**NEWS RELEASE**

**NOVEMBER 14, 2017**

# CONDOR ANNOUNCES 2017 THIRD QUARTER RESULTS

CALGARY, November 14, 2017 – Condor Petroleum Inc. ("Condor" or the "Company") (TSX: CPI), a Canadian based oil and gas company focused on exploration and production activities in Turkey and Kazakhstan, is pleased to announce the release of its unaudited interim condensed consolidated financial statements for the three and nine months ended September 30, 2017, 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 2017 Highlights

- Construction of the Poyraz Ridge gas processing facility in Turkey has been completed. Pre-commissioning activities have successfully been performed, introducing gas to the various processing components.
- Construction of the 16 km Poyraz Ridge sales gas pipeline has also been completed and is undergoing acceptance testing. Commercial production with initial rates targeting 10 MMscf/day is expected to commence in the fourth quarter of 2017.
- The Poyraz 3 and Poyraz West 4 development wells in Turkey have been completed and tied into the processing facilities.
- The Yakamoz 1 exploration well in Turkey was drilled to a total depth of 2,250 meters encountering numerous gas shows while drilling. Though the well was abandoned without testing, post-well remapping of the Yakamoz prospect indicates the well was drilled off-structure and side-tracking alternatives are being evaluated.
- Production from Shoba and Taskuduk in Kazakhstan averaged 457 bopd for the three months and 410 bopd for the nine months ended September 30, 2017 and the operating netback which is defined as crude oil sales revenue less production costs, royalty expense and transportation and selling expense, averaged $19.79 per barrel in the third quarter of 2017 and $18.47 per barrel for the nine months ended September 30, 2017.
- The Company has referred the Zharkamys exploration contract extension case to the Supreme Court of Kazakhstan and the hearing is scheduled to commence on November 29, 2017. The on-going court proceedings related to Zharkamys do not affect the Company's Shoba and Taskuduk oilfields which are each governed by separate production contracts.

- During the first quarter of 2017, the Company established and received funds from a USD 10.0 million secured non-revolving credit facility which bears interest at 14% and matures on January 31, 2020 and issued to the lender a warrant certificate exercisable into one million common shares of Condor at $2.35 per share on or before January 31, 2020.
- The Company recorded net loss of $2.5 million for the three months ended September 30, 2017 (2016: $1.7 million) and $66.5 million for the nine months ended September 30, 2017 (2016: $8.7 million) which includes $56.6 million of exploration and evaluation expense pertaining to the derecognition of the Zharkamys contract in the first quarter of 2017.

**Operations**

The Shoba and Taskuduk oilfields in Kazakhstan produced 42,059 barrels of oil or an average of 457 bopd for the three months ended September 30, 2017 and 111,806 barrels of oil or an average of 410 bopd for the nine months ended September 30, 2017. For the three and nine months ended September 30, 2016 the Company produced 5,903 barrels of oil or an average of 64 bopd. Production increased as there was no production in 2016 until mid-September when production resumed at Shoba following the signing of the Shoba production contract.

In Turkey, construction of the Poyraz Ridge gas processing facility is complete. Construction of the 6” sales gas pipeline is also complete after receiving approvals for all the surface right-of-way access rights. Production is expected to commence in the fourth quarter of 2017 at an initial rate of 10 MMscf/day following formal commissioning of the facility and the pipeline and obtaining the customary government approvals.

The Poyraz 3 and Poyraz West 4 development wells in Turkey have been completed and tied into the processing facilities.

The Yakamoz 1 exploration well in Turkey was drilled to a total depth of 2,250 meters to test a “new” sub thrust-fold play type located 2 km from the Poyraz Ridge gas field. The well confirmed that an active petroleum system extends to the north and west of Poyraz Ridge and, as predicted, numerous gas shows proved an extensive fracture system prevails along the Miocene-Eocene sub-thrust trend. Though Yakamoz 1 was abandoned without testing, the well provided critical structural and stratigraphic information that can be tied back to the regional 2D seismic as it relates to trap, reservoir and seal within this fairway. Based on the new velocity-depth information, re-mapping of the Yakamoz prospect concluded the well was drilled off-structure. Condor is currently integrating this data into a revised geological model with a view to side-tracking the Yakamoz 1 well in addition to high grading prospective areas for future 3D seismic and additional exploration drilling along and sub-parallel to this trend.

The net loss for the nine months ended September 30, 2017 of $66.5 million (2016: $8.7 million) includes $56.6 million of exploration and evaluation expense pertaining to the derecognition of the Zharkamys contract in the first quarter of 2017 and $1.6 million of exploration and evaluation expense related to the Yakamoz 1 well. Cash used in operations amounted to $1.5 million for the three months ended September 30, 2017 compared to $2.7 million in the third quarter of 2016. Capital expenditures for the three months ended September 30, 2017 amounted to $2.8 million (2016: $6.6 million) and for both periods relates mainly to Poyraz Ridge field development in Turkey.

**Zharkamys exploration contract**

The Company's Zharkamys exploration contract ("Zharkamys Contract") with the Ministry of Energy of the Government of Kazakhstan ("Ministry") was due to expire on December 14, 2016. Prior to this date, the Kazakhstan Chamber of International Commerce and subsequently the Kazakhstan Civil Court ("Civil Court") confirmed that a force majeure event had occurred which, under Kazakhstan subsurface use law, can be the basis for the Zharkamys Contract validity period to be extended for a period of 630 days. In May 2017, the Kazakhstan Court of Appeal ("Court of Appeal"), pursuant to an appeal filed by the Ministry, released its ruling dated April 14, 2017 that the force majeure event is not recognized and reversed the decision of the Civil Court. As a result of the Court of Appeal ruling, there is uncertainty regarding the Company's future legal rights to have the Zharkamys Contract extended and the related exploration and evaluation assets were derecognized.

The Company has referred the case to the Supreme Court of Kazakhstan ("Supreme Court"), the country's highest legal body and the hearing is scheduled to commence on November 29, 2017. A positive ruling by the Supreme Court to uphold the Civil Court force majeure ruling would likely allow the Company to apply to the Ministry for the 630 day extension of Zharkamys Contract. Conversely, a decision by the Supreme Court to uphold the findings of the Court of Appeal would likely result in the Zharkamys Contract reverting back to the Ministry. The on-going court proceedings do not affect the Company's production rights for the Shoba and Taskuduk oilfields which are each governed by separate production contracts.

**Credit Facility**

During the first quarter of 2017 the Company established and received funds from a USD 10.0 million secured non-revolving credit facility which bears interest at 14% and matures on January 31, 2020 ("Credit Facility"). Interest for the first year of the Credit Facility is due on January 31, 2018 followed by eight payments of USD 1.25 million of principal plus interest due quarterly in arrears commencing March 31, 2018. Condor also issued to the lender a warrant certificate exercisable into one million common shares of Condor at $2.35 per share on or before January 31, 2020. The loan proceeds are available to fund capital expenditures related to drilling, infrastructure and workovers at Poyraz Ridge and for general corporate purposes.

## NON-GAAP FINANCIAL MEASURES

The Company refers to "operating netback" in this news release, a term with no standardized meaning as prescribed by GAAP and which may not be comparable with similar measures presented by other issuers. This additional information should not be considered in isolation or as a substitute for measures prepared in accordance with GAAP. Operating netback is calculated as crude oil sales revenue less production costs, royalty expense and transportation and selling expense on a dollar basis and divided by the sales volume for the period on a per barrel basis. This non-GAAP measure is commonly used in the oil and gas industry to assist in measuring operating performance against prior periods on a comparable basis and has been presented in order to provide an additional measure for analyzing the Company's crude oil sales on a per barrel basis and ability to generate funds.

## FORWARD-LOOKING STATEMENTS

Certain statements in this news release constitute forward-looking statements under applicable securities legislation. Such statements are generally identifiable by the terminology used, such as "anticipate", "appear", "believe", "intend", "expect", "plan", "estimate", "budget", "outlook", "scheduled", "may", "will", "should", "could", "would", "in the process of" or other similar wording. Forward-looking information in this news release includes, but is not limited to, information concerning: initial production rates and the expected timing thereof; the timing and ability to commission the Poyraz Ridge facility and pipeline and obtain the customary government approvals to commence production; the ability of the drilled wells to become producing wells; projections and timing with respect to crude oil and gas production; expected markets and prices for future oil and gas sales; the timing and ability to obtain various approvals for the Company's exploration and development activities; the timing and ability to access oil and gas pipelines and oil and gas domestic and export sales markets; anticipated capital expenditures and cash flows; sources and availability of financing for potential budgeting shortfalls; the timing and ability to obtain future funding on favourable terms; general business strategies and objectives; possible outcomes regarding the Zharkamys Contract including the possibility that the term may be extended or, conversely, that it may revert back to the Ministry; the timing and ability to obtain exploration and production contract extensions; the potential for additional contractual work commitments; the ability to meet and fund the contractual work commitments; the satisfaction of the work commitments; the results of non-fulfillment of work commitments; the expectations related to future general and administrative and other expenses; projections relating to the adequacy of the Company's provision for taxes; the timing and ability to collect VAT; expected rates of return; and treatment under governmental regulatory regimes and tax laws.

By its very nature, such forward-looking information requires Condor to make assumptions that may not materialize or that may not be accurate. Forward-looking information is subject to known and unknown risks and uncertainties and other factors, which may cause actual results, levels of activity and achievements to differ materially from those expressed or implied by such information. Such risks and uncertainties include, but are not limited to: regulatory changes; the timing of regulatory approvals; the risk that actual minimum work programs will exceed the initially estimated amounts; the results of exploration and development drilling and related activities; imprecision of reserves and resources estimates and ultimate recovery of reserves; historical production and testing rates may not be indicative of future production rates, capabilities or ultimate recovery; the historical composition and quality of oil and gas may not be indicative of future composition and quality; general economic, market and business conditions; industry capacity; uncertainty related to marketing and transportation; competitive action by other companies; fluctuations in oil and natural gas prices; the effects of weather and climate conditions; fluctuation in interest rates and foreign currency exchange rates; the ability of suppliers to meet commitments; actions by governmental authorities, including increases in taxes; decisions or approvals of administrative tribunals and the possibility that government policies or laws may change or government approvals may be delayed or withheld; changes in environmental and other regulations; risks associated with oil and gas operations, both domestic and international; international political events; and other factors, many of which are beyond the control of Condor. Capital expenditures may be affected by cost pressures associated with new capital projects, including labour and material supply, project management, drilling rig rates and availability, and seismic costs.

These risk factors are discussed in greater detail in filings made by Condor with Canadian securities regulatory authorities including the Company's Annual Information Form, which may be accessed through the SEDAR website (www.sedar.com).

Readers are cautioned that the foregoing list of important factors affecting forward-looking information is not exhaustive. The forward-looking information contained in this news release are made as of the date of this news release and, except as required by applicable law, Condor does not undertake any obligation to update publicly or to revise any of the included forward-looking information, whether as a result of new information, future events or otherwise. The forward-looking information contained in this news release is expressly qualified by this cautionary statement.

**ABBREVIATIONS**

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

| | |
|---|---|
| bopd | Barrels of oil per day |
| MM | Million |
| Q | Quarter |
| scf | Standard cubic feet |
| USD | United States dollars |
| % | Percent |
| / | Per |

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

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