

Oryx Petroleum Announces Update for the Demir Dagh Field in the Kurdistan Region of Iraq



Development drilling and production capacity increases on track; progressing development of new sales channels

Calgary, Alberta, December 4, 2014

Oryx Petroleum Corporation Limited ("Oryx Petroleum" or the "Group") today announces an update regarding development, production and sales for the Demir Dagh field in the Kurdistan Region of Iraq ("KRI").

Highlights:

- The Demir Dagh-7 well will be tied into the Demir Dagh production facilities in the coming weeks, taking total Demir Dagh gross (100%) productive capacity to more than 15,000 bbl/d by the end of 2014; the Demir Dagh-3 well will be tied into production facilities in early 2015 with the Demir Dagh-8 through 11 wells to potentially follow subject to successful drilling and testing
- Drilling of the Demir Dagh-9 well has recently been completed reaching total measured depth of 2,100 metres; Testing is expected to be completed before year end 2014
- Drilling of the Demir Dagh-10 well has been completed; the Demir Dagh-11 well has been spudded and both wells are to be tested upon completion of the Demir Dagh-11 well in late 2014/early 2015
- The Group and its partners are in advanced stages of discussions with the Ministry of Natural Resources of the KRI regarding the field development plan for the Hawler license area and are close to agreement on a plan that emphasises rapid production growth
- Works to directly tie into the KRI–Turkey pipeline are on track with completion expected in early 2015
- Trial deliveries to the Ministry of Natural Resources of the KRI have commenced by truck from Demir Dagh to the Khurmala entry point of the KRI-Turkey pipeline
- Gross (100%) production of oil averaged 4,400 bbl/d for the month of October 2014 and the highest daily production achieved was just under 7,000 bbl/d. Since late October, as a result of local market dynamics, there have been no local sales and production at the Demir Dagh field has been shut-in for most of this period



CEO's Comment

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

"The excellent progress with our development drilling and facilities construction at the Demir Dagh field continues and we remain on track to have the productive capacity to meet expectations for 2014 and 2015.

Meanwhile, the market for crude oil produced in the Kurdistan Region of Iraq is evolving rapidly. Recent progress in discussions between the governments in Baghdad and Erbil with regards to exporting crude oil from the Kurdistan Region is very encouraging. Such progress has many positive implications for sales of crude oil produced in the Kurdistan Region to both export and domestic markets as well as for the fiscal stability and security of the Kurdistan Region."

Development Drilling

In late October 2014 the EDC Romfor-22 rig spudded the Demir Dagh-10 ("DD-10") development well. The DD-10 well was drilled to the north of the main east-west fault and its primary objective is to build productive capacity from the Cretaceous reservoir. The DD-10 well reached a measured depth of 1,900 metres in mid-November. The rig spudded the Demir Dagh-11 ("DD-11") well in late November from the same drillpad as the DD-10 well and its primary objective is also to increase productive capacity from the Cretaceous reservoir. The DD-11 well has reached a measured depth of 900 metres and is expected to reach a total measured depth of 2,300 metres in late 2014/early 2015. Upon completion of drilling at the DD-11 well both the DD-10 and DD-11 wells will be tested. Observations during drilling and data collected to date have largely been consistent with expectations.

The KS Discoverer-1 rig spudded the Demir Dagh-9 ("DD-9") development well in early November 2014 and reached a total measured depth of 2,100 metres in early December 2014. The DD-9 well was drilled from the Demir Dagh-3 ("DD-3") wellpad in the eastern portion of the Demir Dagh structure and its primary objectives are to obtain additional reservoir data as well as build productive capacity. The testing of the DD-9 well is expected to be completed before the end of 2014. The Group plans to drill seven additional development wells at the Demir Dagh field before the end of 2015.

Oryx Petroleum and its partners in the Hawler license area are in advanced stages of discussions with the Ministry of Natural Resources of the KRI regarding the field development plan for the Hawler license area and are close to agreeing on a plan that emphasizes rapid production growth. Rapid production growth from the Hawler license area will help the KRI meet its crude sales targets.



Productive Capacity

The Demir Dagħ-7 (“DD-7”) well will be tied into the Demir Dagħ production facilities in the coming weeks. Once the DD-7 tie-in is complete, the Demir Dagħ-2, Demir Dagħ-4 and DD-7 wells will represent gross (100%) productive capacity exceeding 15,000 bbl/d. The DD-3 well is expected to be tied into the production facilities in early 2015 with tie-ins of the Demir Dagħ-8, DD-9, DD-10 and DD-11 wells to follow subject to positive drilling and testing results.

Export Sales Infrastructure

Installation of a 1.2 kilometre 16” connecting line from the Demir Dagħ production facilities to the KRI-Turkey pipeline is progressing and installation is expected to be completed in early 2015.

Production and Sales

Upon the request of the Ministry of Natural Resources of the KRI, Oryx Petroleum has commenced trial deliveries of crude oil by truck from Demir Dagħ to the Khurmala entry point of the KRI-Turkey pipeline. If such trials are successful Oryx Petroleum expects to increase such deliveries as an accelerated interim measure prior to the completion of the direct tie-in to the KRI-Turkey pipeline. Commercial terms are in the process of being negotiated with the Ministry of Natural Resources of the KRI.

Since sales commenced in June 2014, and due to the complex and evolving regional supply-demand dynamics for crude oil, the Group has experienced periodic disruptions to local sales of crude oil from the Demir Dagħ field to third party marketers. Since late October, there have been no sales from Demir Dagħ into the local market with production shut-in for most of the period. The situation is expected to normalize over the coming months but the Group is not able to say at this time when the sales of crude oil will resume on a consistent basis in the domestic market of the KRI.

ABOUT ORYX PETROLEUM CORPORATION LIMITED

Oryx Petroleum is an international oil exploration and production company focused in Africa and the Middle East. Oryx Petroleum’s shares are listed on the Toronto Stock Exchange under the symbol “OXC”. The Oryx Petroleum group of companies was founded in 2010 by The Addax and Oryx Group P.L.C. and key members of the former senior management team of Addax Petroleum Corporation. Oryx Petroleum has interests in seven license areas, two of which have yielded oil discoveries and five of which management of Oryx Petroleum believe are prospective for oil. The Group is the operator or technical partner in five of the seven license areas. Two license areas are located in the Kurdistan Region and the Wasit governorate (province) of Iraq and five license areas are located in West Africa in Nigeria,



the AGC administrative area offshore Senegal and Guinea Bissau, and Congo (Brazzaville). Further information about Oryx Petroleum is available at www.oryxpetroleum.com or under Oryx Petroleum's profile at www.sedar.com.

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Reader Advisory Regarding Forward-Looking Information

Certain statements in this news release constitute "forward-looking information", including statements related to business strategies, well drilling and testing plans, development plans and schedules, objectives and chance of success, plans to tie wells into production facilities, expectations that the Demir Dag field will be physically tied into the export pipeline in early 2015, results of exploration activities, future drilling of new wells, ultimate recoverability of current and long-term assets, expected well production rates, plans to increase deliveries of crude oil by truck from Demir Dag to the Khurmala entry point of the KRI-Turkey pipeline, expectations that the market for local sales of crude oil in the KRI will normalize over the coming months, future expenditures, and statements that contain words such as "may", "will", "could", "should", "aim", "anticipate", "believe", "intend", "expect", "plan", "estimate", "potentially", "project", or the negative of such expressions and statements relating to matters that are not historical fact, constitute forward-looking information within the meaning of applicable Canadian securities legislation.

Although Oryx Petroleum believes these statements to be reasonable, the assumptions upon which they are based may prove to be incorrect. For more information about these assumptions and risks facing the Group, refer to the Group's annual information form dated March 12, 2014 available at www.sedar.com and the Group's website at www.oryxpetroleum.com. Further, statements including forward-looking information in this news release are made as at the date they are given and, except as required by applicable law, Oryx Petroleum does not intend, and does not assume any obligation, to update any forward-looking information, whether as a result of new information, future events or otherwise. If the Group does update one or more statements containing forward-looking information, it is not obligated to, and no inference should be drawn that it will make additional updates with respect thereto or with respect to other forward-looking information. The forward-looking information contained in this news release is expressly qualified by this cautionary statement.