

CALGARY, AB--(Marketwired - November 10, 2016) - [Condor Petroleum Inc.](#) ("Condor" or the "Company") (TSX: CPI) is pleased to announce the release of its Unaudited Interim Consolidated Financial Statements for the three and nine months ended September 30, 2016, together with the related Management's Discussion and Analysis. These documents will be made available under Condor's profile on SEDAR at www.sedar.com and on the Condor website at www.condorpetroleum.com. All financial amounts in this news release are presented in Canadian dollars, unless otherwise stated.

Q3 2016 Highlights

- Production contracts for the Shoba and Taskuduk oil fields in Kazakhstan were signed in the third quarter of 2016 and commercial oil production at both fields has commenced. The combined production from these 100% owned oilfields has averaged over 600 barrels per day over the past 30 days.
- In Turkey, the Poyraz 5 appraisal well and Poyraz 3 development well were drilled and cased. Based on wireline log interpretation, the Poyraz 5 well encountered over 140 meters of net gas pay and the Poyraz 3 well encountered over 135 meters of net gas pay.
- The Poyraz West 5 appraisal well is expected to be spud in November and reach total depth in December 2016.
- Equipment is being mobilized to the Poyraz 3 well to begin completion and testing operations.
- Construction and procurement activities continue on the 15 MMscf/day gas processing facility for the Poyraz Ridge field. The project remains on track for gas sales to commence in mid-2017, providing access to cash flow from a region with strong domestic gas demand and pricing.
- Capital expenditures for the three and nine months ended September 30, 2016 amounted to \$6.6 million and \$9.3 million respectively (2015: \$6.3 million and \$10.5 million) which relate mainly to Poyraz Ridge field development in Turkey.
- Working capital (defined as current assets minus current liabilities) as of September 30, 2016 was \$28.7 million and the Company has no debt.
- A credit facility is being pursued to assist with funding the Poyraz Ridge development costs.
- The Company recorded net loss of \$1.6 million for the three months ended September 30, 2016 (2015: \$1.4 million) and \$8.7 million for the nine months ended September 30, 2016 (2015: \$3.9 million).

Operations Overview

In Turkey, the Poyraz 5 appraisal well was spud in late August and drilled to 1,879 meters and cased with 7" production casing. Based on wireline log interpretation, the well encountered over 140 meters of net gas pay in multiple stacked reservoirs of Miocene (Kirazli and Gazhanedere sandstone formations) and Eocene (Sogucak carbonate formation) age. No gas-water contact was encountered in the Gazhanedere and the gas-water contact in the Sogucak was confirmed to be located beneath the Company's mapped structural spill-point. There were also three new gas bearing zones encountered in the Gazhanedere that are not present in previous wells. Poyraz 5 results should have a positive impact on the Company's reserves as the 'gas down to' depth for the Gazhanedere is now deeper and the Sogucak is gas-filled to the structural spill point. Poyraz 5 also validates the Company's seismic interpretation, geologic modelling and petrophysical analysis.

The Poyraz 3 development well was spud in October and drilled to 1,926 meters and cased with 7" production casing. Based on wireline log interpretation, the well encountered over 135 meters of net gas pay in the same multiple stacked reservoirs. Advanced borehole wireline imaging of the Sogucak carbonate in Poyraz 3 confirms the presence of an extensive network of fractures within the pay column which should serve to enhance flow performance while further adding to the Company's reserves. Equipment is being mobilized to the Poyraz 3 well to begin completion and testing operations. Completion and testing of Poyraz 5 will occur after Poyraz 3.

The drilling rig has moved to a different drilling pad and is preparing to spud Poyraz West 5, which is another appraisal well and is designed to test the northern extension of the Poyraz Ridge field. This region represents up to 30% of the trap closure area but currently has no reserves attributed to it.

Construction and procurement activities continue on the 15 MMscf/day Poyraz Ridge gas processing facility. Project costs and schedule uncertainties continue to decrease as the major components for the facility and gas sales pipeline have been purchased, contracted or tendered. Two gas compressors were recently installed and delivery of the refrigeration unit and inlet separator is expected in December. Regulatory approvals have been received for the gas sales pipeline routing and tie-in entry point and installation is planned to commence in the first quarter of 2017. Negotiations are underway for a gas sales agreement which is expected to be completed in the fourth quarter of 2016. The project continues to target first gas by mid-2017, providing access to cash flow from a region with strong domestic gas demand and pricing.

Production in Kazakhstan resumed at the Shoba oilfield in September and at the Taskuduk oilfield in October after the respective production contracts were signed with the Government of Kazakhstan in the third quarter of 2016. The Company signed the first sales contract since commencing commercial production at the approximate wellhead price of \$29 per barrel which, after deducting royalties, provides a netback of \$28 per barrel. The combined production from Shoba and Taskuduk averaged over 600 barrels per day over the past 30 days. Planning is underway to drill additional Shoba horizontal wells in the second half of 2017.

About Condor

Condor is a Canadian based oil and gas company with a 100% interest in the exploration rights to the 3,777 square kilometer Zharkamys West 1 Territory located in the Pre-Caspian basin in the Republic of Kazakhstan and a 100% working interest in four contiguous production licenses covering 171 square kilometers located in the Gallipoli Peninsula in the Republic of Turkey. Condor is listed on the TSX under the symbol "CPI".

Advisory on Forward-Looking Statements

All statements other than statements of historical fact may be forward-looking statements. Such statements are generally identifiable by the terminology used, such as "seek", "appear", "anticipate", "believe", "intend", "expect", "plan", "estimate", "continue", "project", "predict", "budget", "outlook", "may", "will", "should", "could", "would" or other similar wording. Forward-looking statements in this news release include, but are not limited to, information concerning: information concerning: the timing and ability to mature drill-ready targets; the timing and ability to obtain various approvals for the Company's exploration and development activities; the expectations, timing and costs of exploration, appraisal and development activities including the cost of drilling future wells; historical oil and gas prices may not be indicative of future oil and gas prices; the timing and ability to develop the gas reserves, construct the required infrastructure and deliver first gas; wireline log interpretations including determining net pay, the ability to identify gas-water contacts, validate seismic interpretation / modeling and petrophysical analysis, determining that Poyraz Ridge is filled to the structural spill point and confirming the presence of fractures within the pay column and any impact thereof; the ability and timing to increase reserves based on drilling results, future well completion, testing and production results; the timing and ability to conduct completion and testing operations; the ability of the drilled wells to become future gas producing wells; the timing and ability to obtain future funding on favourable terms including through a credit facility; the timing and ability to access oil and gas pipelines and oil and gas domestic and export sales markets; and production results provided may not be indicative of future production rates, capabilities or ultimate recovery.

Forward-looking statements involve the use of certain assumptions that may not materialize or that may not be accurate and are subject to known and unknown risks and uncertainties and other factors, which may cause actual results or events to differ materially from those expressed or implied by such information. Condor's operations are also subject to certain other risks and uncertainties inherent with oil and gas operations and additional information on these and other factors that could affect Condor's operations and financial results. These factors are discussed in greater detail under Risk Factors - Risks Relating to the Company in Condor's Annual Information Form, which may be accessed through the SEDAR website (www.sedar.com). The Company believes that the expectations reflected in these forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. The Company does not undertake any obligation to update or to revise any of the forward looking information, except as required by applicable law.

Abbreviations

The following is a summary of abbreviations used in this news release:

MMscf Million standard cubic feet
Q Quarter

The TSX does not accept responsibility for the adequacy or accuracy of this news release.

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