

Successful completion of the Zey Gawra-1ST well

CALGARY, Jan. 10, 2017 /CNW/ - [Oryx Petroleum Corporation Ltd.](#) ("Oryx Petroleum" or the "Corporation") today announces an update on its operations.

In December 2016, the Zey Gawra-1 well was side-tracked (referred to in this press release as the "Zey Gawra-1ST well") and completed in open hole partially penetrating the Cretaceous reservoir in the Zey Gawra field. Production from the naturally flowing well is currently constrained to approximately 1,500 bbl/d of 35.5 degree API oil with a gas-oil ratio of approximately 3,000 scf/stb and less than 0.5% water, with more than 1,500 psi well head pressure. The Corporation intends to continue the extended production test of the well with the objective of assessing the well's performance, identifying options for increasing production and obtaining information to refine plans for future development of the Zey Gawra field.

Crude oil produced at the Zey Gawra field is currently hauled by tanker from Zey Gawra to the Hawler tanker terminal where it is offloaded and then pumped to the Demir Dagħ storage system where it is blended with Demir Dagħ crude oil before being exported through the Kurdistan Export Pipeline.

The drilling of the third well in the appraisal and initial development of the Zey Gawra field targeting the Cretaceous reservoir is planned in the second quarter of 2017.

Gross (100%) production from the Hawler license area averaged 3,100 bbl/d in the fourth quarter of 2016. Production from the Demir Dagħ-3 well in the Jurassic reservoir, which was expected to decline in 2017, ceased in late December due to an abrupt increase in the water-oil ratio. The Corporation is reviewing the circumstances of the water breakthrough at the Demir Dagħ-3 well to determine what remedial action, if any, may be attempted. The loss of production from the Demir Dagħ-3 well has been offset by the addition of production from the Zey Gawra-1ST well. Current gross (100%) production from the Hawler license area is approximately 3,000 bbl/d.

A 3D seismic survey in the AGC Central license area is in progress and is expected to be completed before the end of January. Approximately 2,000 km² of 3D seismic data will be acquired and the data will be processed and interpreted in the first half of 2017.

CEO's Comment

Commenting today, Oryx Petroleum's Chief Executive Officer, Vance Querio, stated:

"We are very pleased to announce the successful completion of the Zey Gawra-1ST well. Export of the oil is proceeding smoothly. Preparations are underway to drill the third well in the appraisal and initial development of the Zey Gawra field before the middle of this year. This well will appraise both the Tertiary and Cretaceous reservoirs at Zey Gawra, but we intend to complete the well as a second Cretaceous producer from the Zey Gawra field."

ABOUT ORYX PETROLEUM CORPORATION LIMITED

Oryx Petroleum is an international oil exploration, development and production company focused in Africa and the Middle East. The Corporation's shares are listed on the Toronto Stock Exchange under the symbol "OXC". The Oryx Petroleum group of companies was founded in 2010 by The Addax and Oryx Group P.L.C. Oryx Petroleum has interests in six license areas, two of which have yielded oil discoveries. The Corporation is the operator or technical partner in four of the six license areas. One license area is located in the Kurdistan Region of Iraq and five license areas are located in West Africa in Nigeria, the AGC administrative area offshore Senegal and Guinea Bissau, and Congo (Brazzaville). Further information about Oryx Petroleum is available at www.oryxpetroleum.com or under Oryx Petroleum's profile at www.sedar.com.

Reader Advisory Regarding Forward-Looking Information

Certain statements in this news release constitute "forward-looking information", including statements related to expected well capacity and production rates, drilling plans, development plans and schedules and chance of success, future drilling of wells and the reservoirs to be targeted, costs and drilling times for wells, approach to the development of the Hawler license area, plans to continue the Zey Gawra-1ST well on an extended production test, ultimate recoverability of current and long-term assets, guidance regarding production rates, plans to process and interpret 3D seismic data from the AGC Central license area in the first half of 2017, possible commerciality of our projects, and statements that contain words such as "may", "will", "could", "should", "anticipate", "believe", "intend", "expect", "plan", "estimate", "potentially", "project", or the negative of such expressions and statements relating to matters that are not historical fact, constitute forward-looking information within the meaning of applicable Canadian securities legislation.

Although Oryx Petroleum believes these statements to be reasonable, the assumptions upon which they are based may prove

to be incorrect. For more information about these assumptions and risks facing the Corporation, refer to the Corporation's annual information form dated March 24, 2016 available at www.sedar.com and the Corporation's website at www.oryxpetroleum.com. Further, statements including forward-looking information in this news release are made as at the date they are given and, except as required by applicable law, Oryx Petroleum does not intend, and does not assume any obligation, to update any forward-looking information, whether as a result of new information, future events or otherwise. If the Corporation does update one or more statements containing forward-looking information, it is not obligated to, and no inference should be drawn that it will make additional updates with respect thereto or with respect to other forward-looking information. The forward-looking information contained in this news release is expressly qualified by this cautionary statement.

Reader Advisory Regarding Production Figures and Flow Rates

Unless provided otherwise, all production and capacity figures and volumes cited in this news release are gross (100%) values, indicating that figures (i) have not been adjusted for deductions specified in the production sharing contract applicable to the Hawler license area, and (ii) are attributed to the license area as a whole and do not represent Oryx Petroleum's working interest in such production, capacity or volumes.

Current production rates from the Zey Gawra-1ST well are not necessarily indicative of long-term performance of this well or any other wells to be completed in the Cretaceous reservoir in the Zey Gawra field. The Zey Gawra-1ST well may produce at higher or lower rates in the future depending on the well completion technique(s) used, the configuration of equipment installed in the well, the characteristics of the reservoir in the vicinity of the well and many other factors. Also, current rate information cannot and should not be used to estimate ultimate recovery from this well or any other well in the Zey Gawra field.

SOURCE [Oryx Petroleum Corporation Ltd.](http://www.oryxpetroleum.com)

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