CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2013

ORYX PETROLEUM

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Consolidated Statement of Comprehensive Income

	Note	Three months ended September 30 2013 $'000	Three months ended September 30 2012 $'000	Nine months ended September 30 2013 $'000	Nine months ended September 30 2012 $'000
General and administrative expense		(8,711)	(6,879)	(34,169)	(12,206)
Pre-licence costs		(1,824)	(2,160)	(4,953)	(4,918)
(Impairment)/Reversal of oil and gas assets	7	(45,216)	2,066	(65,693)	(29,017)
Depreciation and amortization expense	7, 8	(195)	(100)	(529)	(237)
Other operating expense	21	(9,819)	-	(49,079)	-
Loss from operations		**(65,765)**	**(7,073)**	**(154,423)**	**(46,378)**
Finance income	4	765	12	1,791	41
Foreign exchange gains / (losses)	5	105	(59)	2,832	10
Finance income / (expense) - net		**870**	**(47)**	**4,623**	**51**
Loss before income tax		**(64,895)**	**(7,120)**	**(149,800)**	**(46,327)**
Income tax (expense) / benefit	6	(252)	(7)	(813)	133
Total comprehensive loss for the period		**(65,147)**	**(7,127)**	**(150,613)**	**(46,194)**
Comprehensive loss attributable to :					
Owners of the company		(65,109)	(7,046)	(150,381)	(46,016)
Non-controlling interests		(38)	(81)	(232)	(178)
		(65,147)	**(7,127)**	**(150,613)**	**(46,194)**
Loss per share (basic and diluted)	17	**(0.65)**	**(0.27)**	**(1.72)**	**(2.40)**

Condensed Consolidated Statement of Financial Position

	Note	September 30 2013 $'000	December 31 2012 $'000
Non-current assets			
Intangible assets	7	200,198	479,162
Property, plant and equipment	8	385,934	575
Deferred tax assets		1,131	882
		587,263	**480,619**
Current assets			
Inventories	9	8,392	5,601
Trade and other receivables	10	8,905	12,361
Prepaid charges	11	7,281	6,534
Cash and cash equivalents	12	377,433	72,725
		402,011	**97,221**
Total assets		**989,274**	**577,840**
Current liabilities			
Trade and other payables	13	125,833	83,121
Current income tax liabilities	14	1,254	870
Borrowings	15	-	7,781
		127,087	**91,772**
Non-current liabilities			
Trade and other payables	13	56,738	37,687
Retirement benefit obligation		2,572	1,465
		59,310	**39,152**
Total liabilities		**186,397**	**130,924**
Equity			
Share capital	16	1,009,448	499,311
Share premium	16	-	771
Other reserves	18	3,054	5,846
Accumulated deficit		(234,715)	(84,334)
Equity attributable to owners of the company		**777,787**	**421,594**
Non-controlling interests		25,090	25,322
Total equity		**802,877**	**446,916**
Total equity and liabilities		**989,274**	**577,840**

The financial statements were approved by the Board of Directors and authorized for issue on November 6, 2013.
They were signed on behalf of the Board of Directors by

Jean Claude Gandur
Director

Peter Newman
Director

Condensed Consolidated Statement of Changes in Equity

		Attributable to equity holders of the company						
	Note	Share capital $'000	Share premium $'000	Other reserves $'000	Accumulated deficit $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
Balance at January 1, 2012		**105,153**	**-**	**2,585**	**(26,012)**	**81,726**	**25,500**	**107,226**
Total comprehensive loss for the period		-	-	-	(46,016)	(46,016)	(178)	(46,194)
Shares issued	16	393,961	721	-	-	394,682	-	394,682
Share based payment expense	18	-	-	8,138	-	8,138	-	8,138
Shares issued for long-term incentive plan	18	-	-	(8,421)	-	(8,421)	-	(8,421)
Balance at September 30, 2012		**499,114**	**721**	**2,302**	**(72,028)**	**430,109**	**25,322**	**455,431**
Total comprehensive loss for the period		-	-	-	(12,306)	(12,306)	-	(12,306)
Shares issued	16	197	50	-	-	247	-	247
Share based payment expense	18	-	-	3,591	-	3,591	-	3,591
Issue of shares for long-term incentive plan	18	-	-	(47)	-	(47)	-	(47)
Balance at December 31, 2012		**499,311**	**771**	**5,846**	**(84,334)**	**421,594**	**25,322**	**446,916**
Total comprehensive loss for the period		-	-	-	(150,381)	(150,381)	(232)	(150,613)
Shares issued prior to initial public offering	16	260,606	4,531	-	-	265,137	-	265,137
Shares issued through initial public offering	16	247,344	-	-	-	247,344	-	247,344
Issuance costs		(11,536)	(5,302)	-	-	(16,838)	-	(16,838)
Warrants exercised	16	10,515	-	-	-	10,515	-	10,515
Share based payment expense	18	-	-	22,809	-	22,809	-	22,809
Issue of shares for long-term incentive plan	18	3,034	-	(25,427)	-	(22,393)	-	(22,393)
Issue of shares for Directors' compensation	18	174	-	(174)	-	-	-	-
Balance at September 30, 2013*		**1,009,448**	**-**	**3,054**	**(234,715)**	**777,787**	**25,090**	**802,877**

* All outstanding shares of Oryx Petroleum Holdings PLC ("OPHP") were acquired by Oryx Petroleum Corporation Limited ("OPCL") immediately prior to the closing date of the initial public offering in exchange for new shares in OPCL. All share capital balances prior to May 15, 2013 relate to shares held by OPHP.

Consolidated Statement of Cash Flows

	Note	Three months ended September 30 2013 $'000	Three months ended September 30 2012 $'000	Nine months ended September 30 2013 $'000	Nine months ended September 30 2012 $'000
Cash flows from operating activities					
Net cash generated by / (used in) operations	19	2,398	(4,915)	(7,269)	(10,331)
Income tax paid		(702)	(130)	(702)	(130)
Interest received		867	12	1,121	41
Net cash generated by / (used in) operating activities		2,563	(5,033)	(6,850)	(10,420)
Cash flows from investing activities					
Acquisition of property, plant and equipment		(1,801)	(48)	(2,761)	(197)
Acquisition of intangible assets		(60,738)	(19,548)	(161,802)	(41,931)
Net cash used in investing activities		(62,539)	(19,596)	(164,563)	(42,128)
Cash flows from financing activities					
Proceeds from issuance of ordinary shares		-	-	492,959	51
Proceeds from issuance of convertible loan notes		-	-	-	184
Proceeds from borrowings		-	121,398	-	163,564
Share issuance costs		(65)	-	(16,838)	-
Net cash (used in) / generated from financing activities		(65)	121,398	476,121	163,799
Net (decrease) / increase in cash and cash equivalents		(60,041)	96,769	304,708	111,251
Cash and cash equivalents at beginning of the period		437,474	39,763	72,725	25,281
Cash and cash equivalents at end of the period	12	377,433	136,532	377,433	136,532

NOTES TO THE FINANCIAL STATEMENTS

1. General information

Oryx Petroleum Corporation Limited ('the Company') is a public company incorporated in Canada under the Canada Business Incorporation Act on December 31, 2012, and is the holding company for the Oryx Petroleum Group of companies (together "the Group"). The address of the registered office of Oryx Petroleum Corporation Limited is 3400 First Canadian Centre 350, 7th Avenue Southwest, Calgary, Alberta, Canada T2J 2M2. The Group's majority shareholder is The Addax and Oryx Group Ltd ("AOG") (incorporated in Malta). The majority of AOG's outstanding shares are owned by Samsufi Trust, an irrecoverable discretionary charitable trust created at the suggestion of Jean Claude Gandur. Mr. Gandur is not one of the beneficiaries of the Samsufi Trust. The Group's principal activities are to acquire and develop exploration and production assets in order to produce hydrocarbons and to increase oil and gas reserves.

On May 5, 2013, Oryx Petroleum Corporation Limited announced the filing of a supplemented PREP prospectus with the securities regulatory authorities in each of the provinces of Canada, other than Quebec, in connection with its initial public offering of 16,700,000 common shares, at a price of CAD$15.00 per common share (the "IPO") for total gross proceeds of CAD$250.5 million ($249.4 million). The IPO closed on May 15, 2013.

Immediately prior to closing, a corporate restructuring occurred whereby Oryx Petroleum Corporation Limited became the parent company of Oryx Petroleum Holdings PLC (formerly Oryx Petroleum Company PLC and Oryx Petroleum Company Limited). Although the consolidated financial information has been released in the name of the parent, Oryx Petroleum Corporation Limited, it represents in-substance continuation of the existing Group, headed by Oryx Petroleum Holdings PLC and the following accounting treatment has been applied to account for the restructuring:

- the consolidated assets and liabilities of the subsidiary Oryx Petroleum Holdings PLC were recognized and measured at the pre-restructuring carrying amounts, without restatement to fair value;
- the retained earnings and other equity balances recognized in the condensed consolidated statement of financial position reflect the consolidated retained earnings and other equity balances of Oryx Petroleum Holdings PLC, as at May 9, immediately prior to the restructuring, and the results of the period from January 1, 2013 to May 9, 2013, the date of the restructuring, are those of Oryx Petroleum Holdings PLC as the Company was not active prior to the restructuring. Subsequent to the restructuring, the equity structure reflects the applicable movements in equity of Oryx Petroleum Corporation Limited.
- Comparative numbers presented in the interim consolidated financial statements are those of Oryx Petroleum Holdings PLC, except for the per-share amounts, which have been restated to reflect the change in the nominal value of the common shares resulting from the restructuring as if the Company had been the parent company during such periods.

The unaudited consolidated financial statements for the three and nine months ended September 30, 2013 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The unaudited consolidated financial statements were authorized for issue by the Board of Directors on November 6, 2013.

2. Summary of significant accounting policies

Basis of preparation

The unaudited consolidated financial statements for the three and nine months ended September 30, 2013 of Oryx Petroleum Corporation Limited have been prepared in accordance with the International Accounting Standard (IAS) 34 "Interim financial reporting". The interim financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2012, which have been prepared in accordance with IFRS as issued by the IASB.

The unaudited consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities (including derivative instruments) at fair value through profit and loss.

The preparation of financial statements in conformity with IFRS requires the use of critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in the annual financial statements for the year ended December 31, 2012.

These estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

New and amended standards adopted by the Group

The Group has adopted all of the new and revised standards and interpretations issued by the IASB and IFRIC that are relevant to its operations and effective for accounting periods beginning on or after January 1, 2013 as follows:

Amendments to Standards		**Effective for annual periods beginning on or after**
IFRS 10	Consolidated financial statements	January 1, 2013
IFRS 11	Joint arrangements	January 1, 2013
IFRS 12	Disclosure of interests in other entities	January 1, 2013
IAS 27 (2011)	Separate financial statements	January 1, 2013
IAS 28 (2011)	Investments in associates and joint ventures	January 1, 2013
IFRS 13	Fair value measurement	January 1, 2013
IAS 19	Amendments to IAS 19	January 1, 2013
IFRS 7	Amendment, offsetting	January 1, 2013

The above standards and interpretations do not have a material impact for the Group, other than to enhance certain disclosures.

At the date of authorization of these financial statements, the following standards and interpretations applicable to the Group were issued but not yet effective:

New and Amended Standards		**Effective for annual periods beginning on or after**
IAS 32	Amendment, offsetting	January 1, 2014
IFRS 9	Financial Instruments: classification and measurement	January 1, 2015
	Additions to IFRS 9 for financial liability accounting	January 1, 2015

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in the US Dollar currency (USD), which is the presentation currency of the Group.

3. Segment information

The Group has a single class of business which is to acquire, explore, develop and produce oil and gas assets. The geographical areas are defined by the Group as operating segments in accordance with IFRS 8 - Operating Segments. The Group operates in a number of geographical areas based on the location of operations and assets. The Group's reporting segments comprise each separate geographical area in which it operates.

3. Segment information (continued)

Segmental information for the nine months ended September 30, 2013

	Middle East $'000	West Africa $'000	Corporate $'000	Total $'000
General and administrative expense	(507)	(346)	(33,316)	(34,169)
Pre-licence costs	(771)	(4,182)	-	(4,953)
Impairment of oil and gas assets	(43,993)	(21,700)	-	(65,693)
Depreciation and amortization	-	(20)	(509)	(529)
Other operating expense	(49,079)	-	-	(49,079)
Loss from operations	**(94,350)**	**(26,248)**	**(33,825)**	**(154,423)**
Finance income				1,791
Foreign exchange gains				2,832
Loss before income tax				**(149,800)**
Income tax expense				(813)
Total comprehensive loss				**(150,613)**
Capital additions	102,298	68,514	1,805	172,617
Segment assets	614,828	310,619	68,827	989,274
Segment liabilities	(166,352)	(7,324)	(12,721)	(186,397)

The carrying amounts of segment assets and segment liabilities exclude investments in subsidiaries and intra-group financing respectively.

Segmental information for the nine months ended September 30, 2012

	Middle East $'000	West Africa $'000	Corporate $'000	Total $'000
General and administrative expense	(20)	(48)	(12,138)	(12,206)
Pre-licence costs	(1,407)	(3,511)	-	(4,918)
Impairment of oil and gas assets	(29,017)	-	-	(29,017)
Depreciation and amortization	(11)	-	(226)	(237)
Loss from operations	**(30,455)**	**(3,559)**	**(12,364)**	**(46,378)**
Finance income				51
Loss before income tax				**(46,327)**
Income tax benefit				133
Total comprehensive loss				**(46,194)**
Capital additions	36,723	18,603	598	55,924
Segment assets	451,846	78,299	15,081	545,226
Segment liabilities	(68,391)	(9,324)	(12,080)	(89,795)

The carrying amounts of segment assets and segment liabilities exclude investments in subsidiaries and intra-group financing respectively.

4. Finance income

	Three months ended September 30		Nine months ended September 30	
	2013	2012	2013	2012
	$'000	$'000	$'000	$'000
Bank interest	765	12	1,791	41
	765	**12**	**1,791**	**41**

5. Foreign exchange gains and losses

	Three months ended September 30		Nine month ended September 30	
	2013	2012	2013	2012
	$'000	$'000	$'000	$'000
Realized foreign exchange (losses)/gains	(60)	(24)	2,995	1
Unrealized foreign exchange gains/(losses)	165	(35)	(163)	9
	105	**(59)**	**2,832**	**10**

On May 9, 2013, the Group sold CAD$150 million and purchased $149.4 million at the forward rate of CAD$1.0043 per $1, with delivery on May 21, 2013. A foreign exchange gain of $3.4 million was realized on this transaction.

6. Income tax expense

	Three months ended September 30		Nine months ended September 30	
	2013	2012	2013	2012
	$'000	$'000	$'000	$'000
Current tax:				
Current income tax expense	(283)	(135)	(1,062)	(251)
Total current income tax expense	**(283)**	**(135)**	**(1,062)**	**(251)**
Deferred tax:				
Deferred tax on long-term incentive plan	(55)	-	(52)	-
Deferred tax on defined benefit obligation	86	128	301	384
Total current income tax (expense) / benefit	**(252)**	**(7)**	**(813)**	**133**

The current income tax expense relates to tax on profit from operations of the Group's Swiss and Maltese subsidiaries. The Group is subject to income taxes in certain territories in which it owns licenses or has taxable operations.

The deferred tax represents tax on unvested shares issued for the long-term incentive plan and on defined benefit obligations following the adoption of the amendments to IAS 19 – Employee Benefits.

6. Income tax expense (continued)

The charge for the period can be reconciled to the loss per the statement of comprehensive income as follows:

	Three months ended September 30		Nine months ended September 30	
	2013	2012	2013	2012
	$'000	$'000	$'000	$'000
Loss before income tax	(64,895)	(7,120)	(149,800)	(46,327)
Combined Canadian federal and provincial income taxes at the statutory rate / Maltese rate*	16,224	2,492	42,141	16,214
Effect of income exempt from taxation	150	-	4,282	2,150
Effect of unused tax losses unrecognized in deferred tax assets	(299)	9,606	(284)	4,467
Effect of tax rates of subsidiaries operating in other jurisdictions	9	17	50	92
Effect of non-deductible expenses	(16,336)	(12,122)	(47,002)	(22,790)
Income tax expense / (benefit)	**(252)**	**(7)**	**(813)**	**133**

***** The tax expense for the six months ended September 30, 2013 was calculated using the combined Canadian federal and provincial tax rates. The tax expense for the three months ended March 31, 2013 was calculated using the Maltese tax rate.

Deferred tax assets have been recognized for unvested amounts relating to the long-term incentive plan of the Group's Maltese subsidiary and defined benefit obligations relating to the Group's Swiss subsidiary. No other deferred tax assets have been recognized for the benefit of tax deductions and tax losses because realization of the deferred tax assets in the foreseeable future is not sufficiently probable.

Cumulative unused tax losses unrecognized in deferred tax assets amount to $4.2 million at September 30, 2013 (September 30, 2012: $2.7 million).

7. Intangible assets

	Note	Exploration & Evaluation costs $'000	Computer Software $'000	Total $'000
Cost				
At January 1, 2012		**371,122**	**645**	**371,767**
Additions		55,326	401	55,727
At September 30, 2012		**426,448**	**1,046**	**427,494**
Additions		80,798	241	81,039
Transfers and reclassifications	8	73	-	73
At December 31, 2012		**507,319**	**1,287**	**508,606**
Additions		159,951	285	160,236
Transfers and reclassifications(1)	8	(373,182)	-	(373,182)
At September 30, 2013		**294,088**	**1,572**	**295,660**
Accumulated amortization and impairment				
At January 1, 2012		**-**	**156**	**156**
Amortization		-	196	196
Impairment charge(2)		29,017	-	29,017
At September 30, 2012		**29,017**	**352**	**29,369**
Amortization		-	75	75
At December 31, 2012		**29,017**	**427**	**29,444**
Amortization		-	325	325
Impairment charge(2)(3)(4)		65,693	-	65,693
At September 30, 2013		**94,710**	**752**	**95,462**
Net book value				
At September 30, 2012		397,431	694	398,125
At December 31, 2012		478,302	860	479,162
At September 30, 2013		199,378	820	200,198

(1) In March 2013, a portion of the Hawler license area exploration and evaluation costs in Kurdistan was transferred from intangible assets to property, plant and equipment (PP&E) following the latest reserve report from Netherland, Sewell & Associates, Inc. (NSAI) indicating the discovery of reserves within the license area. As a result, the $373.2 million of costs associated with the license area were transferred from intangible E&E assets to Oil and Gas assets classified as PP&E (Note 8).

(2) Mateen-1 was drilled by the operator of the Sindi Amedi block, with technical support provided by Oryx Petroleum. Current understanding of the structure does not support a working petroleum system on Mateen. The impairment charge of $31.1 million recorded in the second quarter of 2012 was reviewed and adjusted downwards by $2.1 million at the end of September 2012 and by a further $1.2 million at the end of September 2013 based on new information received from the operator.

(3) Drilling on the Dila prospect, one of six identified prospects in the OML 141 license area offshore Nigeria included in the NSAI report, was completed in the second quarter of 2013. Oil was encountered during the drilling, but based on current information, the estimated quantities of oil are not sufficient to be considered commercial. The Group considers the well unsuccessful. An impairment charge of $21.7 million was recorded during the three months ending June 30, 2013.

(4) On April 25, 2013, in conjunction with the operator, Oryx Petroleum relinquished 34% of the Sindi Amedi contract area to the Kurdistan Regional Government in exchange for the replacement of an exploration well commitment with the acquisition of

7. Intangible assets (continued)

180km of seismic data. Following acquisition of this seismic data, during the third quarter of 2013, the Company decided to relinquish its remaining interest in the Sindi Amedi license area upon expiry of the initial exploration period on October 2, 2013. A further impairment charge of $45.2 million has been recorded during the three months ended 30 September 2013.

The carrying amounts of intangible E&E assets relate to:

	September 30 2013 $'000	September 30 2012 $'000	December 31 2012 $'000
Middle East	101,348	372,054	427,003
West Africa	98,030	25,377	51,299
	199,378	**397,431**	**478,302**

The net reduction to intangible assets during the nine months ended 30 September 2013 reflects the transfer to PP&E of $373.2 million due to the successful drilling on the Hawler block and the impairment charges of $65.7 million relating to the Sindi Amedi license area and the Dila well, offset by additions of $160.2 million.

The amounts for intangible assets represent costs incurred on active exploration projects. These amounts remain capitalized, provided there are no indications of impairment, until the process is completed to determine whether reserves are established. At that stage the relevant costs are either transferred to PP&E or written-off to the statement of comprehensive income as exploration expense.

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 subsequent three year extension periods will be shortened to two years.

At September 2013, the Group had no material legal or constructive obligations with regards to decommissioning costs on intangible assets.

8. Property, plant and equipment

	Note	Oil and Gas Assets $'000	Fixtures and Equipment $'000	Total $'000
Cost				
At January 1, 2012		**-**	**111**	**111**
Additions		-	197	197
At September 30, 2012		**-**	**308**	**308**
Additions		-	436	436
Transfers and reclassifications	7	-	(73)	(73)
At December 31, 2012		**-**	**671**	**671**
Additions		10,778	1,603	12,381
Transfers and reclassifications *	7	373,182	-	373,182
At September 30, 2013		**383,960**	**2,274**	**386,234**
Accumulated depreciation				
At January 1, 2012		-	**6**	**6**
Depreciation		-	41	41
At September 30, 2012		**-**	**47**	**47**
Depreciation		-	49	49
At December 31, 2012		**-**	**96**	**96**
Depreciation		-	204	204
At September 30, 2013		**-**	**300**	**300**
Net book value				
At September 30, 2012		-	261	261
At December 31, 2012		-	575	575
At September 30, 2013		383,960	1,974	385,934

* In March 2013 a portion of the Hawler costs in Kurdistan was transferred from intangible assets to PP&E following the latest reserve report from NSAI indicating the discovery of reserves within the license area. As a result, the $373.2 million of costs associated with the license area were transferred from intangible assets (Note 7) to Oil and Gas assets classified as PP&E.

During the third quarter of 2013, the Kurdistan Regional Government gave its consent to lease an Early Production Facility for the Demir Dagh area of the Hawler license and also approved the contract to acquire seismic data on the Banan area of the Hawler license. Refer to Note 20 for further information on the increase in capital commitments due to the finalization of the Early Production Facility lease contract.

No assets have been pledged as security.

9. Inventories

	September 30 2013 $'000	December 31 2012 $'000
Exploration materials	8,392	5,601
	8,392	**5,601**

No inventories have been recognized as an expense during the year (2012: nil).
No inventories have been pledged as security.

10. Trade and other receivables

	September 30 2013 $'000	December 31 2012 $'000
Advances paid on contracts	5,000	4,000
Receivables from joint venture partners	2,776	7,197
Receivables from related parties	39	-
Other receivables	1,090	1,164
	8,905	**12,361**

The carrying amounts of trade and other receivables presented above are reasonable approximations of the fair value and not past due or impaired as of the date of issuance of these financial statements.

The balance of joint venture receivables arises from timing differences between cash calls and the expenditure incurred on behalf of joint venture partners. Cash calls are normally due within 15 days.

11. Prepaid charges

	September 30 2013 $'000	December 31 2012 $'000
Prepaid charges	6,779	6,534
Related party prepaid charges	502	-
	7,281	**6,534**

12. Cash and cash equivalents

	September 30 2013 $'000	December 31 2012 $'000
Cash at bank and in hand	377,433	72,725
	377,433	**72,725**

Cash at bank and in hand includes cash held in interest bearing accounts. Cash and cash equivalents comprise cash and short-term deposits with an original maturity of three months or less. The carrying amounts of the assets presented above are reasonable approximations of the fair value.

AOG provided additional equity funding to the Group amounting to $234.8 million in January 2013.

As a result of the initial public offering, the Group received a total of CAD$238.9 million ($236.0 million) which represents the total offering of CAD$250.5 million, net of underwriters' fees.

13. Trade and other payables

	September 30 2013 $'000	December 31 2012 $'000
Trade accounts payable	12,644	8,381
Payables to joint venture partners	7,049	6,349
Payables to related parties	1,030	2,608
Contingent costs	126,738	60,087
Other payables and accrued liabilities	35,110	43,383
	182,571	**120,808**
Less : Non-current portion	(56,738)	(37,687)
Current portion	**125,833**	**83,121**

Trade and other payables comprise current amounts outstanding for trade purchases and ongoing costs. Contingent costs relate to the acquisition of OP Hawler Kurdistan Ltd (Note 21).

The carrying amounts of trade and other payables presented above are reasonable approximations of their fair value.

Included in Other payables and accrued liabilities is $6.8 million due by way of a direct contribution towards the construction of a hospital for children in Erbil in Kurdistan (December 31, 2012: $40.0 million).

14. Current income tax liabilities

	September 30 2013 $'000	December 31 2012 $'000
Corporation tax payable	1,254	870
	1,254	**870**

15. Borrowings

	September 30 2013 $'000	December 31 2012 $'000
Convertible loan notes - unsecured	-	7,781
Current portion	**-**	**7,781**

The fair value of borrowings equaled their carrying amount, as the impact of discounting was not significant. All borrowings were denominated in US Dollars.

At December 31, 2012, the Group had 7,681 loan notes convertible at par value of $1,000 and 80 loan notes convertible at $1,250 being $7,781 convertible loan notes in total. During the first quarter of 2013, the loan notes were fully converted into equity.

Furthermore, the Group entered into an uncommitted bond facility agreement with BNP Paribas on March 26, 2013 whereby up to a maximum of US$15 million may be used by Oryx Petroleum Holdings PLC for bank guarantees. As of September 30 2013, no guarantees were issued under this agreement.

16. Share capital and share premium

Issued and fully paid	**Number of shares**	**Share capital $'000**	**Share premium $'000**
At January 1, 2012	**105,153**	**105,153**	**-**
Issue of shares	393,961	393,961	721
At September 30, 2012	**499,114**	**499,114**	**721**
Issue of shares	197	197	50
At December 31, 2012	**499,311**	**499,311**	**771**
Issue of shares	260,606	260,606	4,531
At May 15, 2013	**759,917**	**759,917**	**5,302**
OPCL Share capital upon incorporation	1	-	-
Issue of shares	99,844,773	249,531	(5,302)
At September 30, 2013	**99,844,774**	**1,009,448**	**-**

The company has unlimited authorized share capital outstanding as at September 30, 2013 (September 30, 2012 $1,000,000,000, December 31, 2012 $1,000,000,000).

During the three months ended September 30, 2013 the Group issued 229,599 shares to employees and executive offers under the Group's long term incentive plan. In addition, 12,882 shares were issued to Directors of the company as remuneration.

Prior to the Company's initial public offering, Oryx Petroleum Holdings PLC (OPHP) had authorized two classes of ordinary shares which carry no right to fixed income. The holders of ordinary 'A' shares were entitled to appoint all the directors of the Company. Otherwise, both classes of shares ranked pari passu. At March 31, 2013, AOG International Holdings Ltd (AIHL) held 699,900 (December 2012: 465,100) ordinary 'A' shares and its parent, AOG, which was the ultimate parent company of the Company, held 100 (December 2012: 100) ordinary 'B' shares. Additionally, 42,540 (December 2012: 34,111) ordinary 'B' shares were held by directors of AOG, persons connected to AOG, Group management and employees of the Group via the Long Term Incentive Plan and investments in the Company.

Immediately prior to the closing of the initial public offering, the Group, AOG and its affiliates, as well as other shareholders of the company, engaged in certain transactions whereby the Company acquired all of the issued and outstanding shares of OPHP in exchange for 81,762,377 common shares of the Company. These shares acquired include 10,920 shares of OPHP issued prior to closing to the employees and executive officers of OPHP, as well as 6,457 shares of OPHP issued to employees and executive officers of OPHP under previously issued awards pursuant to the OPHP long term incentive plan.

Holders of 21,155 ordinary ‘B’ shares (December 2012: 13,933 ordinary ‘B’ shares and 7’097 convertible loan notes of OPHP) had the right to purchase an additional half share at par value for every share held (warrants). Warrant holders could exercise the right to purchase shares at any time once completing three years’ service, or on the occurrence of an exit event (such as a sale to a third party or an offering of the Company’s shares to the public, whichever was the sooner). As the IPO occurred prior to three years of service, to qualify for this right, there was a requirement to be in employment in Oryx Petroleum, or directors of AOG, at the date of the exit event. Prior to closing of the initial public offering, the warrants, which represented an entitlement to acquire 10,515 shares of OPHP, were cancelled in exchange for 1,131,349 warrants issued by the Company that entitled the holder to acquire, for each warrant held, one common share of the Company at $9.29 per share for a period of 10 business days following the closing. All warrants were exercised on or before June 13, 2013 resulting in an issuance of 1,131,349 common shares for net proceeds to the Company of $10,515,000.

17. Basic and diluted loss per share

The loss and weighted average number of ordinary shares used in the calculation of the basic and diluted loss per share are as follows:

	Three months ended		Nine months ended	
	Sept 30 2013 $'000	Sept 30 2012 $'000	Sept 30 2013 $'000	Sept 30 2012 $'000
Loss for the period attributable to equity holders	**(65,109)**	**(7,046)**	**(150,381)**	**(46,016)**
Weighted average number of ordinary shares for basic and diluted loss per share*	**99,747,271**	**26,172,948**	**87,678,813**	**19,156,060**
	$	**$**	**$**	**$**
Basic and diluted loss per share	**(0.65)**	**(0.27)**	**(1.72)**	**(2.40)**

* For 2012, warrants, convertible loan notes, treasury shares and unvested LTIP shares were excluded as they were currently anti-dilutive. For 2013, the unvested LTIP shares are excluded as they are anti-dilutive. There were no warrants, convertible loans notes and treasury shares at September 30, 2013. The weighted average number of shares of OPHP for the three and nine months ended September 30, 2012 are presented as if they were shares of the Company (refer to note 16).

18. Other reserves

	Treasury shares $'000	Share based payments $'000	Total $'000
At January 1, 2012	(864)	3,449	2,585
Share based payment transactions	-	8,138	8,138
Issue of shares for long-term incentive plan	(8,421)	-	(8,421)
Release of shares for long-term incentive plan	8,587	(8,587)	-
At September 30, 2012	**(698)**	**3,000**	**2,302**
Share based payment transactions	-	3,591	3,591
Issue of shares for long-term incentive plan	(47)	-	(47)
Release of shares for long-term incentive plan	745	(745)	-
At December 31, 2012	-	**5,846**	**5,846**
Share based payment transactions*	-	22,809	22,809
Issue of shares for long-term incentive plan	-	(25,427)	(25,427)
Issue of shares for Directors' compensation	-	(174)	(174)
At September 30, 2013	-	**3,054**	**3,054**

*Share based payments for the nine months ended September 30, 2013 include a share grant to employees and management of $13.7 million immediately prior to the Company's initial public offering.

19. Net cash used in operations

	Three months ended September 30		Nine months ended September 30	
	2013 $'000	2012 $'000	2013 $'000	2012 $'000
Net loss before income tax	(64,895)	(7,120)	(149,800)	(46,327)
Adjustments for:				
Depreciation and amortization	195	100	529	237
Foreign exchange losses	(84)	-	(113)	-
Interest income	(765)	(12)	(1,791)	(41)
Share based payment expense	4,506	5,297	22,809	8,138
Impairment / (reversal) of intangible assets	45,216	(2,066)	65,693	29,017
Increase in retirement benefit obligation	370	366	1,107	1,106
Operating cash flows before movements in working capital	**(15,457)**	**(3,435)**	**(61,566)**	**(7,870)**
Increase / (decrease) in inventories	755	(2,545)	(2,791)	(4,848)
(Increase)/decrease in trade and other receivables	804	(2,291)	7,123	(2,303)
Increase in trade and other payables	16,296	3,356	49,965	4,690
Net cash generated by / (used in) operations	**2,398**	**(4,915)**	**(7,269)**	**(10,331)**

20. Commitments

(a) *Capital commitments*

It will be necessary to incur expenditure in order to maintain existing exploration and appraisal rights, therefore as at September 30, 2013, the Group had capital commitments totaling $146.7 million (December 2012: $177.4 million) which includes minimum work obligations on production sharing contracts of $39.3 million (December 2012: $58.5 million).

During the second quarter of 2013, the Group resolved to donate a total of $1.5 million over a period of 3 years to the Addax & Oryx Foundation. The first payment of $0.5 million was made in July 2013.

The Group signed a lease agreement during the three months ended September 30, 2013 for an Early Production Facility relating to the Demir Dagh development in the Hawler license area. The commitment related to this lease agreement is $37.4 million.

(b) *Operating lease commitments – Group company as lessee*

The Group leases buildings and equipment under non-cancellable operating lease agreements with varying terms and renewal rights. The corresponding lease expenditure charged to the statement of comprehensive income during the period ended September 30, 2013 was $1.0 million (December 2012: $0.9 million).

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

Leases which expire	September 30 2013 $000	December 31 2012 $000
No later than one year	16	13
	16	**13**

21. Contingent liabilities

During 2011, the Group acquired interests in various exploration licenses. The acquisition terms included additional consideration and other liabilities, contingent upon the outcome of future drilling activities and, in some cases, the quantities of reserves discovered. At September 30, 2013 these amounted in aggregate to a maximum of $182.5 million (December 31, 2012 – $197.5 million). In accordance with the terms of the agreements for the acquisition of interests in these license areas, the Group is contractually obliged to make the payments upon a declaration of commercial discovery. If quantities of hydrocarbons discovered are not determined to be commercial, no payments will be due.

The aggregate fair value of the contingent consideration, based on the estimated probability of success, was initially evaluated by the directors at $46.3 million in total, of which $27.7 million was first recognized in the Group's statement of financial position at December 31, 2011 in relation to the Hawler license area acquired as part of the business combination with Norbest Limited (subsequently renamed OP Hawler Kurdistan Limited). The determination of fair value was principally based on an assessment of the available geological data, historical success rates in the region and other related assumptions on the likelihood of commercial success.

In addition, the net assets and liabilities acquired with OP Hawler Kurdistan Limited include a contingent payment to the Kurdistan Regional Government in relation to the declaration of a first commercial discovery. The total potential amount payable is $50 million of which the fair value, based on the estimated probability of success, was initially evaluated by the directors at $32.4 million and recognized in the fair values of the identifiable assets and liabilities acquired.

Following the discovery of reserves in the Hawler license area in the three months period ended March 31, 2013, the fair values detailed above were re-evaluated and estimated at $112.3 million, resulting in increases in fair value recorded for contingent consideration and the contingent payment amounting to $52.3 million, of which $39.3 million in relation to contingent consideration was recognized in the statement of comprehensive income and $13.0 million in relation to the contingent payment was capitalized and then transferred from intangible assets to property, plant and equipment oil and gas assets in March 2013.

During the third quarter of 2013, the fair values of the contingent consideration and the contingent payment have been re-evaluated following the preliminary drilling results on the Ain Al Safra well. In addition a portion of the payments are expected to be paid within one year. The fair value of the payments increased by a further $14.3 million to an estimated fair value of

$126.7 million. The increase in fair value of the payments resulted in $9.8 million recognized in the statement of comprehensive income during the three months ended September 30, 2013 and $4.5 million capitalized to property, plant and equipment oil and gas assets in September 2013.

Also, consequent upon the relinquishment of the Sindi Amedi exploration license in the third quarter of 2013 the aggregate fair value of the contingent consideration was decreased by $3.9 million.

22. Events after the balance sheet date

In July 2013, the Group was granted a 30% non-operator interest in the Haute Mer B block and exploration permit located in the Republic of Congo. On October 4, 2013, the Group finalized the PSC and JOA for this block. These contracts are now being reviewed by the Government of the Republic of Congo and the effective date of the contracts will be determined subsequent to the Government’s review.

In October 2013, the Group made a second oil discovery on the Hawler license area. The AAS-1 well reached a depth of 3,039 metres in early September. The well was logged down to the lowermost Jurassic and there was evidence of oil shows in the Cretaceous, Jurassic and lower Jurassic of varying quality. In the lower Jurassic reservoirs, free oil on the shakers and sizable losses of drilling fluids were observed during drilling with significant quantities of oil flowing to surface. As such, three cased hole drill stem tests (“DST”) were conducted in the lower Jurassic zones. The first and second DSTs tested the Butmah and Adayiah formations. The results of both tests were inconclusive as the tests were unable to connect to a permeable fracture network and flow fluids to surface. The third DST tested the base of the Alan formation and the Mus formation together. Field tests designed to measure the crude gravity produced conflicting results with some samples indicating heavier (18° API) gravity oil and some samples indicating lighter (29° API) gravity oil. Fluid samples have been sent to a laboratory for further analysis. As at the date of these financial statements, the Group is proceeding with further analysis and appraisal to determine the size and quality of the discovery as well as its potential commerciality.

In October 2013, the Group gave notice of its intention to exercise its right to subscribe for 50 million shares in KPA Western Desert Energy Ltd (KPA) at a nominal value of $0.001 per share for no additional consideration. Accordingly, as a result of its increased shareholding in KPA, Oryx Petroleum will have an indirect 50% participating interest in contracts to explore and develop hydrocarbons in the Al Wasit province of the Republic of Iraq.

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