Group's future revenues and cash flows from operating activities are dependent on the Group's ability to produce, deliver, and receive payment for sales of crude oil. Production rates are subject to fluctuation over time and are difficult to predict.

Uncertainty related to global, social, political, and economic conditions and the resulting changes in global oil supply chains and infrastructure investment contribute to volatility in the price of crude oil. Most recently, the global response to the spread of COVID-19 has decreased global economic activity and, correspondingly, the demand for and price of crude oil. The Kurdistan Regional Government has also advised that payments overdue for oil sales from November 2019 through February 2020 to International Oil Companies including Oryx Petroleum would be delayed by at least nine-months. The related uncertainty regarding returns on investments in upstream oil and gas exploration and development has impacted the availability and cost of capital resources. The Group also implemented cost reductions primarily by restructuring its head office involving the issuance of termination notices to most of the Geneva office employees.

Furthermore, future oil prices, which directly impact the Group's expected cash inflows, are extremely difficult to forecast reliably. The Group's ability to fund its ongoing operations and its forecasted capital investments is consequently subject to significant uncertainty. See the "Liquidity and Capital Resources" section of this MD&A for further discussion.

On March 14, 2016, the Group initiated crude oil deliveries to international markets through the Kurdistan Oil Export Pipeline. Although management does not expect restrictions on its ability to access pipeline capacity, Oryx Petroleum is not aware of official allocations of export pipeline capacity and is uncertain of the extent to which its future production will continue to be sold through this export pipeline. Arrangements currently in place to sell oil produced from the Hawler License Area may not continue to be in effect. Furthermore, there remains an ongoing risk that any renewed worsening of the regional security situation could have a material adverse effect on the operating and financial performance of the Group.

The market on which oil produced from the Hawler License Area is sold affects the price realised and, consequently, Oryx Petroleum's cash flows. Complexities in local, regional, and international market access dynamics may impact the Group's realised oil sales prices and its future ability to sell its produced oil.

The timing and execution of the Group's capital expenditure program may also be affected by the availability of services from third party oil field contractors and the Group's ability to obtain, sustain or renew necessary government licenses and permits on a timely basis to conduct exploration and development activities.

In respect of the Group's exploration activities in the area administered jointly by the AGC, the governments of Senegal and Guinee-Bissau are currently in the process of renegotiating the terms of the agreement to manage and administer petroleum and fishing activities in the maritime zone between Senegal and Guinea Bissau. Activities and investments in the AGC Central License Area are subject to satisfactory resolution of these negotiations. See the "Liquidity and Capital Resources" section of this MD&A for discussion regarding the expected transfer of the AGC Central License Area to AOG.

With the exception of the items discussed above, together with risks disclosed in the OPCL's Annual Information Form dated March 23, 2020, management has not identified trends or events that are expected to have a material adverse effect on the financial performance of Oryx Petroleum.

Operations Review

Kurdistan Region of Iraq

The following table summarises production and sales data for the three months ended March 31, 2020, December 31, 2019, and March 31, 2019:

	Three months ended		
	March 31, 2020	December 31, 2019	March 31, 2019
Gross (100%) Production (bbl)	1,295,000	1,201,000	975,000
Gross (100%) Production per day (bbl/d)	14,200	13,100	10,800
WI Production (bbl)	842,000	780,700	633,800
WI Production per day (bbl/d)	9,300	8,500	7,000
WI sales (bbl)	842,800	777,800	633,300
WI sales per day (bbl/d)	9,300	8,500	7,000

Production and sales

Gross (100%) oil production for the three months ended March 31, 2020 was 1,295,000 bbl representing an average rate of 14,200 bbl/d. The Group's Working Interest share of oil production during this period was 842,000 bbl representing an average rate of 9,300 bbl/d.

The increase in production and sales volumes during the first quarter of 2020 is attributable to increased production from Banan field wells completed and brought on to production during the second, third, and fourth quarters of 2019.

The Group recognised revenue on the sale of 842,800 bbl (Working Interest) of oil during the three months ended March 31, 2020.

Crude oil sale prices

Commencing in March 2016, the Group began selling crude oil to the KRG's Ministry of Natural Resources via deliveries at the Hawler License Area into the Kurdistan Oil Export Pipeline. The realised sales prices on export sales through this pipeline made after February 1, 2018 are referenced to monthly average Brent crude oil prices, discounted by approximately $8/bbl for pipeline system tariffs and fees, and adjusted for differences in API gravity and sulphur from standard Brent specifications.

The following table indicates average Brent crude oil prices and the Group's realised crude oil sales prices for each quarter ended on the dates indicated below:

	2020	2019				2018		
	Mar 31	Dec 31	Sept 30	June 30	Mar 31	Dec 31	Sept 30	Jun 30
Brent average price ($/bbl)	50.10	63.08	62.00	68.86	62.93	68.81	75.16	74.39
Realised sales price ($/bbl)	34.03	47.32	46.05	53.47	48.35	52.37	61.33	61.51

Netbacks

The following table summarises the Field Netback and Oryx Petroleum Netback for the three months ended March 31, 2020 and 2019:

	Three months ended March 31, 2020		Three months ended March 31, 2019	
	($ thousands)	($/bbl)	($ thousands)	($/bbl)
Oil sales	28,682	34.03	30,618	48.35
Royalties	(14,020)	(16.64)	(14,966)	(23.63)
Field production costs(1)	(5,871)	(6.97)	(5,560)	(8.78)
Current taxes	(651)	(0.77)	(695)	(1.10)
Field Netback(2)	**8,140**	**9.65**	**9,397**	**14.84**
Recovery of Carried Costs	3,177	3.77	3,391	5.35
Partner share of production costs	(1,807)	(2.14)	(1,710)	(2.70)
Oryx Petroleum Netback(2)	**9,510**	**11.28**	**11,078**	**17.49**

Notes:

(1) Field production costs represent the Oryx Petroleum's Working Interest share of gross production costs and exclude partner share of production costs which are being carried by Oryx Petroleum.

(2) Field Netback and Oryx Petroleum Netback are non-IFRS measures. See the "Non-IFRS Measures" section of this MD&A.

Field Netback for the three months ended March 31, 2020 of $8.1 million incorporates field production costs of $5.9 million. On a per barrel basis, Field Netback has decreased to $9.65/bbl for the three months ended March 31, 2020 from $14.84/bbl for the three months ended March 31, 2019. This variance is attributable to a decrease in the realised sales prices, partially offset by lower per barrel field production costs.

Hawler license operation, appraisal and early production

Production from the Banan field was shut-in on April 2, 2020 due to poor economics.

The worldwide outbreak of the COVID-19 virus, including within Iraq, has not impacted operations. The Group is taking precautions to protect its employees and contractors but does not at this time expect that the virus outbreak will restrict operations.

West Africa

AGC Central License Area

The Group has licensed approximately 2,000 km^2 of 3D seismic data over the AGC Central License Area. The data has been processed and interpretation is positive. Final prospect ranking has been completed and an environmental impact assessment was largely completed in 2019 with preparation for drilling in 2021 to follow.

Other than the above, activities in West Africa during the quarter ended March 31, 2020 were limited to license maintenance and data analysis.

Haute Mer B License Area

On April 23, 2018, a subsidiary of Oryx Petroleum (the "**Seller**") entered into an agreement providing for the sale of a 30% participating interest in the Haute Mer B exploration license offshore Congo (Brazzaville) ("**HMB License**") to the HMB License's operator (the "**Buyer**") (the "**Sale Agreement**"). The Sales Agreement provided for the Seller's interest in the HMB License to be transferred for cash consideration of $13.3 million.

During the second quarter of 2019, the Buyer and other members of the HMB License contractor group relinquished their rights to explore and produce crude oil from the License Area.

Contrary to the Seller's position that all conditions to closing were either satisfied or waived notwithstanding, the Buyer declined to close the transaction and purported to terminate the Sale Agreement. The matter was referred to arbitration. On January 31, 2020, the arbitration tribunal released its decision rejecting the Seller's position that all conditions to closing had been either satisfied or waived and that the Buyer was required to close the transaction and acquire the Seller's interest. The tribunal also awarded $15.7 million to the Buyer, including $15.1 million in respect of the Seller's share of HMB License expenditures incurred and carried by the Buyer following the date of the Sale Agreement.

The Group consequently adjusted the carrying value of the asset held for disposal to Nil as at March 31, 2020 (December 31, 2019 - Nil) and recorded a provision for the costs awarded to the Seller. The Group does not expect outflows of cash or other assets in excess of the Seller's assets, which are reflected in the financial statements at nominal carrying values.

Capital Additions

The following table summarises the capital additions incurred by activity during the three months ended March 31, 2020 and March 31, 2019:

($ thousands)	Three months ended March 31, 2020	Three months ended March 31, 2019
Middle East		
Drilling	3,924	1,099
Facilities	480	541
Studies, license, and support	91	221
Sub-Total Middle East	**4,495**	**1,861**
West Africa		
Exploration drilling	73	161
Facilities	-	2
Seismic	-	72
Studies, license, and support	123	200
Sub-Total West Africa	**196**	**435**
Corporate	**17**	**17**
Total capital additions	**4,708**	**2,313**

Middle East

During the three months ended March 31, 2020, the Group invested $4.5 million in the Hawler License Area. The Group invested $3.7 million related to the horizontal sidetrack of the previously drilled Banan-1 well. Expenditure of $0.5 million on facilities and $0.1 million on preparation for drilling, studies and support were also incurred in the period.

West Africa

Capital additions of $0.2 million for the three months ended March 31, 2020 were primarily comprised of costs related to preparation for drilling, the conduct of an environmental and social impact assessment, and directly attributable technical support costs in the AGC Central License Area.

Cost Pools

Cost Pools for each License Area, which are available for recovery through future oil sales from such License Area, as at March 31, 2020, are detailed in the table below:

License Area	Location	Gross Cost Pool	Group Participating Interest Cost Pool	Costs carried by Oryx Petroleum	Costs recovered through cost oil	Group share of recoverable costs available(1)(2)
		($ million)	($ million)	($ million)	($ million)	($ million)
Hawler	Iraq – Kurdistan Region	934.1	591.6	205.2(3)	162.7	634.1
AGC Central	Senegal and Guinea Bissau	53.8	45.8	8.0	-	53.8
		987.9	**637.4**	**213.2**	**162.7**	**687.9**

Notes:

(1) Cost Pool balances are subject to audit by relevant government entities.
(2) Oryx Petroleum share of costs available for future recovery through the sale of cost oil.
(3) Carried costs include $134.4 million in expenditures related to a commitment to carry up to $300 million on behalf of a partner for the Hawler License Area development.

Property, plant and equipment and intangible assets

The capital additions described in the sections above, net of depletion, depreciation and amortisation ("**DD&A**") and net impairment reversals, have resulted in the following movements in intangible asset and PP&E balances during the three months ended March 31, 2020:

($ thousands)	Exploration and Evaluation Assets	Other Intangible Assets	Total Intangible Assets
As at January 1, 2020	**101,783**	**24**	**101,807**
Capital additions	200	-	200
DD&A	-	(3)	(3)
As at March 31, 2020	**101,983**	**21**	**102,004**

($ thousands)	Oil & Gas assets	Furniture and fixtures	Total PP&E
As at January 1, 2020	**611,420**	**133**	**611,552**
Capital additions	4,491	17	4,508
DD&A	(7,573)	(18)	(7,591)
Impairment	(238,245)	-	(238,245)
As at March 31, 2020	**370,093**	**131**	**370,224**

Financial Results

Revenue

The following table summarises Oryx Petroleum's revenue for the three months ended March 31, 2020 and 2019. All oil sold during each of the below periods was produced at the Hawler License Area.

($ thousands)	Three months ended March 31	
	2020	2019
Oil Sales	28,682	30,618
Recovery of Carried Costs	3,177	3,391
Revenue	**31,859**	**34,009**

The Group recognised revenue on the sale of 842,800 bbl (Working Interest) of oil during the three months ended March 31, 2020, compared to revenue on the sale of 633,300 bbl (Working Interest) of oil during the same period in the previous year. Revenue of $31.9 million during the first quarter of 2020 decreased by $2.2 million compared to the three months ended March 31, 2019. The decrease in oil sales is attributable to a 30% decrease in realised oil price, partially offset by a 33% increase in sales volumes.

Sales volumes are determined by the timing of deliveries to customers and are not directly correlated with production volumes. As at March 31, 2020, the Group's Working Interest share of oil inventory amounted to 10,540 bbl.

Royalties

The following table summarises royalty expense during the three months ended March 31, 2020 and March 31, 2019:

($ thousands)	Three months ended March 31	
	2020	2019
Royalties	**14,020**	**14,966**

All remittances to governments that are directly attributable to the sale of oil during the reporting period, including the government share of Profit Oil but excluding income taxes, are reported as royalties. Royalties decreased by $0.9 million during the three months ended March 31, 2020, compared to the same period in the previous year. The variances in royalties from period to period are attributable to the same factors as those applicable to revenues from oil sales as discussed above.

Operating expense

($ thousands)	Three months ended March 31 2020	2019
Field production costs[1]	5,871	5,560
Partner's share of production costs carried by Oryx Petroleum	1,807	1,710
Operating expense	**7,678**	**7,270**
Sales[2] (bbl)	842,800	633,300
Field production costs[1] ($/bbl)	**6.97**	**8.78**
Operating expense ($/bbl)	**9.11**	**11.48**

Notes:

(1) Field production costs represent the Oryx Petroleum's Working Interest share of gross production costs and exclude partner share of production costs which are being carried by Oryx Petroleum.

(2) Oryx Petroleum's Working Interest share.

Operating expense of $7.7 million in the three months ended March 31, 2020 increased by $0.4 million compared to the same period in the previous year. The increase in operating expenses is primarily attributable to increased production volumes. Operating costs per barrel decreased during the three months ended March 31, 2020 compared to the three months ended March 31, 2019 due to a 33% increase in sales volumes.

The following table indicates the impact of the variances in operating expense between the fourth quarter of 2019 and the first quarter of 2020:

($ thousands)	($000)	($/bbl)
Operating expense – three months ended December 31, 2019	**7,563**	**9.72**
Contribution of the following to variance:		
Personnel and camp costs	281	0.33
Well maintenance	32	0.04
Facilities lease and maintenance, diesel and operation	233	0.28
Security	(431)	(0.51)
Increase in production	-	(0.75)
Operating expense – three months ended March 31, 2020	**7,678**	**9.11**

General and administration

($ thousands)	Three months ended March 31 2020	2019
Total General and Administration	**2,738**	**2,103**

General and administration expenses of $2.7 million, incurred during the three months ended March 31, 2020, compared with $2.1 million in the comparable period during 2019. The increase is primarily due to increases in personnel costs partially offset by reductions in prior period expenditures recorded during the first quarter of 2020.

Impairment of oil and gas assets

($ thousands)	Three months ended March 31 2020	2019
Impairment expense of property, plant and equipment	238,245	-
Total impairment	**238,245**	**-**

During the first quarter of 2020, the Group recorded an impairment of $238.2 million related to the Hawler License Area. The carrying value of this asset at March 31, 2020 is $370.1 million.

Refer to the "New Accounting Pronouncements, Policies and Critical Estimates" section of this MD&A for further information.

Depletion, depreciation and amortisation

The following table summarises the component parts of depletion, depreciation and amortisation for the three months ended March 31, 2020 and 2019:

	Three months ended March 31	
($ thousands)	2020	2019
Intangible assets: Amortisation	3	3
PP&E assets: Depreciation	19	18
Depletion	7,579	4,708
Total DD&A	**7,601**	**4,729**

Depletion is calculated on a unit of production basis, which is the ratio of oil production volume during the period to the estimated quantities of proved plus probable oil reserves at the beginning of the period.

The depletion charge for the three months ended March 31, 2020 increased to $7.6 million from $4.7 million during the same period in 2019. This increase is due to higher production during the first quarter of 2020 and a higher per barrel depletion charge, primarily due to a greater reduction in proved plus probable oil reserve estimates than the decrease in the depletable base.

Change in fair value of contingent consideration

	Three months ended March 31	
($ thousands)	2020	2019
Change in fair value of contingent consideration	1,873	(657)
Total change in fair value of contingent consideration	**1,873**	**(657)**

The change in fair value of contingent consideration is discussed in the "Liquidity and Capital Resources" section of this MD&A.

Other expense / (income)

The following table summarises the components of other expense / income for the three months ended March 31, 2020 compared to the same period in 2019:

	Three months ended March 31	
($ thousands)	2020	2019
(Increase) / Reduction of provision against trade and other receivables	(4,367)	119
Restructuring charges	(772)	-
(Increase) / reduction of materials inventory provision	(4,603)	1,191
Other	56	27
Other (expense) / income	**(9,686)**	**1,337**

Other expense for the three months ended March 31, 2020 relates primarily to a $4.4 million increase in the provision to reflect discounting and credit risk related to trade and other receivables, and a $4.6 million increase in the materials inventory provision. A $0.8 million restructuring charge relating to personnel and software costs to be incurred over the next twelve months has also been recorded.

Finance expense

	Three months ended March 31	
($ thousands)	2020	2019
Interest expense on Loan Facility	1,985	1,968
Accretion of deferred financing costs on Loan Facility	191	86
Interest on contingent consideration	331	782
Accretion of decommissioning liability	118	117
Issue of warrants	-	277
Other	1	28
Finance expense	**2,626**	**3,258**

Finance expense for the three months ended March 31, 2020 and March 31, 2019 primarily relates to accrued interest associated with the Loan Facility and on contingent consideration. The interest on contingent consideration is discussed in the "Liquidity and Capital Resources" section of this MD&A.

Income tax expense

The following table summarises the component parts of income tax expense for the three months ended March 31, 2020 and March 31, 2019.

	Three months ended March 31	
($ thousands)	2020	2019
Current income tax expense	738	737
Deferred tax (benefit) / expense	3	2
Total income tax expense	**741**	**739**

The current income tax expense, which varies proportionately with oil sales revenues, includes amounts deemed to be collected by the KRG through its allocation of Profit Oil under the Hawler PSC.

Operating segments

The following table summarises the profit from operations by operating segment for the three months ended March 31, 2020 and March 31, 2019.

	Three months ended March 31	
($ thousands)	2020	2019
Middle East	(244,294)	6,482
West Africa	(684)	(180)
Corporate	(1,258)	(760)
Loss / (profit) from operations	**(246,236)**	**5,621**
Finance expense	(2,626)	(3,258)
Foreign exchange gain / (loss)	13	(80)
Income tax expense	(741)	(739)
Loss / (profit) for the period	**(249,590)**	**1,544**

Liquidity and Capital Resources

During the first quarter of 2020, the Group met its day to day working capital requirements and funded its capital and operating expenditures through funding received from cash reserves and partial receipt of its share of oil sales revenues from the Hawler License Area.

Shareholder and Loan Facility Restructuring

The Company has been informed that its two largest shareholders have executed an agreement whereby Zeg Oil and Gas Ltd ("**ZOG**"), which currently owns approximately 22% of the issued and outstanding common shares of the Company, has agreed to acquire the outstanding common shares and warrants held by AOG Upstream BV (and its affiliates), increasing its ownership of the Company to approximately 89%. The transaction, which will result in a change of control of the Company, are subject to customary closing conditions and prior settlement of the Loan Facility as described below.

The Group and an affiliate of AOG have agreed that the Loan Facility (see below), amounting to $79.8 million (including accrued interest) at June 22, 2020, will be settled in full through the transfer by the Group to an affiliate of AOG of the shares of OP AGC Central Limited, the wholly-owned subsidiary of the Company that holds the interest in the AGC Central License Area. The transactions are subject to customary closing conditions, including acceptance of the Toronto Stock Exchange and receipt of a favourable fairness opinion. Upon closing, a gain of $26 million is expected to be recognised in the Group's consolidated financial statements.

In connection with the proposed change of control, the previously announced 2020 Interim Credit Facility (see below) has been terminated. The Group has not drawn any amounts under the 2020 Interim Credit Facility.

The various conditions for the two transactions (together the "**Shareholder and Loan Facility Restructuring**") are anticipated to be fulfilled such that the transactions will close early in the third quarter of 2020.

Loan Facility

On March 11, 2015, the Group entered into a committed and unsecured term loan facility agreement (the "**Loan Facility**") with a subsidiary of its indirect controlling shareholder The Addax and Oryx Group PLC (the "**Lender**"). The $100 million Loan Facility has been fully drawn and had an initial maturity of March 10, 2018 (the "**Maturity Date**").

On April 28, 2017, the Loan Facility was amended to extend the Maturity Date from March 10, 2018 to July 1, 2019 and to amend interest payment terms (the "**Loan Amendment**"). Under the terms of the Loan Amendment, interest at an annual compound rate of 10.5%, and principal amounts owing to the Lender up to and including May 11, 2017 (the "**Loan Amount**") are payable at the Maturity Date or earlier, at the option of the borrower. Interest accrued on the Loan Amount after May 11, 2017 was determined on each of November 11, 2017, May 11, 2018, November 11, 2018, (each, an "**Interest Calculation Dates**") and has been settled by way of issuance of Common Shares. The numbers of Common Shares were determined using the issue price per share equal to the volume weighted average trading price for the five trading days immediately preceding the Interest Calculation Dates.

On December 31, 2018, the Group agreed with the Lender to amend the Loan Facility to further extend the Maturity Date from July 1, 2019 to July 1, 2020 and to amend interest provisions (the "**2nd Loan Amendment**"). The Company issued warrants to acquire 6,132,804 Common Shares to an affiliate of the Lender in consideration of the 2nd Loan Amendment. The Loan Amount and interest rate remains unchanged from the terms agreed under the Loan Amendment. Interest accrued on the Loan Amount for the period beginning on November 12, 2018 and ending on July 1, 2019 was settled by way of issuance of Common Shares as contemplated in the Loan Amendment. If cash payments to the Lender are then permitted under the terms of other corporate agreements, interest on the Loan Amount accruing after July 1, 2019 is payable in cash on January 1, 2020 and July 1, 2020. The 2nd Loan Amendment was approved by the Toronto Stock Exchange on March 11, 2019.

On August 19, 2019, the Group extinguished $5.1 million of accrued interest under the Loan Facility, for the period beginning on November 12, 2018 and ending on July 1, 2019 in consideration for 23,901,430 Common Shares.

On March 11, 2020, the Group agreed with the Lender to further amend the Loan Facility to extend the Maturity Date from July 1, 2020 to July 1, 2021 (the "**3rd Loan Amendment**"). On March 20, 2020, the Company issued warrants to acquire 33,149,000 Common Shares to an affiliate of the Lender in consideration of the 3rd Loan Amendment. The interest rate remains unchanged from the terms agreed under the 2nd Loan Amendment.

As at March 31, 2020, the carrying value of the balance owed under the Loan Facility was $75.6 million, including $2.0 million in accrued interest. The total undiscounted principal plus accrued interest owed at March 31, 2020 was $78.0 million.

Conditional upon closing of the Shareholder and Loan Facility Restructuring outlined above, the Loan Facility will be settled in full, including accrued interest, through the transfer of the Group's shares of OP AGC Central Limited, the wholly-owned subsidiary of the Company that holds the interest in the AGC Central License Area.

Interim credit facilities

On March 11, 2020 the Group entered into a $5 million committed and unsecured short-term credit facility agreement ("**2020 Interim Credit Facility**") with an affiliate of AOG. A commitment fee equivalent to 1% per annum of the undrawn amount is payable under the 2020 Interim Credit Facility.

In connection with the Shareholder and Loan Facility Restructuring described above, the 2020 Interim Credit Facility has been terminated. As at both March 31, 2020 and June 22, 2020 no amounts have been drawn under the 2020 Interim Credit Facility.

On November 13, 2018, the Group entered into a committed and unsecured term loan agreement ("**2018 Interim Credit Facility**") jointly with an affiliate of AOG and Zeg Oil and Gas Limited. On September 30, 2019, the 2018 Interim Credit Facility expired in accordance with its terms. No amounts were borrowed by the Group under the facility. The Group incurred a commitment fee equivalent to 1% of the undrawn amount under the 2018 Interim Credit Facility.

Contingent consideration

During 2011, the Group acquired OP Hawler Kurdistan Limited under the terms of a sale and purchase agreement (the "**Purchase Agreement**").

The Purchase Agreement establishes that additional consideration in the remaining amount of $66 million plus interest at LIBOR plus 0.25% per annum becomes payable if the potential of a Hawler License Area discovery beyond the initially declared Demir Dagh commercial discovery, is declared to be commercial. While the Purchase Agreement has been amended by subsequent agreement ("**Amending Agreements**"), these agreements each had expiry provisions which have been triggered. Consequently, the terms of the original Purchase Agreement prevail.

For the specific purpose of estimating the fair value of the contingent consideration obligation in accordance with IFRS, management has applied the expected present value technique. Management has accordingly set out possible future cash outflow scenarios and has aggregated the probability-weighted present value of each cash outflow forecast scenario, discounted at a rate of 10% per annum. The liability is presented at management's estimate of fair value, which as at March 31, 2020 amounted to $54.5 million (December 31, 2019 - $56.0 million).

Management has based cash outflow forecast scenarios on possible future circumstances that may cause the contingent consideration to become payable, or not, in its entirety at future dates or on a scheduled basis. The scenarios range from Nil cash outflow in the event that the conditions causing the contingent consideration to become payable do not materialize, to maximum undiscounted principal and interest in the amount of $104.2 million scheduled over time through 2026. The balance of unpaid principal and accrued interest potentially owed under the contingent consideration obligation to the vendor of the Hawler License Area as at March 31, 2020 was $76.0 million.

During the three months ended March 31, 2020, contingent interest accrued at a revised rate of 2.04% per annum (year ended December 31, 2019 – 2.71%).

Management expects that, should cash outflows related to the contingent consideration liability arise, it is more likely than not that these cash outflows would occur after June 30, 2021. Consequently, the liability has been classified as a non-current liability.

The fair value of the liability was established using a combination of observable inputs other than quoted prices and unobservable inputs derived from management's internal analysis and judgement (IFRS 13 Level 3 hierarchy category).

Liquidity outlook

The Group expects cash on hand as of June 22, 2020 and cash receipts from net revenues from export sales will allow it to fund its 2020 forecasted capital expenditures and operating and administrative costs into the second half 2021. Collection of overdue net revenues for the November 2019 to February 2020 period and/or working capital support from shareholders is required to be able to fund capital expenditures in the Hawler License Area in 2021, to settle obligations currently due to suppliers, and to meet any contingent consideration obligations that become payable in 2021.

See the "New Accounting Pronouncements, Policies, and Critical Estimates – Going Concern" section of this MD&A for discussion regarding uncertainties and risks associated with the Group's ability to continue as a going concern.

The following table summarises the components of Oryx Petroleum's consolidated cash flows for the periods indicated:

	Three months ended March 31	
($ thousands)	2020	2019
Operating Funds Flow(1)	6,551	9,180
Change in non-cash working capital	254	(549)
Net cash generated by operating activities	**6,805**	**8,631**
Additions to E&E and PP&E	(4,495)	(1,698)
Change in non-cash working capital	(4,039)	(7,274)
Net cash used in investing activities	**(8,534)**	**(8,972)**
Net cash used in financing activities	**(4,025)**	**-**
Total change in cash	**(5,754)**	**(341)**
Cash and cash equivalents at beginning of the period	8,912	14,410
Cash and cash equivalents at end of the period	**3,158**	**14,069**

Note:

(1) Operating Funds Flow is a non-IFRS measure. See the "Non-IFRS Measures" section of this MD&A.

During the three months ended March 31, 2020, the Group invested $4.5 million in exploration, appraisal, and development activities in the Hawler and AGC Central License Areas. The Group invested $4.3 million primarily on drilling activities in the Banan field in the Hawler License Area, and $0.2 million to prepare for drilling activities in the AGC Central License Area. Operating activities for the three months ended March 31, 2020 generated $6.8 million in cash, reflecting Operating Funds Flow of $6.6 million, and a $0.3 million decrease in non-cash working capital which was primarily related to an increase in trade and other payables partially offset by an increase in trade and other receivables. Financing activities for the period used $4.0 million in cash relating to the repayment of accrued interest on the Loan Facility.

Risks and uncertainties

The Group's ability to realise cash inflows from crude oil sales is subject to significant uncertainty related to the future performance and productivity of individual wells and production facilities, future crude oil prices, and customer credit risk. In particular credit risk is impacted by the uncertainty associated with the COVID-19 pandemic, and political tensions between the governments of Iraq and the Kurdistan Region of Iraq as discussed in the "Business Environment" section of this MD&A. The Group's ability to secure external financing, if, and when required, is also subject to significant uncertainty and is dependent on the Group's performance and on market conditions. Furthermore, the execution of capital investment plans requires significant capital expenditures. Long lead times between initiation of commitments to capital projects and completion thereof are common in the industry. During these lead times, Oryx Petroleum expects to incur significant costs at a level which may be difficult to predict. Please refer to the "Liquidity Outlook" section of this MD&A for further details regarding liquidity risk. Prevailing market conditions, together with Oryx Petroleum's business performance, will impact the Group's ability to realise required Operating Funds Flows and to arrange further financing as needed. While the Group retains the flexibility to defer certain budgeted expenditures and to adjust the timing of its expenditures on the development of the Hawler License Area, slowing the rate of development expenditures related to the Hawler License Area would be likely to impede the Group's ability to achieve expected production and sales levels. Refer to the "Critical estimates" section of this MD&A for additional discussion regarding management's going concern assumption which contemplates that the Group will realise its assets and settle its liabilities and commitments in the normal course of business for the foreseeable future.

Economic Sensitivities

The following table shows the estimated effect that changes to crude oil prices, Gross (100%) oil sale volumes, operating costs and interest rates would have had on the Group's profit for the three months ended March 31, 2020, had these changes occurred on January 1, 2020. These calculations are based on business conditions, production and sales volumes existing during the three months ended March 31, 2020. The 1,000 bbl/d increase assumes the increase is to Gross (100%) sale volumes and the Group's entitlement is calculated according to the provisions of the Hawler PSC and Joint Operating Agreement.

	Change	Profit impact ($000s)	Profit impact ($ per basic share)
Change in average realised price	$10.00/bbl	5,751	0.01
Change in crude oil sales volumes	1,000 bbl/d	1,373	0.00
Change in operating expenses	$1.00/bbl	844	0.00

The future cash flows relating to the contingent consideration balance (refer to the "Liquidity and Capital Resources" section of this MD&A) have been estimated based on the terms outlined in the agreement with the counterparty and discounted using an observed market rate for similar obligations. As at March 31, 2020, management has assumed interest at LIBOR plus 0.25% per annum and a 10% discount rate. The following table shows the estimated effect that a 5% change in the interest and discount rates would have had on the Group's profit for the three months ended March 31, 2020.

	Change	Profit impact ($000s)	Profit impact ($ per basic share)
Change in interest rate	5%	6,262	0.01
Change in discount rate	5%	6,998	0.01

The impact of the above changes may be compounded or offset by changes to other business conditions. In addition, the tables do not reflect any inter-relationships between the above factors. Changes in foreign exchange rates have not been considered in this analysis as they do not have a significant impact on the Group's operations.

Non-IFRS Measures

Field Netback

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 expense 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 PSC 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. See the "Operations Review" section of this MD&A for a reconciliation of Field Netback.

Oryx Petroleum Netback

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. See the "Operations Review" section of this MD&A for a reconciliation of Oryx Petroleum Netback.

Operating Funds Flow

Operating Funds Flow is a non-IFRS measure that represents cash generated from operating activities before changes in non-cash working capital. The term Operating Funds Flow should not be considered an alternative to or more meaningful than "net cash used in 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 necessary to fund future growth through capital investment. Operating Funds Flow does not have any standardised meaning prescribed by IFRS and therefore may not be comparable to similar measures used by other companies.

The following table reconciles Operating Funds Flow to the IFRS measure of 'Net cash generated by / (used in) operating activities':

	Three months ended March 31	
($ thousands)	2020	2019
Net cash generated by operating activities	6,805	8,631
Changes in non-cash working capital	(254)	549
Operating Funds Flow	**6,551**	**9,180**

Outstanding Share Data

At the date of this M&DA, 552,481,662 Common Shares are issued and outstanding. Upon vesting, OPCL LTIP share awards granted to the date of this MD&A will result in the issuance of up to an additional 28,862,475 Common Shares. In connection with the Shareholder and Loan Facility Restructuring, all OPCL LTIP share awards will be subject to vesting accelerated to the day before the change of control.

Warrants

On March 11, 2020, the Company agreed with the Lender to further amend the Loan Facility to extend the Maturity Date from July 1, 2020 to July 1, 2021. On March 20, 2020, the Company issued warrants to acquire 33,149,000 Common Shares to an affiliate of the Lender in consideration of the 3rd Loan Amendment. A total of 39,281,804 warrants are outstanding as of the date of this MD&A.

At the date of this MD&A, other than the warrants and unvested LTIP shares described above, there are no securities convertible into or exercisable or exchangeable for voting shares.

The Company has not paid or declared any dividends during the three months ended March 31, 2020.

There were no repurchases of OPCL's equity securities by the Company during the three months ended March 31, 2020.

Commitments and Contractual Obligations

The table below sets forth information relating to Oryx Petroleum's commitments and contractual obligations as at March 31, 2020.

($ thousands)	Within One Year	From 1 to 5 Years	More than 5 Years	Total
Operating leases(1)	174	-	-	**174**
Other obligations(2)(3)	17,419	28,428	14,503	**60,350**
Total	**17,593**	**28,428**	**14,503**	**60,524**

Notes:

(1) Operating leases primarily relate to office rent.

(2) Consists principally of obligations related to PSC commitments and capital expenditure commitments. The main purpose of these commitments is to develop the Group's oil and gas assets.

(3) Included in the balances at March 31, 2020 are spending commitments, relating to the AGC License Area, of $15.3 million required to be met in within the next year, and $15.0 million required to be met in one to five years. Conditional upon closing of Shareholder and Loan Facility Restructuring (refer to the "Liquidity and Capital Resources" section of this MD&A), the Group's interest in the AGC Central License Area will be transferred to AOG, and the Group will no longer be required to meet these commitments. If the Shareholder and Loan Facility Restructuring does not close, the Group expects to be able to defer the $15.3 million commitment required to be met within one year.

Summary of Quarterly Results

The following table sets forth a summary of Oryx Petroleum's results for the indicated quarterly periods.

($ thousands, unless otherwise stated)	2018			2019				2020
	Jun 30	Sept 30	Dec 31	Mar 31	Jun 30	Sept 30	Dec 31	Mar 31
Revenue, net of royalties	10,024	16,437	20,414	19,043	22,327	20,010	22,890	17,893
Operating expense	(3,632)	(5,571)	(6,910)	(7,270)	(6,938)	(7,173)	(7,563)	(7,678)
Depletion	(2,622)	(4,315)	(4,723)	(4,708)	(4,990)	(5,129)	(7,017)	(7,579)
G&A	(2,358)	(2,414)	(4,439)	(2,103)	(3,361)	(2,801)	(3,742)	(2,738)
Profit / (Loss)	(3,522)	(5,216)	56,765	1,544	2,313	18,278	(81,334)	(249,590)
Earnings / (Loss) per basic and diluted share ($/share)	(0.01)	(0.01)	0.11	0.00	0.00	0.03	(0.15)	(0.45)
Operating Funds Flow(2)	4,298	8,400	9,079	9,180	11,852	9,781	(3,918)	6,551
Gross Production (bbl)	402,600	661,900	965,900	975,000	1,029,500	1,072,500	1,201,000	1,295,500
WI Production (bbl)	261,700	430,200	627,900	633,800	669,200	697,200	780,700	842,000
Gross Sales (bbl)	403,000	662,900	964,100	974,300	1,032,800	1,074,800	1,196,600	1,296,700
WI Sales (bbl)	262,000	430,900	626,700	633,300	671,300	698,600	777,800	842,800
Field production costs(1)	(2,777)	(4,260)	(5,284)	(5,560)	(5,306)	(5,484)	(5,784)	(5,871)
Field Netback(2)	5,096	8,649	10,751	9,397	12,231	10,233	12,486	8,140
Oryx Petroleum Netback(2)	6,026	10,266	12,760	11,078	14,575	12,108	14,784	9,510
Brent price ($/bbl)	74.39	75.16	68.81	62.93	68.86	62.00	63.08	50.10
Sales price ($/bbl)	61.51	61.33	52.37	48.35	53.47	46.05	47.32	34.03
Royalties ($/bbl)	(30.06)	(29.98)	(25.60)	(23.63)	(26.14)	(22.51)	(23.13)	(16.64)
Field production costs(1) ($/bbl)	(10.60)	(9.89)	(8.43)	(8.78)	(7.90)	(7.85)	(7.44)	(6.97)
Current taxes ($/bbl)	(1.40)	(1.39)	(1.19)	(1.10)	(1.21)	(1.04)	(0.70)	(0.77)
Field Netback(2) ($/bbl)	19.45	20.07	17.15	14.84	18.22	14.65	16.05	9.65
Oryx Petroleum Netback(2) ($/bbl)	23.00	23.83	20.36	17.49	21.71	17.33	19.00	11.28
Capital additions	8,774	12,454	9,027	2,313	10,639	11,899	13,390	4,708

Notes:

(1) Field production costs represent the Oryx Petroleum's Working Interest share of gross production costs and exclude partner share of production costs which are being carried by Oryx Petroleum. See the "Operating expense" section of this MD&A.

(2) Operating Funds Flow, Field Netback and Oryx Petroleum Netback are non-IFRS measures. See the "Non-IFRS Measures" section of this MD&A.

Variations in revenue are attributable to changes in realised sales prices which have been broadly referenced to Brent crude oil prices and sales volumes which have fluctuated due to the variations in production from the Hawler License Area. There were no significant interruptions in production during the three months ended March 31, 2020. The only significant interruptions in production during the twelve months ended December 31, 2019, arose from temporary maintenance shut-downs of the Kurdistan Oil Export Pipeline, firstly for four days during February 2019, and then for seven days in September/October 2019. Production and sales volumes began to increase starting in the second quarter of 2018 as a result of incremental production from the Hawler License Area's Zey Gawra and Banan fields.

Variations in Field Netback and Oryx Petroleum Netback reflect changes in revenue discussed above and the impact of changes in field production costs. Field production costs increased during 2018 and 2019 as wells from the Zey Gawra and Banan fields have been brought onto production. Capital additions are otherwise primarily associated with appraisal activity in the Hawler License Area for all quarterly periods presented. Capital additions during the three months ended March 31, 2020 include $0.2 million related to the AGC Central License Area.

Financial and Other Instruments and Off-Balance Sheet Arrangements

Oryx Petroleum operates internationally and has foreign exchange risk arising from various currency exposures, notably the Swiss Franc. In November 2019, the Group entered into six foreign exchange contracts to purchase CHF 0.4 million and to sell US Dollars at various rates at any time during the six months from January to June 2020 in order to hedge its exposure to foreign exchange risk.

Oryx Petroleum was not party to any off-balance sheet arrangements during the three months ended March 31, 2020 that have, or are reasonably likely to have, a current or future effect on the financial performance or financial condition of Oryx Petroleum. Further, on the date of this MD&A, Oryx Petroleum is not party to any such off-balance sheet arrangements.

Refer to the Financial Statements for further information on significant assumptions made in determining the fair value and classification of financial instruments recognised during the period.

Transactions with Related Parties

On March 11, 2015, the Group entered into a committed and unsecured term loan facility agreement with a subsidiary of its indirect controlling shareholder AOG. On August 19, 2019, the Company extinguished $5.1 million of accrued interest under the Loan Facility, in consideration for 23,901,430 Common Shares. Each of the Loan Amendment, 2nd Loan Amendment and 3rd Loan Amendment discussed in the "Liquidity and Capital Resources" section of this MD&A was a transaction involving related parties. On March 11, 2020, the Group agreed with the Lender to amend the Loan Facility to further extend the Maturity Date to July 1, 2021. Management believes the terms and conditions negotiated to be materially comparable to terms applicable to similar market transactions. On March 20, 2020 the Company issued warrants to acquire 33,149,000 Common Shares to an affiliate of the Lender in consideration of the 3rd Loan Amendment. During the three months ended March 31, 2020, the Company paid $4.0 million in interest accrued under the Loan Facility.

Conditional upon closing of the Shareholder and Loan Facility Restructuring, the Loan Facility will be settled in full, including accrued interest, through the transfer of the Group's shares of OP AGC Central Limited, the wholly-owned subsidiary of the Company that holds the interest in the AGC Central License Area.

On December 27, 2018, the Company issued 7,312,764 Common Shares to Zeg Oil and Gas Limited for consideration of $1.3 million. On September 16, 2019, the Company issued 6,711,444 Common Shares to Zeg Oil and Gas Limited for cash consideration of $1.4 million.

On November 13, 2018, the Group entered into an Interim Credit Facility jointly with an affiliate of AOG and Zeg Oil and Gas Limited. The Interim Credit Facility provided the Group with access to $7.25 million, which had to be drawn no later than September 23, 2019. Refer to the "Liquidity and Capital Resources" section of this MD&A.

On March 11, 2020, the Group entered into a $5 million committed and unsecured short-term credit facility with an affiliate of AOG. Management believes the terms and conditions of the above facilities to be materially comparable to terms applicable to similar market transactions. This short-term credit facility has been cancelled. As at both March 31, 2020 and June 22, 2020 no amounts have been drawn under this short-term credit facility. Refer to the "Liquidity and Capital Resources" section of this MD&A.

On October 19, 2016, the Group entered into an office lease agreement with a subsidiary of its indirect controlling shareholder. Rental expense of $45 thousand and $193 thousand relating to this agreement was recorded for the three and twelve months ended March 31, 2020, respectively.

For the three months ended March 31, 2020, the Group incurred costs of $0.4 million (2019: $0.4 million) related to trademark license fees, parent company guarantees, and management services under agreements between the Group and AOG. Additional information relating to such agreements is available in OPCL's Annual Information Form dated March 23, 2020 available on SEDAR at www.sedar.com. Management exercised judgment, which was based on its industry specific knowledge and experience, to determine that i) the transactions described above did not contain any unusual commercial terms, and ii) the fees charged under the agreements were reasonable and not materially inconsistent with fees which would normally be associated with broadly comparable agreements.

In January 2020, the directors of OPCL were awarded $0.2 million in cash as remuneration for services provided in the third and fourth quarters of 2019. In July 2019, directors of OPCL were paid $0.2 million in cash as remuneration for services provided in the first and second quarters of 2019. In January 2019, directors of OPCL were paid $0.2 million in cash as remuneration for services provided in the first and second quarters of 2018.

See "Liquidity and Capital Resources" section of this MD&A for a description of Shareholder and Loan Facility Restructuring transactions involving related parties.

New Accounting Pronouncements, Policies, and Critical Estimates

New Pronouncements

Oryx Petroleum has adopted the new and revised standards and interpretations issued by the IASB and the International Financial Reporting Interpretations Committee that are relevant to its operations and effective for accounting periods beginning on or after January 1, 2020 as described in Note 2 of the Financial Statements. The adoption of these standards and interpretations has not had a material effect on OPCL.

Effective January 1, 2020, the Group adopted the following IFRS as issued or amended by the IASB:

Amendments to Standards	**Effective for annual periods beginning on or after**
Definition of a Business (Amendments to IFRS 3)	January 1, 2020

The above amended standards have not had a material impact on the Group's Financial Statements.

Critical estimates

In the process of applying the Group's accounting policies management makes estimates, judgments and assumptions concerning the future. These accounting estimates, judgments and assumptions may differ from actual results. The estimates and underlying assumptions are reviewed on an ongoing basis. Such estimates, judgments and assumptions have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities

Going Concern

Financial statement disclosure

The Financial Statements have been prepared on a going concern basis which contemplates the realisation of assets and the satisfaction of liabilities and commitments in the normal course of business for the foreseeable future. During the three months ended March 31, 2020, the Group met its day to day working capital requirements and funded its capital and operating expenditures through cash reserves and through partial receipt of its share of oil sales revenues from the Hawler License Area.

For oil sales up until and including July 2019, the Group had been receiving payment approximately 3 months after the month during which oil was delivered. Accordingly, the payment in respect of oil sales invoiced for July 2019 was received in October 2019. However, there were then increasing delays in receiving payment for oil sales made from August 2019 onwards. Payment of August and September 2019 invoices were received in January and February 2020, respectively.

Following communication from the office of the Prime Minister of the government of the Kurdistan Region of Iraq ("**KRI**") in late March 2020, the October 2019 oil sales invoice was settled in April 2020. The Prime Minister's communication also proposed that settlement of past due receivables in respect of oil sales made between November 2019 and February 2020, would be deferred for at least nine months, and would not attract interest. At the same time the government assured the Group that payment for oil sales for each month from March 2020 onwards would be settled in the following month. Subsequent to March 31, 2020, the Group has received settlement of the oil sales invoices for March, April and May 2020.

The Group's ability to continue as a going concern in accordance with management's estimates and forecasts is primarily dependent on the Group's ability to a) produce, sell and receive payment for crude oil from the Hawler License Area in accordance with its reforecast 2020 work program and budget and b) interim working capital support from its prospective principal shareholder of up to $15 million.

The Directors expect that cash resources will be sufficient to fund the Group's capital and operating expenditures and to meet forecast obligations as they fall due in the 15 months following March 31, 2020.

In preparing forecasts supporting the going concern assumption, management has applied the following significant judgments and assumptions:

i) Oil production volumes are based on risked production rates consistent with the Group's reforecast 2020 work program and budget which:
   a. includes the restoration of production from the Banan field from August 2020;
   b. reflects the continuing suspension throughout the forecast period of almost all capital projects in the Hawler Licence Area;
   c. reflects recently implemented and further planned operating cost savings

ii) Brent crude oil monthly average pricing is forecast to be $35/bbl through the end of July 2020, rising to $40/bbl for the remainder of the 15-month forecast period.

iii) Settlement of Hawler oil sales invoices from March 2020 onward in the month following deliveries, as recently initiated by the government of the KRI.

iv) No outflow of cash or other assets in satisfaction of the claims outlined in note 11 of the Financial Statements.

v) The Shareholder and Loan Facility Restructuring (see the "Liquidity and Capital Resources" section of this MD&A), will close as envisaged, wholly eliminating the Group's Loan Facility (see the "Liquidity and Capital Resources" section of this MD&A) along with its interest in, and obligations under the AGC Central License Area.

vi) No cash outflows ultimately expected to arise from contingent consideration will materialize prior to the second half of 2021.

Management continually monitors the Group's financing requirements and plans to secure external funding, as required. Specifically, management is engaged with the prospective principal shareholder, which has indicated its intention to provide the Group with access to interim financing arrangements required to fund the Group's cash outflows for up to $15 million, such support to be available from closing of the Shareholder and Loan Facility Restructuring (see the "Liquidity and Capital Resources" section of this MD&A), and throughout the period ending no earlier than June 30, 2021.

Collectively, uncertainties related to the assumptions listed above may cast significant doubt about the Group's ability to continue as a going concern. Should the Group be unable to meet its obligations as they fall due and to fund its anticipated capital investments and operating expenditures, the preparation of the Financial Statements on a going concern basis may not be appropriate. The Financial Statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. Such adjustments may be material.

The directors have considered the judgments, estimates, and related uncertainties discussed above and have concluded that there is a reasonable expectation that the Group will have adequate resources to continue operations for the foreseeable future and, therefore, continue to adopt the going concern basis in preparing the Financial Statements. However, as the Shareholder and Loan Facility Restructuring (see the "Liquidity and Capital Resources" section of this MD&A) has not yet closed, the directors have determined that the uncertainty related to the Group's ability to restructure or to reschedule cash outflows and/or to obtain required financing is material to the conclusion that the Group will be able to continue operations on a going concern basis.

Carrying value of intangible exploration and evaluation assets

The carrying amounts for E&E assets represent costs incurred on exploration projects. For the purpose of impairment assessments and testing, E&E assets are aggregated in cash-generating units ("CGU"). Determination of what constitutes a CGU is subject to management judgments and the circumstances. The carrying amounts remain capitalised, provided there are no indications of impairment, until the process to determine whether commercial reserves are established is complete. At that stage the relevant costs are either transferred to PP&E or written-off to the statement of profit and loss as an impairment of oil and gas assets.

Management has exercised significant judgment in determining that the Hawler – Ain al Safra sub-contract area and the AGC Central License Area constitute individual CGUs and that there are no substantive indicators suggesting that the carrying amounts of exploration and evaluation assets exceed their recoverable amounts. Most significantly, assessments regarding the presence of impairment indicators include complex judgments and estimates relating to i) management's current and future capital allocation priorities, and ii) the Group's ability to finance its commitments within the time limitations imposed by the agreements governing the Group's activities in each of the related License Areas / CGUs.

Carrying value of Oil and Gas assets

The carrying amounts for oil and gas assets are subject to impairment assessment and testing in accordance with IAS 36.

For the purpose of impairment assessments and testing, oil and gas assets are aggregated in CGUs. Determination of what constitutes a CGU is subject to management judgments and the circumstances. For the purposes of impairment assessments and testing of oil and gas assets, management has determined that the Hawler License Area, excluding the Ain al Safra sub-contract area, constitutes the Group's single CGU which contains property, plant and equipment.

In conducting impairment assessments and tests, management considers internal and external sources of information regarding the manner in which assets are expected to be used, and indications of economic performance of the assets. Estimates include but are not limited to the determination of expected future cash flows from the asset being tested and the discount rate used to determine the value of the cash flows at the measurement date. Reductions in oil price forecasts, increases in estimated future costs of production, increases in estimated future capital costs, reductions in the amount of recoverable reserves and resources and/or adverse economic conditions can result in estimated carrying amounts exceeding the recoverable amounts of the Group's oil and gas assets. An impairment loss is recognised if and when the carrying amount exceeds the recoverable amount. An impairment reversal is recognised if and when there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

The very significant recent decline in spot and forward crude oil prices, occasioned principally by the destruction of oil demand due to measures introduced by governments globally to combat the COVID-19 pandemic, is a clear indicator that the Hawler License Area CGU's recoverable amount may differ from its carrying amount. Accordingly, management conducted a further impairment test as at March 31, 2020.

In performing the impairment test as at March 31, 2020, management used significant assumptions and estimates derived from and consistent with those incorporated in the proved plus probable oil reserves development case contained in the independent evaluator's report referenced in the Group's Material Change Report dated February 19, 2020 ("2P Development Case"), adjusted to reflect management's current assumptions related to i) future crude oil sale prices and ii) the suspension of the Group's 2020 capital investment program.

For the purpose of estimating the recoverable value of the Hawler license CGU, management has assumed that net cash flow in the Hawler PSC will be zero during the remainder of 2020 and that capital investments and production profiles and associated revenues as presented in the 2P Development Case would be deferred by one year, now beginning on January 1, 2021. Expected cash inflows from oil sales are based on quoted Brent Crude forward contract prices for 2021 and 2022. Management's Brent Crude assumptions beyond 2022 are benchmarked against the forward contract prices and longer-term pricing forecasts prepared as at April 1, 2020 by external firms. Expected cash inflows assume that all sales of crude oil from the Hawler License Area continue to be completed through the Kurdistan Oil Export Pipeline. In accordance with management's best estimate of the terms most likely to govern future sales of Hawler License Area crude oil, realized prices are referenced to management's estimated future Brent Crude prices discounted by approximately $8/bbl for pipeline system tariffs and fees, and adjusted for differences in forecast API gravity and sulphur from standard Brent specifications.

Based on the above, expected cash inflows from oil sales are determined using the following estimated average nominal sales prices:

Year ending December 31,	External Forecast ($/bbl)	Brent Crude Price ($/bbl)	Assumed realised Price ($/bbl)
2021	43.97	35.06	18.38
2022	52.55	39.55	23.32
2023	56.68	52.51	36.72
2024	59.10	54.95	39.15
2025	60.02	56.28	40.05
2026	61.19	61.19	44.74
2027	62.38	62.38	45.54
2028	63.61	63.61	46.38
Thereafter	2% escalation	2% escalation	2% escalation

Management has applied the fair value less costs of disposal methodology to establish the net present value of expected after-tax cash flows associated with proved plus probable oil reserves as at March 31, 2020 using a 15% nominal after-tax discount rate. The 15% discount rate is based on management's estimate of the cost of capital invested in upstream oil and gas assets in the Kurdistan Region of Iraq.

In measuring the recoverable amount of the Hawler License Area CGU as defined in IFRS 13, management has relied on i) observable inputs other than quoted prices for identical assets, and ii) inputs that are not publicly observable and are the result of management's estimates and judgments arising from analysis of internally generated data. Management's estimate of fair value less costs of disposal is classified as level 3 in the fair value hierarchy.

Application of the fair value less costs of disposal methodology using the assumptions described above indicates an estimated recoverable amount of the Hawler License Area CGU as at March 31, 2020 to be $370.1 million. Consequently, the Group has recorded a $238.2 million impairment as at March 31, 2020. The impairment represents the difference between the estimated recoverable amount of the Hawler License Area CGU and its carrying amount which includes the carrying values of decommissioning obligations, for which settlement is included in the discounted expected after-tax cash-flows.

The net present value of expected after-tax cash-flows associated with the proved plus probable oil reserves development case described above has been subjected to sensitivities arising from changes in crude oil price forecasts and discount rates. The following table indicates the estimated recoverable amounts as at March 31, 2020 that result from applying various crude oil price forecasts and discount rates:

	Discount rate		
Estimated recoverable amount ($ millions)	**12.5%**	**15%**	**17.5%**
Management Forecast prices less $5/bbl	224.7	179.6	143.2
Management Forecast prices, shown above	429.5	370.1	320.7
Management Forecast prices plus $5/bbl	558.2	496.6	444.2

The net present value of expected cash-flows associated with the proved plus probable oil reserves development case is also highly sensitive to the Group's independently evaluated estimation of proved plus probable oil reserves and to the production profile associated with the exploitation of these reserves. The estimated recoverable and carrying values of the Group's Hawler License Area CGU are subject to significant adjustment should there be significant changes to estimates of proved plus probable oil reserves and their production profile.

Contingent Consideration

Refer to the "Liquidity and Capital Resources" section of this MD&A.

Financial Controls

Disclosure Controls and Procedures

Disclosure Controls and Procedures ("**DC&P**") have been designed under the supervision of the Chief Executive Officer ("**CEO**") and the Head of Corporate Finance and Planning (acting as CFO), with the participation of other management, to provide reasonable assurance that information required to be disclosed is recorded, processed, summarised and reported within the time periods specified in applicable securities legislation, and include controls and procedures designed to ensure that information required to be disclosed is accumulated and communicated to management, including the CEO and Head of Corporate Finance and Planning (acting as CFO), as appropriate to allow timely decisions regarding required disclosure.

Internal Controls over Financial Reporting

Internal Controls over Financial Reporting ("**ICFR**") have been designed under the supervision of the CEO and the Head of Corporate Finance and Planning (acting as CFO), with the participation of other management, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements in accordance with IFRS. ICFR can only provide reasonable assurance and may not prevent or detect misstatements. Projections of an evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate due to changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

There were no changes in Oryx Petroleum's ICFR during the three months ended March 31, 2020 that have materially affected, or are reasonably likely to materially affect, Oryx Petroleum's ICFR.

Forward-Looking Information

Certain statements in this MD&A constitute "forward-looking information" within the meaning of applicable Canadian securities legislation, including expectations that transactions announced today will close and, upon closing, will result in Zeg Oil and Gas Limited acquiring control of Oryx Petroleum and that shares in the entity holding the Corporation's interest in the AGC Central License Area will be transferred to an affiliate of AOG as settlement of the Loan Facility, statements related to the nature, timing and effect of Oryx Petroleum's forecast capital expenditure for 2020, budgeted capital expenditures for 2020, financing and capital activities, the additional liquidity required to fund future expenditures, expectations that cash on hand as of June 22, 2020 and cash receipts from net revenues from export sales will allow the Group to fund its 2020 forecasted capital expenditures and operating and administrative costs into the second half of 2020, business and acquisition strategy and goals, opportunities, drilling and well workover plans, development plans and schedules and chance of success, results of exploration activities, declarations of commercial discovery, contingent liabilities and government approvals, the ability to consistently access the export pipeline or other exterior facilities to sell oil production, sales channels for future sales, future drilling of new wells and the reservoirs to be targeted, costs and drilling times for new wells, ultimate recoverability of current and long-term assets, estimates of oil reserves and resources, future royalties and tax levels, access to and sources of future financing and liquidity, future debt levels, availability of committed credit facilities, possible commerciality of our projects, expected operating capacity, expected operating costs, estimates on a per share basis, future foreign currency exchange rates, the issuance of shares as a result of the vesting of LTIP awards and exercise of outstanding warrants, 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 Loan Facility and the contingent consideration arising from the acquisition of OP Hawler Kurdistan Limited in 2011, changes in any of the foregoing, and statements that contain words such as "may", "will", "would", "could", "should", "anticipate", "believe", "intend", "expect", "plan", "estimate", "budget", "outlook", "propose", "potentially", "project", "forecast" or the negative of such expressions and statements relating to matters that are not historical fact. Although Oryx Petroleum believes these statements to be reasonable, the assumptions upon which they are based may prove to be incorrect. In making certain statements in this MD&A, Oryx Petroleum has made assumptions with respect to the following: the general continuance of the current or, where applicable, assumed industry conditions, the continuation of assumed tax, royalties and regulatory regimes, forecasts of capital expenditures and the sources of financing thereof, timing and results of exploration activities, access to local and international markets for future crude oil production and future crude oil prices, Oryx Petroleum's ability to obtain and retain qualified staff, contractors and personnel and equipment in a timely and cost-efficient manner, the political situation and stability in jurisdictions in which Oryx Petroleum has licenses, the ability to renew its licenses on attractive terms, Oryx Petroleum's future production levels, the applicability of technologies for the recovery and production of Oryx Petroleum's oil reserves and resources, the amount, nature, timing and effects of capital expenditures, geological and engineering estimates in respect of Oryx Petroleum's reserves and resources, the geography of the areas in which Oryx Petroleum is conducting exploration and development activities, operating and other costs, the extent of Oryx Petroleum's liabilities, and business strategies and plans of management and Oryx Petroleum's business partners. For more information about these assumptions and risks facing the Group, refer to the Group's Annual Information Form dated March 23, 2020, available at www.sedar.com and the Group's website at www.oryxpetroleum.com.

Any forward-looking information concerning prospective exploration, results of operations, financial position, production, expectations of capital expenditures, cash flows and future cash flows or other information described above that is based upon assumptions about future results, economic conditions and courses of action are presented for the purpose of providing readers with a more complete perspective on Oryx Petroleum's present and planned future operations and such information may not be appropriate for other purposes and actual results may differ materially from those anticipated in such forward-looking information. In addition, included herein is information that may be considered financial outlook and/or future-oriented financial information. Its purpose is to indicate the potential results of Oryx Petroleum's intentions and may not be appropriate for other purposes.

Readers are strongly cautioned that the above list of factors affecting forward-looking information is not exhaustive. Although OPCL believes that the expectations conveyed by the forward-looking information are reasonable based on information available to it on the date such forward-looking information was made, no assurances can be given as to future results, levels of activity and achievements. Readers should not place undue importance or reliance on the forward-looking information and should not rely on the forward-looking information as of any date other than the date hereof. Further, statements including forward-looking information 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 or otherwise. If OPCL 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 MD&A is expressly qualified by this cautionary statement.

Glossary and Abbreviations

The following abbreviations and definitions are used in this MD&A:

AGC
Agence de Gestion et de Cooporation, an inter-governmental agency established in 1993 to manage and administer petroleum and fishing activities in the maritime zone between Senegal and Guinea Bissau

AOG
The Addax and Oryx Group PLC

bbl
Barrel(s) of oil

bbl/d
Barrel(s) of oil per day

Carried Cost
Costs related to the Group's funding another party's share of costs, by agreement, in excess of the Group's Participating Interest. Carried Costs are typically recovered through Cost Oil

Common Shares
Common shares of the Company

Company
Oryx Petroleum Corporation Limited

Contractor
An oil company operating in a country under a PSC on behalf of the host government, for which it receives either a share of production or a fee

Cost Oil
The portion of oil sold used to reimburse the Contractor for exploration, development, and operating costs

Cost Pool
Costs incurred to explore and/or develop a License Area to be recovered as Cost Oil through future oil sales

Farm-in
To acquire an interest in a license from another party

G&A
General and administration

Gross
In respect of reserves, resources, future net revenue, production, sales, area, capital expenditures or operating expenses, the total reserves, resources, future net revenue, production, sales, area, capital expenditures or operating expenses, as applicable, attributable to either (i) 100% of the License Area or field; or (ii) the Group's working interest in the License Area or field, as indicated, prior to the deductions specified in the applicable PSC, REC or fiscal regime for each License Area.

IAS
International Accounting Standards

IFRS
International Financial Reporting Standards

KRG
Kurdistan Regional Government of Iraq

License Area
Area of specified size, which is licensed to a company by a government for the production of oil and gas

Loan Facility
A committed and unsecured term loan facility agreement that the Group entered into with a subsidiary of its indirect controlling shareholder AOG. Refer to Liquidity and Capital Resources section

Operator
A company that organises the exploration and productions programs in a License Area on behalf of all the interest holdings in the license

Participating Interest
The Group's current interest in an applicable License Area

PP&E
Property, plant and equipment

Profit Oil
Production remaining after contractual Royalties and Cost Oil, which is split between the government and the Contractors according to the prevailing contract terms in the PSC

Production Sharing Agreement (PSA) / Production Sharing Contract (PSC)
A contractual agreement between a Contractor and a host government, whereby the Contractor bears certain defined exploration costs, risks, and development and production costs in return for a stipulated share of the production resulting from this effort

Reserves
Reserves are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, as of a given date, based on

- analysis of drilling, geological, geophysical and engineering data;
- the use of established technology;
- specified economic conditions, which are generally accepted as being reasonable

Royalty
All remittances to governments who are party to the applicable PSCs/PSAs that are directly attributable to the sale of oil and natural gas products during the reporting period including the government share of Profit Oil described above, except for income taxes

Working Interest or WI
The Group's interest in an applicable License Area, assuming the exercise of back-in rights or options