Oryx Petroleum Corporation Limited

REPORT AND FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED
MARCH 31, 2013

	Note	31 March 2013 $	31 December 2012 $
Current assets			
Cash and cash equivalents		10	10
Total assets		10	10
Equity and liabilities			
Share capital	3	10	10
Total equity		10	10
Total equity and liabilities		10	10

The statement of financial position was approved by the Board of directors on

May 13, 2013 and signed on its behalf by

Jean Claude Gandur
Director

Peter Newman
Director

1. Organisation

Oryx Petroleum Corporation Limited (the “Corporation” or “Oryx Petroleum”), incorporated on 31 December 2012, was established to serve as the parent company of Oryx Petroleum Holdings PLC (formerly Oryx Petroleum Company PLC) (“OPHP”). The address of the registered office is 3400 First Canadian Center, 350 7th Avenue Southwest, Calgary, Canada.

The ultimate controlling shareholder of the Corporation is AOG, which holds common shares of the Corporation either directly or its affiliates hold common shares of the Corporation directly. Hydromel Ltd. owns more than 50% of the outstanding shares of AOG. Hydromel Ltd. is a wholly owned subsidiary of Samsufi Trust, an irrevocable overseas discretionary charitable trust created by Mr. Jean Claude Gandur, a director and the Chairman of Oryx Petroleum, for the benefit of certain charitable foundations. Neither Mr. Gandur nor any of his associates is a beneficiary or a trustee of Samsufi Trust.

Immediately prior to the closing of a proposed initial public offering (“Offering”) of the Corporation’s shares, the Corporation will acquire all of the issued and outstanding shares of OPHP in exchange for 81,762,377 common shares. In addition, prior to the closing of the Offering, (i) OPHP will issue 10,920 shares of OPHP to the employees and executive officers of OPHP (“employee shares”) and (ii) The Addax and Oryx Group Limited (“AOG”), the Corporation’s principal shareholder (see below), will transfer 5% of its shareholding in OPHP, or 35,000 shares of OPHP, to Samsufi Trust.

Upon the Closing of the Offering (i) the OPHP options granted to first stage investors (“FSI Options”) will cease to represent an entitlement to acquire 10,515 shares of OPHP and will be adjusted to allow the holder thereof to acquire, for each FSI Option held, 1 common share for an estimated value of $9.29 per share for a period of 10 business days following the Closing of the Offering (a total of 1,131,349 shares of the Corporation) and (ii) the long term incentive plan of OPHP will be terminated and holders of unvested awards to receive 3,776 shares of OPHP under the OPHP LTIP will have such unvested awards cancelled in exchange for 406,274 unvested awards under the Corporation’s LTIP.

The acquisition by the Corporation of OPHP and its subsidiaries is deemed to be a transaction between entities under common control. As permitted by IFRS, which provides no specific guidance for common control transactions, the Corporation will account for the transaction in a manner similar to a pooling-of-interests, meaning:

(i) assets and liabilities will be carried over at their respective carrying values;

(ii) common stock will be carried over at the nominal value of the shares issued by the Corporation;

(iii) additional paid-in capital will represent the difference between the nominal value of the shares issued by the Corporation, and the total of the additional paid-in capital and nominal value of OPHP’s shares; and

(iv) the accumulated deficit will represent the aggregate of the accumulated deficit of OPHP and the Corporation.

Since the Corporation’s incorporation on 31 December 2012, there has been no operating activity.

2.1 Statement of compliance

The accompanying financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

2.2 Basis of Presentation

The accompanying financial statements have been prepared on a historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The Corporation presents its financial statements in the US Dollar currency (USD), which is the functional currency and presentation currency of the Corporation.

3. Share capital

	March 31, 2013	December 31 2012
	$	$
Authorised, issued and fully paid:		
1 common share of CAD 10 each	10	10

Oryx Petroleum's authorized share capital consists of an unlimited number of Common Shares and an unlimited number of Preferred Shares, issuable in series.

4. Events after the balance sheet date

On May 8, 2013, the Corporation 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 "Offering") for total gross proceeds of CAD$250.5 million ($249.4 million). The Offering will result in estimated net proceeds of CAD$239.0 million ($238.0 million). The closing date of the Offering is expected to be on or around May 15, 2013. Immediately prior to closing, a corporate re-organisation will occur whereby the Corporation will become the parent company of Oryx Petroleum Holdings PLC, a public limited liability company incorporated in Malta. The address of the registered office of Oryx Petroleum Holdings PLC is Level 13, Portomaso Business Tower, Portomaso, St Julians, STJ 4011, Malta.

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

This management's discussion and analysis of financial condition and results of operations contains forward-looking statements that involve risks and uncertainties. The following should be read in conjunction with the unaudited condensed consolidated financial statements of Oryx Petroleum Corporation Limited, for the three months ended March 31, 2013, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Subsequent to March 31, 2013, Oryx Petroleum Corporation Limited ("the Corporation") will serve as the parent company of Oryx Petroleum Holdings PLC. The results of operations for the periods reflected herein are not necessarily indicative of results that may be expected for future periods, and actual results may differ materially from those discussed in the forward-looking statements as a result of various factors, including but not limited to those listed under "Risk Factors" and included elsewhere in the Amended and Restated Preliminary based PREP prospectus of Oryx Petroleum Corporation Limited dated April 15, 2013.

OPCL

Three months ended March 31, 2013 compared to three months ended March 31, 2012

No activity was conducted since the incorporation of the company on 31 December 2012.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2013

ORYX PETROLEUM

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Condensed Consolidated Statement of Comprehensive Income

	Note	Three months ended March 31 2013 $'000	March 31 2012 $'000
General and administrative expense		(6,270)	(2,326)
Pre-license costs		(1,672)	(1,189)
Depreciation and amortization expense	7, 8	(159)	(63)
Other operating expense	21	(39,260)	-
Loss from operations		**(47,361)**	**(3,578)**
Finance income	4	341	9
Foreign exchange gains	5	111	17
Finance income - net		**452**	**26**
Loss before income tax		**(46,909)**	**(3,552)**
Income tax (expense) / benefit	6	(67)	205
Total comprehensive loss for the period		**(46,976)**	**(3,347)**
Comprehensive loss attributable to :			
Owners of the company		(46,815)	(3,285)
Non-controlling interests		(161)	(62)
		(46,976)	**(3,347)**
Basic and diluted loss per share ($)	17	**(63.05)**	**(19.76)**

Condensed Consolidated Statement of Financial Position

	Note	March 31 2013 $'000	December 31 2012 $'000
Non-current assets			
Intangible assets	7	161,669	479,162
Property, plant and equipment	8	372,339	575
Deferred tax assets		1,141	882
		535,149	**480,619**
Current assets			
Inventories	9	6,033	5,601
Trade and other receivables	10	6,052	12,361
Prepaid charges	11	5,834	6,534
Cash and cash equivalents	12	245,495	72,725
		263,414	**97,221**
Total assets		**798,563**	**577,840**
Current liabilities			
Trade and other payables	13	38,270	83,121
Current income tax liabilities	14	1,161	870
Borrowings	15	-	7,781
		39,431	**91,772**
Non-current liabilities			
Trade and other payables	13	112,372	37,687
Retirement benefit obligation		1,833	1,465
		114,205	**39,152**
Total liabilities		**153,636**	**130,924**
Equity			
Share capital	16	742,540	499,311
Share premium	16	958	771
Other reserves	18	7,417	5,846
Accumulated deficit		(131,149)	(84,334)
Equity attributable to owners of the company		**619,766**	**421,594**
Non-controlling interests		25,161	25,322
Total equity		**644,927**	**446,916**
Total equity and liabilities		**798,563**	**577,840**

The financial statements were approved by the Board of Directors and authorized for issue on May 13, 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		-	-	-	(3,285)	(3,285)	(62)	(3,347)
Shares issued	16	61,992	-	-	-	61,992	-	61,992
Share based payment expense	18	-	-	1,385	-	1,385	-	1,385
Balance at March 31, 2012		**167,145**	**-**	**3,970**	**(29,297)**	**141,818**	**25,438**	**167,256**
Total comprehensive loss for the period		-	-	-	(55,037)	(55,037)	(116)	(55,153)
Shares issued	16	332,166	771	-	-	332,937	-	332,937
Share based payment expense	18	-	-	10,344	-	10,344	-	10,344
Issue of shares for long-term incentive plan	18	-	-	(8,468)	-	(8,468)	-	(8,468)
Balance at December 31, 2012		**499,311**	**771**	**5,846**	**(84,334)**	**421,594**	**25,322**	**446,916**
Total comprehensive loss for the period		-	-	-	(46,815)	(46,815)	(161)	(46,976)
Shares issued	16	243,229	187	-	-	243,416	-	243,416
Share based payment expense	18	-	-	2,106	-	2,106	-	2,106
Issue of shares for long-term incentive plan	18	-	-	(535)	-	(535)	-	(535)
Balance at March 31, 2013		**742,540**	**958**	**7,417**	**(131,149)**	**619,766**	**25,161**	**644,927**

Condensed Consolidated Statement of Cash Flows

	Note	Three months ended March 31 2013 $'000	March 31 2012 $'000
Cash flows from operating activities			
Net cash used in operations	19	(6,824)	(1,613)
Interest received		99	9
Net cash used in operating activities		**(6,725)**	**(1,604)**
Cash flows from investing activities			
Acquisition of property, plant and equipment		(215)	(100)
Acquisition of intangible assets		(55,390)	(10,518)
Net cash used in investing activities		**(55,605)**	**(10,618)**
Cash flows from financing activities			
Proceeds from issuance of ordinary shares		235,100	51
Proceeds from issuance of convertible loan notes		-	184
Proceeds from borrowings		-	15,660
Net cash generated from financing activities		**235,100**	**15,895**
Net increase/(decrease) in cash and cash equivalents		**172,770**	**3,673**
Cash and cash equivalents at beginning of the period		72,725	25,281
Cash and cash equivalents at end of the period	12	**245,495**	**28,954**

NOTES TO THE FINANCIAL STATEMENTS

1. General information

Oryx Petroleum Holdings PLC (formerly Oryx Petroleum Company PLC and Oryx Petroleum Company Limited) ('the Company') is a public limited liability company incorporated in Malta under the Companies Act on June 18, 2010, and is the holding company for the Oryx Petroleum Group of companies (together "the Group"). The address of the registered office of Oryx Petroleum Holdings PLC is Level 13, Portomaso Business Tower, Portomaso, St Julians, STJ 4011, Malta. The Company was reregistered as a public limited company on December 7, 2012. The Group's ultimate parent is The Addax and Oryx Group Ltd (incorporated in Malta). The majority of the ultimate parent company'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.

Subsequent to March 31, 2013, Oryx Petroleum Corporation Limited ("the Corporation"), incorporated on December 31, 2012, will serve as the parent company of Oryx Petroleum Holdings PLC. The address of the registered office of Oryx Petroleum Corporation Limited is 3400 First Canadian Center, 350 7th Avenue Southwest, Calgary, Canada.

The unaudited consolidated financial statements for the period ended March 31, 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 May 13, 2013.

2. Summary of significant accounting policies

Basis of preparation

The unaudited consolidated financial statements for the three months ended March 31, 2013 of Oryx Petroleum Holdings PLC 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

2. Summary of significant accounting policies (continued)

With the exception of the amendments to IAS 19, the above standards and interpretations do not have a material impact for the Group, other than to enhance certain disclosures. The effect on the opening balance of retained earnings as of January 1, 2011 would have resulted in a decrease of USD 24 thousand due to amendments to IAS 19 applied retrospectively.

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.

	Middle East $'000	West Africa $'000	Corporate $'000	Total $'000
For the three months ended March 31, 2013				
General and administrative expense	(436)	(419)	(5,415)	(6,270)
Pre-license costs	(831)	(841)	-	(1,672)
Depreciation and amortization		(5)	(154)	(159)
Other operating expense	(39,260)	-	-	(39,260)
Loss from operations	**(40,527)**	**(1,265)**	**(5,569)**	**(47,361)**
Finance income				341
Foreign exchange losses				111
Loss before income tax				**(46,909)**
Income tax expense				(67)
Total comprehensive loss				**(46,976)**
Capital additions	31,695	22,504	231	54,430
Segment assets	566,594	205,804	26,165	798,563
Segment liabilities	(147,516)	(366)	(5,754)	(153,636)

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

3. Segment information (continued)

	Middle East $'000	West Africa $'000	Corporate $'000	Total $'000
For the three months ended March 31, 2012				
General and administrative expense	(111)	(3)	(2,212)	(2,326)
Pre-license costs	(40)	(1,149)	-	(1,189)
Depreciation and amortization	(4)	-	(59)	(63)
Loss from operations	**(155)**	**(1,152)**	**(2,271)**	**(3,578)**
Finance income				9
Foreign exchange losses				17
Loss before income tax				**(3,552)**
Income tax benefit				205
Total comprehensive loss				**(3,347)**
Capital additions	9,717	1,901	110	11,728
Segment assets	398,925	10,216	6,551	415,692
Segment liabilities	(61,600)	(512)	(186,348)	(248,460)

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

4. Finance income

	Three months ended March 31 2013 $'000	Three months ended March 31 2012 $'000
Bank interest income	341	9
	341	**9**

5. Foreign exchange gains and losses

	Three months ended March 31 2013 $'000	Three months ended March 31 2012 $'000
Realized foreign exchange losses	(3)	(2)
Unrealized foreign exchange gains	114	19
	111	**17**

6. Income tax expense

	Three months ended	
	March 31 2013 $'000	March 31 2012 $'000
Current tax:		
Current income tax	(326)	77
Total current income tax	**(326)**	**77**
Deferred tax:		
Deferred tax on long-term incentive plan	130	-
Deferred tax on defined benefit obligation	129	128
Total income tax (expense) / benefit	**(67)**	**205**

The current income tax expense relates to tax on profit from operations of Oryx Petroleum Holdings PLC and the Group's Swiss subsidiary. 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.

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

	Three months ended	
	March 31 2013 $'000	March 31 2012 $'000
Loss before income tax	(46,909)	(3,552)
Tax benefit at the Maltese rate of 35%	16,418	1,243
Effect of income exempt from taxation	107	328
Effect of unused tax losses unrecognized in deferred tax assets	(8)	(852)
Effect of tax rates of subsidiaries operating in other jurisdictions	17	(24)
Effect of non-deductible expenses	(16,601)	(490)
Income tax expense / (benefit)	**(67)**	**205**

Deferred tax assets have been recognized for unvested amounts relating to the long-term incentive plan of Oryx Petroleum Holdings PLC 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 $5.2 million at March 31, 2013 (March 31, 2012: $16.8 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		11,620	8	11,628
At March 31, 2012		**382,742**	**653**	**383,395**
Additions		124,504	634	125,138
Transfers and reclassifications	8	73	-	73
At December 31, 2012		**507,319**	**1,287**	**508,606**
Additions		54,199	16	54,215
Transfers and reclassifications *	8	(371,603)	-	(371,603)
At March 31, 2013		**189,915**	**1,303**	**191,218**
Accumulated amortization and impairment				
At January 1, 2012		**-**	**156**	**156**
Amortization		-	54	54
At March 31, 2012		**-**	**210**	**210**
Amortization		-	217	217
Impairment charge**		29,017	-	29,017
At December 31, 2012		**29,017**	**427**	**29,444**
Amortization		-	105	105
At March 31, 2013		**29,017**	**532**	**29,549**
Net book value				
At March 31, 2012		382,742	443	383,185
At December 31, 2012		478,302	860	479,162
At March 31, 2013		160,898	771	161,669

* During the period, a portion of the Hawler license area exploration and evaluation costs in Kurdistan was transferred from Exploration and Evaluation (E&E) to Property, Plant and Equipment (PP&E) following the latest reserve report from Netherland, Sewell & Associates, Inc. (NSAI) indicating the successful discovery of commercial reserves within the exploration block. As a result, the $371.6 million of costs associated with the block were transferred from intangible E&E assets to Oil and Gas assets classified as PP&E (Note 8) as of March 31, 2013.

** Mateen-1, drilled by the operator of the Sindi Amedi block, with technical support provided by Oryx Petroleum, was a dry hole. The principal cause of failure was likely the lack of closure: the structure came in lower than expected and may rise to the east towards the Amedi anticline. Oil staining was found throughout the Jurassic and Triassic intervals, indicating that hydrocarbons had moved through the system. Significant thicknesses of evaporite were drilled in the Triassic Kurra Chine formation, and the Company believes these have the potential to form excellent seals in other structures on the license area.

7. Intangible assets (continued)

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

	March 31 2013 $'000	March 31 2012 $'000	December 31 2012 $'000
Middle East	87,095	374,067	427,003
West Africa	73,803	8,675	51,299
	160,898	**382,742**	**478,302**

The net reduction to E&E costs in the first quarter of 2013 reflects the transfer to PP&E of $371.6 million due to the successful drilling on the Hawler block, partially offset by additions relating to the Dila 1 well in Nigeria of $21.5 million.

The additions to E&E costs in 2012 include the acquisition of a 20% license interest in the Haute Mer A license area (“Haute Mer A”) in Congo Brazzaville, an extension of the boundaries of the Hawler license area in the Kurdistan region of Iraq by 111 km2 and ongoing capital expenditures related to work programs on blocks acquired in 2011.

No assets have been pledged as security.

The amounts for intangible E&E assets represent costs incurred on active exploration projects. These amounts are written-off to the statement of comprehensive income as exploration expense unless commercial reserves are established or the determination process is not completed and there are no indications of impairment.

At March 2013, the Group had no material legal or constructive obligations with regards to abandonment costs on E&E assets.

Refer to Note 22 for subsequent events 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		-	100	100
At March 31, 2012		**-**	**211**	**211**
Additions		-	533	533
Transfers and reclassifications	7	-	(73)	(73)
At December 31, 2012		**-**	**671**	**671**
Additions		-	215	215
Transfers and reclassifications *	7	371,603	-	371,603
At March 31, 2013		**371,603**	**886**	**372,489**
Accumulated depreciation				
At January 1, 2012		-	**6**	**6**
Depreciation		-	9	9
At March 31, 2012		**-**	**15**	**15**
Depreciation		-	81	81
At December 31, 2012		**-**	**96**	**96**
Depreciation		-	54	54
At March 31, 2013		**-**	**150**	**150**
Net book value				
At March 31, 2012		-	196	196
At December 31, 2012		-	575	575
At March 31, 2013		371,603	736	372,339

* During the period, a portion of the Hawler costs in Kurdistan was transferred from Exploration and Evaluation (E&E) to Property, Plant and Equipment (PP&E) following the latest reserve report from Netherland, Sewell & Associates, Inc. (NSAI) indicating the successful discovery of commercial reserves within the exploration block. As a result, the $371.6 million of costs associated with the block were transferred from intangible E&E assets (Note 7) to Oil and Gas assets classified as PP&E as of March 31, 2013

9. Inventories

	March 31 2013 $'000	December 31 2012 $'000
Exploration materials	6,033	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

	March 31 2013 $'000	December 31 2012 $'000
Advances paid on contracts	4,000	4,000
Receivables from joint venture partner	465	7,197
Receivables from related parties	83	-
Other receivables	1,504	1,164
	6,052	**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

	March 31 2013 $'000	December 31 2012 $'000
Prepaid charges	5,834	6,534
	5,834	**6,534**

12. Cash and cash equivalents

	March 31 2013 $'000	December 31 2012 $'000
Cash at bank and in hand *	245,495	72,725
	245,495	**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.

* At March 31, 2013, the Group recognized a provision of $303 thousand on cash balances held with the Bank of Cyprus based on the current economic outlook and the estimated bank deposit levy on cash balances above $100 thousand. The provision was recognized in the statement of comprehensive income under general and administrative expenses based on a cash balance held with the Bank of Cyprus of $721 thousand.

13. Trade and other payables

	March 31 2013 $'000	December 31 2012 $'000
Trade accounts payable	4,242	8,381
Payables to joint venture partner	983	6,349
Payables to related parties	451	2,608
Contingent costs	112,372	60,087
Other payables and accrued liabilities	32,594	43,383
	150,642	**120,808**
Less: Non-current portion	(112,372)	(37,687)
Current portion	**38,270**	**83,121**

Trade and other payables comprise current amounts outstanding for trade purchases and ongoing costs. Contingent consideration relates 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 $21.4 million due by way of a direct contribution towards the construction of a hospital for children in Erbil in the Kurdistan region of Iraq (December 31, 2012: $40.0 million).

14. Current income tax liabilities

	March 31 2013 $'000	December 31 2012 $'000
Corporation tax payable	1,161	870
	1,161	**870**

15. Borrowings

	March 31 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 where up to a maximum of USD 15 million may be withdrawn by Oryx Petroleum Holdings PLC. As of March 31, 2013, no amounts were drawn from this uncommitted facility agreement.

16. Share capital and share premium

Authorized	**March 31 2013 $'000**	**March 31 2012 $'000**	**December 31 2012 $'000**
Ordinary shares of $1,000 each	1,000,000	1,000,000	1,000,000
	1,000,000	**1,000,000**	**1,000,000**

Issued and fully paid	**Number of shares $'000**	**Share capital $'000**	**Share premium $'000**
At January 1, 2012	**105,153**	**105,153**	**-**
Issue of shares	61,992	61,992	-
At March 31, 2012	**167,145**	**167,145**	**-**
Issue of shares	332,166	332,166	771
At December 31, 2012	**499,311**	**499,311**	**771**
Issue of shares	243,229	243,229	187
At March 31, 2013	**742,540**	**742,540**	**958**

The Company has authorized two classes of ordinary shares which carry no right to fixed income. The holders of ordinary ‘A’ shares are entitled to appoint all the directors of the Company. Otherwise, both classes of shares rank pari passu. At March 31, 2013, AOG International Holdings Ltd (AIHL) holds 699,900 (December 2012: 465,100) ordinary ‘A’ shares and its parent, AOG, which is the ultimate parent company of the Company, holds 100 (December 2012: 100) ordinary ‘B’ shares. Additionally, 42,540 (December 2012: 34,111) ordinary ‘B’ shares are 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.

Holders of 21,155 ordinary ‘B’ shares (December 2012: 13,933 ordinary ‘B’ shares and 7’097 convertible loan notes) have the right to purchase an additional half share at par value for every share purchased (warrants). Warrant holders can 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 is the sooner). To qualify for this right, there is a requirement to be in employment in Oryx Petroleum, or directors of the AOG group, at the date of the exit event.

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	
	March 31 2013 $'000	March 31 2012 $'000
Loss for the period attributable to equity holders	**(46,815)**	**(3,285)**

	March 31 2013	March 31 2012
Weighted average number of ordinary shares for basic and diluted loss per share *	**742,540**	**166,281**

	March 31 2013 $	March 31 2012 $
Basic and diluted loss per share	**(63.05)**	**(19.76)**

* Warrants, convertible loan notes, treasury shares and unvested LTIP are excluded as they are currently anti-dilutive.

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	-	1,385	1,385
Release of shares for long-term incentive plan	95	(95)	-
At March 31, 2012	**(769)**	**4,739**	**3,970**
Share based payment transactions	-	10,344	10,344
Issue of shares for long-term incentive plan	(8,468)	-	(8,468)
Release of shares for long-term incentive plan	9,237	(9,237)	-
At December 31, 2012	**-**	**5,846**	**5,846**
Share based payment transactions	-	2,106	2,106
Issue of shares	(535)	-	(535)
Release of shares for long-term incentive plan	535	(535)	-
At March 31, 2013	**-**	**7,417**	**7,417**

19. Net cash used in operations

	March 31 2013 $'000	March 31 2012 $'000
Net loss before income tax	(46,909)	(3,552)
Adjustments for:		
Depreciation and amortization	159	63
Foreign exchange losses / (gains)	(34)	12
Interest income	(341)	(9)
Share based payment expense	2,106	1,385
Increase in retirement benefit obligation	368	342
Operating cash flows before movements in working capital	**(44,651)**	**(1,759)**
Increase in inventories	(432)	(577)
Decrease in trade and other receivables	37	983
Increase / (decrease) in trade and other payables	38,222	(260)
Net cash used in operations	**(6,824)**	**(1,613)**

20. Commitments

(a) *Capital commitments*

Due to the nature of the Group's operations in exploring and evaluating areas of interest, it is difficult to accurately forecast the nature and amount of future expenditure, although it will be necessary to incur expenditure in order to maintain existing exploration and appraisal rights.

At March 31, 2013, the Group had capital commitments totaling $194.2 million (December 2012: $177.4 million) which includes minimum work obligations on production sharing contracts of $57.1 million (December 2012: $58.5 million).

20. Commitments (continued)

(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 March 31, 2013 was $0.3 million (December 2012: $0.9 million).

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

Leases which expire within	**March 31 2013 $000**	**December 31 2012 $000**
No later than one year	24	13
	24	**13**

21. Contingent liabilities

During 2011, the Group acquired interests in various exploration licenses. The acquisition terms included additional consideration, contingent upon the outcome of future drilling activities and, in some cases, the quantities of reserves discovered. These amount in aggregate to a maximum of $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 no commercial quantities of hydrocarbons are discovered, 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 recognized in the Group's statement of financial position in relation to the license acquired in the acquisition of the 65% of the Hawler Block, 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 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 successful discovery of reserves in the three months period ended March 31, 2013, the fair values detailed above have been re-evaluated and are now estimated at $112.3 million, resulting in changes in fair value recorded for contingent consideration and contingent liabilities 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 other contingent payments capitalized and then transferred from exploration and evaluation assets to property, plant and equipment - oil and gas assets in March 2013.

22. Events after the balance sheet date

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 an extension to the current exploration period which expires on October 2, 2013. A further contract extension, requiring the relinquishment of an additional 17% of the remaining contract area, the drilling of an additional well and with the contract extending a further year to October 2, 2014 was agreed, at the option of the partners.

Subsequent to March 31, 2013, Oryx Petroleum completed drilling an exploration well targeting the Dila prospect, which is one of six identified prospects in the OML 141 license area offshore Nigeria included in the NSAI Report. Oil was encountered during drilling but based on current information the estimated quantities of oil are not sufficient to be considered commercial. The Group considers the well unsuccessful. The prospective oil resource volumes and the net present value of the prospective oil resources presented in the NSAI Report do not reflect these drilling results. In line with the Group's successful efforts accounting policy, the costs of the well will be written off in the second quarter of 2013.

On May 8, 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 "Offering") for total gross proceeds of

CAD$250.5 million ($249.4 million). The Offering will result in estimated net proceeds of CAD$239.0 million ($238.0 million). The closing date of the Offering is expected to be on or around May 15, 2013. Immediately prior to closing, a corporate re-organisation will occur whereby Oryx Petroleum Corporation Limited will become the parent company of Oryx Petroleum Holdings PLC.

On May 9, 2013, Oryx Petroleum 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.

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

This management's discussion and analysis of financial condition and results of operations contains forward-looking statements that involve risks and uncertainties. The following should be read in conjunction with the unaudited condensed consolidated financial statements of Oryx Petroleum Holdings PLC (formerly known as Oryx Petroleum Company PLC) for the three months ended March 31, 2013, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Subsequent to March 31, 2013, Oryx Petroleum Corporation Limited ("the Corporation") will serve as the parent company of Oryx Petroleum Holdings PLC. The results of operations for the periods reflected herein are not necessarily indicative of results that may be expected for future periods, and actual results may differ materially from those discussed in the forward-looking statements as a result of various factors, including but not limited to those listed under "Risk Factors" and included elsewhere in the Amended and Restated Preliminary based PREP prospectus of Oryx Petroleum Corporation Limited dated April 15, 2013.

OPHP

Three months ended March 31, 2013 compared to three months ended March 31, 2012

Executive Summary

The following table summarizes OPHP's results for the three months ended March 31, 2013 as compared to the same period ended in 2012:

	Three months ended March 31, 2013	Three months ended March 31, 2012	Change
	($ thousand)	($ thousand)	(%)
General and administrative expense	6,270	2,326	170
Exploration expense	1,672	1,189	41
Depreciation and amortization expense	159	63	152
Other [(1)]	38,808	(26)	1,494
Loss before income tax	**46,909**	**3,552**	**1,221**
Income tax expense / (benefit)	67	(205)	(133)
Net Loss	**46,976**	**3,347**	**1,304**
Cash surplus / (Net debt) [(2)]	**245,495**	**(155,093)**	**(258)**
Capital expenditure[(3)]	**54,430**	**11,728**	**364**

Notes:
(1) Includes finance (income) / expense, foreign exchange (gains) / losses and other operating expenses
(2) Net debt is a non-GAAP measure defined as long term debt and short-term borrowings less cash and cash equivalent.
We use net debt as a key indicator of our leverage and to monitor the strength of our balance sheet.
(3) Refer to "Capital Expenditure" below.

Net loss increased by $43.6 million to $47.0 million for the three month period ended March 31, 2013 compared to the same period ended March 31, 2012 mainly due to the change in the fair value of the Hawler block's contingent consideration and contingent liabilities ($39.3 million). Following acquisitions of interests in various exploration licenses in 2011, acquisition terms included additional consideration, contingent upon the outcome of future drilling activities and, in some cases, the quantities of commercial reserves discovery. Refer to Other Operating Expense under Financial Results section.

At the end of March 31, 2013, net debt of $155.1 million moved to a cash surplus of $245.5 million, which is the cash balance at the end of March 2013 (March 31, 2012: $29.0 million). The cash balance increase is mainly due to additional equity funding of $234.8 million received from The Addax and Oryx Group Limited ("**AOG**") at the beginning of 2013. Borrowings from AOG of $166 million existing at the end of March 2012 were all converted to equity during 2012.

Capital expenditure during the period included drilling and testing the Demir Dagh-2 well and drilling preparation for two additional wells on the Hawler license area in the Kurdistan region of Iraq ($28.9 million), drilling the Dila-1 well on the OML-141 license area in Nigeria ($21.5 million), seismic data acquisition on the AGC Shallow license area ($0.5 million) and in the Wasit license area ($1.9 million), exploration work on the Sindi Amedi license area ($0.9 million) and farming in to Congo Haute Mer A ($0.5 million) as well as other intangible assets expenditures. The capital expenditure for the three month period ending March 31, 2012, included capitalised administration costs on the Hawler license area ($2.5 million), the testing of the Mateen-1 well on the Sindi Amedi license area ($6.9 million), capitalised administration costs of the Wasit license area ($0.4 million), the OML-141 license area ($1.6 million) and the AGC Shallow license area ($0.3 million) as well as other intangible assets expenditures.

Corporate Update

Oryx Petroleum is an international oil exploration company focused in Africa and the Middle East. Oryx Petroleum was founded in 2010 by AOG and key members of the former senior management team of Addax Petroleum, a company founded in 1994 by AOG and acquired in 2009 by Sinopec. 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). Oryx Petroleum believes that its management's proven track record of acquiring and developing assets, its strong local relationships and established reputation, together with its substantial in-house technical expertise and well-funded balance sheet, position the Corporation to maximize value from its existing license areas, further expand its asset base, access future funding and achieve its objective of becoming a full cycle oil exploration, development and production company.

Oryx Petroleum's objective is to become a full cycle oil exploration, development and production company. The Corporation seeks to achieve its objective through maximizing the value of its existing license area portfolio, while prudently expanding its asset base. Key elements of Oryx Petroleum's strategy include:

- Establishing material operations in countries with known hydrocarbon basins where management has extensive experience and strong existing relationships that can help assess, identify, manage, and where possible, mitigate risks.
- Retaining control over the pace and scale of investment and development of license areas by seeking operatorship or technical leadership and/or substantial equity positions.
- Maintaining best in class operating procedures and protocols to help ensure safe operating practices and to develop local communities.
- Growing organically through farm-in and add-on investments in countries in which Oryx Petroleum is established and pursuing transformational acquisitions in its focus regions.
- Exercising a prudent and conservative approach to financial management.

As of March 31, 2013, Oryx Petroleum had gross (working interest) proved plus probable oil reserves of 164 MMbbl, best estimate gross (working interest) contingent oil resources of 200 MMbbl and best estimate unrisked gross (working interest) prospective oil resources of 1,391 MMbbl (risked: 299 MMbbl). As of March 31, 2012 and December 31, 2012 the estimated reserves were nil.

New Venture Opportunities

Oryx Petroleum is currently considering a number of new venture opportunities in its areas of focus, including additional exploration license areas in certain provinces of Iraq and in West Africa. Oryx Petroleum believes that it is well positioned to capitalize on opportunities in its focus areas that it expects will arise as: (i) governments tender new license areas; (ii) major international oil companies rationalize their portfolios of onshore and offshore oil fields; and (iii) indigenous oil companies seek financially and technically strong partners to jointly develop their properties.

As part of its overall strategy in Congo (Brazzaville), Oryx Petroleum is presently pursuing the acquisition of a 25% participating and working interest in Pointe Indienne, an onshore development license area operated by an indigenous company (Africa Oil and Gas Corporation), with Oryx Petroleum as the proposed technical partner. The license area contains the producing Pointe Indienne field to which neither modern drilling techniques nor secondary or tertiary recovery methods have been applied. The Pointe Indienne license area, the first oil discovery in Congo (Brazzaville), was discovered in 1957 by a predecessor to Total. In the license area's history, nineteen appraisal and development wells have been drilled over the producing reservoir and one well has been drilled to appraise a deeper target. Production from the license area is light oil, initially peaking at 2,500 bbl/d and then declining in the 1970s and has since remained steady at 100 bbl/d to 300 bbl/d from three active producing wells.

Exploration and Evaluation Assets

As part of its exploration activities in the Middle East and West Africa, Oryx Petroleum acquired exploration and evaluation assets.

	At March 31, 2013	**At March 31, 2012**	**At December 31, 2012**
	($ thousand)	($ thousand)	($ thousand)
Net book value			
Exploration and Evaluation Assets	**160,898**	**382,742**	**478,302**

During the first quarter of 2013, a portion of the Hawler license area exploration and evaluation costs in Kurdistan was transferred from Exploration and Evaluation (E&E) to Property, Plant and Equipment (PP&E) following the latest reserve report from Netherland, Sewell & Associates, Inc. (NSAI) indicating the successful discovery of commercial reserves within the exploration block. As a result, $371.6 million of costs associated with the block were transferred from intangible E&E assets to Oil and Gas assets classified as PP&E as of March 31, 2013.

Financial Results

Exploration Expense

The following table summarizes the component parts of exploration expense for the three months ended March 31, 2013 as compared to the same period in 2012:

	Three months ended March 31, 2013	Three months ended March 31, 2012
	($ thousand)	($ thousand)
Pre-license costs	1,672	1,189
Total Exploration Expense	**1,672**	**1,189**

During the three months period ended March 31, 2013, exploration expense increased by $0.5 million to $1.7 million compared to the same three month period last year due to the an increase in pre-licence activity due to increased new venture personnel in Geneva.

Depreciation and Amortization Expense

The following table summarizes the component parts of depreciation and amortization expense for the three months ended March 31, 2013 as compared to the same period in 2012:

	Three months ended March 31, 2013	Three months ended March 31, 2012
	($ thousand)	($ thousand)
Intangible assets – Amortization expense	105	54
Property, Plant and Equipment assets – Depreciation expense	54	9
Total Depreciation and Amortization Expense	**159**	**63**

Other Operating Expense

The following table summarizes the components of other operating expense for the three months ended March 31, 2013 as compared to the same period in 2012:

	Three months ended March 31, 2013	Three months ended March 31, 2012
	($ thousand)	($ thousand)
Other operating expense	(39,260)	-
Financial income – net	452	26
Total Other Operating Expense	**(38,808)**	**26**

During the three months period ended March 31, 2013, other operating expense increased to $38.8 million due to the re-evaluation of contingent consideration arising from the acquisition of OP Hawler Kurdistan Ltd in 2011. The acquisition terms included additional consideration, contingent upon the outcome of future drilling activities. In accordance with the terms of the agreement for the acquisition of the interest in the Hawler license area, the Group is contractually obliged to make the payments upon a declaration of commercial discovery as outlined in the Hawler PSC. If no commercial quantities of hydrocarbons are discovered, no payments will be due.

The aggregate fair value of this contingent consideration, based on the estimated probability of success, was initially evaluated by the directors at $46.3 million in total and $27.7 million of this amount was recognized in the Group's statement of financial position in December 31, 2012. This relates to the license acquired in the acquisition of the 65% of the Hawler Block, acquired as part of the business combination with Norbest Limited (subsequently renamed OP Hawler Kurdistan Limited).

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

Following the successful discovery of reserves in the three months period ended March 31, 2013, the fair values detailed above have been re-evaluated and are now estimated at $112.3 million, resulting in changes in fair value recorded for contingent consideration and contingent liabilities 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 other contingent payments capitalized and then transferred from exploration and evaluation assets to property, plant and equipment - oil and gas assets in March 2013.

<u>*Corporate Expenses*</u>

General and administrative expense

The following table summarizes the component parts of general and administrative expense for the three months ended March 31, 2013 as compared to the same period in 2012:

	Three months ended March 31, 2013	Three months ended March 31, 2012
	($ thousand)	($ thousand)
General and administrative costs	4,164	941
Stock-based compensation[(1)]	2,106	1,385
Total General and Administrative Expense	**6,270**	**2,326**

Notes:
(1) Includes cash and non-cash expenses related to the OPHP Long Term Incentive Plan ("**OPHP LTIP**").

General and administrative expense increased by $3.9 million to $6.2 million for the three months ended March 31, 2013 (March 2012: $2.3 million). General and administrative costs increased by $3.2 million to $4.2 million for the three months ended March 31, 2013 (March 2012: decrease of $2.3 million). The increase was primarily due to additional staff numbers (average headcount for the period in 2013 of 57 compared to 25 in 2012) and costs of preparation for the IPO of $1.2 million (March 2012: nil).

The stock-based compensation expense for the three months ended March 31, 2013 increased to $2.1 million (March 2012: $1.4 million) - an increase of $0.7 million compared to the same period ended March 31, 2012 due to additional personnel in 2013.

Income Tax Expense

The following table summarizes the component parts of income tax expense for the three months ended March 31, 2013 as compared to the same period in 2012:

	Three months ended March 31, 2013	Three months ended March 31, 2012
	($ thousand)	($ thousand)
Current income tax expense	196	(77)
Deferred tax	(129)	(128)
Total Income Tax Expense/(Benefit)	**67**	**(205)**

<u>Consolidated Results by Quarter</u>

The following table sets forth a summary of OPHP's results for the quarterly periods indicated ($ thousand):

	2011			**2012**				**2013**
	Jun 30	**Sept 30**	**Dec 31**	**Mar 31**	**Jun 30**	**Sept 30**	**Dec 31**	**Mar 31**
Net (Income) Loss from Continuing Operations before Income Taxes is Comprised of:								
Oil and Gas	169	277	1,443	1,189	32,652	95	1,690	1,672
Corporate and Other	3,582	5,410	1,120	2,363	3,003	7,115	10,698	45,237
Net loss before income tax	**3,751**	**5,687**	**2,563**	**3,552**	**35,655**	**7,210**	**12,388**	**46,909**
Income Tax Expense / (Benefit)	180	48	(50)	(205)	65	7	(81)	67
Net loss	**3,931**	**5,375**	**2,513**	**3,347**	**35,720**	**7,217**	**12,307**	**46,976**
Net loss attributable to owners of the company (excluding non-controlling interests)	3,931	5,735	2,513	3,285	35,685	7,046	12,307	46,815
Net loss per basic and diluted share ($)	**393.10**	**55.01**	**24.10**	**19.76**	**214.39**	**14.14**	**24.65**	**63.05**
Capital expenditure ($000)	**-**	**321,698**	**49,883**	**11,728**	**13,689**	**30,507**	**81,475**	**54,430**

The net loss of $47.0 million for the first quarter 2013 includes the change in fair value of contingent consideration for Hawler of $39.3 million due to the drilling of the successful well at Demir Dagh-2.

The increase in the fourth quarter 2012 net loss of $12.3 million compared to the third quarter 2012 net loss of $7.1 million was due to bonus payments in December of $1.2 million, IPO preparation costs of $1.7 million and additional LTIP costs for new employees and costs for directors of $1.8 million.

Net loss from continuing oil and gas operations comprises pre-license costs and, in June 2012, the impairment of the Mateen well in the Sindi Amedi license area of $31.1 million. The impairment charge was subsequently reviewed and adjusted in September 2012 based on new information, resulting in a write-back of $2.1 million. The increase in pre-license costs from the fourth quarter 2011 onwards is due to the allocation of personnel costs to new ventures. Prior to the fourth quarter, personnel costs were allocated to general and administrative expenses, hence the decrease in corporate and other costs from that date. The corporate and other costs include an average charge for employee share awards of $1.4 million per quarter; except in the third quarter 2011, the third quarter 2012 and the fourth quarter 2012 for which the charges were $4.0 million, $5.3 million and $3.6 million, respectively. Excluding the share awards, the increase in net loss over the periods reflects the increases in permanent headcount and contractors from the second quarter 2011 to the fourth quarter 2012.

Third quarter 2011 capital expenditure relates to the acquisition of 65% of the Hawler block.

Fourth quarter 2011 capital expenditure includes the acquisition of 50% of the share capital of KPA Western Desert Energy Limited, which indirectly holds a 75% participating interest in contracts to explore and develop hydrocarbons in the Wasit province. Additionally, capital expenditure for the Mateen well in Sindi Amidi was $6.9 million in the first quarter of 2012.

Capital Expenditure

The following table summarizes the components of OPHP's capital expenditure per region for the periods indicated:

	Three months ended March 31, 2013	**Three months ended March 31, 2012**	**Year ended December 31, 2012**	**Year ended December 31, 2011**
	($ thousand)	($ thousand)	($ thousand)	($ thousand)
Middle East				
Exploration drilling	13,887	6,226	37,346	19,336
Seismic acquisition	1,521	-	2,900	17
Studies and capitalized G&A	3,257	3,491	11,355	4,230
License acquisition costs	13,030	-	40,000	340,765
Property, plant & equipment	-	-	-	71
Sub-Total Middle East	**31,695**	**9,717**	**91,601**	**364,419**
West Africa				
Exploration drilling	9,905	-	4,233	-
Seismic acquisition	274	-	18,273	-
Studies and capitalized G&A	12,325	1,901	16,844	774
License acquisition costs	-	-	5,175	6,000
Property, plant & equipment	-	-	98	-
Sub-Total West Africa	**22,504**	**1,901**	**44,623**	**6,774**
Corporate				
Computer Software	16	10	642	348
Property, plant & equipment	215	100	533	40
Sub-Total Corporate	**231**	**110**	**1,175**	**388**
Total Capital Expenditure	**54,430**	**11,728**	**137,399**	**371,581**

In the Middle East, for the three months ended March 31, 2013, exploration drilling relates to the Demir Dagh well in the Hawler license area for $13.8 million (December 2012: the Demir Dagh well in the Hawler license area for $29.0 million and the Mateen well in Sindi Amedi license area for $8.4 million –December 2011: the Mateen well in the Sindi Amedi license area for $19.3 million). Seismic acquisition expenditure, which primarily relates to the Wasit province, increased to $1.5 million during the three month period ended March 31, 2013 (December 2012: $2.9 million – December 2011: $17 thousand). Studies and capitalized general and administrative expenditure, which relates to work on captured projects, increased to $3.3 million for the three month period ended March 31, 2013 (December 2012: $11.4 million – December 2011: $4.2 million). The acquisition costs for the three month period ended March 31, 2013 relate to the increase in fair value for $13.0 million relating to the license acquired in the acquisition of the 65% of the Hawler Block, acquired as part of the business combination with Norbest Limited in 2011 (December 2012: Hawler extension for $40.0 million – December 2011 : Hawler license area for $271.0 million, the Sindi Amedi license area for $37.2 million and the Wasit license area for $32.6 million).

In West Africa, exploration drilling for the three months ended March 31, 2013 of $9.9 million relates to the OML-141 license area (December 2012: the Congo Haute Mer A license area for $4.2 million – December 2011: nil). Seismic acquisition expenditure relates to the AGC Shallow license area for $0.3 million for the three month period ended March 31, 2013 (December 2012: AGC Shallow license area for $17.8 million, Congo Haute Mer A license area for $0.5 million – December 2011: nil). Studies and capitalized general and administrative expenditure of $12.3 million for the three months ended March 31, 2013 (December 2012: $16.8 million – December 2011: $0.8 million) includes work on the OML-141 license area for $11.6 million (December 2012: $10.7 million – December 2011: $0.6 million). In addition, studies and capitalized general and administrative expenditure relate to the Congo Haute Mer A license area for $0.5 million (December 2012: $4.7 million – December 2011: nil) and on the AGC Shallow license area for $0.2 million (December 2012: $1.4 million – December 2011: $0.2 million). For the year ended December 31, 2012, license acquisition costs of $5.2 million relate to the Congo Haute Mer A license for $4.7 million and additional OML-141 license acquisition costs of $0.5 million. The acquisition costs for the year to December 31, 2011 relate to the OML-141 license area for $5.0 million and the AGC Shallow license area for $1.0 million. Capital expenditures on the OML-141 license area include $14.9 million (December 2012: $6.2 million – December 2011: nil) incurred by OPHP on behalf of other companies, which is part of the cost to OPHP to farm-in to the OML-141 license area.

Liquidity and Capital Resources

Cash Flow

The following table summarizes the components of OPHP's consolidated change in cash flow for the periods indicated:

	Three months ended March 31, 2013	**Three months ended March 31, 2012**	**Year ended December 31, 2012**	**Year ended December 31, 2011**
	($ thousand)	($ thousand)	($ thousand)	($ thousand)
Funds flow generated from / (used in) Operations[1]	31,102	(124)	(16,287)	(8,491)
(Increase) / decrease in non-cash Working Capital	(37,827)	(1,480)	(7,469)	(2,118)
Net Cash flow used in operating activities	(6,725)	(1,604)	(23,756)	(10,609)
Net Cash flow used in investing activities	(55,605)	(10,618)	(92,900)	(286,804)
Net Cash flow from financing activities	235,100	15,895	164,100	104,296
Net Increase (Decrease) in Cash and cash equivalents	**172,770**	**3,673**	**47,444**	**(193,117)**

Notes:

(1) Fund flow generated from / (used in) operations is a non-GAAP measure and is reconciled to the nearest GAAP measure in the above table.

The net change in cash for the period ended March 31, 2013 of 172.8 million is primarily due to $235.1 million from financing activities and includes funding received from AOG for $234.8 million and other investors for $0.3 million. $6.7 million was used in operating activities and includes an increase in working capital of $37.8 million for the period, mainly due to the change in fair value on Hawler contingent consideration for $39.3 million, partly offset by finance income and foreign exchange gains. The net investing activities for the period ended March 31, 2013 of $55.6 million comprises mostly of $31.8 million on the Hawler license area, $0.4 million on the AGC Shallow license area, $14.6 million on the OML-141 license area, $0.8 million on the Sindi Amedi license area, $6.2 million on the Congo Haute Mer A license area and $1.5 million on the Wasit license area.

The net change in cash for the year ended December 31, 2012 of $47.4 million is primarily due to $164.1 million from financing activities and includes funding received from AOG for $163.6 million and from other investors for $0.5 million. $23.8 million was used in operating activities and includes an increase in working capital of $7.5 million for the year. The net investing activities for the year ended December 31, 2012 of $92.9 million comprises mostly of $29.5 million on the Hawler license area, $19.1 million on the AGC Shallow license area, $16.2 million on the OML-141 license area, $11.0 million for the drilling and testing of the Mateen well, $8.3 million on the Congo Haute Mer A license area and $7.6 million on the Wasit license area.

The $286.8 million used in investing activities for the year ended December 31, 2011 includes $207.2 million to acquire the Hawler license area, $6.5 million to acquire the Wasit license area and $ 57.1 million to acquire the Sindi Amedi license area and drill the Mateen well.

Net cash flow from financing activities of $104.3 million in 2011 was used primarily to fund the acquisition of the Hawler, Sindi Amedi and Wasit license areas and the drilling of the Mateen well, along with funding ongoing operations.

OPHP meets its day to day working capital requirements through equity funding provided mainly by AOG. AOG has given a commitment to support OPHP with up to $700 million in initial cash funding, fully invested in shares by the end of the first quarter 2013 (December 2012: $465.2 million already invested in shares – December 2011: $91.2 million invested in shares and $210.4 million invested in loans). In addition, employees of OPHP, directors of AOG and persons connected to AOG have invested $23.8 million in shares and convertible loans (December 2012: $23.2 million – December 2011: $22.7 million).

OPHP's business requires significant capital expenditures for the foreseeable future with respect to the exploration, appraisal, development and maintenance of its oil and gas assets. There can be a long lead time between discovery and production of oil and gas, particularly for gas. During this long lead time, OPHP will continue to incur significant costs at a level which may be difficult to predict, but will not have any earnings from oil or gas production. OPHP intends to fund these planned capital expenditures from its cash reserves in the short term and, in the longer term, from new equity financing, including expected net proceeds from IPO share issuance of approximately $238 million and, if successful in its exploration efforts, from operating cash flow and new debt. The ability of OPHP to arrange such financing in the future will depend in part upon prevailing market conditions, as well as the business performance of OPHP.

Changes in Working Capital

The following table summarizes the components of OPHP's consolidated change in working capital for the periods indicated ($ thousand):

	2011			**2012**				**2013**
	Jun 30	**Sept 30**	**Dec 31**	**Mar 31**	**Jun 30**	**Sept 30**	**Dec 31**	**Mar 31**
Trade and other receivables	5,324	(4,548)	265	(983)	995	2,291	5,801	(37)
Inventories	-	-	73	577	1,694	2,545	712	432
Trade and other payable	(603)	2,007	(1,352)	260	(1,594)	(3,356)	(1,473)	(38,222)
Total Change in Non-Cash Working Capital	4,721	(2,541)	(1,014)	(146)	1,095	1,480	5,040	(37,827)
Change in Cash and Cash equivalents	202,436	(230,892)	10,774	3,673	10,809	96,769	(63,807)	172,770
Total Change in Net Working Capital	207,157	(233,433)	9,760	3,527	11,904	98,249	(58,767)	134,943
Short term debt	(210,000)	84,081	(51,280)	46,096	(29,209)	188,976	(100)	7,781
Long term debt	-	-	(16,599)	-	2,704	13,895	-	-
Equity attributable to owners of OPHP	2,952	(82,396)	1,237	(60,092)	34,229	(322,520)	8,515	198,357
Non-controlling interests	-	-	(25,500)	62	35	81	-	161

Capital Resources:

OPHP has a substantial capital expenditure program, budgeted to be $325 million in 2013. This capital expenditure program is expected to fund eight exploration wells and at least one appraisal well. In addition, the budgeted program will fund a 2-D seismic acquisition program covering over 1,000 square kilometers and general corporate expenditures.

The capital expenditure program will be financed from the existing cash balance of $245.5 million as of March 31, 2013, an uncommitted facility agreement with BNP Paribas for $15 million (undrawn as of March 31, 2013) and expected net proceeds from IPO share issuance of approximately $238 million.

Non-IFRS Measures

OPHP defines "Cash surplus / (Net debt)" as long-term debt and short-term borrowings less cash and cash equivalents. OPHP uses net debt as a key indicator of its leverage and to monitor the strength of its balance sheet. Net debt is directly tied to OPHP's operating cash flow and capital investment. Net debt is not recognized under International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board. Readers are cautioned that these measures should not be construed as an alternative to net income or cash flow from operating activities determined in accordance with IFRS or as an indication of OPHP's performance. OPHP's method of calculating this measure may differ from other companies and accordingly, it may not be comparable to measures used by other companies.

The following table summarizes the components of OPHP's consolidated change in "Cash surplus / (Net debt)" for the periods indicated:

	As at March 31, 2013	**As at March 31, 2012**	**As at December 31, 2012**	**As at December 31, 2011**
	($ thousand)	($ thousand)	($ thousand)	($ thousand)
Borrowings				
Current	-	(167,448)	(7,781)	(213,544)
Non- current	-	(16,599)	-	(16,599)
Total Borrowings	**-**	**(184,047)**	**(7,781)**	**(230,143)**
Less: Cash and cash equivalents	245,495	28,954	72,725	25,281
Cash surplus / (Net debt)	**245,495**	**(155,093)**	**64,944**	**(204,862)**

Equity Security Repurchases

There were no repurchases of OPHP's equity securities during the three month period ended March 31, 2013.

Off Balance Sheet Arrangements

In order to hedge foreign currency transactions in the ordinary course of business, OPHP entered into a forward exchange contract to purchase CHF 875,000 per month over a period of eleven months, commencing February 2012. A new forward exchange contract was signed in December 2012 to purchase CHF 1,500,000 per month for the 12 months of 2013.

Contractual Obligations

The table below sets forth information relating to OPHP's contractual obligations and commitments as at March 31, 2013:

	Within One Year	**From 1 to 5 Years**	**More than 5 Years**	**Total**
	($ thousand)	($ thousand)	($ thousand)	($ thousand)
Operating leases(1)	24	-	-	24
Other long term obligations(2)	181,379	12,817	-	194,196
Total	**181,403**	**12,817**	**-**	**194,220**

Notes:
(1) Operating leases for building rent.
(2) Consists principally of obligations related to production sharing contract ("**PSC**") commitments and capital expenditure commitments.

OPHP has no lawsuits or claims pending.

Financial Instruments and Other Instruments

OPHP operates internationally and has foreign exchange risk arising from various currency exposures, notably the Swiss franc. In order to hedge against this exposure, OPHP entered into a forward exchange contract to sell U.S. dollars and buy Swiss francs. By entering into this contract, OPHP has the right and the obligation to sell U.S. dollars and buy Swiss francs at a predetermined time and at a predetermined U.S. dollar / Swiss franc exchange rate if either the spot exchange rate trades at or below the lower exercise price or at or above the upper exercise price. As such, the risk is that, depending on the exchange rate when the forward contract matures, OPHP may have an obligation to sell U.S. dollars and buy Swiss francs at an exchange rate that is less favorable than the prevailing spot exchange rate.

Transactions with Related Parties

For the period ended March 31, 2013, OPHP paid $0.5 million in charges to related parties (March 2012: $1.0 million - December 2012: $4.6 million – December 2011: $1.3 million – December 2010: $0.1 million). Those expenses mainly concerned management services paid to AOG Advisory Services SA for $0.3 million (March 2012: $0.3 million - December 2012: 1.4 million – December 2011: $0.4 million), management services paid to AOG Advisory Services Limited for $0.1 million (March 2012: $0.1 million - December 2012: $0.3 million – December 2011: $0.8 million – December 2010: $0.1 million), trademark license fees and parent company guarantee fees paid to AOG for $0.1 million (March 2012: 0.6 million - December 2012: $2.6 million – December 2011: nil).

In January 2013, AOG subscribed for shares to the value of $234.8 million, which brings total funding from AOG to $700 million.

Proposed Transactions

There are no planned transactions which would have a significant adverse effect on financial condition, financial performance and cash flows.

New Accounting Pronouncements

Changes to future accounting policies, standards and interpretations, as described in Note 2 of the consolidated financial statements for the three months ended March 31, 2013, have not materially changed since December 31, 2012, December 31, 2011 and December 31, 2010 with the exception of the revised IAS 19 - Employee Benefits. The revised consolidated financial statements include an additional charge of $0.4 million for the three months period ended March 31, 2013 (March 2012: $0.4 million). The effect on the opening balance of retained earnings as of January 1, 2011 would have resulted in a decrease of $0.1 million due to amendments to IAS 19 applied retrospectively.

Financial Controls and Risk Management

Disclosure Controls and Procedures

Disclosure Controls and Procedures ("**DC&P**") have been designed under the supervision of the Chief Executive Officer ("**CEO**") and the Chief Financial Officer ("**CFO**"), with the participation of other management, to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized 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 CFO, as appropriate to allow timely decisions regarding required disclosure.

An evaluation of the design of the Company's DC&P was carried out during 2013 under the supervision of, and with the participation of management including its certifying officers. Based on that evaluation, the Company's certifying officers concluded that the design of the Company's DC&P was effective as at March 31, 2013.

Internal Control Over Financial Reporting

Internal Controls over Financial Reporting ("**ICFR**") have been designed under the supervision of the CEO and the 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.

An evaluation of the design of the Company's ICFR was carried out during 2013 under the supervision of, and with the participation of management including its certifying officers. Based on that evaluation, the Company's certifying officers concluded that the design of the Company's ICFR was effective as at March 31, 2013.