

Oryx Petroleum Corporation Limited Announces Second Quarter 2013 Financial and Operational Results



Calgary, Alberta, August 7, 2013

Oryx Petroleum Corporation Limited (“Oryx Petroleum” or the “Corporation”) today announced its financial and operational results for the quarter ended June 30, 2013.

CEO`s Comment

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

“We are very pleased to have successfully completed our initial public offering in the second quarter allowing us to direct our focus to the continued execution of our extensive exploration and appraisal program. We have commenced appraisal and development planning for Demir Dagh with first production targeted for Q2 2014 and we spudded three exploration wells across our portfolio, two of which have recently reached total depth.”

Selected Financial Highlights

Financial results are prepared in accordance with International Financial Reporting Standards (“IFRS”) and the reporting currency is US dollars. The following table summarises the selected financial highlights for Oryx Petroleum for the three months ended June 30, 2013, the three months ended June 30, 2012 and the year ended December 31, 2012 :

(\$ in millions)	3 Months Ended June 30		Year Ended December 31
	2013	2012	2012
Total Comprehensive Loss	38.5	35.7	58.5
Cash flow from/(used in) operations	(2.7)	(3.8)	(23.8)
Capital Expenditures	48.9	13.7	137.4
Cash and Cash Equivalents	437.4	39.8	72.7
Total Assets	1,025.6	412.5	577.8
Total Equity	863.7	133.0	446.9

- Net comprehensive loss increased from \$35.7 million to \$38.5 million due to an increase in general and administrative expenses partially offset by a lower impairment charge and higher financial income. The \$38.5 million loss in Q2 2013 includes a \$20.5 million impairment charge for the DIL-1 well in the OML 141 license area while the loss in Q2 2012 included a \$31.1 million impairment charge for the Mateen exploration well in the Sindi Amedi license area. General and administrative costs increased by \$16.2 million due to a share grant to employees associated with the initial public offering (\$13.7 million), with the balance due to an increase in headcount from 31 to 68. Financial



income increased to \$3.3 million from \$0.1 million due to a realized gain on a forward exchange contract entered into in conjunction with the initial public offering.

- Net Cash used in operating activities was \$2.7 million compared to \$3.8 million reflecting the increase in financial income offset by an increase in cash general and administrative expenditures.
- Capital expenditures increased from \$13.7 million to \$48.9 million reflecting increased operational activity notably completion of the drilling of the DIL-1 exploration well in the OML 141 license area, the commencement of drilling of the ZEG-1 and AAS-1 exploration wells in the Hawler license area, and the commencement of drilling of the E-1 exploration well in the Haute Mer A license area. For the six months ended June 30, 2013 capital expenditures totaled \$103.4 million.
- Cash and cash equivalents increased to \$437.4 million from \$245.5 million at March 31, 2013 reflecting the receipt of \$230.6 million of net proceeds from the initial public offering in May 2013 and \$10.5 million from the exercise of FSI Options. Cash and cash equivalents will fund the Corporation's exploration and appraisal program through mid-2014 as well as early stage development of the Demir Dagh discovery. Oryx Petroleum has no borrowings as of June 30, 2013.

Selected Operational Highlights

Operational highlights in Q2 2013 include:

Kurdistan Region of Iraq

- Demir Dagh Discovery, Appraisal and First Phase Development -- Following the discovery at Demir Dagh in the Hawler license area the Corporation has commenced appraisal and development planning. Oryx Petroleum has a 65% participating and working interest in the Hawler license area. An appraisal plan has been submitted to and is awaiting approval from the Kurdistan Regional Government that includes the following elements:
 - Appraisal Drilling - appraisal drilling will comprise of the re-completion of the Demir Dagh-2 (DD-2) discovery well and the drilling of three appraisal wells. All three appraisal wells will be drilled to produce from the Cretaceous with at least one of the wells drilled to re-test the Jurassic and Triassic. The drilling should further establish the field structure, the extent of hydrocarbon fill and potentially result in an upgrade of the reserves and resources booked in Demir Dagh

- Post Drill Studies - preliminary lab results conducted by a third party have confirmed field analysis conducted during the testing of DD-2 that the crude oil in the Cretaceous, has a low GOR, low sulphur content and low viscosity. The preliminary tests also show that the Cretaceous oil has a gradient of 23.1° API, lighter than the 20° - 22° API initially measured in field tests. Should the 23.1° API be confirmed by the final results of the lab analysis, the oil in the Cretaceous, where the Corporation has currently booked all of its reserves and approximately eighty percent of its contingent resources, would qualify for classification as a medium crude
- Extended Well Test - the re-completed DD-2 well and the three appraisal wells will be used to perform an extended well test to establish reservoir performance and pressure behavior
- Seismic Acquisition – acquisition of 3D seismic over the Demir Dagh structure targeted during the first half of 2014, which will provide additional information to further refine the development plan
- Early Production Facility (“EPF”) - the lease and installation of an EPF with design capacity of 25,000-30,000 barrels per day (“bbl/d”). The Corporation is in the advanced stages of a tender process for the EPF.

The Corporation expects the appraisal program to be largely completed by mid-2014 with first production targeted for Q2 2014 from the recompleted DD-2 well and the first appraisal well with gross (100%) production totaling approximately 7,000 to 9,000 bbl/d. It is expected that following the drilling of two additional appraisal wells plus two development wells the EPF will reach full design capacity by Q4 2014. Discussions with the Kurdistan Regional Government regarding potential production monetization options from the EPF have commenced. The Corporation plans to transport production by truck or through export pipelines. The Khurmala-Faysh Khabur pipeline scheduled to be completed before year end 2013 runs through the Hawler license area approximately 800 metres from the DD-2 well site.

- Demir Dagh Second Phase Development -- Following a successful appraisal program Oryx Petroleum expects to make a declaration of commercial discovery. The Corporation plans to build a Permanent Production Facility (“PPF”) with initial capacity of approximately 100,000 bbl/d. Two rigs are expected to drill development wells following the declaration of commercial discovery to increase production capacity in preparation for the commissioning of the PPF in early 2016. Should the Demir Dagh appraisal program result in conversion of possible reserves and/or contingent resources to proved plus probable reserves, the Corporation expects to expand the capacity of the PPF in a modular fashion.

- Zey Gawra Exploration well (ZEG-1) -- An exploration well targeting the Zey Gawra prospect was spudded in mid-April 2013 in the Hawler license area. The ZEG-1 well is targeting light oil potential in the lower Jurassic and Triassic, and heavier oil potential in the Tertiary and Cretaceous. Netherland, Sewell & Associates Inc. ("NSAI"), an independent oil and gas consulting firm, estimates as of March 31, 2013 that the Zey Gawra prospect contains 23 MMbbl of unrisks gross (100%) prospective resources (risks: 9 MMbbl). The ZEG-1 well reached a total depth of 4,407 metres on August 5 ahead of schedule. Based on logging of potential hydrocarbon bearing zones the Corporation currently intends to test two zones and possibly more based on additional logging and other information yet to be collected.
- Ain Al Safra Exploration well (AAS-1) -- An exploration well targeting the Ain Al Safra prospect in the Hawler license area was spudded in early June. The AAS-1 well is targeting light oil potential in the lower Jurassic and Triassic, and heavier oil potential in the Cretaceous. NSAI estimates as of March 31, 2013 that the Ain Al Safra prospect contains 225 MMbbl of unrisks gross (100%) prospective resources (risks: 44 MMbbl). The AAS-1 well has reached depth of 2,565 metres and expects to drill to a total depth of 4,150 metres in Q4 2013.
- Banan Exploration well (BAN-1) -- Oryx Petroleum plans to spud the BAN-1 well, its fourth exploration well in the Hawler license area, targeting the Banan prospect in Q3 2013. The BAN-1 well is targeting light oil potential in the lower Jurassic and Triassic, and heavier oil potential in the Cretaceous and upper Jurassic. NSAI estimates as of March 31, 2013 that the Banan prospect contains 196 MMbbl of unrisks gross (100%) prospective resources (risks: 102 MMbbl). NSAI's estimate excludes a significant portion of the Banan prospect that was outside the Hawler license area boundaries prior to the December 2012 boundary extension. In Q3 2013, the Corporation plans to commence the acquisition of approximately 210 kilometres of 2D seismic covering the extended portion of the license area that will enable the Corporation to better understand and map the Banan structure. The geologic chance of success for the Banan prospect was increased by NSAI following the Demir Dagh discovery. The BAN-1 well will be drilled approximately eight kilometres from the DD-2 well and the two structures share a common spill point based on current interpretation of existing 2D seismic and observations of the DD-2 well. The results of the BAN-1 well could significantly impact development plans for the Demir Dagh field.
- Sindi Amedi Seismic Acquisition campaign – A campaign targeting acquisition of approximately 145 kilometres of 2D seismic commenced in early April and is expected to be complete by mid-August. The seismic will cover the Gara East and Tawke East prospects. The seismic acquired together with any results of wells drilled in areas



adjacent to the Sindi Amedi license area should facilitate informed selection of one or more targets to be drilled in 2014.

Congo (Brazzaville)

- Elephant Exploration well (E-1) -- An exploration well targeting the Elephant (formerly Xiang) prospect in the Haute Mer A license area was spudded in late April 2013. E-1 is targeting a deeper turbiditic Tertiary play similar to the play being exploited in fields adjacent to the Haute Mer A license area, such as Block 14 in Angola. NSAI estimates as of March 31, 2013 that the Elephant prospect contains 86 MMbbl of unrisks gross (100%) prospective resources (risks: 39 MMbbl). Oryx Petroleum has a 20% participating and working interest in the Haute Mer A license area. E-1 reached a total depth of 2,497 metres on August 3 approximately as scheduled. Logging operations are underway and the drillship will move to spud the H-1 well targeting the Horse prospect(formerly Ma). Upon completion of drilling of the H-1 well, subject to logging and other data collected throughout drilling, appropriate testing programs for each well will be determined.
- The National Assembly of Congo (Brazzaville) announced on July 25, 2013 that it had approved a one year extension to the initial exploration period of the Haute Mer A license area to September 2014. One of the two three year extension periods will be shortened to two years. The National Assembly also announced on July 25, 2013 that it had approved the award of the Haute Mer B permit. The Contractor Group is now awaiting approval of the Production Sharing Contract to finalise the award of the Haute Mer B license.

AGC

- Oryx Petroleum commenced processing of the seismic data collected in late 2012 covering the AGC Shallow license area and plans to contract a rig in 2H 2013 to drill its first AGC exploration well.

Wasit Province of Iraq

- Securing approvals and preparations for planned seismic acquisition continued in Q2 2013.

Nigeria

- As previously reported, Oryx Petroleum`s DIL-1 exploration well targeting the Dila prospect in the OML 141 license area, which reached total depth of 3,658 metres in



April 2013, encountered oil but not in commercial quantities. The results of the DIL-1 well together with existing 3D seismic data are being analysed by the Corporation. It is anticipated that next steps in the OML 141 license area will be either the acquisition of additional 3D seismic covering areas currently only covered by 2D seismic or the drilling of a second exploration well.

Regulatory Filings

This announcement coincides with the filing with the Canadian securities regulatory authorities of Oryx Petroleum's unaudited financial statements for the three and six month period ending June 30, 2013 and the related management's discussion and analysis thereon. Copies of these documents as well as the supplemented PREP prospectus dated May 8, 2013 filed by Oryx Petroleum may be obtained via www.sedar.com, and the Corporation's website, www.oryxpetroleum.com. Readers should note that the Corporation is no longer offering securities for sale under the prospectus and no part of this press release, including but not limited to the reference to the prospectus, constitutes an offering of securities in any jurisdiction.

ABOUT ORYX PETROLEUM CORPORATION LIMITED

Oryx Petroleum is an international oil exploration company focused in Africa and the Middle East. The Corporation's shares are listed on the Toronto Stock Exchange under the symbol "OXC". Oryx Petroleum was founded in 2010 by The Addax and Oryx Group Limited and key members of the former senior management team of Addax Petroleum Corporation. Oryx Petroleum has interests in seven license areas prospective for oil and is the operator or technical partner in four of the seven license areas. Three license areas are located in the Kurdistan Region and the Wasit governorate (province) of Iraq and four license areas are located in West Africa in Nigeria, the AGC administrative area offshore Senegal and Guinea Bissau, and Congo (Brazzaville).

For additional information, please contact:

Craig Kelly

Chief Financial Officer
Tel.: +41 (0) 58 702 93 23
craig.kelly@oryxpetroleum.com

Scott Lewis

Head of Corporate Finance
Tel.: +41(0) 58 702 93 52
scott.lewis@oryxpetroleum.com



Reader Advisory Regarding Forward-Looking Information

Certain statements in this news release constitute “forward-looking information”, including statements related to the nature, timing and effect of the Corporation’s future capital expenditures and budget, financing and capital activities, business and acquisition strategy and goals, opportunities, reserves and resources estimates and potential, drilling plans, development plans and schedules and chance of success, future seismic activity, results of exploration activities, declarations of commercial discovery, contingent liabilities and government approvals, timing of completion of pipelines, the ability to gain access to exterior facilities or build necessary facilities to sell future oil production, if any, future drilling of new wells, ultimate recoverability of current and long-term assets, future royalties and tax levels, access to 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, future expenditures, 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, constitute forward-looking information within the meaning of applicable Canadian securities legislation.

In addition, information and statements in this news release relating to reserves and resources are deemed to be forward-looking information, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves and resources described exist in the quantities predicted or estimated, and that the reserves and resources described can be profitably produced in the future. See “Reserves and Resources Advisory” below.

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 news release, 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, if any and future crude oil prices, the Corporation’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, the Corporation’s future production levels, the applicability of technologies for the recovery and production of the Corporation’s oil reserves and resources, the amount, nature, timing and effects of capital expenditures, geological and engineering estimates in respect of the Corporation’s reserves and resources, the geography of the areas in which the Corporation is conducting exploration and development activities, operating and other costs, the extent of the Corporation’s liabilities, and business strategies and plans of management.



Forward-looking information is subject to known and unknown risks and uncertainties which may cause actual results or events to differ materially from those anticipated in the forward-looking information and statements if the assumptions underlying them prove incorrect, or if one or more of the uncertainties or risks described below materializes. The risks and uncertainties affecting the Corporation include, but are not limited to, imprecision of reserves and resources estimates; ultimate recovery of reserves, ability to commercially develop its oil reserves and/or its prospective and contingent oil resources; commodity prices; general economic, market and business conditions; industry capacity; competitive action by other companies; refining and market margins; the ability to produce and transport crude oil and natural gas to markets; weather and climate conditions; results of exploration and development drilling and other related activities; fluctuation in interest rates and foreign currency exchange rates; ability of suppliers to meet commitments; actions by governmental authorities, including increases in taxes; decisions or approvals of administrative tribunals, renewal or granting of licenses; changes in environmental and other regulations; international political events; renegotiations of contracts; reliance on key managers and personnel; dry wells may lead to a downgrading of the Corporation's licenses or contracts or require further funds to continue exploration work; future foreign currency exchange rates; risks related to the actions and financial circumstances of our agents and contractors, counterparties and joint venture partners; political uncertainty, including actions by terrorists, insurgent or other groups, or other armed conflict, including conflict between states; and expected rates of return. More specifically, future production may be affected by exploration success, start-up timing and success, facility reliability, reservoir performance and natural decline rates, water handling and drilling progress, restrictions on ability to access necessary infrastructure, equipment and services, including but not limited to, those sourced from third party providers. Capital expenditures may be affected by cost pressures associated with new capital projects, including labour and material supply, project management, drilling rig rates and availability and seismic costs. Risk factors are discussed in greater detail in filings made by the Corporation with Canadian securities commissions.

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 the Corporation 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 the Corporation does update one or more statements containing forward-looking information, it is not obligated to, and no inference should be drawn that it will make additional updates with respect thereto or with respect to other forward-looking information. The forward-looking information contained in this news release is expressly qualified by this cautionary statement.

Reserves and Resource Advisory

Oryx Petroleum's reserves and resource estimates have been prepared and audited in accordance with National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities* and the Canadian Oil and Gas Evaluation Handbook.

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