UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2015

ORYX PETROLEUM

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Condensed Consolidated Interim Statement of Loss and Comprehensive Loss

		Three months ended March 31	
$000s	**Note**	**2015**	**2014**
Revenue		5,345	-
Royalties		(2,189)	-
Net revenue		**3,156**	**-**
Operating expenses		(5,077)	-
Depreciation, depletion and amortization	**4,5**	(1,759)	(475)
Impairment of oil and gas assets	**4**	-	(416)
Pre-license costs		(532)	(1,683)
General and administrative expenses		(2,322)	(4,042)
Other expenses	**19**	(1,508)	-
Loss from operations		**(8,042)**	**(6,616)**
Finance income		7	122
Finance expense		(249)	(191)
Foreign exchange losses		(218)	(123)
Loss before income tax		**(8,502)**	**(6,808)**
Income tax expense	**16**	(162)	(111)
Net loss for the period		**(8,664)**	**(6,919)**
Other comprehensive loss (net of income tax)			
(Items that will not be subsequently reclassified to profit and loss)			
Loss on defined benefit obligation		(868)	(373)
Total comprehensive loss for the period		**(9,532)**	**(7,292)**
Net loss for the period attributable to:			
Owners of the Company		(8,669)	(6,904)
Non-controlling interest		5	(15)
		(8,664)	**(6,919)**
Total comprehensive loss for the period attributable to:			
Owners of the Company		(9,537)	(7,277)
Non-controlling interest		5	(15)
		(9,532)	**(7,292)**
Loss per share (basic and diluted)	**13**	**(0.07)**	**(0.07)**

Condensed Consolidated Interim Statement of Financial Position

$000s	Note	March 31 2015	December 31 2014
Non-current assets			
Intangible assets	4	255,650	254,107
Property, plant and equipment	5	772,863	734,221
Deferred tax assets		3,286	2,783
		1,031,799	**991,111**
Current assets			
Inventories	6	23,004	22,146
Trade and other receivables	7	5,152	3,402
Other current assets	8	12,049	11,687
Cash and cash equivalents	9	38,698	109,870
		78,903	**147,105**
Total assets		**1,110,702**	**1,138,216**
Current liabilities			
Trade and other payables	10	71,720	95,016
Deferred revenue		-	957
Current income tax liabilities		1,141	994
		72,861	**96,967**
Non-current liabilities			
Trade and other payables	10	66,427	64,718
Retirement benefit obligation		8,711	6,867
Decommissioning obligation	11	9,108	9,061
		84,246	**80,646**
Total liabilities		**157,107**	**177,613**
Equity			
Share capital	12	1,226,503	1,226,248
Reserves	14	8,032	5,763
Remeasurement of defined benefit obligation, net of income tax		(8,409)	(7,541)
Accumulated deficit		(288,304)	(279,635)
Equity attributable to owners of the company		**937,822**	**944,835**
Non-controlling interests		15,773	15,768
Total equity		**953,595**	**960,603**
Total equity and liabilities		**1,110,702**	**1,138,216**

The condensed consolidated interim financial statements were approved by the Board of Directors and authorized for issue on May 13, 2015. On behalf of the Board of Directors:

(signed)
Jean Claude Gandur
Director

(signed)
Peter Newman
Director

Condensed Consolidated Interim Statement of Changes in Equity

		Attributable to equity holders of the Company						
$000s		**Share capital**	**Reserves**	**Accumulated deficit**	**Remeasurement of defined benefit obligation**	**Total**	**Non-controlling interests**	**Total equity**
Balance at January 1, 2014		**1,009,684**	**5,186**	**(261,585)**	**(3,966)**	**749,319**	**16,713**	**766,032**
Net loss for the period		-	-	(6,904)	-	(6,904)	(15)	(6,919)
Share based payment expense	**14**	-	2,263	-	-	2,263	-	2,263
Shares issued for long term incentive plan ("LTIP")	**12, 14**	283	(283)	-	-	-	-	-
Shares issued for Directors' compensation	**12, 14**	150	(75)	-	-	75	-	75
Loss on defined benefit obligation, net of income tax		-	-	-	(373)	(373)	-	(373)
Balance at March 31, 2014		**1,010,117**	**7,091**	**(268,489)**	**(4,339)**	**744,380**	**16,698**	**761,078**
Net loss for the period		-	-	(11,161)	-	(11,161)	(930)	(12,091)
Shares issued through public offering	**12**	209,725	-	-	-	209,725	-	209,725
Issuance costs	**12**	(3,063)	-	-	-	(3,063)	-	(3,063)
Share based payment expense	**14**	-	7,917	-	-	7,917	-	7,917
Shares issued for LTIP	**12, 14**	9,320	(9,320)	-	-	-	-	-
Shares issued for Directors' compensation	**12, 14**	149	75	-	-	224	-	224
Loss on defined benefit obligation, net of income tax		-	-	-	(3,202)	(3,202)	-	(3,202)
Disposal of subsidiaries(1)		-	-	15	-	15	-	15
Balance at December 31, 2014		**1,226,248**	**5,763**	**(279,635)**	**(7,541)**	**944,835**	**15,768**	**960,603**
Net loss for the period		-	-	(8,669)	-	(8,669)	5	(8,664)
Share based payment expense	**14**	-	1,691	-	-	1,691	-	1,691
Shares issued for LTIP	**12, 14**	105	(105)	-	-	-	-	-
Shares issued for Directors' compensation	**12, 14**	150	(75)	-	-	75	-	75
Warrants issued	**14**	-	758	-	-	758	-	758
Loss on defined benefit obligation, net of income tax		-	-	-	(868)	(868)	-	(868)
Balance at March 31, 2015		**1,226,503**	**8,032**	**(288,304)**	**(8,409)**	**937,822**	**15,773**	**953,595**

(1) During the second quarter of 2014, the Group disposed of its shares in the following subsidiaries: AmiraKPO Middle East Limited, Sandhill Petroleum Operations Limited, Desert Hill Petroleum Operations Limited, Damsel Petroleum Operations Limited, Black Hills Petroleum Operations Limited, and Raval Petroleum Operations Limited. The Group disposed of its investment in AmiraKPO Middle East Limited for Nil proceeds and recorded allowances for doubtful accounts related to the transaction for a total of $15,000 in charges to the Statement of Loss which are included in Other expenses.

Condensed Consolidated Interim Statement of Cash Flows

		Three months ended March 31	
$000s	**Note**	**2015**	**2014**
Net loss		(8,664)	(6,919)
Items not involving cash	**15**	4,533	3,834
		(4,131)	(3,085)
Changes in non-cash working capital and other	**15**	(4,057)	(16,677)
Net cash used in operating activities		**(8,188)**	**(19,762)**
Cash flows used in investing activities			
Acquisition of intangible assets		(1,512)	(35,680)
Acquisition of property, plant and equipment		(39,552)	(55,646)
Changes in non-cash working capital	**15**	(21,920)	(42,152)
Net cash used in investing activities		**(62,984)**	**(133,478)**
Net cash generated from financing activities		**-**	**-**
Net decrease in cash and cash equivalents		**(71,172)**	**(153,240)**
Cash and cash equivalents at beginning of the period		109,870	306,034
Cash and cash equivalents at end of the period	**9**	**38,698**	**152,794**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. General information

Oryx Petroleum Corporation Limited (the "Company" or "OPCL") is a public company incorporated in Canada under the Canada Business Corporation Act on December 31, 2012, and is the holding company for the Oryx Petroleum group of companies (together the "Group" or "Oryx Petroleum"). The address of the registered office of OPCL is 3400 First Canadian Centre 350, 7th Avenue Southwest, Calgary, Alberta, Canada T2J 2M2. The Group's indirect majority shareholder is The Addax and Oryx Group PLC ("AOG") (incorporated in Malta). The majority of AOG's outstanding shares are owned by Samsufi Trust, an irrevocable 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.

The unaudited condensed consolidated interim financial statements were authorized for issue by the Board of Directors on May 13, 2015.

2. Summary of significant accounting policies

a. Basis of preparation

The unaudited condensed consolidated interim financial statements of the Company for the three months ended March 31, 2015 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 Oryx Petroleum's annual financial statements for the year ended December 31, 2014, which have been prepared in accordance with International Financial Reporting Standards (IFRS). Accounting policies included in the annual financial statements for the year ended December 31, 2014 are applicable to these interim statements.

The unaudited condensed consolidated interim 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 condensed consolidated interim financial statements are disclosed in the annual financial statements for the year ended December 31, 2014.

The condensed consolidated interim financial statements are presented in the US Dollar currency (USD), which is both the presentational and functional currency of the Company.

2. Summary of significant accounting policies (continued)

c. New and amended standards applicable to the Group

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

New and Amended Standards	Effective for annual periods beginning on or after
IFRS 9, IFRS 7, IAS 39 – Financial Instruments: classification and measurement	January 1, 2018
Additions to IFRS 9 for financial liability accounting	January 1, 2018
IFRS 15 – Revenue from contracts with customers	January 1, 2017
Amendments to IFRS 11 – Accounting for acquisitions of interests in joint operations	January 1, 2016
Amendments to IAS 16 & IAS 38 – Clarification of acceptable methods of depreciation and amortization	January 1, 2016
Amendments to IAS 27 – Equity method in separate financial statements	January 1, 2016
Amendments to IFRS 10 & IAS 28 – Sale or contributions of assets between an investor and its associate or joint venture	January 1, 2016
Annual improvement cycles; 2012 – 2014	July 1, 2016
Amendments to IFRS 10, IFRS 12 & IAS 28 – Application of the consolidation exemption	January 1, 2016
Amendments to IAS 1 – Disclosure initiative	January 1, 2016
Amendments to IAS 19 – Defined benefit plans: Employee contributions	January 1, 2016

Amendments to IFRS 10 & IAS 28 are not expected to have a material impact on the Group's condensed consolidated interim financial statements.

Management is evaluating the impact of the other new or amended standards listed above to determine if their adoption in future periods will have a material impact on the financial statements of the Group.

3. Joint arrangements

The Group has entered into Joint arrangements to facilitate the development and production of oil and gas.

As at March 31, 2015, the Company was involved in the following joint arrangements:

License Area	Classification	Location	Participating interest(1)
Hawler	Joint operation	Iraq – Kurdistan Region	65%
Wasit	Joint operation	Iraq – Wasit province	75%(2)
AGC Shallow	Joint operation	Senegal and Guinea Bissau	85%
AGC Central	Joint operation	Senegal and Guinea Bissau	85%
OML 141	Joint operation	Nigeria	38.67%
Haute Mer A	Joint operation	Congo (Brazzaville)	20%
Haute Mer B	Joint operation	Congo (Brazzaville)	30%

(1) Participating interest is the Group's current interest in the applicable license area. Participating interest differs from working interest which reflects the impact of unexercised back-in rights or options.

(2) This amount includes an interest attributable to a non-controlling third party. The Group's participating interest net of the non-controlling interest is 50%.

4. Intangible assets

$000s	Note	Exploration & Evaluation costs	Computer Software	Total
Cost				
At January 1, 2014		**311,865**	**1,684**	**313,549**
Additions		35,491	189	35,680
At March 31, 2014		**347,356**	**1,873**	**349,229**
Additions		74,563	219	74,782
Transfers and reclassifications[1]	**5**	(55,941)	-	(55,941)
At December 31, 2014		**365,978**	**2,092**	**368,070**
Additions		1,609	59	1,668
At March 31, 2015		**367,587**	**2,151**	**369,738**
Accumulated amortization and impairment				
At January 1, 2014		**111,965**	**864**	**112,829**
Amortization		-	118	118
Impairment charge		416	-	416
At March 31, 2014		**112,381**	**982**	**113,363**
Amortization		-	413	413
Impairment charge		187	-	187
At December 31, 2014		**112,568**	**1,395**	**113,963**
Amortization		-	125	125
At March 31, 2015		**112,568**	**1,520**	**114,088**
Net book value				
At March 31, 2015		255,019	631	255,650
At December 31, 2014		253,410	697	254,107
At March 31, 2014		234,975	891	235,866

(1) In December 2014, following a reserve report, effective December 31, 2014, from Netherland, Sewell & Associates, Inc. (NSAI) confirming the discovery of reserves at Banan within the Hawler license area, a portion of the E&E costs in Kurdistan was transferred from intangible assets to property, plant and equipment (PP&E). As a result, $55.9 million of costs associated with the license area were transferred from intangible E&E assets to Oil and Gas assets classified as PP&E at December 31, 2014.

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

$000s	March 31 2015	March 31 2014	December 31 2014
Middle East	93,345	105,253	93,181
West Africa	161,674	129,722	160,229
	255,019	**234,975**	**253,410**

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 to determine whether reserves are established is complete. At that stage the relevant costs are either transferred to PP&E or written-off to the statement of comprehensive loss as an impairment of oil and gas assets. Management has exercised judgment in determining that there are no substantive indicators suggesting that the carrying amounts of intangible exploration and evaluation assets exceed their recoverable amounts.

5. Property, plant and equipment

$000s	Note	Oil & Gas Assets	Facilities under Construction[1]	Fixtures and Equipment	Total
Cost					
At January 1, 2014		**440,651**	**1,116**	**2,444**	**444,211**
Additions		54,335	4,346	51	58,732
At March 31, 2014		**494,986**	**5,462**	**2,495**	**502,943**
Additions		153,087	25,908	1,307	180,302
Transfers and reclassifications	**4**	55,941	-	-	55,941
At December 31, 2014		**704,014**	**31,370**	**3,802**	**739,186**
Additions		39,589	693	2	40,284
At March 31, 2015		**743,603**	**32,063**	**3,804**	**779,470**
Accumulated depreciation, depletion and impairment					
At January 1, 2014		**-**	**-**	**387**	**387**
Depreciation		-	-	357	357
At March 31, 2014		**-**	**-**	**744**	**744**
Depreciation		-	-	523	523
Depletion		3,697	-	-	3,697
At December 31, 2014		**3,697**	**-**	**1,267**	**4,964**
Depreciation		-	-	218	218
Depletion		1,425	-	-	1,425
At March 31, 2015		**5,122**	**-**	**1,485**	**6,607**
Net book value					
At March 31, 2015		738,481	32,063	2,319	772,863
At December 31, 2014		700,316	31,370	2,535	734,221
At March 31, 2014		494,986	5,462	1,751	502,199

(1) 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. The related facilities are under construction. Refer to note 18 for further information on the commitments related to the Early Production Facility finance lease contract.

No assets have been pledged as security.

6. Inventories

$000s	March 31 2015	December 31 2014
Oil inventory	1,489	1,851
Materials	21,515	20,295
	23,004	**22,146**

The cost of oil inventory is expensed through production and depletion expenses in the period during which it is sold. As at March 31, 2015 the Group's working interest share of oil inventory was 51,815 bbls (December 31, 2014 – 50,878 bbls).

No inventories have been pledged as security or expensed during the period.

7. Trade and other receivables

$000s	March 31 2015	December 31 2014
Receivables from joint operations partners	3,861	2,719
Other receivables	1,291	683
	5,152	**3,402**

The carrying amounts of trade and other receivables presented above are reasonable approximations of their fair values and are not past due or impaired.

Joint operations receivables arise from timing differences between cash calls and the expenditures incurred on behalf of joint operations partners.

8. Other current assets

$000s	March 31 2015	December 31 2014
Deposits	5,959	6,237
Prepaid charges and other current assets	6,090	5,450
	12,049	**11,687**

The carrying amounts of other current assets are reasonable approximations of their fair value.

9. Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term deposits with an original maturity of three months or less, substantially held in interest-bearing accounts. The carrying amounts are reasonable approximations of the fair value.

10. Trade and other payables

$000s	March 31 2015	December 31 2014
Trade accounts payable	3,985	17,705
Amounts payable to joint operations partners	3,993	7,941
Amounts payable to related parties	1,881	158
Contingent costs	66,427	64,718
Other payables and accrued liabilities	61,861	69,212
	138,147	**159,734**
Less: Non-current portion of contingent costs	(66,427)	(64,718)
Current portion	**71,720**	**95,016**

The carrying amounts of trade accounts payables, amounts payable to joint operations partners, amounts payable to related parties, and other payables and accrued liabilities, as presented above are reasonable approximations of their fair values.

As at March 31, 2015, the Group has recognized a contingent liability of $66.4 million (December 31, 2014: $64.7 million) related to the contingent consideration on the acquisition of OP Hawler Kurdistan Limited. The portion of the contingent liability estimated to be paid beyond one year of the respective statement of financial position dates is classified as a long-term liability. The contingent cost liability is presented at fair value estimated by discounting future cash outflows at a rate of 10% (note 19).

11. Decommissioning obligation

The Group has an obligation to decommission oil and gas assets upon cessation of operations. The estimated net present value of the decommissioning obligation at March 31, 2015 is $9.1 million (December 31, 2014 - $9.1 million) based on the Group's working interest undiscounted liability of $56.7 million (December 31, 2014 - $57.5 million).

$000s	March 31 2015	December 31 2014
Decommissioning obligation, beginning of the period	**9,061**	**1,346**
Property acquisition and development activity	-	4,167
Change in discount rate	-	2,045
Change in inflation rate	-	1,380
	9,061	**8,938**
Accretion expense	47	123
Decommissioning obligation, end of the period	**9,108**	**9,061**

12. Share capital

a. Issued common shares

$000s	Number of shares	Share capital
At January 1, 2014	**99,854,918**	**1,009,684**
Issue of shares for LTIP and share grant	21,850	283
Issue of shares for directors' compensation	12,466	150
At March 31, 2014	**99,889,234**	**1,010,117**
Issue of shares through public offering	19,910,000	206,662
Issue of shares for LTIP	956,491	9,319
Issue of shares for directors' compensation	12,191	149
At December 31, 2014	**120,767,916**	**1,226,248**
Issue of shares for LTIP	27,517	105
Issue of shares for directors' compensation	30,175	150
At March 31, 2015	**120,825,608**	**1,226,503**

The Company has unlimited authorized share capital outstanding as at March 31, 2015.

<u>2015 share capital transactions</u>

During the three months ended March 31, 2015, the Group issued 27,517 shares to employees under the Group's LTIP. An additional 30,175 shares were issued to Directors of the Company as remuneration.

<u>2014 share capital transactions</u>

On July 18, 2014, pursuant to a prospectus supplement to the short form base shelf prospectus dated January 27, 2014 the Company issued 19,910,000 Common Shares of the Company at a price of CAD$11.25 per Common Share for aggregate gross proceeds of CAD$224.0 million ($209.7 million). Costs associated with the issuance of these shares amounted to $3.1 million.

During the year ended December 31, 2014, the Group issued 978,341 shares to employees and executive officers under the Group's LTIP. An additional 24,657 shares were granted to Directors of the Company as remuneration.

12. Share capital (Continued)

b. Warrants

On March 11, 2015, in accordance with the Loan Facility described in note 18, the Group issued warrants to the Lender to acquire one million common shares of the Company. The exercise price of the issued warrants was CAD$4.39 per common share. The expiry date of the issued warrants is March 10, 2018.

The Company uses the Black-Scholes option pricing model to calculate the fair value of warrants. Option pricing models require the input of subjective assumptions regarding the volatility, dividend yield and expected term. Changes in the input assumptions may materially affect the estimated fair value.

The following input assumptions were used to establish the $758,000 fair value of warrants issued during the three months ended March 31, 2015:

Risk-free interest rate	0.46%
Expected life (years)	3
Expected volatility	39.58%
Dividend rate	-

The following table summarises warrants outstanding and exercisable at the dates indicated:

	Three months ended March 31, 2015		
	Warrants	**Weighted average exercise price CAD$**	**Expiry date**
Outstanding, beginning of the period	-	-	
Issued	1,000,000	4.39	March 10, 2018
Outstanding, end of the period	**1,000,000**	**4.39**	

13. Basic and diluted loss per share

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

	Three months ended March 31	
$000s	**2015**	**2014**
Net loss for the period attributable to equity holders	(8,669)	(6,904)
Weighted average number of shares for basic and diluted loss per share(1)	120,808,109	99,879,812
$		
Basic and diluted loss per share	**(0.07)**	**(0.07)**

(1) The unvested LTIP shares and warrants are excluded as they are anti-dilutive.

14. Reserves

$000s	Warrants	Share based payments	Total reserves
At January 1, 2014	**-**	**5,186**	**5,186**
Share based payment transactions	-	2,263	2,263
Issue of shares for LTIP	-	(283)	(283)
Share based directors compensation		75	75
Issue of shares for directors' compensation	-	(150)	(150)
At March 31, 2014	**-**	**7,091**	**7,091**
Share based payment transactions	-	7,917	7,917
Issue of shares for LTIP	-	(9,320)	(9,320)
Share based directors compensation		225	225
Issue of shares for directors' compensation	-	(150)	(150)
At December 31, 2014	**-**	**5,763**	**5,763**
Share based payment transactions	-	1,691	1,691
Issue of shares for LTIP	-	(105)	(105)
Share based directors compensation		75	75
Issue of shares for directors' compensation	-	(150)	(150)
Issue of warrants (note 12)	758	-	758
At March 31, 2015	**758**	**7,274**	**8,032**

15. Supplemental cash flow information

Items not involving cash

	Three months ended March 31	
$000s	**2015**	**2014**
Depreciation, depletion and amortization	1,759	475
Share based payment expense	673	2,252
Impairment of oil and gas assets	-	416
Retirement benefit obligation	-	698
Unrealized foreign exchange gains	498	82
Non-cash income tax benefit	(225)	(297)
General and administrative and finance expense	320	208
Other expense (note 19)	1,508	-
Items not involving cash	**4,533**	**3,834**

Changes in non-cash working capital and other

	Three months ended March 31	
$000s	**2015**	**2014**
Inventories	(850)	4,661
Trade and other receivables	(1,620)	(1,449)
Other current assets	396	179
Trade and other payables	(23,794)	(62,632)
Current income tax liabilities	147	412
Deferred revenue	(957)	-
Changes in non-cash working capital	(26,678)	(58,829)
Retirement benefit obligation	701	-
Changes in non-cash working capital and other	**(25,977)**	**(58,829)**
Changes in operating non-cash working capital and other	(4,057)	(16,677)
Changes in investing non-cash working capital	(21,920)	(42,152)
Changes in non-cash working capital and other	**(25,977)**	**(58,829)**

15. Supplemental cash flow information (continued)

Other cash flow Information

	Three months ended March 31	
$000s	**2015**	**2014**
Cash interest received	7	112
Cash income taxes paid	250	20

16. Income tax expense

	Three months ended March 31	
$000s	**2015**	**2014**
Current income tax expense	**(387)**	**(408)**
Deferred tax on LTIP shares	4	134
Deferred tax on defined benefit obligation	221	163
Total deferred tax	**225**	**297**
Income tax expense	**(162)**	**(111)**

The Group is subject to income taxes in certain jurisdictions where it owns licenses or has taxable operations. Current income tax expense relates to tax on profits from oil sales in the Kurdistan Region of Iraq and on taxable profits from operations of the Group's Swiss and Maltese subsidiaries. For the three months ended March 31, 2015, income taxes related to oil sales in the Kurdistan Region of Iraq in the amount of $0.1 million (2014 - Nil) were remitted to the government through its allocation of profit oil under the Hawler PSC.

17. Segment information

The Group has a single class of business which is to acquire, explore, develop and produce oil from oil and gas assets. The Group operates in two geographical areas. Segmented information related to the two operating segments and corporate activities is as follows:

For the three months ended March 31, 2015 **$000s**	**Middle East**	**West Africa**	**Corporate**	**Total**
Revenue	5,345	-	-	5,345
Royalty	(2,189)	-	-	(2,189)
Net revenue	**3,156**	**-**	**-**	**3,156**
Operating expense	(5,077)	-	-	(5,077)
Depreciation, depletion and amortization	(1,414)	(10)	(335)	(1,759)
Pre-license costs	(133)	(399)	-	(532)
General and administrative expense	-	(202)	(2,120)	(2,322)
Other expenses	(1,508)	-	-	(1,508)
Segment result	**(4,976)**	**(611)**	**(2,455)**	**(8,042)**
Finance income				7
Finance expense				(249)
Foreign exchange losses				(218)
Loss before income tax				**(8,502)**
Income tax expense				(162)
Net loss for the period				**(8,664)**
Capital additions	40,447	1,442	63	41,952
Segment assets as at March 31, 2015	919,483	174,362	16,857	1,110,702
Segment liabilities as at March 31, 2015	(136,863)	(4,434)	(15,809)	157,107

17. Segment information (Continued)

For the three months ended March 31, 2014 **$000s**	**Middle East**	**West Africa**	**Corporate**	**Total**
Depreciation, depletion and amortization	-	(9)	(466)	(475)
Impairment of oil and gas assets	-	(416)	-	(416)
Pre-license costs	(368)	(1,315)	-	(1,683)
General and administrative expense	(36)	(107)	(3,899)	(4,042)
Segment result	**(404)**	**(1,847)**	**(4,365)**	**(6,616)**
Finance income				122
Finance expense				(191)
Foreign exchange losses				(123)
Loss before income tax				**(6,808)**
Income tax expense				(111)
Net loss for the period				**(6,919)**
Capital additions	68,002	26,170	240	94,412
Segment assets as at March 31, 2014	679,852	160,699	72,743	913,294
Segment liabilities as at March 31, 2014	(132,112)	(10,019)	(10,086)	(152,217)

18. Commitments

(a) Contractual obligations

The Group has entered into agreements which contain provisions for the following spending commitments:

$000s	**March 31 2015**	**December 31 2014**
No later than one year	27,278	37,111
One to five years	88,542	84,138
Greater than five years	21,370	21,370
	137,190	**142,619**

During the third quarter of 2013, the Group signed a finance lease agreement for the construction of an Early Production Facility relating to the Demir Dagh development in the Hawler license area. The commitment related to this finance lease agreement is included above and amounts to $16.4 million at March 31, 2015.

The commitments noted above reflect the Group's execution of current budgeted and contracted exploration and development activities. Expenditure commitments may be subject to change and may be reduced by selective relinquishments of acreage and/or licenses or by curtailing the execution of activity under existing supplier contracts. Determining expenditure commitments requires the use of estimates and judgments primarily related to expectations that budgeted activities will be executed.

(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 loss during the three months ended March 31, 2015 was $2.0 million (2014: $0.3 million).

18. Commitments (continued)

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

$000s	March 31 2015	December 31 2014
No later than one year	2,018	2,385
One to five years	4,017	3,910
	6,035	**6,295**

(c) AOG Funding

On March 11, 2015, the Group entered into a committed and unsecured term loan facility agreement (the "Loan Facility") with a subsidiary of its indirect majority shareholder The Addax and Oryx Group PLC (the "Lender").

The three year Loan Facility provides the Group with access to committed funding up to $100 million with a maturity date of March 10, 2018 (the "Maturity Date"). Interest and principal amounts owing to the Lender are payable at the Maturity Date or earlier, at the option of the Group. The annual compound interest payable to the Lender under the terms of the loan facility is 10.5% per annum.

Under the terms of the Loan Facility, should the Loan Facility be fully drawn, the Lender will receive warrants giving it the option to purchase up to twelve million common shares of the Company at a price equivalent to 110% of the ten day historical volume weighted average price (VWAP) at the time of the issue of the warrants. On March 11, 2015, in accordance with the Loan Facility, the Group issued warrants to acquire one million common shares to the Lender (note 12). The exercise price of the issued warrants is CAD $4.39 per common share. The expiry date of the issued warrants is March 10, 2018.

19. Contingent liabilities

During 2011, the Group acquired interests in various exploration licenses. The acquisition terms included additional consideration and liabilities which are contingent upon the outcome of future drilling activities and, in some cases, the quantities of reserves discovered. At March 31, 2015 these contingencies, including a $66.4 million (December 31 2014: $64.7 million) liability which has been recorded and is discussed in note 10, amounted to a maximum of $176.2 million (December 31, 2014: $176.2 million).

During the three months ended March 31, 2015 the Group recorded an expense of $1.5 million relating to an increase in the fair value of the contingent consideration described above.

20. Events after the statement of financial position date

On May 11, 2015, the Group received $50 million in cash pursuant to the Loan Facility described in note 18 (c). In accordance with the Loan Facility, the Group issued warrants to the Lender to acquire seven million common shares of the Company. The exercise price of the issued warrants is CAD $4.75 per common share. The expiry date of the issued warrants is May 11, 2018.